# STOXX® GLOBAL ESG GOVERNANCE 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

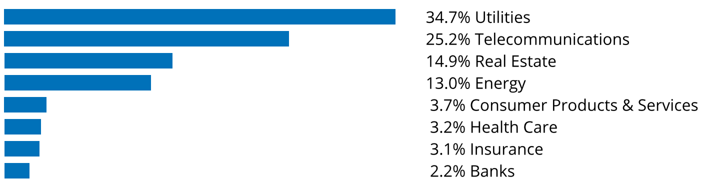
» Lower volatility stocks get the highest weight

» Liquid benchmarks

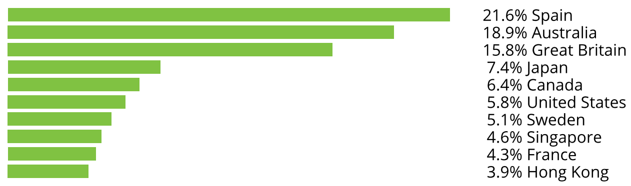
## Descriptive statistics

| Index | Market cap (EUR bn.) | | Components (EUR bn.) | | | | Component weight (%) | | Turnover (%) |
|---|---|---|---|---|---|---|---|---|---|
| | Full | Free-float | Mean | Median | Largest | Smallest | Largest | Smallest | Last 12 months |
| STOXX Global ESG Governance Leaders Diversification Select 30 EUR Index | N/A | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4.6 | 2.2 | 139.3 |
| STOXX Global 1800 Index | 55,800.2 | 50,578.8 | 28.1 | 9.7 | 2,490.5 | 0.4 | 4.9 | 0.0 | 3.1 |

## Supersector weighting (top 10)




## Country weighting




## Risk and return figures[1]

| Index returns | Return (%) | | | | | Annualized return (%) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Last month | YTD | 1Y | 3Y | 5Y | Last month | YTD | 1Y | 3Y | 5Y |
| STOXX Global ESG Governance Leaders Diversification Select 30 EUR Index | -3.0 | 5.3 | -2.5 | 22.3 | 24.7 | N/A | N/A | -2.6 | 7.0 | 4.6 |
| STOXX Global 1800 Index | 2.4 | 8.5 | 3.0 | 42.6 | 61.1 | N/A | N/A | 3.1 | 12.7 | 10.1 |
| **Index volatility and risk** | Annualized volatility (%) | | | | | Annualized Sharpe ratio[2] | | | | |
| STOXX Global ESG Governance Leaders Diversification Select 30 EUR Index | 9.8 | 9.3 | 10.9 | 10.2 | 12.7 | N/A | N/A | -0.4 | 0.6 | 0.3 |
| STOXX Global 1800 Index | 11.0 | 12.2 | 15.9 | 15.0 | 17.6 | N/A | N/A | 0.1 | 0.8 | 0.5 |
| **Index to benchmark** | Correlation | | | | | Tracking error (%) | | | | |
| STOXX Global ESG Governance Leaders Diversification Select 30 EUR Index | 0.3 | 0.4 | 0.4 | 0.5 | 0.6 | 12.6 | 12.0 | 14.9 | 13.5 | 13.5 |
| **Index to benchmark** | Beta | | | | | Annualized information ratio | | | | |
| STOXX Global ESG Governance Leaders Diversification Select 30 EUR Index | 0.3 | 0.3 | 0.3 | 0.3 | 0.5 | -4.9 | -0.7 | -0.5 | -0.5 | -0.5 |

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

*(EUR, gross return), all data as of May 31, 2023*

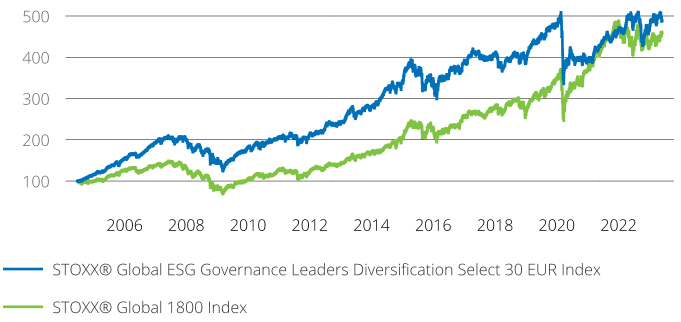
## STRATEGY INDICES

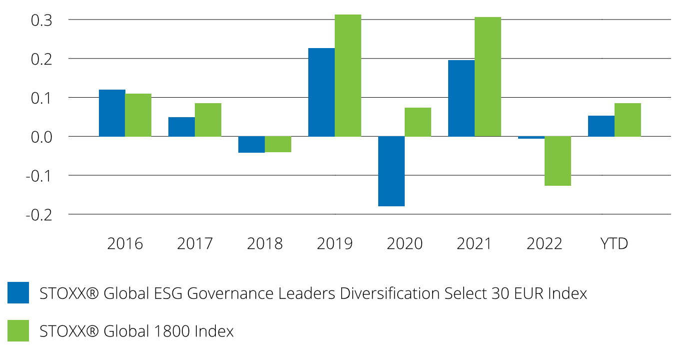
# STOXX® GLOBAL ESG GOVERNANCE LEADERS

### 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 Global ESG Governance Leaders Diversification Select 30 EUR Index | 17.7 | 13.9 | 15.6 | 13.9 | 1.3 | 5.0 | 1.5 | 0.1 |
| STOXX Global 1800 Index | 22.3 | 17.2 | 18.6 | 16.9 | 0.1 | 2.2 | 1.8 | 6.0 |

### Performance and annual returns[4]




### 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 | CH0321940790 | SGGOVDSG | | .SGGOVDSG |
| Net Return | EUR | CH0321940782 | SGGOVDSR | | .SGGOVDSR |
| Price | EUR | CH0321940774 | SGGOVDSP | SGGOVDSP INDEX | .SGGOVDSP |

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 |

**CONTACT DETAILS**

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**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 Jun. 21, 2004 to May 31, 2023

*(EUR, gross return), all data as of May 31, 2023*

# STRATEGY INDICES

# STOXX® GLOBAL ESG GOVERNANCE LEADERS DIVERSIFICATION SELECT 30 EUR INDEX

## Top 10 Components[5]

| Company | Supersector | Country | Weight (%) |
|---|---|---|---|
| TELSTRA GROUP | Telecommunications | Australia | 4.61 |
| Singapore Telecommunications L | Telecommunications | Singapore | 4.57 |
| ORANGE | Telecommunications | France | 4.29 |
| CLP Holdings Ltd. | Utilities | Hong Kong | 3.94 |
| IBERDROLA | Utilities | Spain | 3.92 |
| NATIONAL GRID | Utilities | Great Britain | 3.87 |
| ENAGAS | Energy | Spain | 3.75 |
| Sekisui House Ltd. | Consumer Products & Services | Japan | 3.73 |
| Orix JREIT Inc. | Real Estate | Japan | 3.71 |
| TELEFONICA | Telecommunications | Spain | 3.62 |

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