

ESG Dividend Aristocrats: Sustainability Criteria Meets Stable Dividends

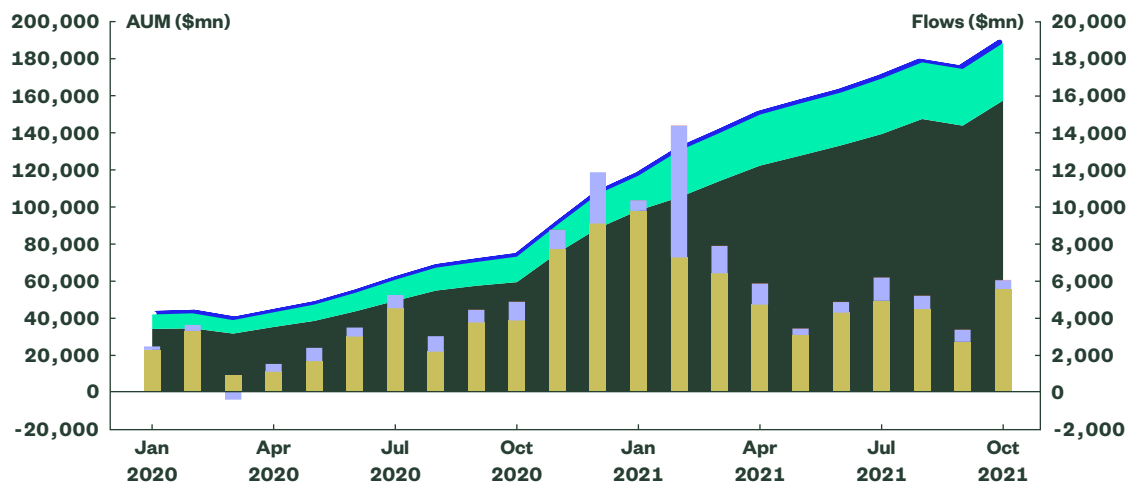
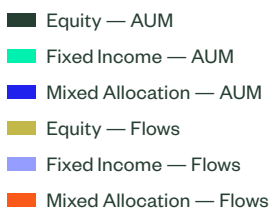
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Senior Smart Beta ETF Strategist

- Demand has been increasing for strategies that incorporate ESG into the portfolio management process, especially with European ETF investors.
- SPDR ETFs is committed to providing investors ESG solutions that cover all asset classes and now Smart Beta, with the introduction of ESG Dividend Aristocrats.
- Dividend Aristocrats combine sustainability criteria with stable dividends to create the next generation of income investment.

Over the past decade, we have experienced significant growing investor interest in the area of environmental, social and governance (“ESG”) investments. What started as a thematic space has grown into a fundamental core component of portfolio construction. The investment community has determined that sustainability considerations are here to stay. More recently, European investors have increasingly used ETFs (Figure 1) to increase the level of ESG exposure in the portfolio, with assets growing to over \$170 billion at the end of Q3 2021.*

Figure 1
Growth of European-Listed ESG ETFs
(Since end of 2020)



Source: Bloomberg Finance L.P., as of 31 October 2021. ETFs identified as ESG by Bloomberg Intelligence <BI>. Flows are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.

*Estimated and unaudited ESG AUM as of 30 September 2021.

Leading the Way in ESG

At State Street Global Advisors, we continue to play a leadership role in developing SPDR ETFs designed to meet the everchanging demands of our clients. In our US-domiciled SPDR range, we have long offered thematic and ESG funds. In Q4 2019, we launched our first Irish-domiciled UCITS ETFs which expand our ESG capabilities to our EMEA client base. The first of these ETFs focused on core US (S&P 500®) and European (STOXX® Europe 600) equity indices. A year later, in Q4 2020, we expanded our SPDR ESG offering to include fixed income ESG ETFs. This year we continue to expand the ESG capabilities in our SPDR UCITS range by offering our first Smart Beta ESG ETFs with the launch of a suite of SPDR ETFs tracking the S&P ESG Dividend Aristocrats® family of indices.

As we have discussed in the past, there is a wide range of approaches employed to incorporate ESG factors into benchmark indices being used in investment strategies today. At SPDR, we may use an *Exclusionary Screening* approach (both negative and norms-based) as it aligns portfolios with investor preferences, values and ethics. While there are other indices that track European-listed ETFs that incorporate exclusionary screening into their selection process, the SPDR ETFs tracking the S&P ESG Dividend Aristocrats® family of indices are the first dividend ETFs to incorporate ESG scoring in this process.

Introducing Sustainability Criteria to Dividend Aristocrats

The Dividend Aristocrats indices produce ‘quality’ income for investors by focusing, and selecting, on a long-term track record of dividend stability. S&P has developed the first ESG versions of these indices, which now incorporate their proprietary S&P DJI ESG Scores. This approach is unique from other index methodologies targeting dividend stocks using ESG (Figure 2) in the stock selection process. Other dividend indices being tracked by European-listed ETFs currently incorporate only negative screens for specific business activities or violations of compliance with the United Nations Global Compact (“UNGC”) principles.

Figure 2
Index Methodologies Targeting Dividend Stocks Using ESG

	S&P ESG Dividend Aristocrats®	Fidelity Quality Income	FTSE Dividend Growth with Quality
Ticker(s)	SPEHYDUN Index (USA) SPEHDAEN Index (Eurozone) SPGEDAUN Index (Global)	FIDUSQIN Index (USA) FIDGLQIN Index (Global)	GDEXUCTN Index (Eurozone)
Construction	Select stocks that have a long-term track record of increasing (or maintaining) dividends every year for at least 10–20 consecutive years	Screen stocks for low quality, rank stocks by size-adjusted high dividend score and optimise for sector-neutrality	Select stocks that have positive 10yr dividend growth and a forward 12mo yield in top 75% of universe, for two straight reviews
Weighting Scheme	Price-weighted with a weighting factor based on the indicated annual dividend yield	Equal-active weight factor for each stock within sector	Equal-weighted after selection
ESG	No Bottom 25% DJI ESG Scores No Business Activity violations (<i>Weapons, Thermal Coal & Tobacco</i>) No Bottom 5% S-Ray UNGC Scores (<i>Conditional SAM MSA review</i>)	No Business Activity violations (<i>Weapons, Thermal Coal & Tobacco</i>) No Non-compliant UNGC principles	No Business Activity violations (<i>Weapons & Thermal Coal ONLY</i>) No Non-compliant UNGC principles
No. of Holdings	Floating (USA) Target 100 (Global) Target 40 (Euro)	Target 125 (USA) Target 250 (Global)	Floating
Rebalance Frequency	Annual reconstitution (USA/Global — January, Euro — June) with a Quarterly review and conditional Monthly review	Annual reconstitution (February) with a conditional Monthly review	Semi-Annual review (March and September)

Source: S&P Dow Jones Indices, Fidelity and FTSE Russell. The information contained above is for illustrative purposes only.

Stock Selection Process

The S&P ESG Dividend Aristocrats® strategies incorporate ESG into the stock selection process through four critical steps (“pillars”), evaluating companies based on: ESG Scores, Business Activities, Business Principles and Controversies. Once a company in the (geographic) selection universe has met the Dividend Aristocrats standard — in terms of liquidity, stability and long-term dividend track record — it will only be selected for the ESG index if it does not violate one (or more) of the four pillars.

- **Exclusions Based on ESG Score** Companies with an S&P DJI ESG score that falls within the worst 25% of S&P DJI ESG scores are excluded from the ESG index.
- **Exclusions Based on Business Activities** Companies that engage in specific activities with respect to Controversial Weapons, Thermal Coal and Tobacco Products, as determined by Sustainalytics, are excluded from the ESG index.
- **Exclusions Based on Business Principles** Companies with disqualifying (bottom 5%) United Nations Global Compact (“UNGC”) scores, as determined by Arabesque, are excluded from the ESG index.
- **Exclusions Based on Controversies** Companies flagged as being involved in an ongoing controversy, as determined by the Index Committee using SAM’s Media and Stakeholder Analysis (“MSA”), are excluded from the ESG index.

Companies without Sustainalytics, Arabesque or SAM coverage are ineligible for index inclusion until they receive such coverage. As we will see when we look at data gathered to back test the S&P ESG Dividend Aristocrats® strategies, coverage has become less of an issue recently. At the latest rebalance of the US (January 2021) and Euro (June 2020) strategies, no companies remained without coverage. In the Global (rebalance January 2021) strategy only 20 companies lacked coverage (less than 3% of Dividend Aristocrats stocks).

While exclusions for business activities are now incorporated across a number of dividend strategies, one thing we also observe when back testing the S&P ESG Dividend Aristocrats® strategies is that the bulk of ESG screens comes from the robust S&P Dow Jones ESG Score. Applying the 25% threshold to the respective selection universe of stocks strikes a balance between ensuring meaningful impact from the ESG screening process and ensuring stated stock counts are achievable for each index.

Assessing the Historical Impact of ESG Screens

Historically speaking, all of the pillars help each of the S&P ESG Dividend Aristocrats® strategies enhance the overall ESG Score as compared to the Dividend Aristocrats indices, which do not include exclusionary screens. Going region by region, we can assess the magnitude of the impact from ESG screens on the US (Figure 3), Euro (Figure 4) and Global (Figure 5) strategies. The first table (Figure 3/4/5a) demonstrates the enhancement of the ESG score, while the second table (Figure 3/4/5b) captures the footprint of each pillar on overall exclusion. Finally, the cumulative return chart (Figure 3/4/5c) estimates the impact of incorporating ESG screens on the performance of the index when back tested over the last 10 years.

Figure 3a
**US Index ESG
 Score Comparison**
 (Back Test)

Date	S&P® High Yield Dividend Aristocrats Index	S&P® ESG High Yield Dividend Aristocrats Index
1 Feb 2011	55.33	75.11
1 Feb 2012	56.27	74.16
1 Feb 2013	58.74	69.97
3 Feb 2014	64.18	76.63
2 Feb 2015	61.98	74.02
1 Feb 2016	60.91	72.81
1 Feb 2017	63.36	73.32
1 Feb 2018	53.01	63.31
1 Feb 2019	52.29	62.11
3 Feb 2020	54.71	65.37
1 Feb 2021	31.91	43.39

Source: S&P Dow Jones Indices, as of the date indicated.

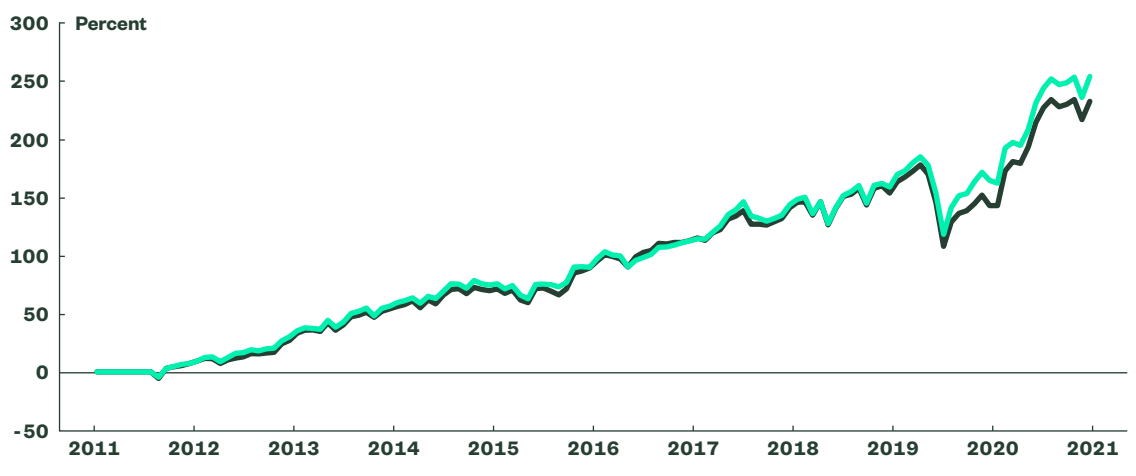
Figure 3b
**S&P® ESG High Yield
 Dividend Aristocrats Index
 Historical Exclusions**
 (Back Test)

	Dividend Aristocrats*	S&P DJI ESG Score	Controversial Weapons	Thermal Coal	Tobacco	UN Global Compact Score	MSA Controversy	Coverage (All)
1 Feb 2011	60	12	0	NA	0	0	0	11
1 Feb 2012	60	11	0	NA	1	0	0	13
1 Feb 2013	84	16	1	NA	1	0	0	15
3 Feb 2014	95	19	1	NA	1	0	0	16
2 Feb 2015	100	19	1	NA	1	0	0	18
1 Feb 2016	107	19	1	NA	1	0	0	29
1 Feb 2017	110	21	1	NA	1	0	0	23
1 Feb 2018	111	22	1	NA	1	0	0	22
1 Feb 2019	112	24	1	NA	1	0	0	15
3 Feb 2020	119	25	1	0	1	0	2	19
1 Feb 2021	113	26	1	1	1	1	2	0

Source: S&P Dow Jones Indices, as of the date indicated. *Stocks from the eligible (selection) universe which pass the minimum year of consecutive dividend increase/maintenance standard.

Figure 3c
**US Index ESG
 Cumulative
 Return Comparison**
 (Back Test**, Last 10yrs)

■ S&P® High Yield Dividend Aristocrats Index
 ■ S&P® ESG High Yield Dividend Aristocrats Index



Source: Bloomberg Finance L.P., as of 29 October 2021. Index performance based on monthly net total return in USD.
 **The S&P ESG High Yield Dividend Aristocrats® Index was inception on 1 March 2021. Results prior to this date were calculated by using available data at the time in accordance with the current index methodology. Past performance is no guarantee of future results. It is not possible to invest directly into an index. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable.

Figure 4a
**Euro Index ESG
 Score Comparison**
 (Back Test)

Date	S&P® Euro High Yield Dividend Aristocrats Index	S&P® Euro ESG High Yield Dividend Aristocrats Index
21 Jun 2010	88.29	93.43
20 Jun 2011	88.76	92.59
18 Jun 2012	89.61	92.47
24 Jun 2013	85.48	93.44
23 Jun 2014	90.77	96.65
22 Jun 2015	87.54	94.35
20 Jun 2016	91.83	95.68
19 Jun 2017	91.57	95.47
18 Jun 2018	89.58	93.33
24 Jun 2019	87.00	92.81
22 Jun 2020	77.86	82.89
21 Jun 2021	77.56	80.91

Source: S&P Dow Jones Indices, as of the date indicated.

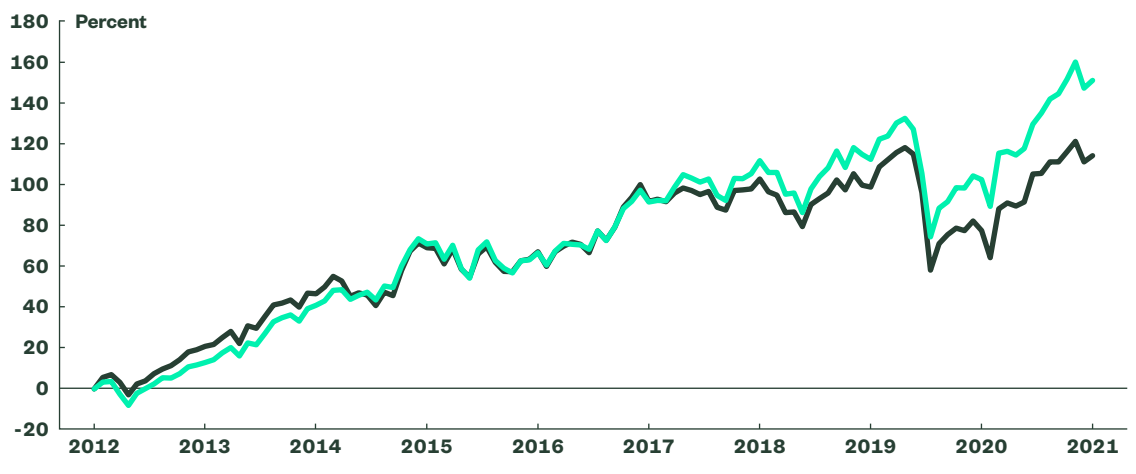
Figure 4b
**S&P® Euro ESG High Yield
 Dividend Aristocrats Index
 Historical Exclusions**
 (Back Test)

	Dividend Aristocrats*	S&P DJI ESG Score	Controversial Weapons	Thermal Coal	Tobacco	UN Global Compact Score	MSA Controversy	Coverage (All)
18 Jun 2010	55	9	0	NA	1	1	0	8
17 Jun 2011	62	12	0	NA	2	1	0	7
15 Jun 2012	58	9	0	NA	2	0	0	13
21 Jun 2013	55	10	0	NA	2	0	0	11
20 Jun 2014	55	9	0	NA	1	0	0	14
19 Jun 2015	60	10	0	NA	1	0	0	13
17 Jun 2016	73	17	0	NA	1	0	0	5
16 Jun 2017	76	17	0	NA	1	0	0	9
15 Jun 2018	64	14	0	NA	2	0	0	6
21 Jun 2019	72	18	0	NA	1	0	1	4
19 Jun 2020	59	15	0	1	0	1	1	0
21 Jun 2021	ND	7	0	1	0	0	0	0

Source: S&P Dow Jones Indices, as of the date indicated. *Stocks from the eligible (selection) universe which pass the minimum year of consecutive dividend increase/maintenance standard, metric is not disclosed ("ND") post index launch.

Figure 4c
**Euro Index ESG
 Cumulative
 Return Comparison**
 (Back Test**, Last 10yrs)

■ S&P® Euro High Yield Dividend Aristocrats Index
 ■ S&P® Euro ESG High Yield Dividend Aristocrats Index



Source: Bloomberg Finance L.P., as of 29 October 2021. Index performance based on monthly net total return in EUR.
 **The S&P Euro ESG High Yield Dividend Aristocrats® Index was inception on 6 April 2021. Results prior to this date were calculated by using available data at the time in accordance with the current index methodology. Past performance is no guarantee of future results. It is not possible to invest directly into an index. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable.

Figure 5a
**Global Index ESG
 Score Comparison**
 (Back Test)

Date	S&P® Global Dividend Aristocrats Quality Income Index	S&P® Global ESG Dividend Aristocrats Quality Income Index
1 Feb 2011	73.58	81.25
1 Feb 2012	64.20	76.44
1 Feb 2013	68.78	80.21
3 Feb 2014	59.33	74.90
2 Feb 2015	68.89	75.62
1 Feb 2016	71.43	73.83
1 Feb 2017	69.02	76.04
1 Feb 2018	71.35	75.88
1 Feb 2019	70.48	72.35
3 Feb 2020	72.28	74.37
1 Feb 2021	33.31	44.78

Source: S&P Dow Jones Indices as of the date indicated.

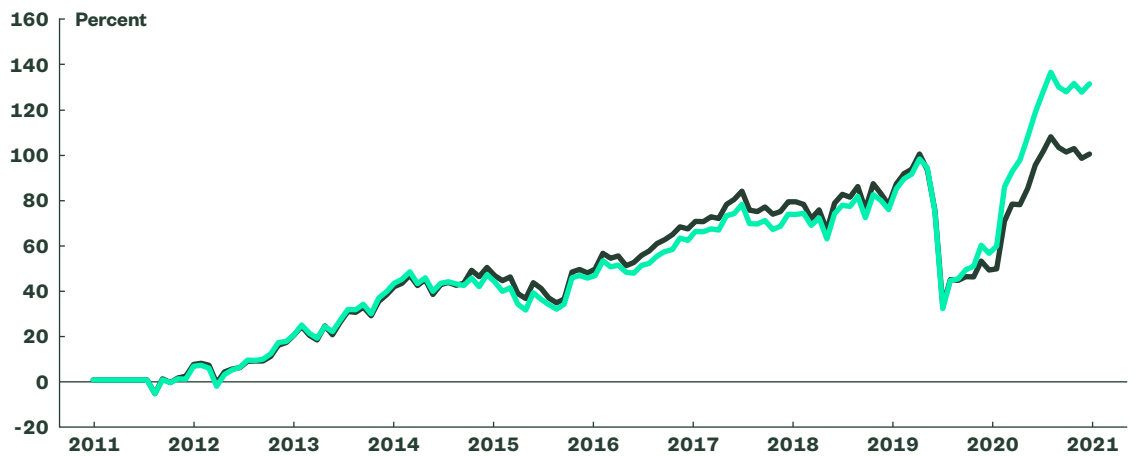
Figure 5b
**S&P® Global ESG Dividend
 Aristocrats Quality Income
 Index Historical Exclusions**
 (Back Test)

	Dividend Aristocrats*	S&P DJI ESG Score	Controversial Weapons	Thermal Coal	Tobacco	UN Global Compact Score	MSA Controversy	Coverage (All)
1 Feb 2011	500	80	9	NA	10	13	0	116
1 Feb 2012	529	82	9	NA	10	9	0	141
1 Feb 2013	566	93	8	NA	10	10	0	148
3 Feb 2014	645	105	7	NA	9	16	0	151
2 Feb 2015	687	112	7	NA	10	12	0	180
1 Feb 2016	681	92	8	NA	11	17	0	230
1 Feb 2017	690	112	8	NA	10	21	1	161
1 Feb 2018	703	105	9	NA	8	26	0	168
1 Feb 2019	577	107	4	NA	7	12	0	96
3 Feb 2020	874	162	7	24	7	6	2	147
1 Feb 2021	736	158	7	25	8	10	2	20

Source: S&P Dow Jones Indices as of the date indicated. *Stocks from the eligible (selection) universe which pass the minimum year of consecutive dividend increase/maintenance standard.

Figure 5c
**Global Index
 ESG Cumulative
 Return Comparison**
 (Back Test**, Last 10yrs)

■ S&P Global Dividend Aristocrats® Quality Income Index
 ■ S&P Global ESG Dividend Aristocrats® Quality Income Index



Source: Bloomberg Finance L.P., as of 29 October 2021. Index performance based on monthly net total return in USD. **The S&P Global Dividend Aristocrats® Quality Income Index was inception on 4 November 2019 and the S&P Global ESG Dividend Aristocrats® Quality Income Index on 1 March 2021. Results prior to this date were calculated by using available data at the time in accordance with the current index methodology. Past performance is no guarantee of future results. It is not possible to invest directly into an index. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income as applicable.

S&P DJI ESG Scores

S&P DJI ESG Scores are rooted in S&P Global's esteemed Corporate Sustainability Assessment ("CSA"), a robust survey-based approach to evaluating corporate ESG performance with a focus on financial materiality. Companies participating in the CSA respond to one of 61 industry-specific questionnaires that in some cases yield more than a thousand company-level and industry-specific data points. Companies must have an S&P DJI ESG Score to be eligible.

Figure 6

Current S&P DJI ESG Score Exclusions*

Index (Region)	Stock Name	Effective Date (Rebalance)	Index (Region)	Stock Name	Effective Date (Rebalance)
USA	American States Water Co	02/01/2021	USA	United Bankshares Inc (WV)	02/01/2021
USA	BANK OZK	02/01/2021	Euro	AGEAS	06/21/2021
USA	Black Hills Corp	02/01/2021	Euro	Cancom SE	06/21/2021
USA	Brown & Brown Inc	02/01/2021	Euro	Colruyt SA	06/21/2021
USA	California Water Services Group	02/01/2021	Euro	Elia Group	06/21/2021
USA	Casey's General Stores Inc	02/01/2021	Euro	Recordati SpA Ord	06/21/2021
USA	Cincinnati Financial Corp	02/01/2021	Euro	Rubis	06/21/2021
USA	Commerce Bancshares Inc (MO)	02/01/2021	Euro	Wienerberger AG	06/21/2021
USA	Community Bank System	02/01/2021	Global	Associated Banc-Corp (IL)	02/01/2021
USA	Cullen Frost Bankers (TX)	02/01/2021	Global	B&G Foods Inc	02/01/2021
USA	Eaton Vance Corp	02/01/2021	Global	CK Infrastructure Holdings Ltd	02/01/2021
USA	Essential Utilities Inc	02/01/2021	Global	First Horizon Corp	02/01/2021
USA	Franklin Electric Co	02/01/2021	Global	FNB Corp	02/01/2021
USA	Fuller H.B. Co	02/01/2021	Global	Hengan International Group Co	02/01/2021
USA	Graco Inc	02/01/2021	Global	IG Group Holdings	02/01/2021
USA	Lancaster Colony Corp	02/01/2021	Global	Japan Retail Fund Investment	02/01/2021
USA	MDU Resources Group Inc	02/01/2021	Global	KT&G Corp.	02/01/2021
USA	MSA Safety Inc	02/01/2021	Global	LTC Properties	02/01/2021
USA	National Retail Properties Inc	02/01/2021	Global	Mercury General Corp	02/01/2021
USA	Old Republic Intl Corp	02/01/2021	Global	Old Republic Intl Corp	02/01/2021
USA	Prosperity Bancshares Inc	02/01/2021	Global	Phoenix Group Holdings	02/01/2021
USA	RenaissanceRe Hldgs	02/01/2021	Global	Provident Financial Services	02/01/2021
USA	RLI Corp	02/01/2021	Global	Sankyo Co Ltd	02/01/2021
USA	RPM International Inc.	02/01/2021	Global	Schweitzer-Mauduit	02/01/2021
USA	Stepan Co	02/01/2021	Global	United Bankshares Inc (WV)	02/01/2021
USA	Telephone & Data Systems Inc	02/01/2021	Global	Wesbanco Inc (VA)	02/01/2021
USA	UGI Corp	02/01/2021	—	—	—

Source: S&P Dow Jones Indices as of the Effective Date (Rebalance) indicated. *Please note, the S&P ESG Dividend Aristocrats® Indexes do not use the non-ESG Index as its underlying universe and is used here for comparison purposes only. In order to be included in the S&P ESG Dividend Aristocrats® Indexes, constituents need to meet all eligibility factors.

Arabesque S-Ray® Global Compact Score

Arabesque S-Ray® is a global sustainability data provider that combines big data on company-reported information, daily news and NGO campaigns in a quantitative algorithmic approach for the calculation of the UNGC score. The score is based on the normative principles of the UN Global Compact: Human Rights, Labour Rights, the Environment and Anti-Corruption.¹

Sustainalytics

Sustainalytics evaluates the degree to which companies are involved in Controversial Weapons, Thermal Coal and Tobacco Products using the thresholds as laid out in the index methodology.

Figure 7

Current Business Activity Exclusions*

Index (Region)	Stock Name	Effective Date (Rebalance)	Reason
USA	Black Hills Corp	02/01/2021	Thermal Coal
USA	Casey's General Stores Inc	02/01/2021	Tobacco
USA	General Dynamics	02/01/2021	Controversial Weapons
Euro	Energias de Portugal SA	06/21/2021	Thermal Coal
Global	BAE Systems Plc	02/01/2021	Controversial Weapons
Global	Capital Power Corp	02/01/2021	Thermal Coal
Global	CLP Holdings Ltd.	02/01/2021	Thermal Coal
Global	Electric Power Development Co	02/01/2021	Thermal Coal
Global	Emera Inc	02/01/2021	Thermal Coal
Global	Japan Tobacco Inc	02/01/2021	Tobacco
Global	KT&G Corp.	02/01/2021	Tobacco
Global	Pinnacle West Capital (AZ)	02/01/2021	Thermal Coal
Global	Power Assets Holdings Ltd	02/01/2021	Thermal Coal
Global	PPL Corp	02/01/2021	Thermal Coal
Global	Schweitzer-Mauduit	02/01/2021	Tobacco
Global	Southern Co	02/01/2021	Thermal Coal
Global	Universal Corp	02/01/2021	Tobacco

Source: S&P Dow Jones Indices as of the Effective Date (Rebalance) indicated. *Please note, the S&P ESG Dividend Aristocrats® Indexes do not use the non-ESG Index as its underlying universe and is used here for comparison purposes only. In order to be included in the S&P ESG Dividend Aristocrats® Indexes, constituents need to meet all eligibility factors.

SAM Media and Stakeholder Analysis

SAM (part of S&P Global) releases a Media and Stakeholder Analysis ("MSA"), which includes a range of issues such as economic crime and corruption, fraud, illegal commercial practices, human rights issues, labour disputes, workplace safety, catastrophic accidents, and environmental disasters.

The Index Committee will review constituents flagged by SAM's MSA to evaluate the potential impact of controversial company activities. In the event that the Index Committee decides to remove a company, that company would not be eligible for re-entry into the index for one full calendar year, beginning with the subsequent rebalancing.

Figure 8

Current Controversies Monitoring Violation Exclusions*

Index (Region)	Stock Name	Effective Date (Rebalance)
USA	3M Co	02/01/2021
USA	Johnson & Johnson	02/01/2021

Source: S&P Dow Jones Indices as of the date indicated. *Please note, the S&P ESG Dividend Aristocrats® Indexes do not use the non-ESG Index as its underlying universe and is used here for comparison purposes only. In order to be included in the S&P ESG Dividend Aristocrats® Indexes, constituents need to meet all eligibility factors.

Conclusion

With investor demand increasing for European-listed ETFs that incorporate ESG considerations into the portfolio construction process, we have responded with the introduction of SPDR Dividend Aristocrats ESG UCITS ETFs. The new family of ESG ETFs will track the S&P ESG Dividend Aristocrats® strategies in three regional exposures: US, eurozone and global equities.

S&P ESG Dividend Aristocrats® strategies incorporate ESG into the stock selection process through four critical pillars, evaluating companies based on: ESG Scores, Business Activities, Business Principles and Controversies. This approach represents a unique opportunity to bring ESG to Smart Beta ETFs with Dividend Aristocrats, combining sustainability criteria with stable dividends to create the next generation of income investing.

SPDR® ETFs

Fund Name	SPDR® S&P® U.S. Dividend Aristocrats ESG UCITS ETF	SPDR® S&P® Euro Dividend Aristocrats ESG UCITS ETF	SPDR® S&P® Global Dividend Aristocrats ESG UCITS ETF
ISIN	IE00BYTH5R14	IE00BYTH5T38	IE00BYTH5S21
Share Class Currency	USD	EUR	USD
Primary Ticker	Xetra: ZPD6 (EUR)	Xetra: ZPD9 (EUR)	Xetra: ZPD3 (EUR)
Other Tickers	LSE: UEDV (USD), UGDV (GBP) Euronext Amsterdam: UEDV (EUR) Borsa Italiana: UEDV (EUR)	Euronext Amsterdam: EEDV (EUR)	LSE: GEDV (USD) Euronext Amsterdam: GEDV (EUR)
TER (%)	0.35	0.30	0.45
Portfolio Construction	Physical — Replicated	Physical — Replicated	Physical — Replicated
Securities Lending	No	No	No
Income Treatment	Distributing — Quarterly	Distributing — Semi-Annually	Distributing — Quarterly

Index Name	S&P ESG High Yield Dividend Aristocrats® Index	S&P Euro ESG High Yield Dividend Aristocrats® Index	S&P Global ESG Dividend Aristocrats® Quality Income Index
Index Ticker	SPEHYDUN	SPEHDAEN	SPGEDAUN
No. of Index Constituents	81	39	93
Index Description	The S&P ESG High Yield Dividend Aristocrats® Index is designed to measure the performance of constituents from the S&P High Yield Dividend Aristocrats Index that meet certain sustainability criteria.	The S&P Euro ESG High Yield Dividend Aristocrats® Index is designed to measure the performance of high dividend-yielding and ESG-scoring companies that meet the eligibility criteria defined in the S&P Euro High Yield Dividend Aristocrats Index.	The S&P Global ESG Dividend Aristocrats® Quality Income Index is designed to measure the performance of constituents from the S&P Global Dividend Aristocrats Quality Income Index that meet certain sustainability criteria. Constituents are weighted by indicated dividend yield.

Source: State Street Global Advisors as of 1 October 2021.

Endnote

1 Refer to <https://arabesque.com/s-ray/> for more information.

About State Street Global Advisors

Our clients are the world's governments, institutions and financial advisors. To help them achieve their financial goals we live our guiding principles each and every day:

- Start with rigor
- Build from breadth
- Invest as stewards
- Invent the future

For four decades, these principles have helped us be the quiet power in a tumultuous investing world. Helping millions of people secure their financial futures. This takes each of our employees in 30 offices around the world, and a firm-wide conviction that we can always do it better. As a result, we are the world's fourth-largest asset manager* with US \$3.86 trillion[†] under our care.

* Pensions & Investments Research Center, as of December 31, 2020.

[†] This figure is presented as of September 30, 2021 and includes approximately \$59.84 billion of assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated.

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Information Classification: General Access

Marketing communication.

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For Investors in Austria: The offering of SPDR ETFs by the Company has been notified to the Financial Markets Authority (FMA) in accordance with section 139 of the Austrian Investment Funds Act. Prospective investors may obtain the current sales Prospectus, the articles of incorporation, the KIID as well as the latest annual and semi-annual report free of charge from State Street Global Advisors GmbH, Brienner Strasse 59, D-80333 Munich. T: +49 (0)89-55878-400. F: +49 (0)89-55878-440.

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