S&P Dow JonesIndices

A Division of S&P Global

S&P 500[®] ESG Index

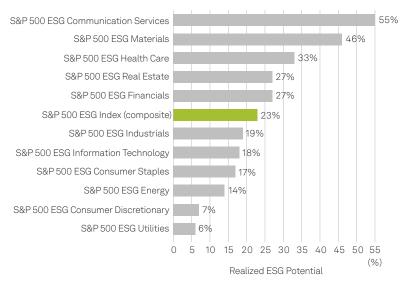
Integrating ESG Values into the Core

The S&P 500 ESG Index is designed to provide improved ESG representation and has historically maintained a risk and return profile similar to that of the S&P 500.

Using S&P DJI ESG Scores and various ESG exclusions, the index ranks and selects eligible companies, targeting 75% of the market capitalization in each S&P 500 GICS® industry group.

S&P DJI ESG Scores are unique in that they focus on the most financially material and relevant ESG signals within specific industries. The scores are governed by S&P DJI and calculated by S&P Global ESG Research.

Sector ESG Realized Potential vs. Benchmark



S&P 500



Exclude companies involved in thermal coal, tobacco, and controversial weapons, as well as companies with low UNGC Scores, in addition to the bottom 25% of companies within global GICS industry groups, as ranked by S&P DJI ESG Scores.



Rank companies by S&P DJI ESG Score. **Select** top-ranked constituents, targeting 75% of the market cap in each S&P 500 GICS industry group, with the goal of achieving broadly sector neutral exposure relative to the S&P 500.



Weight companies by float-adjusted market capitalization.



S&P 500 ESG Index

ESG Score Improvement Metrics

	S&P 500	S&P 500 ESG Index
ESG Score Improvement (%)	-	8.27
Realized ESG Potential (%)	-	22.79

Data as of Dec. 31, 2021.

Index-level ESG scores are calculated as a weighted average of the constituent's S&P DJI ESG Scores. "ESG Score Improvement" reflects the change in index-level ESG score vs. the benchmark. "Realized ESG Potential" reflects how much of the available ESG improvement is captured by the index. The "Potential" is determined by the highest ESG-scoring company in the benchmark.

S&P 500 ESG Index Performance vs. Benchmark

	S&P 500	S&P 500 ESG Index
No. of Constituents	505	310
5-Year Annualized Returns (Total Return)	18.47%	19.65%
5-Year Standard Deviation	15.39%	15.30%
5-Year Tracking Error		1.17%

Data as of Dec. 31, 2021.

Source: S&P Dow Jones Indices LLC. Data as of Dec. 31, 2021, unless otherwise noted. The S&P 500 ESG Index was launched on Jan. 28, 2019. All data shown prior to the launch date is hypothetical back-tested performance, not actual performance. See the full disclaimer for more information. Past performance is no guarantee of future results. Chart is provided for illustrative purposes. Index and sector composite "Realized ESG Potential" are calculated as the percentage difference between the index/sector ESG scores of the S&P 500 ESG Index and the S&P 500, relative to the index/sector's maximum potential improvement, based on only investing in the single highest ranked ESG scoring company in the index/sector.

Some Examples of S&P 500 ESG Index Benefits

Environmental



9%

More exposure to companies with science-based targets and absolute climate-related targets in place across Scope 1 and 2 emissions

7%

More exposure to companies that have proactively identified transition and physical climate risk, and their associated financial implications

6%

More exposure to companies with annual greenhouse gas emission savings and associated cost savings

Social



9%

More exposure to companies that monitor workforce diversity based on gender and other minority groups

6%

More exposure to companies that proactively assess potential human rights abuses throughout their supply chain

5%

More exposure to companies that provide long-term incentives to employees below the senior management level paid out after three years, on average Governance



8%

More exposure to companies with anti-corruption and bribery policies covering charitable and political contributions

7%

More exposure to companies with insurance for IT and cybersecurity incidents, where executives engage in cybersecurity strategy, and that provide employee training on related escalation processes

6%

More exposure to companies that inform their customers of privacy protection issues, including the option to decide how private data are collected, used, retained, and processed

Source: S&P Dow Jones Indices LLC. These are just a few examples of the numerous ways in which the S&P 500 ESG Index offers enhanced ESG representation. Increased index exposure to each ESG theme in the metrics above are calculated using the question-level data in S&P Global's Corporate Sustainability Assessments (2020 methodology year). These metrics are calculated using index data as of April 30, 2021, as the percentage difference between the performance of the S&P 500 ESG Index and its underlying index constituents across these metrics, on a weighted average basis. Chart is provided for illustrative purposes.

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