STOXX® EUROPE ESG SOCIAL LEADERS DIVERSIFICATION SELECT 30 EUR INDEX

Index description

The STOXX Diversification Select family of indices captures the performance of stocks with low correlation, low volatility and high dividends, derived from established STOXX benchmark indices. The component selection process first excludes all stocks with the highest 12-months average correlation with all other stocks of the benchmark, then excludes stocks whose previous 3- and 12-month historical volatilities are the highest. Among the remaining stocks, the stocks with the highest 12-month historical dividend yield are selected to be included in the index. The percentage of exclusion/inclusion at each step is the same.

Those constituents are weighted according to the inverse of their volatility, with a cap at 10%. The indices are reviewed quarterly.

Key facts

» Diversification brought by excluding highly correlated stocks

» Balanced approach between the different screenings

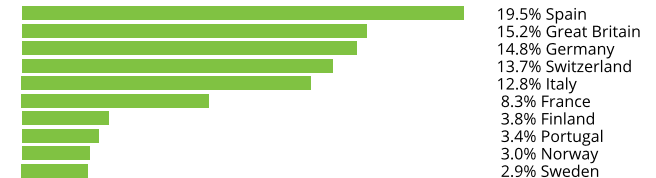» Lower volatility stocks get the highest weight

» Liquid benchmarks

Descriptive statistics

Index	Market cap (EUR bn.)			Components (EUR bn.)			Component weight (%)		Turnover (%)
	Full	Free-float	Mean	Median	Largest	Smallest	Largest	Smallest	Last 12 months
STOXX Europe ESG Social Leaders Diversification Select 30 EUR Index	N/A	1.0	0.0	0.0	0.0	0.0	5.1	2.7	91.3
STOXX Europe 600 Index	12,882.2	10,077.4	16.8	6.0	298.6	1.3	3.0	0.0	3.4

Supersector weighting (top 10)

35.6% Utilities
16.5% Insurance
13.7% Telecommunications
9.7% Energy
8.3% Food, Beverage & Tobacco
6.9% Industrial Goods & Services
3.5% Health Care
3.0% Banks
2.7% Construction & Materials

Country weighting

19.5% Spain
15.2% Great Britain
14.8% Germany
13.7% Switzerland
12.8% Italy
8.3% France
3.8% Finland
3.4% Portugal
3.0% Norway
2.9% Sweden

Risk and return figures[1]

Index returns	Return (%)					Annualized return (%)				
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	3Y	5Y
STOXX Europe ESG Social Leaders Diversification Select 30 EUR Index	-0.4	7.9	-1.1	12.3	8.8	N/A	N/A	-1.1	4.0	1.7
STOXX Europe 600 Index	2.2	13.8	11.1	44.7	40.3	N/A	N/A	11.2	13.3	7.1
Index volatility and risk	Annualized volatility (%)					Annualized Sharpe ratio[2]				
STOXX Europe ESG Social Leaders Diversification Select 30 EUR Index	10.5	10.5	13.3	13.2	16.4	N/A	N/A	-0.2	0.3	0.1
STOXX Europe 600 Index	13.0	12.4	14.1	15.7	17.9	N/A	N/A	0.7	0.8	0.4
Index to benchmark	Correlation					Tracking error (%)				
STOXX Europe ESG Social Leaders Diversification Select 30 EUR Index	0.7	0.7	0.8	0.8	0.9	8.7	8.6	8.8	9.1	9.1
Index to benchmark	Beta					Annualized information ratio				
STOXX Europe ESG Social Leaders Diversification Select 30 EUR Index	0.6	0.6	0.7	0.7	0.8	-3.7	-1.2	-1.4	-1.0	-0.6

[1] For information on data calculation, please refer to STOXX calculation reference guide.
[2] Based on EURIBOR1M

(EUR, gross return), all data as of Jul. 31, 2023

STOXX Ltd. is part of Qontigo

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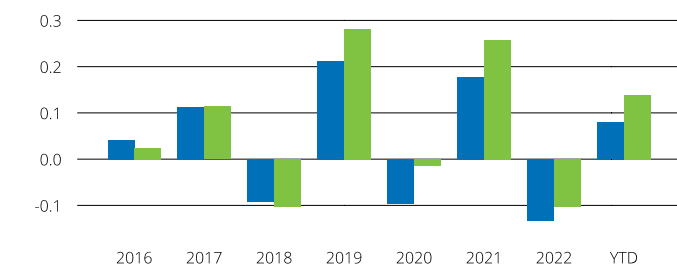# STOXX® EUROPE ESG SOCIAL LEADERS DIVERSIFICATION

Fundamentals (for last 12 months)

Index	Price/earnings incl. negative		Price/earnings excl. negative		Price/ book	Dividend yield (%) [3]	Price/ sales	Price/ cash flow
	Trailing	Projected	Trailing	Projected	Trailing	Trailing	Trailing	Trailing
STOXX Europe ESG Social Leaders Diversification Select 30 EUR Index	18.3	12.1	13.9	12.1	1.9	5.4	1.0	0.2
STOXX Europe 600 Index	16.2	13.4	14.3	13.2	1.9	3.6	1.2	5.9

Performance and annual returns[4]
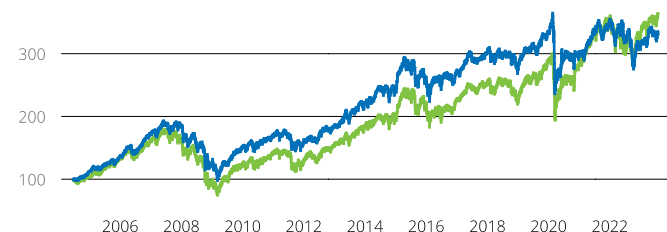
— STOXX® Europe ESG Social Leaders Diversification Select 30 EUR Index

— STOXX® Europe 600 Index

■ STOXX® Europe ESG Social Leaders Diversification Select 30 EUR Index

■ STOXX® Europe 600 Index

Methodology

All stocks in the relevant base universe are screened for 12-month historical daily pricing data and 12-month historical dividend yield. If one or both values are not available for a stock, the company is removed from the base universe.

For all remaining stocks, a correlation number is calculated as the average of the 12-month correlation of daily logarithmic returns in the currency of the Diversification Select index with all other stocks in the base universe. Those stocks are then ranked according to this number in ascending order and the bottom 1-x% is excluded (x% being calculated as the cubic root of the number of stocks in the base universe divided by the target number of stocks in the Diversification Select index).

The detailed methodology including the calculation formula can be found in our rulebook: www.stoxx.com/rulebooks.

Versions and symbols

Index		ISIN	Symbol	Bloomberg	Reuters
Gross Return	EUR	CH0321940576	SESOCDSG		.SESOCDSG
Net Return	EUR	CH0321940568	SESOCDSR		.SESOCDSR
Price	EUR	CH0321940550	SESOCDSP	SESOCDSP INDEX	.SESOCDSP

Complete list available here: www.stoxx.com/data/vendor_codes.html

Quick facts

Weighting	Volatility weighted
Cap factor	10%
No. of components	Fixed
Review frequency	Quarterly
Calculation/distribution	Price: real-time (every 15 seconds); Net and Gross Return: end-of-
Calculation hours	Please see data vendor codes sheet on
Base value/base date	100 as of Jun. 21, 2004
History	Available from Jun. 21, 2004
Inception date	Apr. 29, 2016

[3] gr. div. yield is calculated as gr. return index return minus price index return
[4] STOXX data from Jun. 21, 2004 to Jul. 31, 2023

(EUR, gross return), all data as of Jul. 31, 2023

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Top 10 Components[5]

Company	Supersector	Country	Weight (%)
DEUTSCHE TELEKOM	Telecommunications	Germany	5.08
DANONE	Food, Beverage & Tobacco	France	4.78
SGS	Industrial Goods & Services	Switzerland	3.82
SAMPO	Insurance	Finland	3.82
Naturgy Energy Group	Utilities	Spain	3.71
MUENCHENER RUECK	Insurance	Germany	3.59
Redeia Corporacion	Utilities	Spain	3.59
BRITVIC	Food, Beverage & Tobacco	Great Britain	3.56
SNAM RETE GAS	Energy	Italy	3.56
NOVARTIS	Health Care	Switzerland	3.49

[5] Based on the composition as of Jul. 31, 2023