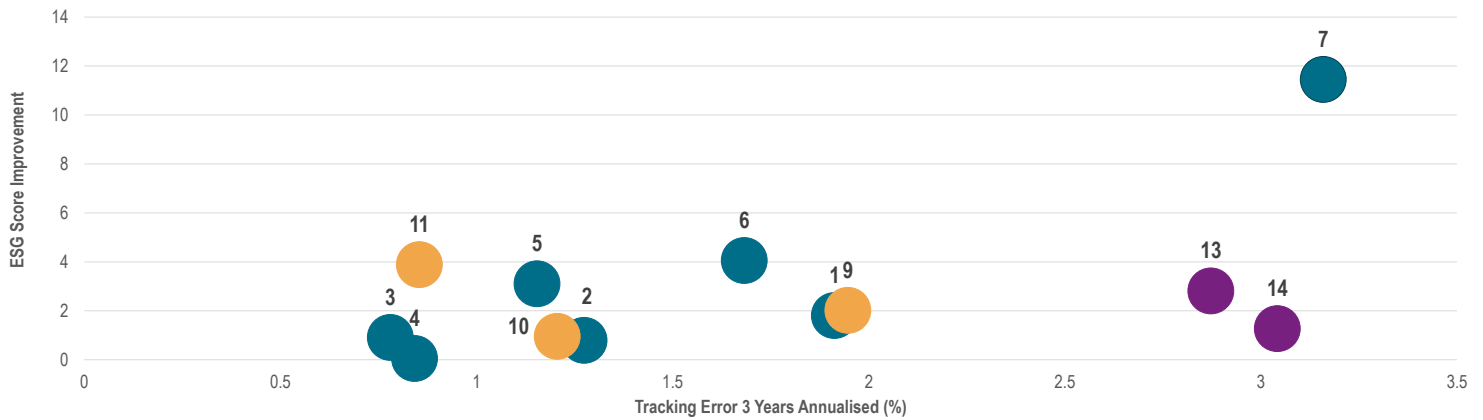


<a href="#">Main Commentary &amp; Highlights</a>	<a href="#">[P2] Sector and Country Exposure</a>	<a href="#">[P3] ESG &amp; Climate Performance</a>	<a href="#">[P4] Carbon Sector Attribution</a>
<a href="#">[P5] Carbon Quintile Performance Attribution</a>	<a href="#">[P6] Excess Return and Tracking Error</a>	<a href="#">[P7] Quarterly Insight</a>	<a href="#">[P8] Further Indices</a>

EQUITY INDEX	Return 3 M (%)	Return YTD (%)	Return 3 Y Annualised (%)	Tracking Error 3 Y Annualised (%)	Stock Count
1. S&P 500 Net Zero 2050 Paris-Aligned ESG	6.2	23.7	11.9	1.9	352
2. S&P 500 Net Zero 2050 Climate Transition ESG	5.7	23.0	11.4	1.3	376
3. S&P 500 Carbon Efficient	6.2	20.7	11.5	0.8	493
4. S&P 500 Fossil Fuel Free	6.1	22.5	11.6	0.8	487
5. S&P 500 ESG	5.4	22.0	13.2	1.2	316
6. S&P 500 ESG Leaders	5.9	22.6	13.9	1.7	208
7. S&P 500 ESG Elite	4.8	19.6	12.2	3.2	93
8. S&P 500® (Parent Benchmark)	5.9	22.1	11.9	-	503
9. S&P World Net Zero 2050 Paris-Aligned ESG	6.5	21.2	9.4	1.9	789
10. S&P World Net Zero 2050 Climate Transition ESG	6.4	20.2	9.2	1.2	872
11. S&P World ESG	6.2	20.0	11.0	0.9	881
12. S&P World Index (Parent Benchmark)	6.4	19.5	9.5	-	1,541
13. S&P Eurozone LMC Net Zero 2050 Paris-Aligned ESG	5.3	16.2	7.6	2.9	133
14. S&P Eurozone LMC Net Zero 2050 Climate Transition ESG	4.2	13.7	8.3	3.0	156
15. S&P Eurozone LMC (Parent Benchmark)	3.2	12.6	7.9	-	213

ESG Score Improvement vs Tracking Error 3 Years



EQUITY INDEX:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
WACI Improvement (%)	46.6	28.5	26.9	5.2	21.7	29.5	25.2	-	40.7	28.3	16.0	-	59.0	53.2	-
FFR Improvement (%)	100.0	57.0	-15.2	100.0	20.5	61.8	100.0	-	99.6	31.7	30.0	-	100.0	52.4	-
ESG Score Improvement	1.8	0.8	0.9	0.1	3.1	4.1	11.4	-	2.0	1.0	3.9	-	2.8	1.3	-
Temperature Alignment (Forward-Looking)	1.5°C	1.5°C	2°C	2°C	3°C	3°C	1.5°C	3°C	1.5°C	1.5°C	2°C	2°C	1.5°C	1.5°C	2°C
% (under)/over 2°C Carbon Budget	-11.3	-17.5	-3.3	-3.8	13.5	3.8	-11.6	9.2	-17.3	-16.0	-5.4	-4.2	-17.1	-28.4	-8.3
Financial Impact of Physical Climate Risk (%)	3.6	3.6	3.7	3.6	3.6	3.5	3.9	3.6	3.6	3.6	3.6	3.7	3.8	3.9	3.7
Carbon Earnings at Risk as a % of EBITDA	3.8	5.5	6.5	8.3	6.3	5.8	4.7	8.8	5.1	6.8	7.7	11.2	2.6	3.4	13.7
WACI Improvement (%)	49.4	40.7	22.1	7.6	18.8	31.2	18.1	-	45.8	39.3	13.9	-	60.1	45.6	-
% Board Gender Diversity	34.8	34.5	34.8	34.6	34.9	35.0	33.6	34.6	34.8	34.7	34.9	34.6	42.0	42.0	41.7

LMC: LargeMidCap. Source for climate metrics: S&P Global Trucost. Source for ESG scores: S&P Dow Jones Indices.

See definitions in Appendix [P9].

**COMMENTARY**

**Return Performance:**

- The S&P 500 ESG Elite, the S&P 500 ESG Leaders and the S&P 500 ESG underperformed compared to the S&P 500, by -1.07%, -0.01%, and -0.51% respectively. The primary reason for this underperformance was an underweight in Utilities, which outperformed the S&P 500 by 13.48%.
- Our S&P Paris-Aligned indices outperformed their benchmarks in Q3, benefitting from an underweight in the Energy sector, which underperformed the S&P 500 by -8.21%.

**Point-in-Time Carbon Reduction ≠ Alignment with the Paris Agreement's Goals:**

- The S&P 500 ESG index reduced Weighted Average Carbon Intensity (WACI) by 22% as of September 30, 2024. This is just point-in-time, however. Temperature Alignment considers a forward-looking transition pathway assessment. Based on this assessment, the S&P 500 ESG is only aligned with a 3 °C scenario and is over its 2 °C Carbon budget by 13.5%. An overweight in the Energy sector is the primary reason -see [P2] for more details on sector exposures.
- Only the PACT index family aligns with a 1.5 °C scenario: its S&P 500 Paris-Aligned variant is under its 2 °C Carbon budget by -11%.

- Quarterly Insight:** This quarter, we are examining the outperformance of the S&P 500 ESG Leaders Index compared to the S&P 500 from a sectoral viewpoint, indicating that the outperformance is primarily attributed to stock selection rather than sector weighting effects (see [P7]).

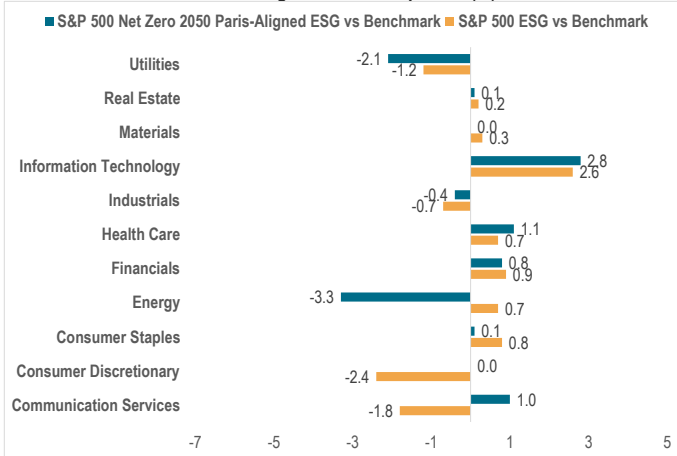
**RESOURCES**

[SPIVA Sustainability Scorecard](#)

[Charting New Frontiers: The S&P 500 ESG Index's Outperformance of the S&P 500](#)

[The Liquidity Landscape: Trading Linked to S&P DJI Indices](#)

Active Weights - Sector Exposure (%)

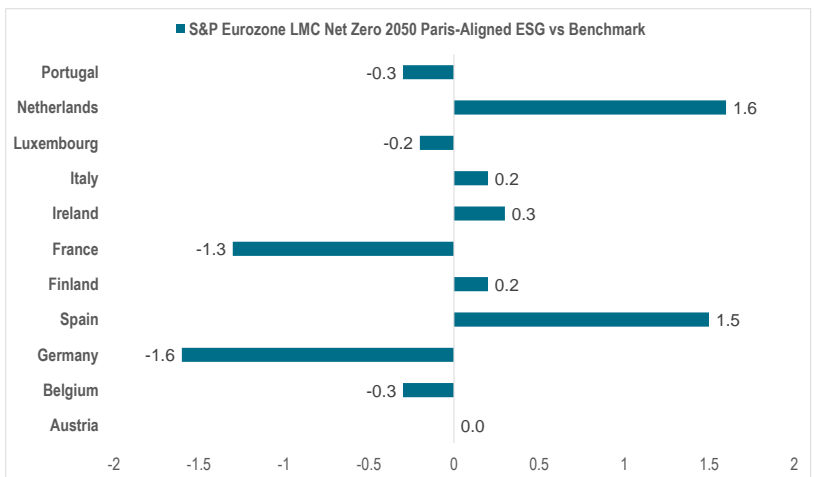
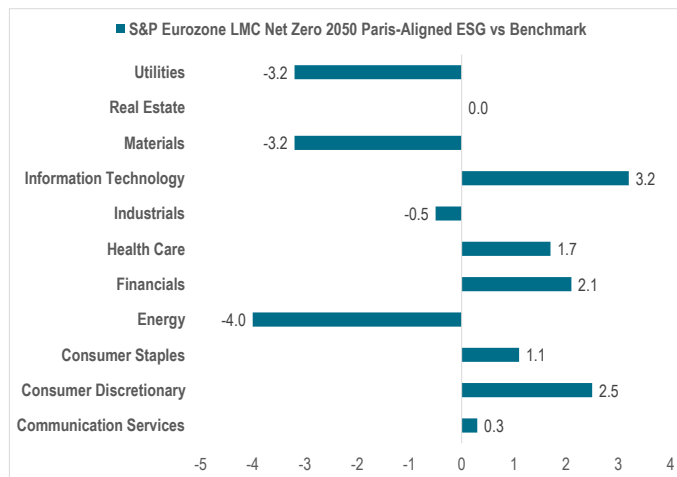
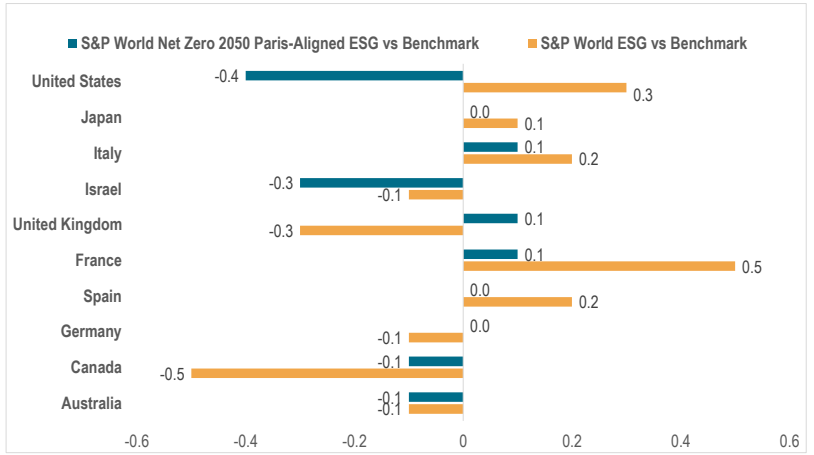
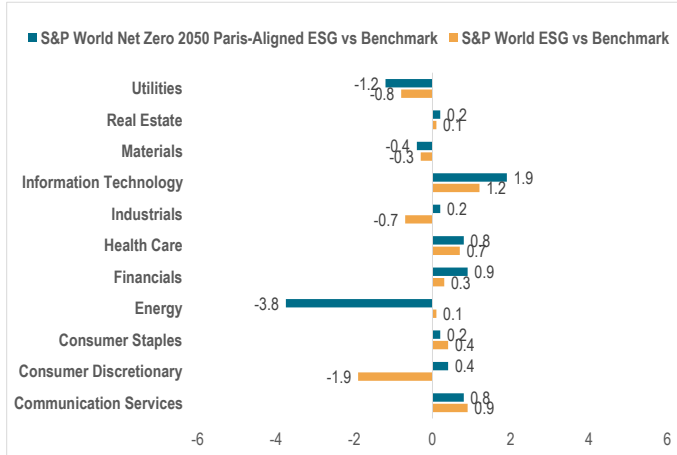


Greener sectors such as Information Technology and Healthcare tend to be overweighted, whereas Carbon intensive sectors like Utilities and Energy tend to be under-weighted:

Commentary:

- S&P Paris-Aligned indices hold no exposure to Energy sector by design. The S&P 500 ESG index continued to maintain its overweight in Energy (+0.7%).
- The S&P ESG indices had an under-weight in Consumer Discretionary: Within the U.S. (-2.4%) and Developed (-1.9%). Consumer Discretionary is over-weighted in the S&P Paris-Aligned indices.

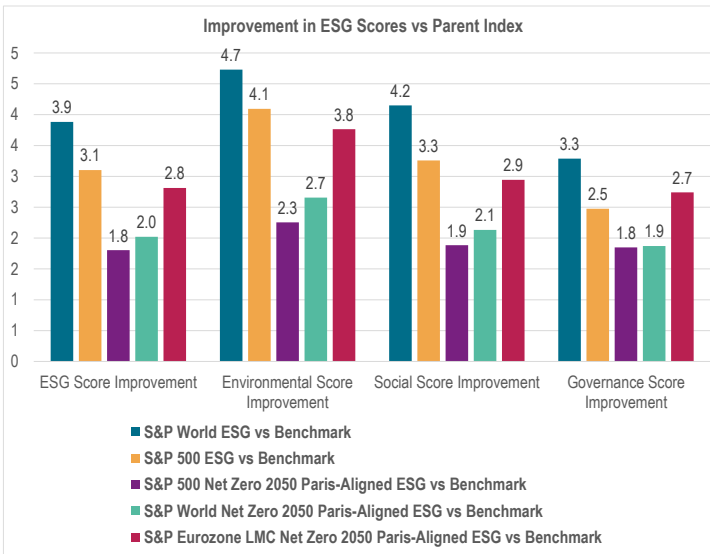
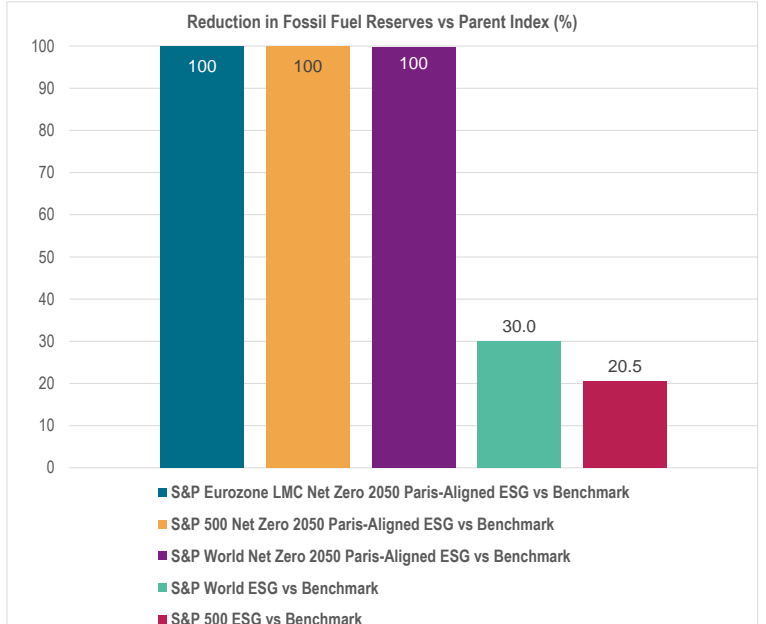
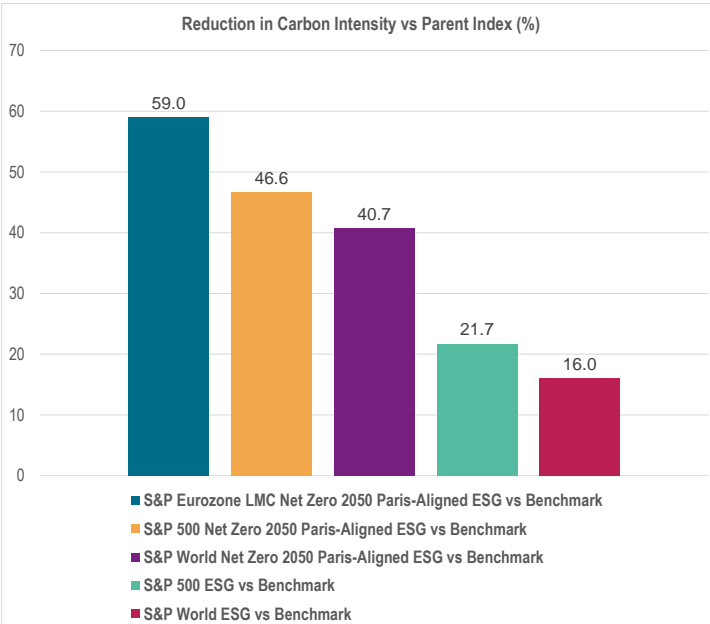
Active Weights - Country Exposure (%)



RESOURCES

- [S&P Paris-Aligned and Climate Transition \(PACT\) Indices Methodology](#)
- [S&P PACT Indices Target Sector Neutrality](#)
- [S&P ESG Index Series Methodology](#)

Climate & ESG Performance Improvement vs Parent Index



ESG ≠ Climate:

S&P Paris-Aligned ESG: Significant improvements in Climate metrics with a considerable increase in ESG score.

S&P ESG: Material improvements in ESG score with only modest enhancements in Climate metrics.

Commentary

- Compared to S&P ESG indices, S&P Paris-Aligned indices achieved greater improvements in Climate metrics relative to their parent benchmarks.
- S&P ESG indices achieved material improvements in ESG scores, but with typically modest enhancements in Carbon Footprint. This offers a reminder that ESG indices do not prioritize climate goals over other factors, including Social and Governance as well as other Environmental elements not linked to the climate.
- Within the ESG score, the largest improvements for nearly all the examined indices are in their Environmental scores; i.e. the "E" of ESG. The S&P Eurozone LMC Net Zero Paris-Aligned ESG Index provides the lone exception.
- Environmental scores are higher than Social and Governance across all the flagship ESG Climate and Core ESG indices, as well as in their benchmarks.

Carbon Footprint and ESG Scoring Summary

	WACI (tCO2e/\$M Revenues)	FFR (tCO2e/\$M Invested)	ESG Score	Environmental Score	Social Score	Governance Score
1. S&P 500 Net Zero 2050 Paris-Aligned ESG	69.6	0.0	47.7	55.1	43.2	47.6
2. S&P 500 Net Zero 2050 Climate Transition ESG	93.3	179.6	46.7	54.0	41.8	46.8
3. S&P 500 Carbon Efficient	95.4	480.9	46.8	54.4	42.2	46.5
4. S&P 500 Fossil Fuel Free	123.7	0.0	46.0	53.1	41.3	45.8
5. S&P 500 ESG	102.2	331.6	49.0	57.0	44.6	48.2
6. S&P 500 ESG Leaders	92.0	159.4	50.0	58.4	45.6	48.9
7. S&P 500 ESG Elite	97.5	0.0	57.4	66.0	54.3	55.8
8. S&P 500® (Parent Benchmark)	130.4	417.4	45.9	52.9	41.3	45.8
9. S&P World Net Zero 2050 Paris-Aligned ESG	79.8	3.3	51.2	57.9	47.6	50.5
10. S&P World Net Zero 2050 Climate Transition ESG	96.5	573.9	50.2	56.7	46.2	49.7
11. S&P World ESG	113.1	588.0	53.1	60.0	49.6	51.9
12. S&P World (Parent Benchmark)	134.5	840.0	49.2	55.3	45.5	48.6
13. S&P Eurozone LMC Net Zero 2050 Paris-Aligned ESG	60.4	0.0	68.5	73.7	67.9	66.1
14. S&P Eurozone LMC Net Zero 2050 Climate Transition ESG	69.0	444.0	66.9	71.7	66.3	64.4
15. S&P Eurozone LMC (Parent Benchmark)	147.3	932.2	65.7	69.9	64.9	63.3

Source for WACI and FFR: S&P Trucost. ESG scores range: 0-100. Source: S&P Dow Jones Indices. See definitions in Appendix [P9].

<a href="#">[P1] Main Commentary &amp; Highlights</a>	<a href="#">[P2] Sector and Country Exposure</a>	<a href="#">[P3] ESG &amp; Climate Performance</a>	<b>Carbon Sector Attribution</b>
<a href="#">[P5] Carbon Quintile Performance Attribution</a>	<a href="#">[P6] Excess Return and Tracking Error</a>	<a href="#">[P7] Quarterly Insight</a>	<a href="#">[P8] Further Indices</a>

- In the below analysis, we ran a Carbon Sector Attribution, where we show the relative contribution of sector and stock-level weightings in the improvement in Weighted Average Carbon Intensity (WACI) in S&P Dow Jones' flagship Core ESG and ESG Climate indices compared to their parent benchmarks, showing the contribution of each sector to the improvement in Weighted Average Carbon Intensity (WACI);
- For example, when an ESG Climate index under-weights a carbon-intensive sector versus its parent benchmark, this analysis shows the impact of that "bet" on index's relative WACI, in the form of an Allocation Effect;
- Then within each sector, we also report the company-level Selection Effect. Combining the Selection Effect and the Allocation Effect effects gives the Total Effect, which is equal to the total reduction in WACI relative to parent benchmark (see [\[P3\]](#) for Climate Profile).

**Carbon Sector Attribution**

Index: S&P 500 Net Zero 2050 Paris-Aligned ESG Parent Benchmark: S&P 500	WACI (tCO2e/\$M Revenues)		Attribution Analysis (As a % of Benchmark)		
	Index	Benchmark	Sector Allocation	Company Selection	Total Effect
<b>Totals/Averages</b>	<b>64.50</b>	<b>132.69</b>	<b>40.72</b>	<b>10.67</b>	<b>51.39</b>
Communication Services	4.28	3.57	0.74	(0.21)	0.52
Consumer Discretionary	6.35	7.00	0.01	0.50	0.51
Consumer Staples	6.97	6.70	0.01	(0.13)	(0.11)
Energy	0.00	15.28	8.19	0.00	8.19
Financials	1.02	4.56	0.55	2.87	3.42
Health Care	4.06	3.65	0.83	(0.05)	0.78
Industrials	17.10	12.14	0.02	(3.95)	(3.93)
Information Technology	14.49	14.27	1.72	0.71	2.42
Materials	5.45	14.24	0.09	6.50	6.60
Real Estate	3.93	2.60	0.01	(0.95)	(0.94)
Utilities	0.83	48.68	28.56	5.38	33.93

**Carbon Sector Attribution**

Index: S&P 500 ESG Parent Benchmark: S&P 500	WACI (tCO2e/\$M Revenues)		Attribution Analysis (As a % of Benchmark)		
	Index	Benchmark	Sector Allocation	Company Selection	Total Effect
<b>Totals/Averages</b>	<b>102.11</b>	<b>132.69</b>	<b>14.29</b>	<b>8.76</b>	<b>23.04</b>
Communication Services	2.63	3.57	(1.22)	0.18	(1.04)
Consumer Discretionary	5.98	7.00	(1.16)	(0.49)	(1.65)
Consumer Staples	7.46	6.70	0.11	0.17	0.29
Energy	19.05	15.28	(1.59)	(0.61)	(2.20)
Financials	1.07	4.56	0.66	2.86	3.53
Health Care	3.74	3.65	0.51	0.10	0.60
Industrials	13.38	12.14	0.05	(1.54)	(1.48)
Information Technology	15.01	14.27	1.61	0.26	1.86
Materials	15.58	14.24	(0.96)	0.20	(0.76)
Real Estate	3.27	2.60	0.03	(0.36)	(0.33)
Utilities	14.92	48.68	16.24	7.99	24.23

Index: S&P World Net Zero 2050 Paris-Aligned ESG Parent Benchmark: S&P World	WACI (tCO2e/\$M Revenues)		Attribution Analysis (As a % of Benchmark)		
	Index	Benchmark	Sector Allocation	Company Selection	Total Effect
<b>Totals/Averages</b>	<b>71.95</b>	<b>133.24</b>	<b>26.88</b>	<b>19.12</b>	<b>46.00</b>

Index: S&P Eurozone LMC Net Zero 2050 Paris-Aligned ESG Parent Benchmark: S&P Eurozone LMC	WACI (tCO2e/\$M Revenues)		Attribution Analysis (As a % of Benchmark)		
	Index	Benchmark	Sector Allocation	Company Selection	Total Effect
<b>Totals/Averages</b>	<b>55.09</b>	<b>154.71</b>	<b>45.60</b>	<b>18.79</b>	<b>64.39</b>

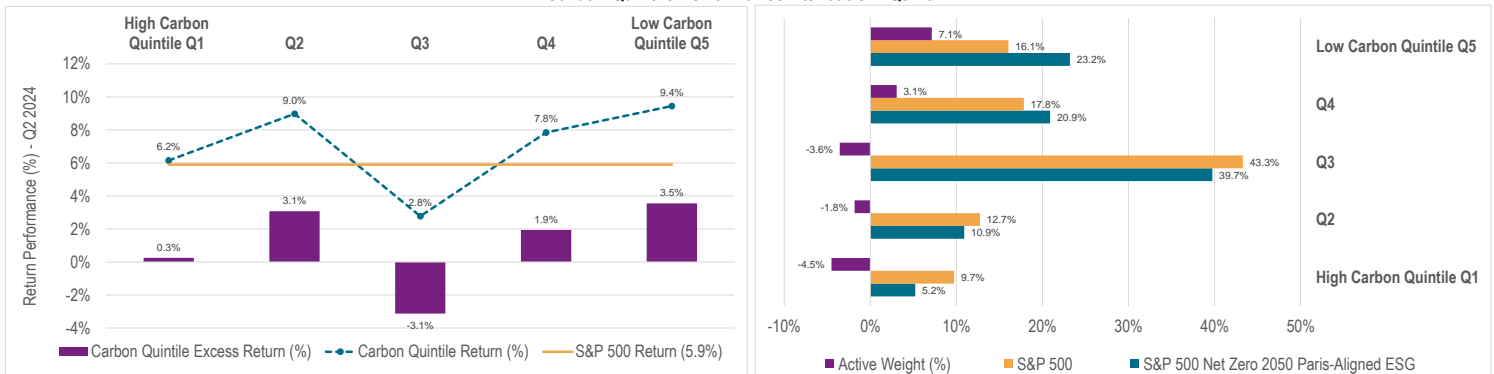
Source for WACI: S&P Trucost. Analysis carried out using the Portfolio Analytics tool on S&P Capital IQ Pro.  
Ex-K: Ex-Korea; LMC: LargeMidCap. See definitions in [Appendix \[P9\]](#).

**COMMENTARY**

- The S&P 500 Net Zero 2050 Paris Aligned ESG reduced WACI by 51% relative to its parent benchmark, the S&P 500. Out of this 51%, approximately 41% came from a Sector Allocation effect.
- Under-weighting Utilities and holding no exposure to Energy contributed most to index's relative carbon footprint.
- The S&P 500 ESG reduced WACI by approximately 23% versus the S&P 500. Allocation Effects accounted for 14% of the reduction.
- Similar to the Net Zero 2050 Paris Aligned ESG, under-weighting Utilities contributed most to index's relative carbon footprint differential.

- In the below analysis, we slice up the parent benchmark universe into five Carbon quintiles from High Carbon to Low Carbon, based on each quintile's Weighted Average Carbon Intensity (WACI);
- We then run a Brinson Attribution to measure the Allocation Effect of over/under-weighting a given Carbon Quintile versus the parent benchmark;
- For example, if the High Carbon Quintile, Q1, is under-weight in a given ESG Climate index versus its parent benchmark and if this quintile portfolio under-performed the parent benchmark, it would mean that this "bet" contributed negatively to the index's relative performance;
- Similarly, if the Low Carbon Quintile, Q5, is overweight and the quintile portfolio under-performed the parent benchmark, this would imply that such overweight detracted from the index's relative performance.

Carbon Quintile Performance Attribution: Q3 2024



Carbon quintiles are determined using the Weighted Average Carbon Intensity. This is the index weighted average of individual company intensities (operational and first-tier supply chain emissions over revenues).

Source for Carbon scores: S&P Global Trucost. Analysis carried out using the Portfolio Analytics tool on S&P Capital IQ Pro.

**Brinson Attribution by Carbon Quintiles**

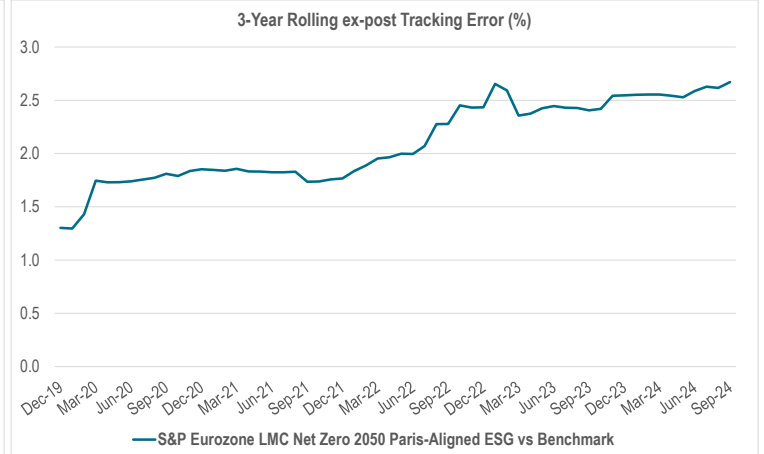
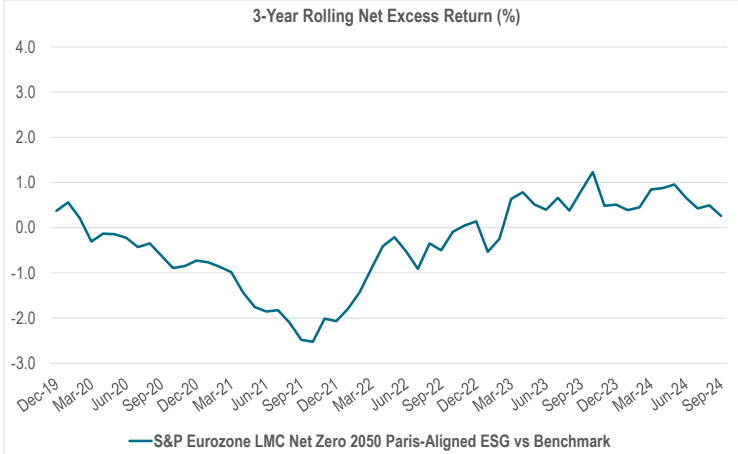
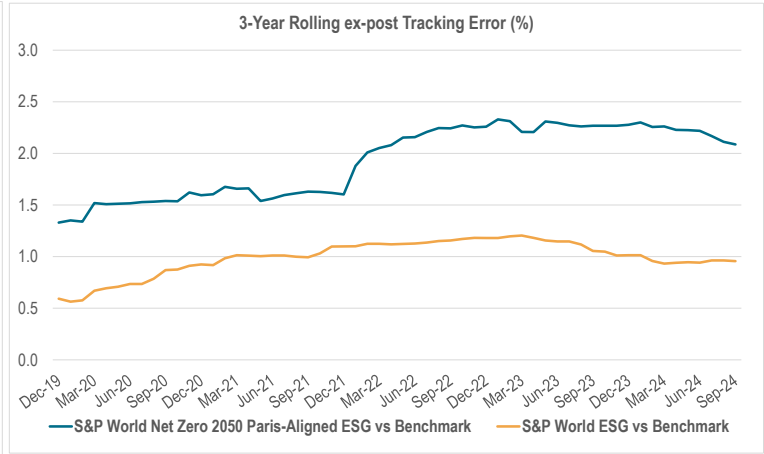
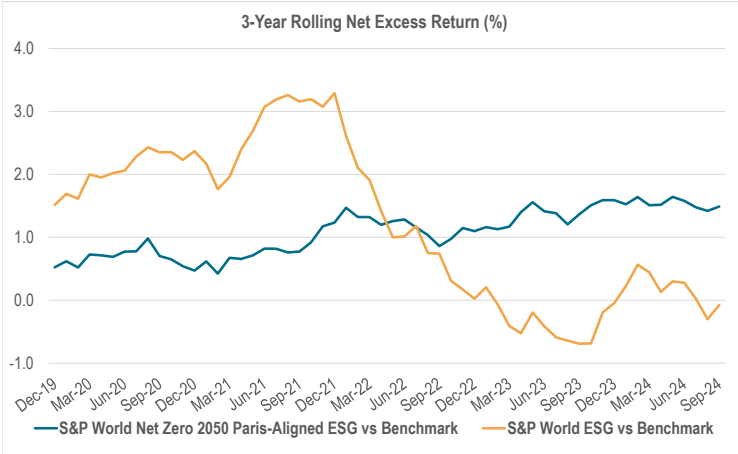
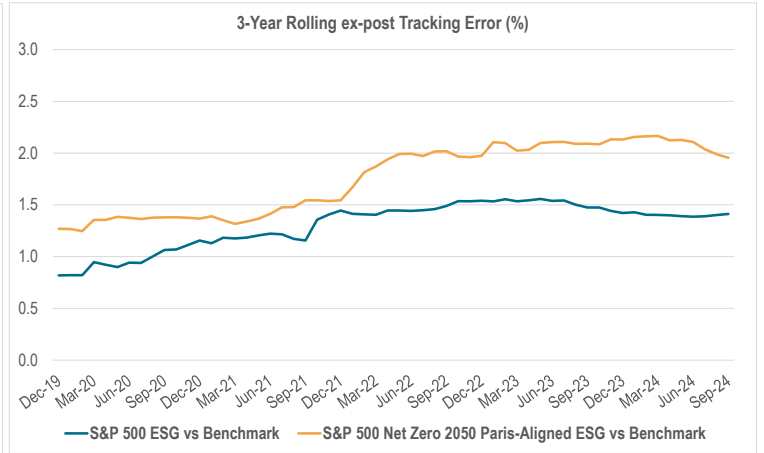
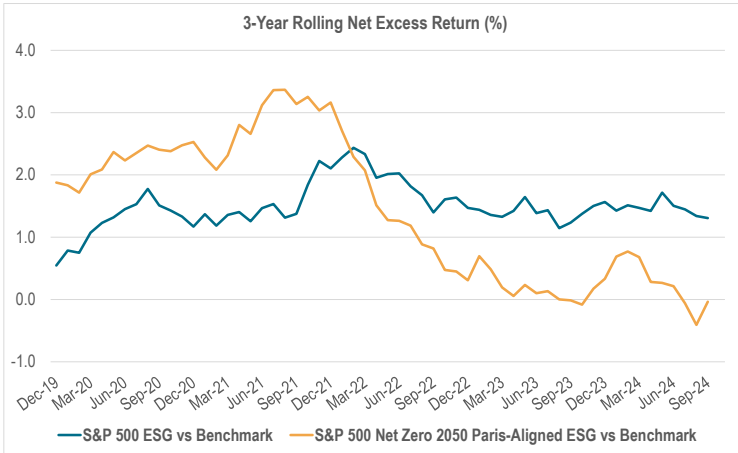
Index: S&P 500 Net Zero 2050 Paris-Aligned ESG Benchmark: S&P 500	Index	Benchmark	Attribution		
	Average Weight	Average Weight	ALLOCATION EFFECT	SELECTION EFFECT	TOTAL EFFECT
<b>Totals/Averages</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.30%</b>	<b>(0.02%)</b>	<b>0.28%</b>
High Carbon Quintile Q1	5.22%	9.73%	(0.01%)	0.08%	0.07%
Q2	10.91%	12.74%	(0.06%)	(0.09%)	(0.15%)
Q3	39.75%	43.30%	0.11%	(0.35%)	(0.24%)
Q4	20.89%	17.84%	0.06%	0.26%	0.32%
Low Carbon Quintile Q5	23.19%	16.05%	0.26%	0.09%	0.36%

**Brinson Attribution by Carbon Quintiles**

Index: S&P 500 ESG Benchmark: S&P 500	Index	Benchmark	Attribution		
	Average Weight	Average Weight	ALLOCATION EFFECT	SELECTION EFFECT	TOTAL EFFECT
<b>Totals/Averages</b>	<b>100.00%</b>	<b>100.00%</b>	<b>(0.09%)</b>	<b>(0.42%)</b>	<b>(0.51%)</b>
High Carbon Quintile Q1	9.61%	9.73%	(0.00%)	(0.16%)	(0.17%)
Q2	11.07%	12.74%	(0.06%)	0.01%	(0.04%)
Q3	43.73%	43.30%	(0.03%)	(0.47%)	(0.50%)
Q4	16.65%	17.84%	(0.03%)	0.21%	0.18%
Low Carbon Quintile Q5	18.87%	16.05%	0.08%	0.01%	0.09%

**COMMENTARY**

- In Q3 2024, the High Carbon Quintile Q1 outperformed the S&P 500 by +0.3%.
- Both the S&P 500 Net Zero 2050 Paris Aligned ESG and S&P 500 ESG under-weighted this carbon quintile by -4.5% and -0.1%; respectively.
- This positioning detracted from these indices relative performance versus the S&P 500.
- In Q3 2024, the Low Carbon Quintile Q5 outperformed the S&P 500 by +3.5%.
- Both the S&P 500 Net Zero 2050 Paris Aligned ESG and S&P 500 ESG over-weighted this carbon quintile; by +7.1% and +2.8%; respectively.
- This contributed to the relative index performance versus the S&P 500.
- For further details on this analysis, please refer to the blog "[Connecting Climate Goals with Relative Index Returns](#)".



Launch Date for S&P Net Zero 2050 Paris-Aligned ESG Indices is Jun 01, 2020. The index Backward Data Assumption Date is Mar 31, 2020. Launch Date for S&P 500 ESG Index is Jan 28, 2019. The index Backward Data Assumption Date is May 3, 2010. Launch Date for S&P World ESG Index is Mar 22, 2019. All information for an index prior to its Launch Date is hypothetical back-tested, not actual performance, based on the index methodology in effect on the Launch Date. Back-tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results. This back-tested data may have been created using a "Backward Data Assumption". For more information on "Backward Data Assumption" and back-testing in general, please see the Performance Disclosure.

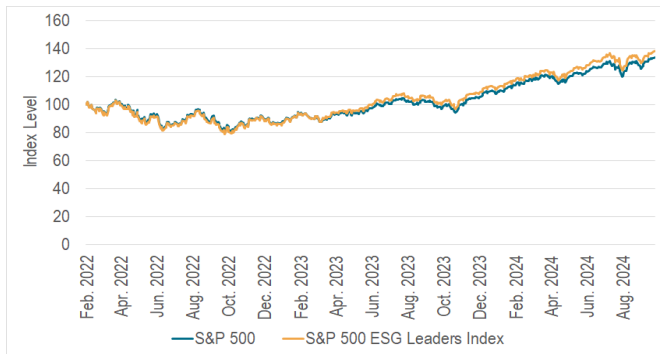
**RESOURCES**

[Explaining the Outperformance of Net Zero Indices](#), blog by Barbara Velado

- This quarter, our focus shifts to [the S&P 500 ESG Leaders index](#), analyzing its outperformance compared to [the S&P 500](#) through a sector-based approach, similar to our [previous analysis](#) of [the S&P 500 ESG index](#).
- Launched on February 7, 2022, the S&P 500 ESG Leaders index is a best-in-class ESG index that is designed to measure the performance of securities with stronger than average ESG characteristics while excluding controversial business activities with negative social or environmental impacts.
- As demonstrated in [Exhibit 1](#), the S&P 500 ESG Leaders Index has either matched or outperformed the S&P 500.
- [Exhibit 2](#) illustrates that the S&P 500 ESG Leaders Index outperformed the S&P 500 over both 1 and 2-year periods, maintaining a tracking error of 2.0% in annualized terms since its inception.
- [Exhibit 3](#) utilizes a Brinson attribution analysis to evaluate the impact of sector weight and stock selection, and reveals that this outperformance can be attributed more to stock selection rather than sector allocation.
- [Exhibit 3](#) presents the share of the total effect (with absolute values summing to 100%); the actual return impact is indicated in the labels.

Since its inception, the S&P 500 ESG Leaders Index has achieved a cumulative outperformance of **4.5%** relative to the S&P 500, with approximately **71% of this outperformance resulting from stock selection**. Among the 11 sectors analyzed, only in Utilities and Real Estate did the sector weighting effect surpass the stock selection effect.

**Exhibit 1: Performance of the S&P 500 ESG Leaders Index and the S&P 500**

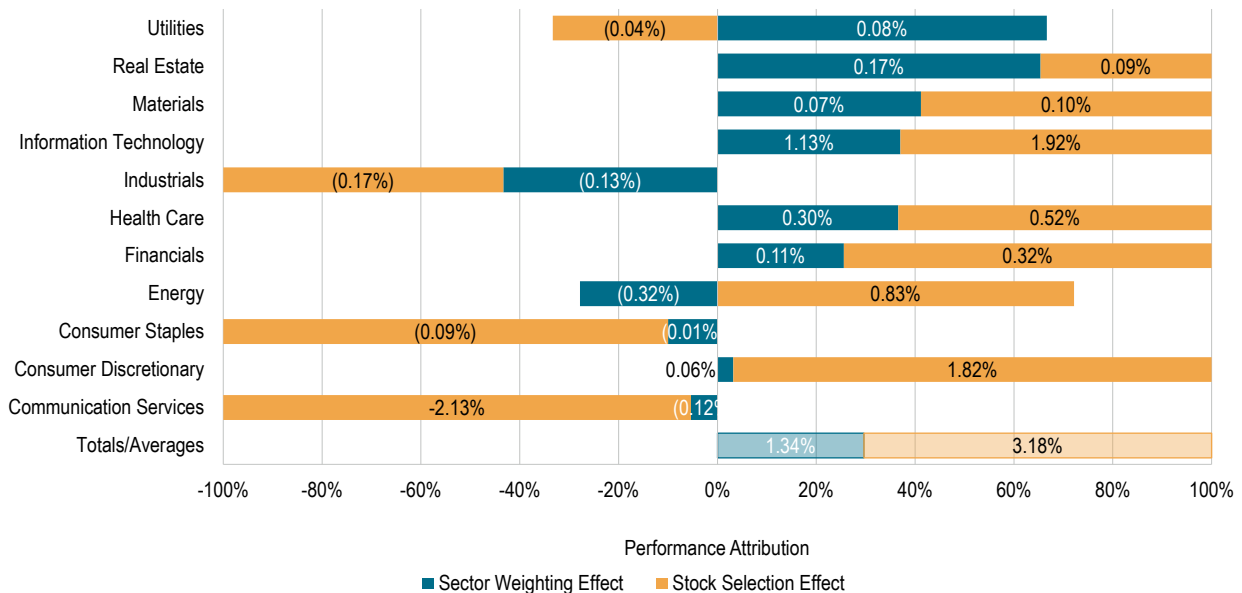


**Exhibit 2: Annualised Performance and Tracking Error of the S&P 500 ESG Leaders Index versus the S&P 500**

Metric	Full Period	1-Year	2-Year
<b>Total Return (Annualized, %)</b>	<b>14.73</b>	<b>37.90</b>	<b>32.88</b>
<b>Excess Total Return versus S&amp;P 500 (Annualized, %)</b>	<b>1.51</b>	<b>0.85</b>	<b>3.51</b>
<b>Tracking Error versus S&amp;P 500 (Annualized, %)</b>	<b>2.01</b>	<b>2.05</b>	<b>2.02</b>

Source: S&P Dow Jones Indices LLC. Data as of September 30, 2024. Index performance based on total return in USD. Indices were based to 100 on February 07, 2022. Past performance is no guarantee of future results. Chart and table are provided for illustrative purposes.

**Exhibit 3: Performance Attribution - Sector Weighting and Stock Selection Effects**



Source: S&P Dow Jones Indices LLC. Data from Feb. 07, 2022, to Sep. 30, 2024. Index performance based on total return in USD. Indices were based to 100 on February 07, 2022.

Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

[P1] Main Commentary & Highlights	[P2] Sector and Country Exposure	[P3] ESG & Climate Performance	[P4] Carbon Sector Attribution
[P5] Carbon Quintile Performance Attribution	[P6] Excess Return and Tracking Error	[P7] Quarterly Insight	<b>Further Indices</b>

To supplement our headline indices shown on [P1], below we give information on broader S&P Dow Jones Core ESG, ESG Climate and thematic indices.

EQUITY INDEX	Return 3 M (%)	Return YTD (%)	Return 3 Y Annualised (%)	Tracking Error 3 Y Annualised (%)	Stock Count
1. S&P 500 Sustainability Screened	5.7	22.6	11.8	1.5	448
2. S&P 500 ESG Tilted	5.4	23.4	13.2	1.4	452
3. S&P 500 Net Zero 2050 Paris-Aligned Sustainability Screened	5.9	22.9	11.5	1.9	374
4. S&P 500® (Parent Benchmark)	5.9	22.1	11.9	-	503
5. S&P Europe LargeMidCap Net Zero 2050 Paris-Aligned ESG	3.8	14.4	8.8	2.4	283
6. S&P Europe LargeMidCap (Parent Benchmark)	2.4	12.6	8.6	-	427
7. S&P Europe 350 Fossil Fuel Free	3.2	13.3	8.5	1.3	350
8. S&P Europe 350 (Parent Benchmark)	2.4	12.5	9.0	-	362
9. Dow Jones Sustainability Eurozone	2.2	15.2	9.8	3.0	91
10. S&P Eurozone BMI (Parent Benchmark)	3.2	11.7	6.9	-	777
11. Dow Jones Sustainability World	6.5	16.9	9.5	4.1	321
12. S&P Global Clean Energy	9.9	-4.8	-10.7	28.4	100
13. S&P Global BMI Energy *	-2.3	6.7	16.1	-	494
14. S&P Global BMI (Parent Benchmark)	7.0	18.1	7.6	-	14,895
15. S&P/ASX 200 ESG	7.4	10.7	9.3	2.0	94
16. S&P/ASX 200 (Parent Benchmark)	7.8	12.3	8.4	-	200
17. S&P/B3 Brazil ESG	6.6	-6.6	-1.3	8.4	160
18. S&P Brazil BMI (Parent Benchmark)	5.7	1.4	5.4	-	0
19. S&P BOCHK China Hong Kong GBA Net Zero 2050 Climate Transition	27.5	21.8	-8.7	2.9	173
20. S&P China-Hong Kong GBA (Parent Benchmark)	25.3	26.1	-6.8	-	310
21. S&P/TSX Composite ESG	12.0	16.7	7.8	2.2	105
22. S&P/TSX Composite (Parent Benchmark)	10.5	17.2	9.5	-	225
23. S&P Developed Ex-North America & Korea LargeMidCap ESG	7.2	13.8	6.9	0.8	554
24. S&P EPAC Ex-Korea LargeMidCap (Parent Benchmark)	7.6	13.8	5.7	-	1,001
25. S&P World ESG Enhanced Energy	0.3	5.7	18.4	4.6	33
26. S&P World Energy (Parent Benchmark)	-2.3	6.2	19.3	-	60
27. S&P World ESG Enhanced Health Care	5.0	15.7	9.7	2.1	90
28. S&P World Health Care (Parent Benchmark)	5.7	14.5	6.9	-	135
29. S&P World ESG Enhanced Info Tech	0.1	30.2	18.1	2.6	92
30. S&P World Info Tech (Parent Benchmark)	1.5	27.7	15.9	-	155
31. S&P World ESG Enhanced Financials	11.8	22.4	9.9	1.8	179
32. S&P World Financials (Parent Benchmark)	10.9	22.9	10.6	-	230

GBA: Greater Bay Area. Info Tech: Information Technology. S&P Global BMI Energy Index is used as the parent benchmark for the S&P Global Clean Energy Index in the Sustainability Profile Comparison.

FIXED INCOME INDEX	Return 3 M (%)	Return YTD (%)	Annual Yield (%)	Tracking Error 3 Y Annualised (%)	Bond Count
33. iBoxx Euro Corporates Net Zero Paris-Aligned ESG	3.3	3.8	3.3	0.4	3,397
34. iBoxx Euro Corporates (Parent Benchmark)	3.3	3.7	3.3	-	3,875

EQUITY INDEX:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
WACI Improvement (%)	27.1	16.7	48.2	-	38.1	-	6.4	-	5.0	-	29.9	56.2	-	-	16.6	-	-23.3	-	53.0	-	11.3	-	11.1	-
FFR Improvement (%)	100.0	17.0	100.0	-	99.5	-	95.3	-	-47.7	-	27.0	100.0	-	-	21.9	-	89.3	-	71.9	-	75.7	-	11.0	-
ESG Score Improvement	0.1	5.3	0.4	-	3.0	-	0.6	-	12.7	-	22.2	-3.8	-	-	3.2	-	-1.7	-	1.0	-	6.9	-	4.5	-
Temperature Alignment (Forward-Looking)	2°C	3°C	1.5°C	3°C	1.5°C	2°C	2°C	2°C	2°C	2°C	2°C	3°C	3°C	2°C	1.5°C	1.5°C	1.5°C	1.5°C	1.5°C	>3°C	3°C	2°C	2°C	2°C
% (under)/over 2°C Carbon Budget	-1.1	2.4	-11.4	0.8	-10.6	-10.0	-13.8	-9.6	-3.0	-7.5	-12.3	9.8	16.1	-4.9	-49.3	-22.7	-54.9	-31.9	-11.4	23.7	12.6	-2.1	-11.8	-11.0
Financial Impact of Physical Climate Risk (%)	3.6	3.7	3.6	3.6	3.8	3.7	3.8	3.7	3.9	3.7	3.6	2.3	3.1	3.7	3.7	3.7	3.6	3.4	3.9	3.9	4.2	4.1	3.6	3.6
Carbon Earnings at Risk as a % of EBITDA	6.2	6.9	3.8	8.8	4.0	11.2	10.3	11.0	10.5	14.3	7.6	30.6	45.7	18.4	10.9	29.8	17.4	12.0	9.0	21.8	12.9	17.1	10.1	14.4
% Board Gender Diversity	34.6	34.3	35.0	34.6	39.8	40.4	40.5	40.8	42.2	41.5	34.5	24.3	30.7	32.1	43.2	42.4	20.0	18.8	19.6	19.7	39.8	38.8	35.0	34.5

EQUITY INDEX:	25	26	27	28	29	30	31	32	FIXED INCOME INDEX:	32	33
WACI Improvement (%)	-8.7	-	12.2	-	11.7	-	64.1	-	WACI Improvement (%)	57.1	-
FFR Improvement (%)	33.7	-	-	-	-	-	100.0	-	FFR Improvement (%)	100.0	-
ESG Score Improvement	4.5	-	5.1	-	3.9	-	6.4	-	ESG Risk Score Improvement	2.8	-
Temperature Alignment (Forward-Looking)	>3°C	>3°C	1.5°C	1.5°C	1.5°C	1.5°C	1.5°C	3°C	Duration	4.6	4.4
% (under)/over 2°C Carbon Budget	26.8	24.2	-15.9	-16.7	-24.6	-26.9	-25.5	7.6			
Financial Impact of Physical Climate Risk (%)	2.6	3.0	4.3	4.3	3.6	3.7	3.5	3.4			
Carbon Earnings at Risk as a % of EBITDA	33.7	36.6	0.9	1.3	1.5	1.6	0.2	7.9			
% Board Gender Diversity	34.8	34.3	34.4	35.9	35.2	34.5	37.0	36.3			

Source for climate metrics: S&P Global Trucost. Source for ESG scores: S&P Dow Jones Indices. Source for ESG Risk Score: Sustainalytics. See definitions in Appendix [P9].

**RESOURCES**  
[The Hare and the Tortoise – Assessing Passive’s Potential in Bonds](#)  
[Time, Trust, Trading](#)  
[The Best of Both Worlds: Sustainability in Sectors](#)  
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## APPENDIX

**WACI:** Weighted Average Carbon Intensity. The index weighted average of individual company intensities (operational and first-tier supply chain emissions per USD revenues for equities and per USD debt for fixed income).

**FFR:** Fossil Fuel Reserves. The carbon footprint that could be generated if the proven and probable fossil fuel reserves owned by index constituents were burned per USD 1 million invested.

**Financial Impact of Physical Climate Risk:** Financial losses (e.g. CapEx, OpEx, Business Interruption) reflected as a percentage of asset value due to exposure to climate-related physical hazards across scenarios and time periods. High Risk Scenario and 2050 time period are used for this dashboard. For more information please go to:

[https://www.marketplace.spglobal.com/en/solutions/climanomics-\(e8fd532d-ae10-4e53-8c5c-1fcc4f3fbbbf\)](https://www.marketplace.spglobal.com/en/solutions/climanomics-(e8fd532d-ae10-4e53-8c5c-1fcc4f3fbbbf))

**Carbon Earnings at Risk as a % of EBITDA:** This dataset helps to understand and assess the potential impact to a company's earnings today if the company has to pay a future price for their greenhouse gas emissions. For more information please go to: [https://www.marketplace.spglobal.com/en/datasets/trucost-carbon-earnings-at-risk-\(184\)](https://www.marketplace.spglobal.com/en/datasets/trucost-carbon-earnings-at-risk-(184))

**WAEI:** Weighted Average Environmental Cost Intensity. This dataset helps to assess the index weighted average of environmental costs across key dimensions such as carbon emissions, land, water, air pollutants, and waste disposal, natural resource and water use. For more information please go to: [https://www.marketplace.spglobal.com/en/datasets/trucost-environmental-\(46\)](https://www.marketplace.spglobal.com/en/datasets/trucost-environmental-(46))

**% Board Female Representation:** The index weighted average of the number of women on a company's board of directors/supervisory board divided by the total number of board directors. For more information please go to: [https://www.marketplace.spglobal.com/en/datasets/eu-sustainable-finance-disclosure-regulations-sfdr-\(1665414946\)#data-dictionary](https://www.marketplace.spglobal.com/en/datasets/eu-sustainable-finance-disclosure-regulations-sfdr-(1665414946)#data-dictionary)

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