

STOXX® GLOBAL ESG LEADERS DIVERSIFICATION SELECT 50 EUR INDEX

Stated objective

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 yields 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

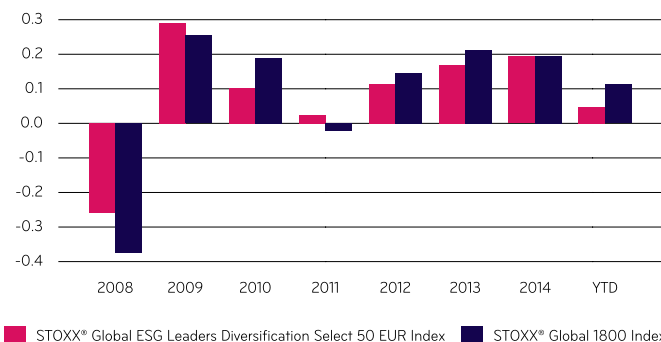
Key facts

- » Diversification brought by excluding highly correlated stocks
- » Balanced approach between the different screenings
- » Lower volatility stocks get the biggest weight
- » Liquid benchmark

Risk and return figures¹

| Index returns | Return (%) | | | | | Annualized return (%) | | | | |
|--|---------------------------|------|------|------|------|--------------------------------------|------|------|------|------|
| | Last month | YTD | 1Y | 3Y | 5Y | Last month | YTD | 1Y | 3Y | 5Y |
| STOXX Global ESG Leaders Diversification Select 50 EUR Index | -3.2 | 4.9 | 4.9 | 47.6 | 68.8 | -30.7 | 4.8 | 4.8 | 13.5 | 10.7 |
| STOXX Global 1800 Index | -4.3 | 11.5 | 11.5 | 63.1 | 83.1 | -39.4 | 11.2 | 11.2 | 17.3 | 12.5 |
| Index volatility and risk | Annualized volatility (%) | | | | | Annualized Sharpe ratio ² | | | | |
| | Last month | YTD | 1Y | 3Y | 5Y | Last month | YTD | 1Y | 3Y | 5Y |
| STOXX Global ESG Leaders Diversification Select 50 EUR Index | 16.5 | 15.3 | 15.3 | 11.5 | 11.1 | -2.1 | 0.3 | 0.3 | 1.1 | 0.9 |
| STOXX Global 1800 Index | 19.7 | 17.9 | 17.9 | 13.3 | 13.3 | -2.4 | 0.6 | 0.6 | 1.2 | 0.9 |
| Index to benchmark | Correlation | | | | | Tracking error (%) | | | | |
| | Last month | YTD | 1Y | 3Y | 5Y | Last month | YTD | 1Y | 3Y | 5Y |
| STOXX Global ESG Leaders Diversification Select 50 EUR Index | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 6.8 | 7.7 | 7.7 | 6.3 | 6.7 |
| Index to benchmark | Beta | | | | | Annualized information ratio | | | | |
| | Last month | YTD | 1Y | 3Y | 5Y | Last month | YTD | 1Y | 3Y | 5Y |
| STOXX Global ESG Leaders Diversification Select 50 EUR Index | 0.8 | 0.8 | 0.8 | 0.8 | 0.7 | 1.9 | -0.9 | -0.9 | -0.6 | -0.3 |

Performance and annual returns³



¹ For information on data calculation, please refer to STOXX [calculation reference guide](#).

² Based on Euribor1m

³ STOXX data from Jun. 21, 2004 to Dec. 31, 2015

(EUR, gross return), all data as of Dec. 31, 2015

STRATEGY INDICES

STOXX® GLOBAL ESG LEADERS DIVERSIFICATION SELECT 50 EUR 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).

All remaining stocks are then ranked in ascending order in terms of volatility (maximum between the 3-months and 12-months historical volatility calculated in the currency of the Diversification Select index) and all stocks which do not belong to the top x% are excluded.

All remaining stocks are then ranked in descending order in terms of 12-month historical dividend yield and the top x% are selected to be included in the Diversification Select index. Those constituents are weighted according to the inverse of their volatility, with a cap at 10%.

Quick facts

| | |
|--------------------------|--|
| Weighting | Volatility weighted |
| Cap factor | 10% |
| No. of components | Variable |
| Review frequency | Quarterly |
| Calculation/distribution | Price: real-time (every 15 seconds). Net and gross return: end-of-day |
| Calculation hours | Please see data vendor codes sheet on www.stoxx.com/data-vendor-codes |
| Base value/base date | 100 as of Jun. 21, 2004 |
| History | Available from Jun. 21, 2004 |
| Inception date | Oct. 14, 2015 |

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

Versions and symbols

| Index | ISIN | Symbol | Bloomberg | Reuters |
|------------------|--------------|----------|-----------|-----------|
| Gross Return EUR | CH0298437085 | SGESGDSG | SGESGDSG | .SGESGDSG |
| Net Return EUR | CH0298437077 | SGESGDSR | | .SGESGDSR |
| Price EUR | CH0298437069 | SGESGDSP | SGESGDSP | .SGESGDSP |

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

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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.

DISCLAIMER

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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.

STRATEGY INDICES

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Top 10 Components⁴

| Company | Supersector | Country | Weight (%) |
|-------------------------------|-----------------------------|---------|------------|
| MAN | Industrial Goods & Services | DE | 6.18 |
| NN GROUP | Insurance | NL | 2.40 |
| ABERTIS INFRAESTRUCTURAS | Industrial Goods & Services | ES | 2.40 |
| Pinnacle West Capital Corp. | Utilities | US | 2.32 |
| RED ELECTRICA CORPORATION | Utilities | ES | 2.31 |
| HCP Inc. | Real Estate | US | 2.25 |
| Telstra Corp. Ltd. | Telecommunications | AU | 2.21 |
| PG&E Corp. | Utilities | US | 2.20 |
| TELUS | Telecommunications | CA | 2.18 |
| Rogers Communications Inc. CI | Telecommunications | CA | 2.14 |

⁴ Based on the composition as of Dec. 31, 2015