ENVIRONMENTAL SOCIAL

STOXX® JAPAN 600 ESG TARGET INDEX

Index description

STOXX ESG Target indices aim to provide a strong ESG tilt to the benchmark index while maintaining low tracking error to the benchmark index. The weight of each constituent security is determined through an optimization process that is designed to ensures diversification and uses Axioma's Risk Models and Optimizer.

Key facts

»STOXX ESG Target Indices maximize the ESG tilt while keeping tracking error to the benchmark index below 1% .
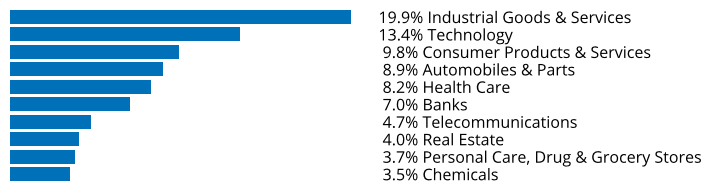
»The aggregate ESG scores of the STOXX ESG Target Indices are substantially improved over the benchmark index.

»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 Index	N/A	108.7	0.6	0.4	4.4	0.0	4.0	0.0	7.5
STOXX Japan 600 Index	5,149.2	4,357.1	7.3	2.6	169.7	0.5	3.9	0.0	2.5

Supersector weighting (top 10)

19.9% Industrial Goods & Services
13.4% Technology
9.8% Consumer Products & Services
8.9% Automobiles & Parts
8.2% Health Care
7.0% Banks
4.7% Telecommunications
4.0% Real Estate
3.7% Personal Care, Drug & Grocery Stores
3.5% Chemicals

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 Index	1.3	7.5	1.6	5.6	0.5	N/A	N/A	1.6	1.9	0.1
STOXX Japan 600 Index	1.1	6.6	2.3	5.9	-2.9	N/A	N/A	2.3	1.9	-0.6
Index volatility and risk		Annualized volatility (%)					Annualized Sharpe ratio[2]				
STOXX Japan 600 ESG Target Index	9.9	15.6	18.8	17.9	17.8	N/A	N/A	-0.1	0.1	0.0
STOXX Japan 600 Index	10.1	15.5	18.8	17.8	17.7	N/A	N/A	-0.0	0.1	-0.0
Index to benchmark		Correlation					Tracking error (%)				
STOXX Japan 600 ESG Target Index	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.2	1.2	1.2
Index to benchmark		Beta					Annualized information ratio				
STOXX Japan 600 ESG Target Index	1.0	1.0	1.0	1.0	1.0	2.5	1.8	-0.6	-0.1	0.6

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

(USD, price), all data as of May 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 Index	14.9	14.0	14.0	13.9	1.3	2.4	0.9	20.6
STOXX Japan 600 Index	15.0	13.9	13.9	13.8	1.3	2.4	0.9	18.2

Performance and annual returns[4]

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

■ STOXX® Japan 600 ESG Target Index ■ STOXX® Japan 600 Index
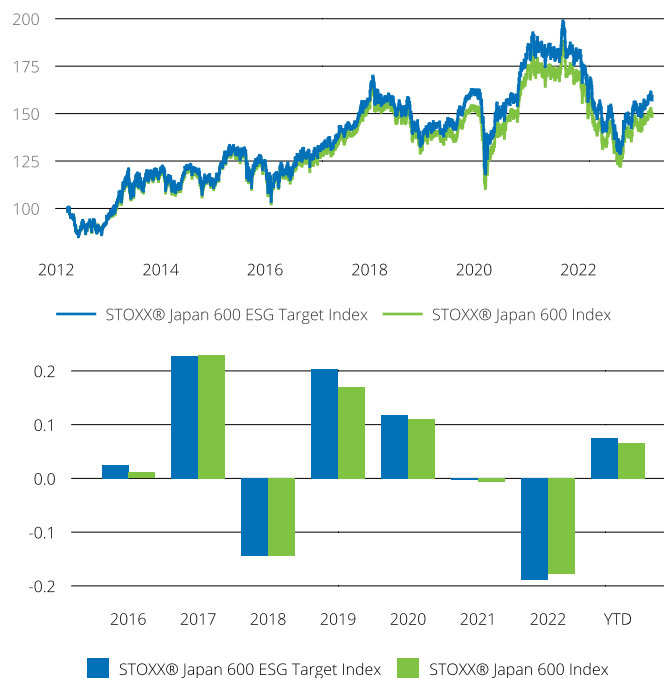
Methodology

The weighting of each constituent security in STOXX ESG Target Indices is determined by optimization to maximize the ESG tilt to the benchmark index. In addition, the methodology constrains the tracking error to a maximum 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	CH1105446756	SJ6WEHA		.SJ6WEHA
Net Return	EUR	CH1105446806	SJ6REHA	SJ6REHA INDEX	.SJ6REHA
Price	EUR	CH1105447119	SJ6PEHA	SJ6PEHA INDEX	.SJ6PEHA
Gross Return	JPY	CH1105446947	SJ6GEHA		.SJ6GEHA
Net Return	JPY	CH1105446905	SJ6NEHA		.SJ6NEHA
Price	JPY	CH1105446830	SJ6EHA		.SJ6EHA
Gross Return	USD	CH1105446939	SJ6ZEHA		.SJ6ZEHA
Net Return	USD	CH1105447044	SJ6VEHA	SJ6VEHA INDEX	.SJ6VEHA
Price	USD	CH1105446954	SJ6LEHA	SJ6LEHA INDEX	.SJ6LEHA

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	00:00:00 18:00:00
Base value/base date	100 as of Mar. 19, 2012
History	Available from Mar. 19, 2032
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.

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 Mar. 19, 2012 to May 31, 2023

(USD, price), all data as of May 31, 2023

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Top 10 Components[5]

Company	Supersector	Country	Weight (%)
Toyota Motor Corp.	Automobiles & Parts	Japan	4.03
SONY GROUP CORP.	Consumer Products & Services	Japan	3.07
Mitsubishi UFJ Financial Group	Banks	Japan	2.78
Tokyo Electron Ltd.	Technology	Japan	2.11
Nippon Telegraph & Telephone C	Telecommunications	Japan	1.91
Mizuho Financial Group Inc.	Banks	Japan	1.85
Bridgestone Corp.	Automobiles & Parts	Japan	1.78
Mitsubishi Corp.	Industrial Goods & Services	Japan	1.74
Daiichi Sankyo Co. Ltd.	Health Care	Japan	1.65
Kao Corp.	Personal Care, Drug & Grocery Stores	Japan	1.62

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