

# ISTOXX® NORTHERN TRUST EMERGING MARKETS HIGH DIVIDEND CLIMATE ESG

## Index description

The iSTOXX Northern Trust Emerging Markets High Dividend Climate ESG Index is designed to provide exposure to a high-quality income-oriented universe of developed-market equity securities, with an emphasis on long-term capital growth, and to achieve climate and sustainability targets. It is based on the iSTOXX Northern Trust Emerging Markets Index and uses the proprietary Northern Trust Quality factor to identify companies that exhibit strength in profitability, management expertise and cash flow. The weighting of each constituent security is determined through an optimization process that is designed to maximize index exposure to the Northern Trust Quality score while reducing transaction costs and active variance.

## Key facts

»Constructed on the iSTOXX Northern Trust Emerging Markets Index with screens using Northern Trust ESG Scores and Exclusion Flags to achieve climate and sustainability targets

»Uses the proprietary Northern Trust Quality factor to identify companies that exhibit strength in profitability, management expertise and cash flow

»Invest in targeted factor exposures with managed risk profiles across various regions

»Use of Axioma's factor risk models and optimization to control for unintended systematic exposures

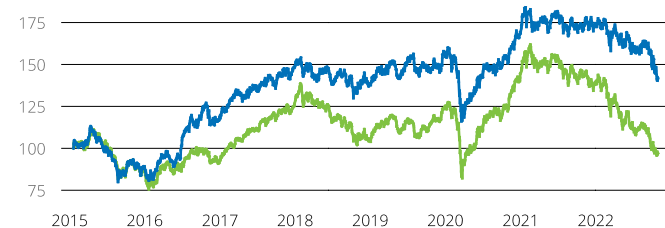
»Ensures tradability by managing turnover

»Ensures diversification using country and industry controls

## Risk and return figures<sup>1</sup>

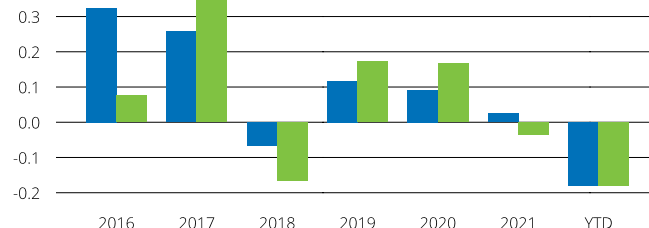
| Index returns                                                          | Return (%)                |       |       |       |       | Annualized return (%)                |      |       |      |      |
|------------------------------------------------------------------------|---------------------------|-------|-------|-------|-------|--------------------------------------|------|-------|------|------|
|                                                                        | Last month                | YTD   | 1Y    | 3Y    | 5Y    | Last month                           | YTD  | 1Y    | 3Y   | 5Y   |
| iSTOXX Northern Trust Emerging Markets High Dividend Climate ESG Index | -5.0                      | -18.1 | -16.6 | -3.7  | -1.0  | N/A                                  | N/A  | -16.6 | -1.2 | -0.2 |
| iSTOXX Northern Trust Emerging Markets Index                           | -2.8                      | -30.5 | -32.0 | -16.6 | -20.5 | N/A                                  | N/A  | -31.9 | -5.9 | -4.5 |
| Index volatility and risk                                              | Annualized volatility (%) |       |       |       |       | Annualized Sharpe ratio <sup>2</sup> |      |       |      |      |
|                                                                        | Last month                | YTD   | 1Y    | 3Y    | 5Y    | Last month                           | YTD  | 1Y    | 3Y   | 5Y   |
| iSTOXX Northern Trust Emerging Markets High Dividend Climate ESG Index | 26.1                      | 18.5  | 17.6  | 18.0  | 16.4  | -2.8                                 | N/A  | -0.9  | -0.1 | -0.0 |
| iSTOXX Northern Trust Emerging Markets Index                           | 20.3                      | 19.7  | 18.7  | 19.9  | 17.5  | -1.4                                 | N/A  | -2.0  | -0.3 | -0.2 |
| Index to benchmark                                                     | Correlation               |       |       |       |       | Tracking error (%)                   |      |       |      |      |
|                                                                        | Last month                | YTD   | 1Y    | 3Y    | 5Y    | Last month                           | YTD  | 1Y    | 3Y   | 5Y   |
| iSTOXX Northern Trust Emerging Markets High Dividend Climate ESG Index | 0.8                       | 0.8   | 0.8   | 0.8   | 0.8   | 16.5                                 | 12.8 | 12.0  | 10.9 | 10.0 |
| Index to benchmark                                                     | Beta                      |       |       |       |       | Annualized information ratio         |      |       |      |      |
|                                                                        | Last month                | YTD   | 1Y    | 3Y    | 5Y    | Last month                           | YTD  | 1Y    | 3Y   | 5Y   |
| iSTOXX Northern Trust Emerging Markets High Dividend Climate ESG Index | 1.0                       | 0.7   | 0.7   | 0.8   | 0.8   | -1.7                                 | 1.5  | 1.6   | 0.4  | 0.4  |

## Performance and annual returns<sup>3</sup>



— iSTOXX® Northern Trust Emerging Markets High Dividend Climate ESG Index

— iSTOXX® Northern Trust Emerging Markets Index



■ iSTOXX® Northern Trust Emerging Markets High Dividend Climate ESG Index

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<sup>1</sup> For information on data calculation, please refer to STOXX calculation reference guide.

<sup>2</sup> Based on EURIBOR1M

<sup>3</sup> STOXX data from Jan. 19, 2015 to Oct. 31, 2022

(GBP, net return), all data as of Oct. 31, 2022

# ISTOXX® NORTHERN TRUST EMERGING MARKETS HIGH DIVIDEND

## Methodology

The index components are selected from the iSTOXX Northern Trust Emerging Markets Index. Using the Northern Trust Quality Factor, the index identifies high quality names that also help achieve climate and sustainability targets. The index weights are determined by an optimization process which ensures diversification with controls on targeted factor, region and industry exposures while reducing volatility and transaction costs. The component selection is conducted quarterly in January, April, July and October.

## Quick facts

|                          |                                     |
|--------------------------|-------------------------------------|
| Weighting                | Optimization                        |
| Cap factor               | None                                |
| No. of components        | Variable                            |
| Review frequency         | Quarterly                           |
| Calculation/distribution | dayend                              |
| Calculation hours        | 22:15:00 22:15:00                   |
| Base value/base date     | 100 as of Jan. 19, 2015             |
| History                  | Available daily as of Jan. 19, 2015 |
| Inception date           | Nov. 23, 2020                       |

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 CHF | CH0581970503 | ISXNEDGD |           | .ISXNEDGD |
| Net Return CHF   | CH0581970487 | ISXNEDD  |           | .ISXNEDD  |
| Price CHF        | CH0581970545 | ISXNEDC  |           | .ISXNEDC  |
| Gross Return EUR | CH0581970529 | ISXNEDGR |           | .ISXNEDGR |
| Net Return EUR   | CH0581970511 | ISXNEDR  |           | .ISXNEDR  |
| Price EUR        | CH0581970446 | ISXNEDP  |           | .ISXNEDP  |
| Gross Return GBP | CH0581970396 | ISXNEDGH |           | .ISXNEDGH |
| Net Return GBP   | CH0581970552 | ISXNEDH  |           | .ISXNEDH  |
| Price GBP        | CH0581970495 | ISXNEDG  |           | .ISXNEDG  |
| Gross Return USD | CH0581970594 | ISXNEDGV |           | .ISXNEDGV |

Complete list available here: [www.stoxx.com/data/vendor\\_codes.html](https://www.stoxx.com/data/vendor_codes.html)

## 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.

## ISTOXX INDICES

## ISTOXX® NORTHERN TRUST EMERGING MARKETS HIGH DIVIDEND CLIMATE

Top 10 Components<sup>4</sup>

| Company                        | Supersector | Country | Weight (%) |
|--------------------------------|-------------|---------|------------|
| TSMC                           | Oil & Gas   |         | 6.21       |
| Samsung Electronics Co Ltd     | Oil & Gas   |         | 3.45       |
| Infosys Ltd                    | Oil & Gas   |         | 2.39       |
| CHINA CONSTRUCTION BANK CORP H | Oil & Gas   |         | 1.87       |
| MediaTek Inc                   | Oil & Gas   |         | 1.59       |
| Grupo Financiero Banorte SAB d | Oil & Gas   |         | 1.55       |
| ALIBABA GROUP ADR              | Oil & Gas   |         | 1.52       |
| Hindustan Unilever Ltd         | Oil & Gas   |         | 1.41       |
| United Microelectronics Corp   | Oil & Gas   |         | 1.33       |
| Asian Paints                   | Oil & Gas   |         | 1.33       |

<sup>4</sup> Based on the composition as of Oct. 31, 2022