STOXX EUROPE 600 PARIS-ALIGNED BENCHMARK

Index description

The STOXX Paris-Aligned Benchmark Indices are based on liquid securities from a selection of STOXX Benchmark Indices. They follow the EU Paris-Aligned Benchmark (EU PAB) requirements outlined by the European Commission on climate benchmarks.

Companies identified as non-compliant based on their Global Standards Screening (GSS) assessment or are involved in Controversial Weapons or Tobacco Production are not eligible for selection. Securities that generate revenues above a certain threshold from coal, oil and gas exploration or processing activities, or from fossil fuel-based power generation are not considered for selection. Furthermore, STOXX will exclude companies that ISS ESG assesses to have Significant Obstruction in the UN SDGs 12,13,14 and 15.

The weighing process follows an optimization process with the aim to reduce their greenhouse gas intensity by at least 50% when compared to their underlying benchmarks and to meet the year on year 7% decarbonization target.

Key facts

»The indices are designed to help investors shift towards a low-carbon economy and align investments to the Paris Climate Agreement

»Scope 1, Scope 2 and Scope 3 are used across all sectors from the first date of the index construction

»The indices aim to reduce their greenhouse gases emission intensity by at least 50% when compared to their underlying benchmarks

»Sectors key to the low-carbon transition, high climate impact sectors, are not underweighted relative to the underlying benchmarks

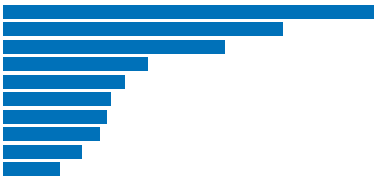
»The STOXX Paris-Aligned Benchmark Indices are designed to meet the year on year 7% decarbonization target

»Indices overweight securities with concrete targets and emission reduction targets verified by the Science Based Target initiative (SBTi)

Descriptive statistics

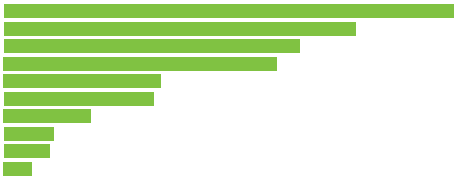
Index	Market cap (EUR bn.)		Components (EUR bn.)				Component weight (%)		Turnover (%)
	Full	Free-float	Mean	Median	Largest	Smallest	Largest	Smallest	Last 12 months
STOXX Europe 600 Paris-Aligned Benchmark	N/A	99.0	0.2	0.0	5.0	0.0	5.0	0.0	16.2
STOXX Europe 600	12,480.3	9,795.9	16.3	5.9	296.4	1.5	3.0	0.0	3.4

Supersector weighting (top 10)



19.8% Health Care
14.9% Consumer Products and Services
11.8% Technology
7.7% Industrial Goods and Services
6.5% Food, Beverage and Tobacco
5.8% Insurance
5.5% Chemicals
5.1% Telecommunications
4.2% Banks
3.0% Financial Services

Country weighting



22.9% France
17.9% UK
15.1% Switzerland
13.9% Germany
8.0% Denmark
7.6% Netherlands
4.4% Spain
2.5% Sweden
2.3% Italy
1.4% Ireland

Risk and return figures[1]

Index returns	Return (%)					Annualized return (%)				
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	3Y	5Y
STOXX Europe 600 Paris-Aligned Benchmark	-2.6	12.3	14.4	34.2	46.3	N/A	N/A	14.5	10.4	8.0
STOXX Europe 600	-2.5	17.0	14.1	36.8	39.7	N/A	N/A	14.2	11.1	7.0
Index volatility and risk	**Annualized volatility (%)**					**Annualized Sharpe ratio**				
STOXX Europe 600 Paris-Aligned Benchmark	N/A	N/A	14.2	15.4	17.3	N/A	N/A	0.7	0.6	0.4
STOXX Europe 600	N/A	N/A	14.0	15.6	18.0	N/A	N/A	0.7	0.6	0.4
Index to benchmark	**Correlation**					**Tracking error (%)**				
STOXX Europe 600 Paris-Aligned Benchmark	1.0	1.0	1.0	1.0	1.0	2.6	3.1	3.2	2.9	2.7
Index to benchmark	**Beta**					**Annualized information ratio**				
STOXX Europe 600 Paris-Aligned Benchmark	1.1	1.0	1.0	1.0	1.0	-0.2	0.6	0.1	-0.3	0.3

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

(EUR, gross return), all data as of Aug. 31, 2023

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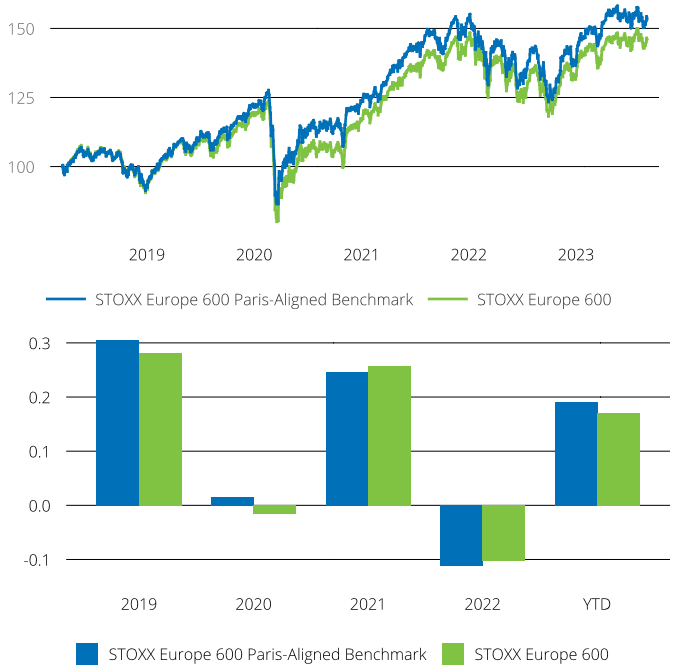
Fundamentals (for last 12 months)

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 Europe 600 Paris-Aligned Benchmark	19.0	15.8	16.9	15.7	2.5	3.2	1.8	8.8
STOXX Europe 600	13.9	12.3	12.3	12.1	1.8	3.7	1.2	11.3

Performance and annual returns[4]



Methodology

The STOXX Paris-Aligned Benchmark Indices are based on liquid securities from a selection of STOXX Benchmark Indices. They follow the EU Paris-Aligned Benchmark (EU PAB) requirements outlined by the European Commission on climate benchmarks.

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Versions and symbols

Index		ISIN	Symbol	Bloomberg	Reuters
Price	EUR	CH0545171693	SXXPPAB	SXXPPAB INDEX	.SXXPPAB
Net Return	EUR	CH0545171412	SXXRPAB	SXXRPAB INDEX	.SXXRPAB
Gross Return	EUR	CH0545171214	SXXGRPAB		.SXXGRPAB
Price	USD	CH0545171297	SXXLPAB		.SXXLPAB
Net Return	USD	CH0545171560	SXXVPAB		.SXXVPAB
Gross Return	USD	CH0545171602	SXXGVPAB		.SXXGVPAB

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

Quick facts

Weighting	Optimization
Cap factor	0.045
No. of components	Variable
Review frequency	Reviewed annually in March and rebalanced quarterly
Calculation/distribution	Realtime 15 sec
Calculation hours	09:00:00 18:00:00
Base value/base date	100 as of March 19, 2018
History	Available from Mar. 19, 2018
Inception date	May. 27, 2020

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

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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, 2018 to Aug. 31, 2023

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Top 10 Components[5]

Company	Supersector	Country	Weight (%)
NOVO NORDISK B	Health Care	Denmark	5.03
LVMH MOET HENNESSY	Consumer Products and Services	France	4.35
ASML HLDG	Technology	Netherlands	4.17
ASTRAZENECA	Health Care	UK	4.11
NOVARTIS	Health Care	Switzerland	3.09
SAP	Technology	Germany	3.01
HERMES INTERNATIONAL	Consumer Products and Services	France	2.54
NESTLE	Food, Beverage and Tobacco	Switzerland	2.18
CIE FINANCIERE RICHEMONT	Consumer Products and Services	Switzerland	2.13
L'OREAL	Consumer Products and Services	France	2.09

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