

**DJSI 2018
Review Results**
September 2018



Content

- Key Facts
- 2018 Corporate Sustainability Assessment
- Overview of global and regional review results
- Additional Resources

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** using 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**

Assessment 2018 – Universe

Number of invited companies

Total number of invited companies = 3,504

- DJSI World Universe = 2,521
- DJSI Europe Universe = 607
- DJSI North America Universe = 610
- DJSI Asia Pacific Universe = 612
- DJSI Emerging Markets Universe = 802
- DJSI Korea Universe = 203
- DJSI Australia Universe = 203
- DJSI Chile Universe = 83
- DJSI MILA Universe = 140

Number of assessed companies

Total number of companies analyzed = 2,094

Completed questionnaires = 993

Completed assessments based exclusively on public information = 1,101

Assessment 2018 – Assessment Criteria Changes

Criteria	Key changes compared to 2017
Corporate Governance	To further strengthen the Corporate Governance criterion, three new questions have been added and three questions have been revised. The questions Government Ownership, Family Ownership and Dual-Class Shares have been added, addressing shareholder rights and ownership structures at companies. The updated questions include Executive Compensation (Success Metrics & Alignment with Long Term Performance) and the question Management Ownership Requirements.
Tax Strategy	RobecoSAM has added the question Effective Tax Rate to supplement the existing questions on tax strategy and tax reporting (both of which are now public questions). In this new question, RobecoSAM assesses whether a company’s reported tax rate is in line with industry expectations, and whether a low tax rate can be legitimately explained through financial disclosures or if the company potentially uses complex tax structures across their organization – indicating a potentially higher source of organizational and reputational risk and damage to local value creation in the countries it operates.
Climate Strategy	RobecoSAM has made modifications to the Climate Strategy criterion, further aligning with CDP and addressing the recommendations of the TCFD. The Climate Strategy questions have been extended to more industries, underpinning the growing importance of this topic. Questions have been modified to better address climate-target setting, the use of science based targets, scope three emissions and the use of climate targets as part of employee incentive programs. The question on internal carbon pricing has been extended to more industries and a new question on scenario analysis has been added to a limited number of industries, in line with TCFD recommendations.

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 2018 – Industry Leaders

As of September 13th, 2018

Aerospace & Defense	Thales SA	France
Airlines	ANA Holdings Inc	Japan
Aluminum	Norsk Hydro ASA	Norway
Auto Components	Pirelli & C SpA	Italy
Automobiles	Peugeot SA	France
Banks	Bancolombia SA	Colombia
Beverages	Thai Beverage PCL	Thailand
Biotechnology	Biogen Inc	United States
Building Products	Owens Corning	United States
Casinos & Gaming	Star Entertainment Grp Ltd	Australia
Chemicals	Koninklijke DSM NV	Netherlands
Coal & Consumable Fuels	Banpu PCL	Thailand

Assessment 2018 – Industry Leaders

As of September 13th, 2018

Commercial Services & Supplies	Waste Management Inc	United States
Communications Equipment	Cisco Systems Inc	United States
Computers & Peripherals and Office Electronics	Konica Minolta Inc	Japan
Construction & Engineering	Hyundai Engineering & Construction Co Ltd	Republic of Korea
Construction Materials	Grupo Argos SA/Colombia	Colombia
Containers & Packaging	BillerudKorsnas AB	Sweden
Diversified Financial Services and Capital Markets	UBS Group AG	Switzerland
Electric Utilities	Terna Rete Elettrica Nazionale SpA	Italy
Electrical Components & Equipment	Signify NV	Netherlands
Electronic Equipment, Instruments & Components	Delta Electronics Inc	Taiwan
Energy Equipment & Services	Saipem SpA	Italy
Food & Staples Retailing	METRO AG	Germany

Assessment 2018 – Industry Leaders

As of September 13th, 2018

Food Products	Thai Union Group PCL	Thailand
Gas Utilities	Naturgy Energy Group SA	Spain
Health Care Equipment & Supplies	Abbott Laboratories	United States
Health Care Providers & Services	UnitedHealth Group Inc	United States
Homebuilding	Sumitomo Forestry Co Ltd	Japan
Hotels, Resorts & Cruise Lines	InterContinental Hotels Group PLC	United Kingdom
Household Durables	Electrolux AB	Sweden
Household Products	Essity AB	Sweden
Industrial Conglomerates	Siemens AG	Germany
Insurance	Allianz SE	Germany
IT services & Internet Software and Services	Atos SE	France
Leisure Equipment & Products and Consumer Electronics	LG Electronics Inc	Republic of Korea

Assessment 2018 – Industry Leaders

As of September 13th, 2018

Life Sciences Tools & Services	Agilent Technologies Inc	United States
Machinery and Electrical Equipment	CNH Industrial NV	United Kingdom
Media	Telenet Group Holding NV	Belgium
Metals & Mining	Newmont Mining Corp	United States
Multi and Water Utilities	Engie SA	France
Oil & Gas Refining and Marketing	IRPC PCL	Thailand
Oil & Gas Storage & Transportation	Enagas SA	Spain
Oil & Gas Upstream & Integrated	PTT PCL	Thailand
Paper & Forest Products	UPM-Kymmene OYJ	Finland
Personal Products	Unilever NV	Netherlands
Pharmaceuticals	Roche Holding AG	Switzerland
Professional Services	SGS SA	Switzerland

Assessment 2018 – Industry Leaders

As of September 13th, 2018

Real Estate	Stockland	Australia
Restaurants & Leisure Facilities	Sodexo SA	France
Retailing	Industria de Diseno Textil SA	Spain
Semiconductors & Semiconductor Equipment	ASE Technology Holding Co Ltd	Taiwan
Software	SAP SE	Germany
Steel	Tata Steel Ltd	India
Telecommunication Services	True Corp PCL	Thailand
Textiles, Apparel & Luxury Goods	adidas AG	Germany
Tobacco	British American Tobacco PLC	United Kingdom
Trading Companies & Distributors	ITOCHU Corp	Japan
Transportation and Transportation Infrastructure	Royal Mail PLC	United Kingdom

**No company in the Diversified Consumer Services industry has been selected as a constituent of the DJSI as a result of not meeting the minimum eligible score requirements.*

DJSI World – Selection



Effective as of September 24th, 2018

Source: RobecoSAM

DJSI World – Largest Additions & Deletions

Largest 10 Additions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
salesforce.com Inc	United States	Software & Services
Schlumberger Ltd	United States	Energy
Diageo PLC	United Kingdom	Food, Beverage & Tobacco
Anthem Inc	United States	Health Care Equipment & Services
Banco Bilbao Vizcaya Argentaria SA	Spain	Banks
Waste Management Inc	United States	Commercial & Professional Services
Nippon Telegraph & Telephone Corp	Japan	Telecommunication Services
Sempra Energy	United States	Utilities
General Mills Inc	United States	Food, Beverage & Tobacco
Assicurazioni Generali SpA	Italy	Insurance

*Remains a component of another DJSI (DJSI North America, DJSI Europe, DJSI Asia Pacific, DJSI Korea and/or DJSI Australia)

Largest 10 Deletions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
Samsung Electronics Co Ltd*	Republic of Korea	Technology Hardware & Equipment
Bayer AG	Germany	Pharmaceuticals, Biotechnology & Life Sciences
Commonwealth Bank of Australia*	Australia	Banks
BASF SE	Germany	Materials
National Australia Bank Ltd*	Australia	Banks
Humana Inc	United States	Health Care Equipment & Services
Telefonica SA*	Spain	Telecommunication Services
Barclays PLC	United Kingdom	Banks
TransCanada Corp*	Canada	Energy
Hitachi Ltd*	Japan	Technology Hardware & Equipment

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 24th, 2018

DJSI Europe – Largest Additions & Deletions

Largest 5 Additions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
Siemens AG	Germany	Capital Goods
Banco Bilbao Vizcaya Argentaria SA	Spain	Banks
RELX PLC	United Kingdom	Commercial & Professional Services
Essity AB	Sweden	Household & Personal Products
STMicroelectronics NV	Italy	Semiconductors & Semiconductor Equipment

Largest 5 Deletions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
BNP Paribas SA*	France	Banks
Compass Group PLC*	United Kingdom	Consumer Services
Anglo American PLC	United Kingdom	Materials
Henkel AG & Co KGaA	Germany	Household & Personal Products
Dassault Systemes SE	France	Software & Services

*Remains a component of another DJSI (DJSI World)

DJSI Asia Pacific – Selection



*Countries: Australia, Hong Kong, Japan, New Zealand, Singapore and Republic of Korea
Effective as of September 24th, 2018

DJSI Asia Pacific – Largest Additions & Deletions

Largest 5 Additions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
DBS Group Holdings Ltd	Singapore	Banks
Tokio Marine Holdings Inc	Japan	Insurance
South32 Ltd	Australia	Materials
Chugai Pharmaceutical Co Ltd	Japan	Pharmaceuticals, Biotechnology & Life Sciences
Ricoh Co Ltd	Japan	Technology Hardware & Equipment

Largest 5 Deletions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
Samsung Electronics Co Ltd*	Republic of Korea	Technology Hardware & Equipment
Mitsubishi UFJ Financial Group Inc	Japan	Banks
Mitsui & Co Ltd*	Japan	Capital Goods
Eisai Co Ltd	Japan	Pharmaceuticals, Biotechnology & Life Sciences
Sekisui Chemical Co Ltd*	Japan	Consumer Durables & Apparel

*Remains a component of another DJSI (DJSI World and/or DJSI Korea)

DJSI North America – Selection



*Countries: Canada, United States
Effective as of September 24th, 2018

Source: RobecoSAM

DJSI North America– Largest Additions & Deletions

Largest 5 Additions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
Johnson & Johnson	United States	Pharmaceuticals, Biotechnology & Life Sciences
Mastercard Inc	United States	Software & Services
salesforce.com Inc	United States	Software & Services
Schlumberger Ltd	United States	Energy
Bank of Nova Scotia	Canada	Banks

Largest 5 Deletions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
Merck & Co Inc	United States	Pharmaceuticals, Biotechnology & Life Sciences
PepsiCo Inc	United States	Food, Beverage & Tobacco
Altria Group Inc	United States	Food, Beverage & Tobacco
Morgan Stanley	United States	Diversified Financials
Humana Inc	United States	Health Care Equipment & Services

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 24th, 2018

DJSI Emerging Markets– Largest Additions & Deletions

Largest 5 Additions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
Siam Commercial Bank PCL	Thailand	Banks
Enel Americas SA	Chile	Utilities
Taishin Financial Holding Co Ltd	Taiwan	Banks
Siam Cement PCL	Thailand	Materials
Innolux Corp	Taiwan	Technology Hardware & Equipment

Largest 5 Deletions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
China Mobile Ltd	China	Telecommunication Services
Grupo Financiero Banorte SAB de CV*	Mexico	Banks
ITC Ltd	India	Food, Beverage & Tobacco
China Overseas Land & Investment Ltd	China	Real Estate
Larsen & Toubro Ltd	India	Capital Goods

*Remains a component of another DJSI (DJSI MILA)

DJSI MILA– Selection



*Countries: Peru, Colombia, Chile, Mexico
Effective as of September 24th, 2018

Source: RobecoSAM

DJSI MILA Pacific Alliance – Largest Additions & Deletions

Largest 5 Additions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
Alsea SAB de CV	Mexico	Consumer Services
Inversiones La Construccion SA	Chile	Diversified Financials
Celsia SA ESP	Colombia	Utilities
Enel Americas SA	Chile	Utilities
Enel Chile SA	Chile	Utilities

Largest 5 Deletions

(Ranked by Float Adjusted Market Capitalization as per 31st July 2018)

Name	Country	Industry Group
AES Gener SA*	Chile	Utilities
Administradora de Fondos de Pensiones Habitat SA*	Chile	Diversified Financials
Banco de Bogota SA	Colombia	Banks
Sigdo Koppers SA*	Chile	Capital Goods
Grupo Energia Bogota SA ESP*	Colombia	Utilities

*Remains a component of another DJSI
(DJSI Emerging Markets and/or DJSI Chile)

Additional Resources

- **Information for companies on the Corporate Sustainability Assessment (CSA):**
www.robecosam.com/csa
- **Further information about the 2018 DJSI Review:**
<http://www.robecosam.com/en/sustainability-insights/about-sustainability/corporate-sustainability-assessment/review.jsp>
- **RobecoSAM CSA 2018 – Annual Methodology & Scoring Review**
http://www.robecosam.com/images/CSA_2018_Annual_Scoring_Methodology_Review.pdf
- **Deloitte Assurance Statement**
<http://www.robecosam.com/images/independent-assurance-report-by-deloitte-AG-to-robecosam-ag-2018.pdf>
- **For other documents visit our CSA Resource Center:**
www.robecosam.com/csa/resources

RobecoSAM CSA Helpline

RobecoSAM AG

Josefstrasse 218

8005 Zurich

Switzerland

Phone: +41 44 653 1030

Fax: +41 44 653 1050

E-Mail: assessments@robecosam.com

www.robecosam.com/csa

Disclaimer

No warranty This publication is derived from sources believed to be accurate and reliable, but neither its accuracy nor completeness is guaranteed. The material and information in this publication are provided "as is" and without warranties of any kind, either expressed or implied. RobecoSAM AG and its related, affiliated and subsidiary companies disclaim all warranties, expressed or implied, including, but not limited to, implied warranties of merchantability and fitness for a particular purpose. Any opinions and views in this publication reflect the current judgment of the authors and may change without notice. It is each reader's responsibility to evaluate the accuracy, completeness and usefulness of any opinions, advice, services or other information provided in this publication.

Limitation of liability All information contained in this publication is distributed with the understanding that the authors, publishers and distributors are not rendering legal, accounting or other professional advice or opinions on specific facts or matters and accordingly assume no liability whatsoever in connection with its use. In no event shall RobecoSAM AG and its related, affiliated and subsidiary companies be liable for any direct, indirect, special, incidental or consequential damages arising out of the use of any opinion or information expressly or implicitly contained in this publication.

Copyright Unless otherwise noted, text, images and layout of this publication are the exclusive property of RobecoSAM AG and/or its related, affiliated and subsidiary companies and may not be copied or distributed, in whole or in part, without the express written consent of RobecoSAM AG or its related, affiliated and subsidiary companies.

No Offer The information and opinions contained in this publication constitutes neither a solicitation, nor a recommendation, nor an offer to buy or sell investment instruments or other services, or to engage in any other kind of transaction. The information described in this publication is not directed to persons in any jurisdiction where the provision of such information would run counter to local laws and regulation.

© 2018 RobecoSAM