

DJSI 2016 Review Results September 2016



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Key Facts – Dow Jones Sustainability Indices (DJSI)

Overview

- **Cooperation with S&P Dow Jones Indices** for the publication and licensing of the DJSI.
- Launched in **1999**, the DJSI were the first global indices tracking the financial performance of leading sustainability-driven companies worldwide.
- Integrated assessment of **economic, environmental and social criteria** with a strong focus on **long-term shareholder value**.
- **Rules-based methodology** and use of primary research.
- Focus on **best-in-class** companies. Yearly review of component selection and continuous monitoring of companies.
- Broad family of global, regional and country DJSI benchmarks.
- Assurance of the assessment process by **Deloitte**.
- Local partnership with **Korea Productivity Centre (KPC)**.

Assessment 2016 – Universe

Number of invited companies

Total number of invited companies = 3,420

- DJSI World Universe = 2,535
- DJSI Europe Universe = 615
- DJSI North America Universe = 617
- DJSI Asia Pacific Universe = 615
- DJSI Emerging Markets Universe = 811
- DJSI Korea Universe = 202
- DJSI Australia Universe = 202

Number of assessed companies

Total number of companies analyzed = 1,986

Completed questionnaires = 867

Completed assessments based exclusively on public information = 1,119

Assessment 2016 – Assessment Criteria Changes

Criteria	Key changes compared to 2015
Materiality	<p>RobecoSAM has further developed its methodology for assessing how companies identify and report on material issues for their business. This topic was previously addressed in the Environmental Reporting and Social Reporting criteria. It now features in the Economic Dimension, and encourages companies to identify the economic, environmental and/or social issues that are most material to their business – explaining how are these linked to their business drivers and whether executive compensation is aligned with long-term metrics to measure progress on these issues.</p>
Impact Measurement & Valuation	<p>Corporate Social Responsibility and Corporate Philanthropy programs are evolving, and measuring their impact is becoming more common. As a result, RobecoSAM has developed the Impact Measurement & Valuation criterion. The purpose of this new criterion is to assess whether companies have developed specific business programs to address societal needs and if they are measuring and valuing their broader societal impacts. Business programs for social needs are initiatives that specifically generate business value through addressing the issues and needs of society, for example, as expressed by the UN Sustainable Development Goals.</p>
Labor Practice Indicators and Human Rights	<p>Previous questions on business and human rights have been reviewed and replaced with a new set of 4 questions that evaluate a company’s commitment to human rights in line with the UN Guiding Principles on Business and Human Rights. The new questions assess whether companies have detailed corporate human rights policies, if they have due diligence processes in place, whether they conduct human rights risk assessments and the extent to which they disclose this information in the public domain.</p>
Brand Management	<p>The Brand Management criterion has been updated in collaboration with Interbrand, a global brand consultancy. As a result, previous brand management questions have been replaced by a set of 3 questions that focus on how companies position their brands and use sustainability as a differentiating factor. The new set of questions is only applied to consumer-oriented industries, and the criterion has been deleted from the other industries.</p>

DJSI Selection Rules

- 1. Eligibility:** Companies are only eligible for selection if their score is at least 40% of the highest score within the respective index universe.
- 2. Best-in-class selection*:** Select 10% best companies per industry for World (20% for World Enlarged/regional indices, 30% for country indices, 10% for Emerging Markets).
- 3. Error margin:** Select companies outside the best-in-class interval if they are within an absolute 0.3 score distance of the last company selected in the respective industry in step 2.
- 4. Buffer rule:** Select existing components if they are within the top 15% of their industry for World (30% for World Enlarged/regional indices, 45% for country indices, 15% for Emerging Markets).

* Industries may be merged to ensure that at least one company can be selected at the best-in-class level (provided it passes the eligibility criteria).

Assessment 2016 – Industry Group Leaders

As of September 19th, 2016

Automobiles & Components	Bayerische Motoren Werke AG	Germany
Banks	Westpac Banking Corp	Australia
Capital Goods	Koninklijke Philips NV	Netherlands
Commercial & Professional Services	SGS SA	Switzerland
Consumer Durables & Apparel	LG Electronics Inc	Republic of Korea
Consumer Services	Sodexo	France
Diversified Financials	UBS Group AG	Switzerland
Energy	Thai Oil PCL	Thailand
Food & Staples Retailing	METRO AG	Germany
Food, Beverage & Tobacco	Nestle SA	Switzerland
Health Care Equipment & Services	Abbott Laboratories	United States
Household & Personal Products	Unilever NV	Netherlands

Assessment 2016 – Industry Group Leaders

As of September 19th, 2016

Insurance	Swiss Re AG	Switzerland
Materials	Koninklijke DSM NV	Netherlands
Media	Telenet Group Holding NV	Belgium
Pharmaceuticals, Biotechnology & Life Sciences	Roche Holding AG	Switzerland
Real Estate	Stockland	Australia
Retailing	Industria de Diseno Textil SA	Spain
Semiconductors & Semiconductor Equipment	Advanced Semiconductor Engineering Inc	Taiwan
Software & Services	Atos SE	Spain
Technology Hardware & Equipment	Hewlett Packard Enterprise Co	United States
Telecommunications	Telecom Italia SpA	Italy
Transportation	PostNL NV	Netherlands
Utilities	Iberdrola SA	Spain

DJSI World – Selection



Effective as of September 19th, 2016

Source: RobecoSAM

DJSI World – Largest Additions & Deletions

Largest 10 Additions

(Ranked by Float Adjusted Market Capitalization as per 29th July 2016)

Name	Country	Industry Group
Cisco Systems Inc	United States	Technology Hardware & Equipment
Royal Dutch Shell PLC	United Kingdom	Energy
Adobe Systems Inc	United States	Software & Services
Reynolds American Inc	United States	Food, Beverage & Tobacco
Wesfarmers Ltd	Australia	Food & Staples Retailing
Essilor International SA	France	Health Care Equipment & Services
Nissan Motor Co Ltd	Japan	Automobiles & Components
Bridgestone Corp	Japan	Automobiles & Components
Henkel AG & Co KGaA	Germany	Household & Personal Products
E.ON SE	Germany	Utilities

Largest 10 Deletions

(Ranked by Float Adjusted Market Capitalization as per 29th July 2016)

Name	Country	Industry Group
Intel Corp*	United States	Semiconductors & Semiconductor Equipment
Samsung Electronics Co Ltd	Republic of Korea	Technology Hardware & Equipment
British American Tobacco PLC*	United Kingdom	Food, Beverage & Tobacco
BT Group PLC	United Kingdom	Telecommunication Services
BHP Billiton Ltd*	Australia	Materials
Target Corp*	United States	Retailing
Eni SpA	Italy	Energy
Banco Bilbao Vizcaya Argentaria SA	Spain	Banks
Halliburton Co*	United States	Energy
WPP PLC	United Kingdom	Media

*Remains a component of a regional DJSI (DJSI Europe, DJSI North America, DJSI Asia Pacific and/or DJSI Emerging Markets)

DJSI Europe – Selection



*Countries: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom
Effective as of September 19th, 2016

DJSI Europe – Largest Additions & Deletions

Largest 5 Additions

(Ranked by Float Adjusted Market Capitalization as per 29th July 2016)

Name	Country	Industry Group
TOTAL SA	France	Energy
Novo Nordisk A/S	Denmark	Pharmaceuticals, Biotechnology & Life Sciences
Iberdrola SA	Spain	Utilities
Nokia OYJ	Finland	Technology Hardware & Equipment
Essilor International SA	France	Health Care Equipment & Services

Largest 5 Deletions

(Ranked by Float Adjusted Market Capitalization as per 29th July 2016)

Name	Country	Industry Group
BT Group PLC	United Kingdom	Telecommunication Services
Eni SpA	Italy	Energy
Banco Bilbao Vizcaya Argentaria SA	Spain	Banks
ARM Holdings PLC	United Kingdom	Semiconductors & Semiconductor Equipment
WPP PLC	United Kingdom	Media

DJSI Asia Pacific – Selection



*Countries: Australia, Hong Kong, Japan, New Zealand, Singapore and Republic of Korea
Effective as of September 19th, 2016

DJSI Asia Pacific – Largest Additions & Deletions

Largest 5 Additions

(Ranked by Float Adjusted Market Capitalization as per 29th July 2016)

Name	Country	Industry Group
NTT DOCOMO Inc	Japan	Telecommunication Services
Mitsui & Co Ltd	Japan	Capital Goods
Fast Retailing Co Ltd	Japan	Retailing
MS&AD Insurance Group Holdings Inc	Japan	Insurance
Tokyo Electron Ltd	Japan	Semiconductors & Semiconductor Equipment

*Remains a component of DJSI World

Largest 5 Deletions

(Ranked by Float Adjusted Market Capitalization as per 29th July 2016)

Name	Country	Industry Group
Samsung Electronics Co Ltd	Republic of Korea	Technology Hardware & Equipment
Tokio Marine Holdings Inc*	Japan	Insurance
Terumo Corp	Japan	Health Care Equipment & Services
Kirin Holdings Co Ltd	Japan	Food, Beverage & Tobacco
KT&G Corp	Republic of Korea	Food, Beverage & Tobacco

DJSI North America – Selection



*Countries: Canada, United States
Effective as of September 19th, 2016

Source: RobecoSAM

DJSI North America– Largest Additions & Deletions

Largest 5 Additions

(Ranked by Float Adjusted Market Capitalization as per 29th July 2016)

Name	Country	Industry Group
Merck & Co Inc	United States	Pharmaceuticals, Biotechnology & Life Sciences
PepsiCo Inc	United States	Food, Beverage & Tobacco
Schlumberger Ltd	United States	Energy
Allergan plc	United States	Pharmaceuticals, Biotechnology & Life Sciences
Adobe Systems Inc	United States	Software & Services

Largest 5 Deletions

(Ranked by Float Adjusted Market Capitalization as per 29th July 2016)

Name	Country	Industry Group
Exxon Mobil Corp	United States	Energy
EMC Corp	United States	Technology Hardware & Equipment
Allstate Corp	United States	Insurance
Spectra Energy Corp	United States	Energy
Baker Hughes Inc	United States	Energy

DJSI Emerging Markets – Selection



*Countries: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Malaysia, Mexico, Morocco, Peru, the Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey, and the United Arab Emirates
Effective as of September 19th, 2016

DJSI Emerging Markets– Largest Additions & Deletions

Largest 5 Additions

(Ranked by Float Adjusted Market Capitalization as per 29th July 2016)

Name	Country	Industry Group
CTBC Financial Holding Co Ltd	Taiwan	Banks
Fubon Financial Holding Co Ltd	Taiwan	Diversified Financials
Advanced Semiconductor Engineering Inc	Taiwan	Semiconductors & Semiconductor Equipment
Kasikornbank PCL	Thailand	Banks
Thai Beverage PCL	Thailand	Food, Beverage & Tobacco

Largest 5 Deletions

(Ranked by Float Adjusted Market Capitalization as per 29th July 2016)

Name	Country	Industry Group
Naspers Ltd	South Africa	Media
Aspen Pharmacare Holdings Ltd	South Africa	Pharmaceuticals, Biotechnology & Life Sciences
Mediclinic International Ltd*	South Africa	Health Care Equipment & Services
Latam Airlines Group SA*	Chile	Transportation
Ecopetrol SA	Colombia	Energy

*Remains a component of DJSI World

Additional Resources

- **Information for companies on the Corporate Sustainability Assessment (CSA):**
www.robecosam.com/csa
- **Further information about the 2016 DJSI Review:**
<http://www.robecosam.com/en/sustainability-insights/about-sustainability/corporate-sustainability-assessment/review.jsp>
- **RobecoSAM CSA 2016 – Annual Methodology & Scoring Review**
http://www.robecosam.com/images/CSA_2016_Annual_Scoring_Methodology_Review.pdf
- **Deloitte Assurance Statement**
<http://www.sustainability-indices.com/images/independent-assurance-report-by-deloitte-AG-to-robecosam-ag-2016.pdf>
- **For other documents visit our CSA Resource Center:**
www.robecosam.com/csa/resources

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