

Dow Jones Sustainability World Indexes
Guide Book

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POWERED BY

Dow Jones Indexes
A CME Group Company



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1 DOW JONES SUSTAINABILITY INDEX FAMILY

The Dow Jones Sustainability Indexes (DJSI) were established to track the performance of companies that lead the field in terms of corporate sustainability. All indexes of the DJSI family are assessed according to the same Corporate Sustainability Assessment™ and respective criteria.

SAM Indexes GmbH publishes and markets the indexes.

The Dow Jones Sustainability Indexes family consists of a set of geographically focused indexes.

The **Dow Jones Sustainability World Indexes** (DJSI World) were first published on 8 September 1999. They consist of a broad composite index as well as narrower, subset indexes excluding companies that generate revenue from alcohol, tobacco, gambling, armaments (including cluster bombs and landmines) & firearms, and/or adult entertainment. A subset that excludes US companies is also available as a benchmark for non-US portfolios. Additionally, two blue chip indexes are published, the Dow Jones Sustainability World 80 and Dow Jones Sustainability World ex US 80 indexes that track the performance of the largest 80 sustainability leaders in the world respectively the world ex US. The latter were launched on 26 August 2008.

The **Dow Jones Sustainability World Enlarged Indexes** (DJSI World Enlarged) includes a composite index and also a narrower subset index excluding companies that generate revenues from alcohol, tobacco, gambling, armaments (including cluster bombs and landmines) & firearms and adult entertainment. A subset of Nordic-only stocks forms the Dow Jones Sustainability Nordic Index (DJSI Nordic). These indexes were first published on 30 November 2010.

The European indexes, the **Dow Jones Sustainability Europe Indexes** (DJSI Europe) comprise a pan-European and a Eurozone index (DJSI Eurozone), as well as subset indexes excluding companies that generate revenue from alcohol, tobacco, gambling, armaments (including cluster bombs and landmines) & firearms, and adult entertainment. This offering is completed by two blue chip indexes, the Dow Jones Sustainability Europe 40 Index (DJSI Europe 40) and Dow Jones Sustainability Eurozone 40 Index (DJSI Eurozone 40). These indexes were first published on 4 August 2010.

The North American indexes comprise the **Dow Jones Sustainability North America Indexes** (DJSI North America) and the Dow Jones Sustainability United States Index (DJSI United States), as well as narrower subset indexes excluding companies that generate revenue from alcohol, tobacco, gambling, armaments (including cluster bombs and landmines) & firearms. This set of indexes was first published on 23 September 2005. In addition, two blue chip indexes, the Dow Jones Sustainability North America 40 and the Dow Jones Sustainability United States 40 Index were launched on 26 August 2008.

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The Asia Pacific indexes comprise the **Dow Jones Sustainability Asia Pacific Indexes** (DJSI Asia Pacific) as well as a narrower subset index excluding companies that generate revenue from alcohol, tobacco, gambling, armaments (including cluster bombs and landmines) & firearms. This set of indexes was first published on 16 January 2009. In addition, two blue chip indexes, the Dow Jones Sustainability Asia Pacific 40 and the Dow Jones Sustainability Japan 40 Index were launched on 16 January 2009 and 31 July 2009 respectively.

The Korea indexes comprise the **Dow Jones Sustainability Korea Indexes** (DJSI Korea). This set of indexes was first published on 20 October 2009. In addition, a blue chip index, the Dow Jones Sustainability Korea 20 was launched on 20 October 2009.

For each of the Dow Jones Sustainability Indexes the underlying Corporate Sustainability Assessment™ methodology, index features and data dissemination, periodic review and ongoing review, the calculation model as well as management and responsibilities is described in the relevant guidebook.

2 DOW JONES SUSTAINABILITY WORLD INDEXES

The Dow Jones Sustainability World Index (DJSI World) and respective subsets track the performance of the top 10% of the 2500 largest companies in the Dow Jones Global Total Stock Market Index (DJGTSM) that lead the field in terms of sustainability.

2.1 Composite Index

- Dow Jones Sustainability World Index (DJSI World)

2.2 Subset Indexes

- Dow Jones Sustainability World Index excluding Alcohol (DJSI World ex. Alcohol)
- Dow Jones Sustainability World Index excluding Gambling (DJSI World ex. Gambling)
- Dow Jones Sustainability World Index excluding Tobacco (DJSI World ex. Tobacco)
- Dow Jones Sustainability World Index excluding Armaments & Firearms (DJSI World ex. Armaments & Firearms)
- Dow Jones Sustainability World Index excluding Alcohol, Gambling, Tobacco, Armaments & Firearms (DJSI World ex. Alcohol, Gambling, Tobacco, Armaments & Firearms)
- Dow Jones Sustainability World Index excluding Alcohol, Gambling, Tobacco, Armaments & Firearms, and Adult Entertainment (DJSI World ex. Alcohol, Gambling, Tobacco, Armaments & Firearms and Adult Entertainment)
- Dow Jones Sustainability World Developed Index (DJSI World Developed)
- Dow Jones Sustainability World 80 Index
- Dow Jones Sustainability World ex US Index
- Dow Jones Sustainability World ex US 80 Index

Each subset index is derived from and is, therefore, a subset of the DJSI World index.

2.3 Customized Indexes

The DJSI methodology facilitates the design, development and delivery of customized sustainability indexes; e.g. indexes covering different regions, indexes covering different segments of the leading sustainability companies, indexes covering additional exclusion criteria and indexes denominated in different currencies.

The following customized indexes are being calculated:

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- Dow Jones Sustainability World Index excluding Europe, Armaments, Firearms, Nuclear, Gambling and Tobacco (DJSI World ex ANGT- Europe, Armaments & Firearms, Nuclear, Gambling and Tobacco)
- Dow Jones Sustainability World Index excluding Australia (DJSI World ex Australia)
- Dow Jones Sustainability World Index ex Australia and Tobacco (DJSI World ex Australia ex Tobacco)

2.4 Coverage

The coverage of the DJSI World is specified below:

	DJSI World	DJSI World 80	DJSI World ex US	DJSI World ex US 80
Composite	X	X	X	X
Ex. Alcohol	X		X	
Ex. Gambling	X		X	
Ex. Tobacco	X		X	
Ex. Armaments, Cluster Bombs, Landmines and Firearms	X		X	
Ex. Alcohol, Gambling, Tobacco, Armaments, Cluster Bombs, Landmines and Firearms	X		X	
Ex. Alcohol, Gambling Tobacco, Armaments, Cluster Bombs, Landmines, Firearms and Adult Entertainment	X		X	
Ex. Australia	X			
Ex. Australia and Tobacco	X			
Ex. Emerging Markets	X			
Ex. Europe, Armaments, Cluster Bombs, Landmines, Firearms, Nuclear, Gambling and Tobacco	X			

Each of these indexes is calculated as price and return indexes in both USD and EUR. The Dow Jones Sustainability World Index (DJSI World) is also available in CHF, whereas the Dow Jones Sustainability World ex Australia ex Tobacco Index is calculated in AUD.

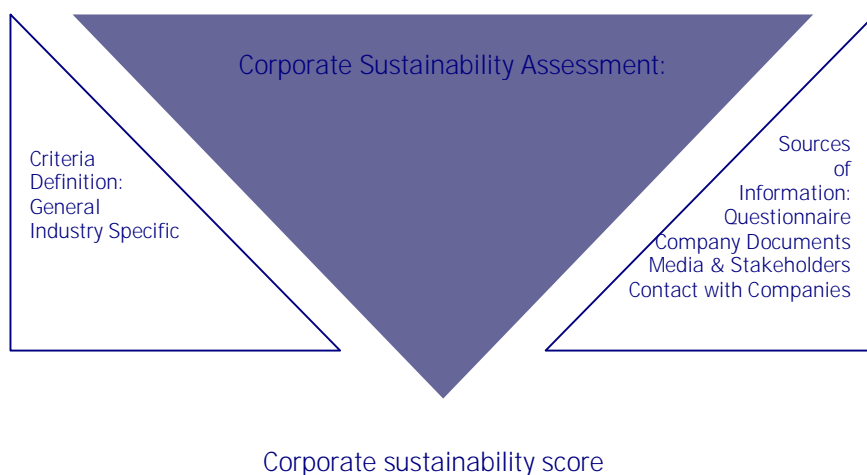
3 CORPORATE SUSTAINABILITY ASSESSMENT

3.1 Concept

Corporate Sustainability is a business approach to create long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments. Corporate sustainability leaders harness the market's potential for sustainability products and services while at the same time successfully reducing and avoiding sustainability costs and risks. A growing number of investors perceive sustainability as a catalyst for enlightened and disciplined management, and, thus, a crucial success factor. As a result, investors are increasingly diversifying their portfolios by investing in companies that set industry-wide best practices with regard to sustainability.

3.2 Methodology

SAM's Corporate Sustainability Assessment™ identifies the leading sustainability companies from the DJSI World investable stocks universe for each DJSI sector (see chapter 5.5 and 5.6).



The methodology is based on the application of criteria to assess the opportunities and risks deriving from economic, environmental and social dimensions for each of the eligible companies in the DJSI World investable stocks universe. These criteria consist of both general criteria applicable to all industries and specific criteria applicable to companies in a certain sector. The criteria are derived following identification of global and industry challenges.

The criteria are built into the Corporate Sustainability Assessment, which quantifies the sustainability performance of a company by assigning a corporate sustainability score. The sustainability score is used to identify the leading sustainability companies in each sector.

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For each company, the input sources of information for the Corporate Sustainability Assessment consist of the responses to the online questionnaire, submitted documentation, policies and reports, publicly available information and SAM Research analyst's direct contact with companies.

Information provided in the questionnaire is verified. Verification includes crosschecking answers with documentation provided by the company, verifying a company's track record and incidents and crisis management with media and stakeholder reports and, if necessary, direct interaction and clarification with the company.

To ensure quality and objectivity an external audit and internal quality assurance procedures, such as crosschecking of information sources, are used to monitor and maintain the accuracy of the input data, assessment procedures and results. SAM's Corporate Sustainability Assessment has been verified by independent third parties such as PricewaterhouseCoopers and Deloitte on a yearly basis since 1999.

3.3 Criteria Definition and Weightings

Through the assessment of economic, environmental and social driving forces and trends, corporate sustainability criteria are identified. Criteria are identified for each dimension and for all industries. In addition, the criteria are defined as either general criteria applicable to all industries or industry specific criteria. All criteria are based on widely accepted standards, best practices and audit procedures as well as extensive input from industry specialists and consultants. The industry specific criteria differ between sectors whereas the general criteria are the same for each sector.

General

Based on the identification of major global sustainability challenges, general sustainability criteria are defined for each dimension and are applied to all industries. They include standard management practices and performance measures applicable to all industries, such as corporate governance, human capital development, risk and crisis management, talent retention and labor practices. The general criteria account for approximately forty percent of the assessment.

Industry Specific

Industry specific criteria take into account the challenges and trends affecting specific industries. They reflect the economic, environmental and social forces driving the sustainability performance of a particular industry and have a weight of approximately sixty percent of the assessment.

The assessment is divided into three distinct sections, covering the economic, environmental and social dimensions and including answers from the questionnaire as well as the results from a Media and Stakeholder Analysis (MSA) (see chapter 4 for more details on the MSA).

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Corporate Sustainability Assessment Criteria

Dimension	Criteria	Sub-Criteria
Economic	Corporate Governance	Board structure Non-Executive Chairman/Lead Director Responsibilities and Committees Corporate Governance Policy Audit Conflict of Interest Diversity: Gender Board Effectiveness Entrenchment provisions Senior Management Remuneration MSA: Corporate Governance (MSA = Media and Stakeholder Analysis – See chapter 4)
	Risk & Crisis Management	Risk Governance Risk Optimization Risk Map Risk Review Risk Strategy MSA: Risk & Crisis Management
	Codes of Conduct/Compliance/Corruption & Bribery	Codes of Conduct: Focus Codes of Conduct: Systems/Procedures Corruption and Bribery: Scope of Policy Codes of Conduct: Report on Breaches Codes of Conduct/Anti-Corruption & Bribery: business relationships MSA: Codes of Conduct/Compliance/Corruption & Bribery
	Industry Specific Criteria	Brand Management, Customer Relationship Management, Innovation Management, Gas Portfolio, Grid Parity, etc. MSA: Selected Industry Specific Criteria
Environment	Environmental Reporting*	Assurance Coverage Environmental Reporting; Qualitative Data Environmental Reporting; Quantitative Data
	Industry Specific Criteria	Environmental Management Systems, Climate Strategy, Biodiversity, Product Stewardship, Eco-efficiency, etc. MSA: Selected Industry Specific Criteria
Social	Human Capital Development	Human resource skill mapping and developing process Human Capital performance indicators Personal and organizational learning and development

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	Talent Attraction & Retention	Coverage of employees through predefined performance appraisal process Percentage of performance related compensation for each employee category Balance of variable compensation based on corporate and individual performance Corporate Indicators for performance-related compensation Type of individual performance appraisal Communication of individual performance to upper management Payout type of total performance-related compensation Trend of employee satisfaction MSA Talent Attraction & Retention
	Labor Practice Indicators	Grievance Resolution Labor KPIs MSA: Labor Practice Indicators
	Corporate Citizenship and Philanthropy	Group Wide Strategy – financial focus Input Measuring benefits Type of Philanthropic activities
	Social Reporting*	Assurance Coverage Social Reporting; Qualitative Data Social Reporting; Quantitative Data
	Industry Specific	Social Integration, Occupational Health & Safety, Healthy Living, Bioethics, Standard for Suppliers, etc. MSA: selected Industry Specific Criteria

* Criteria assessed based on publicly available information only

3.4 Information Sources

Four sources of information are used in the Corporate Sustainability Assessment.

1. Company Questionnaire

Questionnaires specific to each of the DJSI sectors are distributed to the Chief Executive Officers and heads of investor relations of all the companies in the DJSI World investable stocks universe. The completed company questionnaire, signed by a senior company representative, is the most important source of information for the assessment.

2. Company Documentation

Further insight is sought via company documentation. Documents requested from companies include:

- Sustainability reports
- Environmental reports
- Health and safety reports
- Social reports
- Annual financial reports

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- Special reports (e.g. on intellectual capital management, corporate governance, R&D, employee relations)
- All other sources of company information; e.g. internal documentation, brochures and website.

3. Media and stakeholder Analysis

The Media and Stakeholder Analysis (MSA) allows SAM to identify and assess issues that may present financial, reputational and compliance risks to the assessed companies. For the MSA analysis, SAM makes use of media coverage, stakeholder commentaries and other publicly accessible sources. This information is currently provided by environmental and social dynamic data supplier Reprisk.

4. Contact with Companies

The SAM analysts personally contact individual companies to clarify any open points that may arise from the analysis of the MSA, the questionnaire and company documents. This contact is made either via telephone, through company visits or meetings with the company at either the SAM office or at public events. This comprehensive examination of company-specific information is enhanced by additional analyses of sector-specific risks and opportunities arising from various sustainability trends. This allows SAM to respond in due course to exceptional events.

3.5 Corporate Sustainability Score

The Corporate Sustainability Assessment™ enables a sustainability performance score to be calculated for each company based on all four sources identified above. Reviewing, assessing and scoring all available information in line with the corporate sustainability criteria determines the overall sustainability score for each eligible company in the DJSI World investable universe. The objective of the corporate sustainability assessment is to measure and verify the corporate sustainability performance of the companies in the investable universe.

A company's total corporate sustainability score is calculated in SAM's Sustainability Information Management System (SIMS) based on a pre-defined scoring and weighting structure.

Each question has a predetermined score for the answer, a weight for the question, and a weight for the criteria. The total score for the question is the combination of these weights.

For example:

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Answer	Score	Weight of Question	Weight of Criteria
Answer A	25	.05	.042
Answer B	100		
Answer C	0		
Not Applicable, Please specify	N/A*		
Not Known	0		
No answer	0		

* A question that has been marked Not Applicable will not be scored and the weight of the question will be equally redistributed across the other questions within the same criteria

Therefore if the company has ticked Answer A, the score for that question would be calculated as follows:

$$25 \times .05 \times .042 = 0.0525$$

A company's total corporate sustainability score at the highest aggregated level is calculated according to the following formula:

$$TS = \sum (ANS * CRW * QUW) \text{ for all criteria}$$

TS = Total Score

CRW = Criteria Weight

QUW = Question Weight

ANS = Answer Score

4 CORPORATE SUSTAINABILITY MONITORING

4.1 Concept

Once a company is selected as a member of the Dow Jones Sustainability Index family, it is monitored daily with regard to newly arising critical issues. The objective of the monitoring process is to verify a company's involvement and management of critical environmental, economic and social issues or crisis situations that can have a highly damaging effect on its reputation and hence cause a reduction of the total sustainability score which ultimately determines a company's inclusion in the index family.

The monitoring process comprises an assessment of a company's involvement in economic, environmental or social crisis situations and compares its crisis management against its stated principles and policies. The monitoring process can lead to a company's exclusion from the index family regardless of how well it performed in the last SAM Corporate Sustainability Assessment.

The following issues are identified and reviewed in the monitoring process:

- Commercial practices: e.g., tax fraud, money laundering, antitrust, balance sheet fraud, and corruption cases.
- Human rights abuses: e.g., cases involving discrimination, forced resettlements, child labor and discrimination of indigenous people.
- Layoffs or workforce conflicts: e.g., extensive layoffs and strikes.
- Catastrophic events or accidents: e.g., fatalities, workplace safety issues, technical failures, ecological disasters and product recalls.

4.2 Media & Stakeholder Analysis

The daily monitoring of index members is based on media reviews using RepRisk's monitoring tool. Please see chapter 3.4. for further information.



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Impact Evaluation

If a critical issue occurs, the responsible SAM Analyst starts assessing the extent of the crisis within the company, geographically and in terms of media coverage. If the impact of the crisis on the reputation of the company and its core business is far reaching, covered worldwide in the media or is an important concern for the company, the monitoring moves to the next phase.

Quality of Crisis Management

In a second step, the analysts verify the quality of a company's crisis management. They assess how well the company informs the public, acknowledges responsibility, provides relief measures, involves relevant stakeholders and develops solutions.

The SAM Analysts then weigh the severity of the crisis in relation to the company's crisis management and, if deemed appropriate, provides the DJSI Index Design Committee with a proposal to exclude the company from the index family.

Review by DJSI Index Design Committee

The DJSI Index Design Committee reviews the corporate sustainability monitoring results in line with the company's track record as well as its political and cultural setting. If the crisis management of an important issue is considered poor from a sustainability point of view, the DJSI Index Design Committee can decide, after a thorough analysis to exclude the company from the Dow Jones Sustainability Indexes.

SAM informs the affected companies about their exclusion. The information on excluded companies is communicated through the Dow Jones Sustainability Indexes website only. The implementation of changes in the composition of the affected indexes is made effective with the following quarterly rebalancing. It is to the sole discretion of the DJSI Design Committee to overrule the date of implementation.

5 INDEX FEATURES & DATA DISSEMINATION

5.1 Introduction

The objectives of the DJSI World are:

Measure the global stock market performance of the top 10% of the leading sustainability companies in all sectors

Provide a liquid base for a variety of financial products

In addition to the index features described above, a crucial requirement for achieving these objectives is transparency. SAM Indexes GmbH provides this transparency by widely disseminating data and information on all aspects of the index composition and methodology. These data and information are updated regularly.

The index values are disseminated via major data vendors while the index component data is made available to licensees via FTP and www.sustainability-indexes.com as appropriate. Information on the index features and methodology are disseminated via www.sustainability-indexes.com.

5.2 Index Concept

The DJSI World is derived from and fully integrated with the Dow Jones Global Total Stock Market Index (DJGTSM).

In addition to the DJGTSM component selection process, the SAM's Corporate Sustainability Assessment is implemented to select the DJSI components from the DJGTSM components. The Corporate Sustainability Assessment focuses on the opportunities and risks deriving from economic, environmental and social trends. As a result it offers a quantitative measure of corporate sustainability performance.

All other aspects of the DJSI methodology are identical to the DJGTSM methodology.

The DJSI methodology aims to produce an investable index in which all component stocks are easily tradable.

5.3 Product Concept

The DJSI World index is designed to track the stock market performance of the leading sustainability companies.

The DJSI World ex. Alcohol, Tobacco, Gambling, Armaments & Firearms and Adult Entertainment and the DJSI World ex. Alcohol, Tobacco, Gambling, Armaments & Firearms are designed to track the performance of specific segments of the leading sustainability companies. If more than 0% of a company's sales are derived from alcohol, tobacco, gambling, firearms, cluster bombs, landmines and/or adult entertainment then this company

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is excluded from the subset index. If more than 5% of a company's sales are derived from armaments then this company is excluded from the subset index.

Exclusion Criteria definitions

The external data provider for DJSI exclusion data is EIRIS, a provider of ethical investment research services. SAM Indexes GmbH has access to EIRIS' analyses which identify exposure to the following exclusion criteria: alcohol, tobacco, gambling, armaments, cluster bombs, landmines, firearms, nuclear and adult entertainment.

Adult Entertainment: companies that produce adult entertainment services, including those who produce adult entertainment services via mobile telecommunications networks in all countries bar Japan

Alcohol: companies that produce alcoholic beverages

Armaments: companies that produce and/or supply armaments for military sales. The US Department of Defense's definition of armaments is used. This definition includes companies that produce and/or supply for military proposes one of the following:

- Ships (Aircraft Carriers, Cruisers, Frigates, Destroyers)
- Submarines (Attack Submarines, Ballistic Missile Submarines)
- Missiles (Strategic Missiles)
- Ground Combat Systems (Tanks, Multiple Launch Rocket System, Artillery, Helicopters)
- Aircraft (Conventional Bombers, Fighter/Attack Aircraft, Specialized Aviation Forces)
- Defense electronics (space systems, communications...), if clearly developed and supplied to/for military purposes

Cluster Bombs: companies that produce cluster munitions systems

Firearms: companies that manufacture firearms for non-military markets – this includes whole firearms, parts and ammunition and associated equipment and services

Gambling: companies that are involved in gambling (defined as the operation of betting shops, horse and greyhound racing tracks, licensed bingo halls, casinos, gaming clubs, provision of on-line betting services)

Landmines: companies that have had allegations or indications of involvement with anti-personnel landmines (10 years time limit) and which have not addressed the allegations

Nuclear: companies that operate nuclear power plants, sell nuclear generated energy and/or generate revenues from uranium mining.

Tobacco: companies that produce tobacco or tobacco products

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Every effort is made to exclude companies based on their revenue stream from alcohol, gambling, tobacco, armaments, cluster bombs, landmines, firearms, nuclear and/or adult entertainment as defined above. However, due to the limited quality of revenue data in certain sectors and regions throughout the world, no guarantee of accuracy and completeness can be given to the quality of exclusions.

5.4 Regional Universe

The DJSI World is derived from and fully integrated with the DJGTSM. All the selected stock exchanges/trading systems in the DJSI World universe have continuous trading, reliable sources of corporate action data and provide, real time and historical, stock prices and currency rates.

Other countries and other stock exchanges/trading systems may be added to the universe in future. Dow Jones Indexes is responsible for this decision.

5.5 Investable Stocks Universe

The DJSI World investable stocks universe is derived from the components of the DJGTSM. The investable stocks universe is based on the market capitalization of the DJGTSM components at the end of the preceding December. It consists of the largest – by free floating market capitalization - 2,500 companies that are components of the DJGTSM. In addition, it consists of all current DJSI World components that have a free float market capitalization above USD 500m. For each company only the most liquid stock is eligible. The investable stocks universe is reviewed annually.

5.6 Sector Classification

The DJSI World sector classification is based on the DJGTSM Index industry, supersector, sector, and subsector classification.

All the companies in the DJSI World investable stocks universe are assigned - based on the company's primary revenue source - to one of the 58 DJSI sectors.

The DJSI sectors - and their associated DJGTSM Index supersectors - are listed below:

DJGTSM Index Supersector (19)	DJSI Sector (58)	DJSI Sector Abbreviation
Oil & Gas	Oil & Gas Producers	OIX
	Oil Equipment & Services	OIE
	Pipelines	PIP
	Alternative Energy	ALT
Chemicals	Chemicals	CHM
Basic Resources	Forestry & Paper	FRP

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	Aluminum	ALU
	Steel	STL
	Mining	MNX
Construction & Materials	Building Materials & Fixtures	BLD
	Heavy Construction	CON
Industrial Goods & Services	Aerospace & Defense	ARO
	Containers & Packaging	CTR
	Diversified Industrials	IDD
	Electrical Components & Equipment	ELQ
	Electronic Equipment	ITC
	Industrial Engineering	IEQ
	Industrial Transportation	TRA
	Support Services	ICS
	Waste & Disposal Services	POL
Automobiles & Parts	Auto Parts & Tires	ATX
	Automobiles	AUT
Food & Beverage	Beverages	BVG
	Food Producers	FOA
Personal & Household Goods	Durable Household Products	DHP
	Furnishing	FTR
	Home Construction	HOM
	Nondurable Household Products	HOU
	Leisure Goods	LEG
	Personal Products	COS
	Clothing, Accessories & Footwear	TEX
	Tobacco	TOB
Health Care	Healthcare Providers	HEA
	Medical Products	MTC
	Biotechnology	BTC
	Pharmaceuticals	DRG
Retail	Food & Drug Retailers	FDR
	Specialized Consumer Service	CSV
	General Retailers	RTS
Media	Media	PUB
Travel & Leisure	Gambling	CNO
	Hotels, Restaurants, Bars, and Recreational Services	REX
	Travel & Tourism	TRT
	Airlines	AIR
Telecommunications	Fixed Line Telecommunications	FTS
	Mobile Telecommunications	CTS

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Utilities	Electricity Gas Distribution Water	ELC GAS WAT
Banks	Banks	BNK
Insurance	Insurance	INS
Real Estate	Real Estate	REA
Financial Services	Financial Services	FBN
Technology	Software Computer Services & Internet Communication Technology Semiconductors Computer Hardware & Electronic Office Equipment	SOF TSV CMT SEM THQ

Due to the small number of companies in some SAM sectors in the DJSI World investable universe, the SAM sectors might be merged for the selection of the DJSI World components:

5.7 Base Date & Base Value

The base date for the DJSI World is 8 September 1999. The base date is 31 December 1993 and base value is 440.11. The base date for the Dow Jones Sustainability World 80 and Dow Jones Sustainability World ex US 80 is 30 September 2002. The corresponding value is 1000.

5.8 Index Calculation

The DJSI World is calculated with the Laspeyres formula.
Price and return indexes are calculated reflecting different dividend treatments.
All these indexes are denominated in both US dollars and Euros.

5.9 Stock Prices

Official opening stock prices:

The official opening stock price for the index calculation is the first traded price during the official trading hours of the relevant stock exchange/trading system.
Until an official opening price is available, the previous day's official closing price is used as the opening price and subsequent intraday price for the index calculation. If there is a corporate action effective that day, then the adjusted closing price for the previous day is used instead.

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Intraday stock prices:

The intraday stock price for the subsequent index calculation is the latest traded price during the index dissemination hours.

Official closing stock prices:

The official closing stock price for the index calculation is the last traded price at the close of the index dissemination period.

Suspended quotations:

If a stock quotation is suspended before the official opening of the relevant stock exchange/trading system, then the previous day's closing price is used for the subsequent index calculation that day. If there is a corporate action effective that day, then the adjusted closing price for the previous day is used instead.

If a stock quotation is suspended during the official trading hours of the relevant stock exchange/trading system, then the last traded price before the suspension is used for the subsequent index calculation.

Stock exchange holidays:

If there is a stock exchange holiday in any of the countries in the DJGTSM/DJSI World regional universe, then the previous day's closing prices - from the relevant stock exchange/trading system - are used for the subsequent index calculation that day. If there is a corporate action effective that day, then the adjusted closing price for the previous day is used instead.

5.10 Currency Rates

US dollar denominated indexes:

All non-US dollar stock prices are converted to US dollars based on the latest available relevant currency rates.

The bid-price is used as the relevant intraday currency rate.

The receipt of the first official opening stock price triggers the intraday updates of the relevant currency rate. Until then, the previous day's closing currency rate is used.

Euro denominated indexes:

Additionally, all official closing stock prices are converted to Euros at the end of the index dissemination period.

The non-US dollar prices are converted to US dollars first.

The bid-price at the end of the index dissemination period is used as the relevant closing currency rate.

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If a stock does not trade at all that day, then the previous day's closing price is converted at current day's closing currency rates. If there is a corporate action effective that day, then the adjusted closing price for the previous day is used instead.

Closing currency rates:

The applicable closing currency rate for the calculation of the closing index values is the official WM closing spot rates as reported by Reuters.

5.11 Index Dissemination Period

The calculation and dissemination of the DJSI World begins when the first stock exchange/trading system in the DJSI World/DJGTSM regional universe opens for trading. The receipt of the first official opening stock price triggers the calculation and dissemination of the relevant index.

The index calculation and dissemination ends when the last stock exchange/trading system in the regional universe closes.

5.12 Real Time Dissemination

The DJSI World US dollar-denominated price indexes are real time.

All the other indexes are only disseminated at the end of the index dissemination period. The real time index values are based on the intraday stock prices and relevant currency rates.

5.13 Day-End Dissemination

All DJSI World data is disseminated after the end of the index dissemination period at 5.59 pm New York time. This includes the euro-denominated indexes and return indexes, which are only disseminated then.

5.14 Dividend Treatment

All dividend payments are imputed in the DJSI World return indexes.

Only extraordinary or special dividends - from either non-operating income or cash dividends - are imputed in the price indexes.

All dividends are imputed as net amounts, i.e. $\text{Net Dividend} = \text{Declared Dividend} - \text{the relevant Withholding Tax}$.

5.15 Weightings

The DJSI World is free-float market-capitalization weighted. The weighting of the components is based on the free-float portion of the total number of shares outstanding. Free-float is defined as the total number of shares outstanding less the block ownership.

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Block ownership is defined as the sum of all holdings larger than 5% - held by companies, governments, families and private investors, but excluding those by investment companies and funds - that have to be reported to the domestic regulatory agencies.

The weightings are reviewed during the third month of each calendar quarter. Changes are implemented following the third Friday of that month.

The weightings are effective on the next trading day, following a minimum notification period of 2 trading days.

The weighting of each component is capped at 10% of the total market capitalization of the DJSI World index. At the reviews, any component weighting that is more than 10% is reduced to 10% then by a weighting cap factor.

The DJSI World 80 is weighted according to sustainability scores. The score for each component is normalized based on the best score that a company in the same sector has achieved. For example, if the component is assigned to the chemicals sector and has a score of 60 and the best company in the chemicals sector has achieved a score of 80, then the normalized score is $60/80=75\%$. The weighting of each component at the annual review date reflects the normalized score of the company divided by the total sum of the normalized scores of all components. As the weighting for the DJSI World 80 is based on a stock's normalized sustainability score, a weighting factor is introduced that reflects the initial stock's weighting at the annual review. The weighting factor for a company has a similar role as the product of the number of shares and float figures have for free float market capitalization weighted indices.

The weighting factor for the DJSI World 80 is calculated as follows:

Determine the initial weight of each company in the index based on the normalized sustainability score, i.e. $\text{initial weight} = \text{normalized sustainability score of a company} / \text{sum of the normalized sustainability scores for each company in the index}$.

Determine the weighting factor for each stock, i.e. $\text{weighting factor} = 1'000'000'000 * \text{initial weight} / \text{closing price of stock}$ and rounded to integers.

The weighting factor will be adjusted in the event of a corporate action.

5.16 Index Divisors

Index divisors for the DJSI World are adjusted to maintain the continuity of the indexes and prevent distortions due to corporate actions affecting the market capitalization of the indexes. These corporate actions include changes in the index composition due to the addition, deletion or replacement of companies, and weighting changes due to changes of more than 10% in a component's number of shares. Also included are mergers, takeovers, spin-offs,

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rights offerings, repurchase of shares, public offerings, return of capital, special cash distribution and special stock distribution of other than the same stock.

5.17 Review, Implementation & Effective Dates

Changes to the index composition - as specified at the annual review of the DJSI World - are announced on the review date in the second week of September.

Following a minimum 1-week notification period, these changes are implemented - after the official closing prices have been determined - on the third Friday of September.

All these changes are effective on the next trading day.

The forthcoming review, implementation and effective dates for the annual reviews are updated as necessary and disseminated via www.sustainability-indexes.com.

5.18 Historical Index Values

A historical perspective of the DJSI World - dating back to 31 December 1993 - is available on major data vendor sites.

5.19 Data Vendor Codes

The current data vendor codes for all the DJSI World are updated as necessary and available on www.sustainability-indexes.com.

5.20 Publications

SAM Indexes GmbH also provides additional information - e.g. index performance reports and announcements of new products and services - via the following publications:

- Press Releases
- Monthly reports

These publications are disseminated via the most appropriate media and available on www.sustainability-indexes.com.

6 ANNUAL AND QUARTERLY REVIEWS

6.1 Introduction

The DJSI World is reviewed annually and quarterly to ensure that the index composition accurately represents the top 10% of the leading sustainability companies in each of the DJSI sectors. The DJSI World 80 and DJSI World ex US are reviewed annually.

The annual review methodology selects these leading sustainability companies from the DJSI World investable stocks universe, which is also reviewed annually. The resulting changes to the index composition are announced on the annual review date in September. Following a minimum 1-week notification period, these changes will be implemented - after the official closing prices have been determined - on the third Friday of September. All these changes will be effective on the next trading day.

	DJSI World	DJSI World 80	DJSI World ex US	DJSI World ex US 80
Annual Review	X	X	X	X
Quarterly Review	X		X	

The quarterly reviews reflect changes in the investable stocks universe as well as changes with regard to the number of shares and free float factors.

Quarterly reviews are implemented on the third Friday in March, June, September, and December to become effective on the next trading day.

Changes to the index are implemented after the official closing values have been established. All adjustments are made before the start of the next trading day. Constituent changes that result from the quarterly review will be announced at least 1 week prior to the implementation date.

The addition and deletion of index components as a result of the annual review of the DJSI Europe index are disseminated via press releases and www.sustainability-indexes.com. Complete results of the annual and quarterly reviews are disseminated to licensees only.

6.2 Investable Stocks Universe

The DJSI World investable stocks universe is derived from the components of the DJGTSM. In addition to the DJGTSM component selection criteria, the stocks in the investable stocks universe must fulfill:

Market capitalization:

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The investable stocks universe consists of the largest – by free floating market capitalization - 2,500 companies and associated secondary share classes that are components of the Dow Jones total Stock Market Index on 31 December of the preceding year. In addition, it consists of all current DJSI World components that have a free float market capitalization above USD 500m.

6.3 DJSI World

The annual review of the DJSI World index is based on the DJSI World investable stocks universe.

The review process follows:

1. DJSI Sector Classification:

Each company in the DJSI World investable stocks universe is assigned – based on the company's primary revenue source – to one of the DJSI sectors.

2. Corporate Sustainability Assessment:

All companies in the DJSI World investable stocks universe are invited to be evaluated against the SAM's corporate sustainability assessment criteria.

Each company assessed is assigned a corporate sustainability score.

3. Sector Ranking:

The analyzed companies are ranked according to their corporate sustainability score within their DJSI sectors.

4. Eligible Sectors:

Only those DJSI sectors where the highest ranked company has a corporate sustainability score of at least 50% of the maximum score are eligible for the DJSI World.

All other sectors – and their associated companies – are deemed ineligible and are eliminated from the review process.

5. Eligible Companies:

From each eligible DJSI sector, only companies with a corporate sustainability score of at least half of the highest ranked company in the same sector are eligible for the DJSI World. All other companies are deemed ineligible and are eliminated from the selection process.

6. Component Selection:

The target selection for each eligible DJSI sector is 10% of the companies in the investable universe in that group. In a first step, the top 7% of the eligible companies in each sector – by corporate sustainability performance ranking – are selected for the DJSI World. In a second step, the eligible current DJSI World component companies ranked in the buffer zone between the top 7% and the top 13% of the eligible companies – by corporate sustainability performance ranking – are selected for the DJSI World. If after adding all component

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companies in the buffer zone the target selection number is not reached, then additional non-component companies – in their corporate sustainability ranking order – are added to the selection universe, but only until the target selection number of companies is reached. If the difference in the corporate sustainability scores between the last selected company in order to reach the target selection number of companies in each DJSI sector and the next company in the sustainability ranking order is within the specified average error margin, then this next ranked company is also selected for the DJSI World. The average error margin for the corporate sustainability performance assessment is determined by reviewing a random sample of companies among the upper half of the companies that were not selected because of relatively low corporate sustainability scores and the lower half of companies selected for the DJSI. The average error margin is reviewed annually.

7. Market Capitalization Coverage:

The target free float market capitalization coverage for each DJ super sector is 15% of the DJGTSM market capitalization for that super sector.

For each super sector, if the cumulative market capitalization of the selected companies exceeds this target, then no further companies from this market sector are selected for the DJSI World.

If the market capitalization target is not yet exceeded, then further companies from this market sector are selected for the DJSI World – according to their sustainability ranking order – until the cumulative market capitalization is as close as possible to the market capitalization target. Only companies that belong to the top 13% in their DJSI sector are eligible for inclusion. Selection priority is given to companies that have a higher percentage of the best company's score in their DJSI sector. Finally, further components may be added from the list of eligible companies – according to their sustainability ranking order – to reduce gaps between the regional and sector allocation of the DJSI World and the overall regional and sector distribution of the DJGTSM.

The results of the annual review of the DJSI World index are disseminated via press releases and www.sustainability-indexes.com.

6.4 DJSI World 80

The annual review of the DJSI World 80 is based on the annual review of the DJSI World (see chapter 6.3).

1. Universe:

The universe for the annual review of the DJSI World 80 is the reviewed DJSI World, i.e. the DJSI World as it will be implemented upon the next annual review date.

2. Ranking List:

Each company in this universe is ranked according to its free float market capitalization on 31 July.

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3. Selection:

The target number of components for the DJSI World 80 is 80. To reach this number, the 60 biggest companies by free float market capitalization are selected in a first step, provided, however, that from each super sector (see chapter 5.6) a maximum of ten companies can be selected. This restriction also applies for the two following steps. In a second step, all current components of the DJSI World 80 between ranks 61 and 100 are selected in descending order until a total number of 80 components is reached. Third, provided that 80 components are not yet selected, additional companies which are not yet components of the DJSI World 80 are selected in descending order as new components until the total number of 80 components has been reached.

6.5 DJSI World ex US 80

The annual review of the DJSI World ex US 80 is based on the annual review of the DJSI World (see chapter 6.3).

1. Universe:

The universe for the annual review of the DJSI World ex US 80 is the reviewed DJSI World ex US, i.e. the DJSI World ex US as it will be implemented upon the next annual review date.

2. Ranking List:

Each company in this universe is ranked according to its free float market capitalization on 31 July.

3. Selection:

The target number of components for the DJSI World ex US 80 is 80. To reach this number, the 60 biggest companies by free float market capitalization are selected in a first step, provided, however, that from each super sector (see chapter 5.6) a maximum of ten companies can be selected. This restriction also applies for the two following steps. In a second step, all current components of the DJSI World ex US 80 between ranks 61 and 100 are selected in descending order until a total number of 80 components is reached. Third, provided that 80 components are not yet selected, additional companies which are not yet components of the DJSI World ex US 80 are selected in descending order as new components until the total number of 80 components has been reached.

6.6 Quarterly Review

Quarterly reviews are implemented during March, June, September, and December. Changes become effective at the opening on the first Monday after the third Friday of the review month. These changes are implemented simultaneously in every index to which the company belongs.

Changes to the indexes are implemented after the official closing values have been established. All adjustments are made before the start of the next trading day. Constituent

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changes that result from the periodic review will be announced at least two business days prior to the implementation date.

At the quarterly reviews, the weighting of each component is capped at 10%. Any component weighting in the DJSI World that is more than 10% is reduced to 10% by a weighting cap factor.

7 ONGOING MAINTENANCE

In addition to the annual and quarterly reviews, the DJSI World and its subsets are also continually reviewed for changes to the index composition necessitated by extraordinary corporate actions - e.g. mergers, takeovers, spin-offs, initial public offerings (IPOs), delisting and bankruptcy - affecting the component companies and their corporate sustainability performance.

7.1 Changes due to Corporate Sustainability Performance

Any deletions from the DJSI World due to changes in the corporate sustainability scores of the DJSI World components are effective immediately; i.e. on the same day the change is effective following a minimum notification period of 2 trading days. The DJSI Index Design Committee is responsible for this decision.

A deleted component due to changes in its corporate sustainability performance may be replaced by the next highest-ranked eligible non-component within its super sector. Selection priority is given to companies that have a higher percentage of the best company's score in their DJSI sector. A replacement only occurs if it leads to a total market capitalization of its market sector, which is closer to the target market capitalization coverage than in the case of no replacement (see chapter 6.3.7).

The replacement of any component deleted due to a change in its corporate sustainability performance is effective immediately; i.e. on the same day the change is effective following a minimum notification period of 2 trading days.

7.2 Changes due to Initial Public Offerings (IPOs)

If an initial public offering (IPO) stems from a component of the DJSI World and is in the same DJSI sector of the component, then it is eligible for inclusion in the DJSI World and all subset indexes. In this case the IPO is allocated the same corporate sustainability score as the parent company. The IPO is effective immediately; i.e. on the same day the change is effective following a minimum notification period of 2 trading days. The DJSI Index Design Committee is responsible for this decision.

If the IPO is derived from a component of the DJSI World but is not in the same DJSI sector or the IPO is not derived from a company in the DJSI World it is assessed as part of the next annual review.

7.3 Changes due to Spin-Offs

If a DJSI World component is split to form two or more companies, and if the original company is delisted, then the original company is deleted from the DJSI World and the relevant subset indexes.

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If any of the new spun-off companies qualify for the DJSI World by fulfilling all the DJGTSM and DJSI World component selection criteria including the corporate sustainability performance assessment, then they are included in the DJSI World and the relevant subset indexes.

The changes to the composition due to a spin-off are effective immediately; i.e. on the same day the corporate action is effective following a minimum notification period of 2 trading days. A deleted component due to a spin-off may be replaced by the next highest-ranked eligible non-component within its market sector. Selection priority is given to companies that have a higher percentage of the best company's score in their DJSI sector. A replacement only occurs if it leads to a total market capitalization of its market sector, which is closer to the target market capitalization coverage than in the case of no replacement (see chapter 6.3.7). The replacement of any component deleted due to a spin-off is effective immediately; i.e. on the same day the deletion is effective following a minimum notification period of 2 trading days.

The DJSI Index Design Committee is responsible for this decision.

7.4 Changes due to Mergers & Takeovers

Component & component (acquisition target and acquirer are both index components):

The corporate sustainability scores of the two original companies are weighted according to their market capitalization and added together to form the adjusted corporate sustainability score for the succeeding company.

If the succeeding company qualifies for the DJSI World by fulfilling all the DJGTSM and DJSI World component selection criteria including the corporate sustainability performance assessment, then it is added to the DJSI World and the relevant subset indexes.

If the succeeding company does not fulfill the component selection criteria, then it is not added to the DJSI World.

The two original components are deleted from the DJSI World.

The deleted components may be replaced by the next highest-ranked eligible non-component within their market sector. Selection priority is given to companies that have a higher percentage of the best company's score in their DJSI sector. A replacement only occurs if it leads to a total market capitalization of their market sector, which is closer to the target market capitalization coverage than in the case of no replacement (see chapter 6.3.7). The replacement of any component deleted due to a merger is effective immediately; i.e. on the same day the deletion is effective following a minimum notification period of 2 trading days.

Component & non-component (acquisition target or acquirer is index component):

If the share of the market capitalization of the non-component company is less than 10% of the newly merged company, then the newly merged company stays in the DJSI World.

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If the market capitalization of this non-component company is more than 10% of the newly merged company and if the corporate sustainability performance of the non-component company had not been assessed at the last review, then the corporate sustainability performance of this non-component company is assessed immediately.

The non-component undergoes corporate sustainability monitoring. If the non-component company fails to fulfill the corporate sustainability monitoring process, then the newly merged company is excluded from the DJSI World and subset indexes.

If the non-component company fulfills the corporate sustainability monitoring process and the market capitalization of this non-component is less than 20% of the succeeding company, then the newly merged company is added to the DJSI World and subset indexes.

If the non-component company fulfills the corporate sustainability monitoring process, and the market capitalization of this non-component is greater than 20% of the succeeding company, the management control of the newly merged company is reviewed.

If the component company holds full management control of the newly merged company, then no further corporate sustainability assessment is needed, and the newly merged company is added to the DJSI World index and subset indexes.

If the component company does not maintain full management control, then the corporate sustainability performance of the non-component company is assessed. The corporate sustainability scores of the two merging companies are weighted according to their market capitalization and added together to form the adjusted corporate sustainability score for the merged company. If the merged company qualifies for the DJSI World by fulfilling all the DJGTSM and DJSI World component selection criteria including the corporate sustainability performance assessment, then it is added to the DJSI World and relevant subset indexes.

If the newly merged company does not fulfill the component selection criteria, then it is not added to the indexes.

The original component is deleted from the DJSI World.

The deleted component may be replaced by the next highest-ranked eligible non-component within its market sector. Selection priority is given to companies that have a higher percentage of the best company's score in their DJSI sector. A replacement only occurs if it leads to a total market capitalization of its market sector, which is closer to the target market capitalization coverage than in the case of no replacement (see chapter 6.3.7).

The changes to the composition of the DJSI World due to a merger/takeover are effective immediately; i.e. on the same day the corporate action is effective following a minimum notification period of 2 trading days.

7.5 Changes due to Sector Classifications

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If a DJSI sector reclassification is due to an extraordinary corporate action, then the resulting changes to the composition of the DJSI World are effective immediately; i.e. on the same day the corporate action is effective following a minimum notification period of 2 trading days. If the DJSI sector reclassification is due to a change in a company's largest source of revenue, then the resulting changes to the composition of the DJSI World are effective at the next annual review; i.e. on the same day the changes due to the annual review are effective following a minimum 2-week notification period.

In exceptional cases, the 2-week notification period may be reduced. The DJSI World Index Design Committee is responsible for this decision.

7.6 Changes to Weightings

If, due to an extraordinary corporate action, the number of free floating shares outstanding for an index component changes immediately by more than 10%, then the new number of shares and weighting are effective immediately; i.e. on the same day the corporate action is effective following a minimum notification period of 2 trading days.

Changes in the number of free floating shares outstanding and weighting - due to stock dividends, splits, rights issues and other corporate actions - are also effective immediately; i.e. on the same day the corporate action is effective following a minimum notification period of 2 trading days.

If, due to an extraordinary corporate action, the number of free floating shares outstanding for an index component changes immediately by less than 10% or if the changes occur over a period, then the new number of shares and weighting are effective at the next relevant quarterly review, following a minimum notification period of 2 trading days.

7.7 Changes to Liquidity

Stocks that are illiquid for the following reasons are considered for deletion from the DJSI World:

- § 10 consecutive non-trading days
- § Suspension from trading
- § Ongoing bankruptcy proceedings

The changes to the composition of the DJSI World due to the deletion of an illiquid stock are effective immediately; i.e. on the same day the corporate action is effective following a minimum notification period of 2 trading days.

The deleted component may be replaced by the next highest-ranked eligible non-component within its market sector. Selection priority is given to companies that have a higher percentage of the best company's score in their DJSI sector. A replacement only occurs if it leads to a market capitalization of its market sector, which is closer to the target market capitalization coverage than in the case of no replacement (see chapter 6.3.7).

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The DJSI Index Design Committee is responsible for this decision.

8 CALCULATION MODEL

8.1 Input Data Specification

The calculation of the DJSI World is based on the following input data:

- Real time stock prices
- Real time currency rates
- Number of free float shares
- Corporate action information and data

8.2 Input Data Sources

The input data are obtained from several sources, including:

- Relevant stock exchanges/trading systems
- Regulatory agencies
- Companies involved

8.3 Input Data Monitoring

Various verification and audit procedures are implemented to ensure that the real time stock price and currency rate input-data feeds are of the highest accuracy, consistency and quality.

These procedures include:

- Data filters
- Quality assurance tools
- Computerized range-check warning systems for both ticker plant and real time index systems
- Verification against secondary sources

8.4 Input Data Corrections

Every effort is made to prevent erroneous input data from affecting the DJSI World.

Incorrect or missing data - e.g. stock prices, currency rates, number of shares outstanding and corporate actions - are corrected immediately.

8.5 Index Formula

The DJSI World and its respective subsets are calculated with the Laspeyres formula below:

$$\text{Index}_t = \frac{\sum_{i=1}^n (p_{it} \cdot q_{it} \cdot X_{it}^{\text{USD}})}{C_t \cdot \sum_{i=1}^n (p_{i0} \cdot q_{i0} \cdot X_{i0}^{\text{USD}})} \cdot \text{base value} = \frac{M_t}{B_t} \cdot \text{base value}$$

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The divisor (D_t) is different for the price and return indexes because of the different dividend treatments.

The formula can be simplified as follows:

$$\text{Index}_t = \frac{M_t}{D_t}$$

$$D_t = \frac{B_t}{n} = \text{divisor at time (t)}$$

n = the number of stocks in the index

P_{i0} = the closing price of stock (i) at the base date (31/12/1998)

q_{i0} = the number of free float shares of stock (i) at the base date (31/12/1998)

P_{it} = the price of stock (i) at time (t)

q_{it} = the number of free float shares of stock (i) at time (t)

C_t = the adjustment factor for the base date market capitalization

t = the time the index is computed

M_t = free float market capitalization of the index at time (t)

B_t = adjusted base date market capitalization of the index at time (t)

X_{it}^{USD} = cross rate: domestic currency in USD of company (i) at time (t) {applies only to companies that are not traded in USD}

base value = 1,000 on the base date; i.e. December 31, 1998

8.6 Data Accuracy

The accuracy of the input, computational and output data is specified below:

Input and other underlying computational data: rounded to 7 decimal places

Index divisors: rounded to integers

Index values: rounded to 2 decimal places

8.7 Index Divisor Adjustments

The index divisors are adjusted as follows in response to corporate actions:

$$D_{t+1} = D_t \cdot \frac{\sum (P_{it} q_{it}) \pm \Delta MC_{t+1}}{\sum (P_{it} q_{it})}$$

where:

D_t = divisor at time (t)

D_{t+1} = divisor at time (t+1)

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P_{it} = stock price of company (i) at time (t)

q_{it} = number of free float shares of company (i) at time (t)

ΔMC_{t+1} = free float market capitalization calculated with adjusted closing prices and new number of free float shares at time (t+1) minus free float market capitalization calculated with closing prices and number of free float shares at time (t), of companies with corporate actions effective at time (t+1)

For the corporate actions listed below, the following assumptions apply:

Shareholders will receive 'B' new shares for 'A' currently held shares (where applicable)

If the new shares have a dividend disadvantage - i.e. the new shares have a different dividend from the old shares - the price for these new shares will be adjusted accordingly (taking into account the withholding tax).

Cash dividend (applied for return index only): Divisor \hat{t}

adjusted price = closing price - dividend announced by the company * (1 - withholding tax)

Special cash dividend (applied for price and return index): Divisor \hat{t}

adjusted price = closing price - dividend announced by the company * (1 - withholding tax)

Split and reverse split: Divisor $\zeta \hat{e}$

adjusted price = closing price * A / B

new number of shares = old number of shares * B / A

Rights offering: Divisor \hat{t}

adjusted price = (closing price * A + subscription price * B) / (A + B)

new number of shares = old number of shares * (A + B) / A

Stock dividend: Divisor $\zeta \hat{e}$

adjusted price = closing price * A / (A + B)

new number of shares = old number of shares * (A + B) / A

Stock dividend of another company: Divisor \hat{t}

adjusted price = (closing price * A - price of the other company * B) / A

Return of capital and share consolidation: Divisor \hat{t}

adjusted price = [closing price - dividend announced by company * (1 - withholding tax)] * A / B

new number of shares = old number of shares * B / A

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Repurchase of shares / self tender: Divisor \hat{i}

adjusted price = [(price before tender * old number of shares) - (tender price * number of tendered shares)] / (old number of shares - number of tendered shares)

new number of shares = old number of shares - number of tendered shares

Spin-off: Divisor \hat{i}

adjusted price = (closing price * A - price of spun-off shares * B) / A

Combination stock distribution (dividend or split) and rights offering:

For the above corporate action, the following additional assumptions apply:

Shareholders receive B new shares from the distribution and C new shares from the rights offering for every A shares held.

If A is not equal to one, then all the following 'new number of shares' formulae need to be divided by A:

§ **Rights are applicable after stock distribution:** Divisor \hat{i}

adjusted price = [closing price * A + subscription price * C * (1 + B / A)] / [(A + B) * (1 + C / A)]

new number of shares = old number of shares * [(A + B) * (1 + C / A)] / A

§ **Stock distribution is applicable after rights:** Divisor \hat{i}

adjusted price = [closing price * A + subscription price * C] / [A + B + C]

new number of shares = old number of shares * [A + B + C] / A

§ **Stock distribution and Rights:** Divisor \hat{i}

adjusted price = [closing price * A + subscription price * C] / [A + B + C]

new number of shares = old number of shares * [A + B + C] / A

8.8 Index Divisor Corrections

If an incorrect index divisor is discovered within five days of its occurrence, then it is corrected immediately.

If a divisor error is discovered more than five days after occurrence, the adjustment will depend upon how significant the error is, how far back the error occurred and the feasibility of performing the adjustment. This decision is the responsibility of the DJSI Index Design Committee.

9 INDEX MANAGEMENT & RESPONSIBILITIES

9.1 DJSI Index Design Committee

The responsibilities of the DJSI Design Committee include the following:

- Auditing the index composition at the annual and quarterly reviews
- Deciding on the composition and accuracy of the Dow Jones Sustainability Indexes.
- Approving all changes to the index methodology
- Ongoing review of all extraordinary corporate actions for possible changes to the index composition
- Verifying the integrity of input price, currency rate and other related market data

All new indexes and changes to the index composition and methodology will be announced - with a sufficient notification period -before they become effective.

9.2 SAM Faculty

The SAM Faculty consists of five (5) to ten (10) members, one (1) of which is a Dow Jones Indexes employee or designee. The remaining members consist of individuals not affiliated with SAM or Dow Jones Indexes (“Independent Faculty Members”) who provide a broad range of perspectives in terms of specific sustainability subjects (e.g. climate change, resources, human capital, corporate governance), broad management and strategy issues (e.g. corporate strategy development), geographies (e.g. Europe, Americas, Asia / Pacific), and viewpoints (e.g. finance, business, academia, NGOs, media, politics).

9.3 Customer Service

Customer Service is available Mondays to Fridays on:

Tel.: +41 44 653 1800

E-mail: indexes@sam-group.com.