ENVIRONMENTAL SOCIAL

STOXX® JAPAN 600 ESG TARGET TE INDEX

Index description

STOXX ESG Target TE Indices aim to minimize tracking error to the benchmark index while ensuring an improved ESG score. The weighting of each constituent security is determined through an optimization process that is designed to ensure diversification and uses Axiomas Risk Model and Optimizer to construct the indices.

Key facts

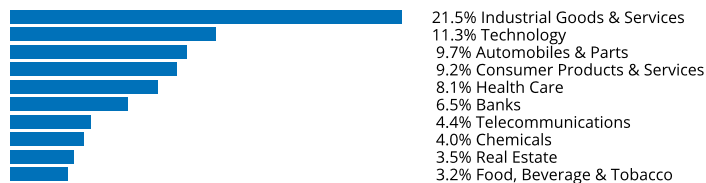»STOXX ESG Target TE Indices minimize the tracking error to the benchmark index.

»The aggregate ESG scores of the STOXX ESG Target TE Indices are substantially improved over the benchmark index.

»Turnover is held to levels comparable to the benchmark index.

Descriptive statistics

Index	Market cap (USD bn.)		Components (USD bn.)				Component weight (%)		Turnover (%)
	Full	Free-float	Mean	Median	Largest	Smallest	Largest	Smallest	Last 12 months
STOXX Japan 600 ESG Target TE Index	N/A	110.0	0.3	0.1	4.8	0.0	4.4	0.0	7.5
STOXX Japan 600 Index	5,489.9	4,663.1	7.8	2.6	207.8	0.7	4.5	0.0	2.6

Supersector weighting (top 10)

21.5% Industrial Goods & Services
11.3% Technology
9.7% Automobiles & Parts
9.2% Consumer Products & Services
8.1% Health Care
6.5% Banks
4.4% Telecommunications
4.0% Chemicals
3.5% Real Estate
3.2% Food, Beverage & Tobacco

Country weighting

100.0% Japan

Risk and return figures[1]

Index returns			Return (%)						Annualized return (%)		
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	3Y	5Y
STOXX Japan 600 ESG Target TE Index	3.2	14.1	11.3	15.2	6.9	N/A	N/A	11.4	4.9	1.4
STOXX Japan 600 Index	3.2	14.3	12.3	16.2	6.7	N/A	N/A	12.4	5.2	1.3
Index volatility and risk			Annualized volatility (%)						Annualized Sharpe ratio[2]		
STOXX Japan 600 ESG Target TE Index	12.1	15.1	18.1	17.5	17.8	N/A	N/A	0.5	0.2	0.1
STOXX Japan 600 Index	12.2	15.2	18.1	17.6	17.8	N/A	N/A	0.5	0.2	0.1
Index to benchmark			Correlation						Tracking error (%)		
STOXX Japan 600 ESG Target TE Index	1.0	1.0	1.0	1.0	1.0	0.4	0.5	0.5	0.5	0.6
Index to benchmark			Beta						Annualized information ratio		
STOXX Japan 600 ESG Target TE Index	1.0	1.0	1.0	1.0	1.0	1.5	-0.6	-1.7	-0.5	0.1

(USD, price), all data as of Jul. 31, 2023

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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 Japan 600 ESG Target TE Index	15.5	15.0	14.4	14.9	1.4	2.6	0.9	14.1
STOXX Japan 600 Index	15.6	14.9	14.5	14.7	1.4	2.6	1.0	14.2

Performance and annual returns[4]

— STOXX® Japan 600 ESG Target TE Index   — STOXX® Japan 600 Index
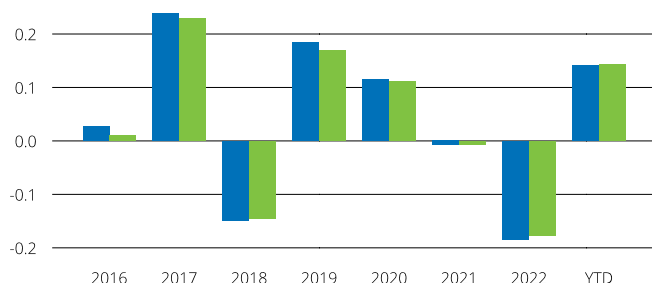
■ STOXX® Japan 600 ESG Target TE Index   ■ STOXX® Japan 600 Index

Methodology

The weighting of each constituent security in STOXX ESG Target TE Indices is determined by optimization to minimize the tracking error to the benchmark index. In addition, the methodology constrains the ESG to a minimum value, quarterly turnover to a maximum value, and limits the active country and industry exposures.

Versions and symbols

Index		ISIN	Symbol	Bloomberg	Reuters
Gross Return	EUR	CH0583522484	SJ6WETA		.SJ6WETA
Net Return	EUR	CH0583522500	SJ6RETA	SJ6RETA INDEX	.SJ6RETA
Price	EUR	CH0583522542	SJ6PETA	SJ6PETA INDEX	.SJ6PETA
Gross Return	JPY	CH0583522476	SJ6GETA		.SJ6GETA
Net Return	JPY	CH0583522401	SJ6NETA		.SJ6NETA
Price	JPY	CH0583522534	SJ6ETA		.SJ6ETA
Gross Return	USD	CH0583522393	SJ6ZETA		.SJ6ZETA
Net Return	USD	CH0583522765	SJ6VETA	SJ6VETA INDEX	.SJ6VETA
Price	USD	CH0583522575	SJ6LETA	SJ6LETA INDEX	.SJ6LETA

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

Quick facts

Weighting	Optimization
Cap factor	4.5% / 8% / 35%
No. of components	Variable
Review frequency	Quarterly (Mar., Jun., Sep., Dec)
Calculation/distribution	realtime 15 sec
Calculation hours	00:00:01 18:00:00
Base value/base date	100 as of Mar. 19, 2012
History	Available from Mar. 19, 2028
Inception date	Apr. 22, 2021

To learn more about the inception date, the currency, the calculation hours and historical values, please see our data vendor code sheet.

BACKTESTED PERFORMANCE
This document contains index performance data based on backtesting, i.e. calculations of how the index might have performed prior to launch if it had existed using the same index methodology and based on historical constituents. Backtested performance information is purely hypothetical and is provided in this document solely for information purposes. Backtested performance does not represent actual performance and should not be interpreted as an indication of actual performance.

CUSTOMIZATION
The index can be used as a basis for the definition of STOXX® Customized Indices, which can be tailored to specific client or mandate needs. STOXX offers customization in almost unlimited forms for example in terms of component selection, weighting schemes and personalized calculation methodologies.

[3] gr. div. yield is calculated as gr. return index return minus price index return
[4] STOXX data from Mar. 19, 2012 to Jul. 31, 2023

(USD, price), all data as of Jul. 31, 2023

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Top 10 Components[5]

Company	Supersector	Country	Weight (%)
Toyota Motor Corp.	Automobiles & Parts	Japan	4.40
SONY GROUP CORP.	Consumer Products & Services	Japan	2.60
Mitsubishi UFJ Financial Group	Banks	Japan	2.41
Mitsubishi Corp.	Industrial Goods & Services	Japan	1.99
Keyence Corp.	Industrial Goods & Services	Japan	1.92
Nippon Telegraph & Telephone C	Telecommunications	Japan	1.52
Sumitomo Mitsui Financial Grou	Banks	Japan	1.52
Shin-Etsu Chemical Co. Ltd.	Chemicals	Japan	1.48
Hitachi Ltd.	Industrial Goods & Services	Japan	1.44
Fast Retailing Co. Ltd.	Retail	Japan	1.38

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