

S&P Global Carbon Efficient Index Series Consultation

NEW YORK, OCTOBER 23, 2018: S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with members of the investment community on potential changes to the S&P Global Carbon Efficient Index Series. The index series includes the following indices:

S&P Global Carbon Efficient Index Series	
S&P Global LargeMidCap Carbon Efficient Index	S&P Global 1200 Carbon Efficient Index
S&P Global Ex-Japan LargeMidCap Carbon Efficient Index	S&P 500 Carbon Efficient Index
S&P/JPX Carbon Efficient Index	S&P 400 Carbon Efficient Index
S&P Developed LargeMidCap Carbon Efficient Index	S&P 600 Carbon Efficient Index
S&P Emerging LargeMidCap Carbon Efficient Index	S&P Europe 350 Carbon Efficient Index
S&P Europe LargeMidCap Carbon Efficient Index	S&P China A Carbon Efficient Index
S&P North America LargeMidCap Carbon Efficient Index	S&P South Africa Domestic Carbon Efficient (DSW) Index
S&P Asia Pacific LargeMidCap Carbon Efficient Index	S&P South Africa Domestic Carbon Efficient Capped (DSW) Index

In order to enhance index replicability while reducing turnover, S&P DJI is proposing to alter the treatment of mergers between two index constituents. S&P DJI is considering two options as described in the table below.

Option	Methodology	
	Current	Proposed
1	An adjustment is made to the surviving company’s AWF to freeze index shares and the weight of the company being removed is distributed across the index.	If two constituents of the same index merge, the merged company carries the combined weights of the original companies.
2	An adjustment is made to the surviving company’s AWF to freeze index shares and the weight of the company being removed is distributed across the index.	The merged company is dropped on the effective date of the corporate event, and the weight is distributed across the index.

Note: Effective with this consultation, S&P DJI will implement a methodology change and maintain the S&P Global Carbon Efficient Index Series using the first proposed treatment (i.e. option 1) above until further notice.

QUESTIONS

Please answer the following questions and provide S&P DJI with the reasoning behind your answers:

1. **Which of the proposed options for the treatment of mergers between two index constituents do you prefer?**
 - Option 1
 - Option 2
 - A different treatment (please specify)
2. **Do you have any other comments or feedback regarding the proposed changes outlined above, or any treatment regarding corporate events in the S&P Global Carbon Efficient Index Series?**

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. S&P DJI will make responses to consultations freely available upon request.¹ If you do not want your response to be made available, you must clearly state that in your response. Please respond to this survey by **November 21, 2018**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI will consider the issues and may request clarifications from respondents as part of that review. Alternative options to the proposed questions after the deadline require that the consultation be re-opened to the public.

To participate in this consultation, please visit the online survey available [here](#).

For further information about this consultation, please contact S&P Dow Jones Indices at index_services@spglobal.com.

Please be advised that all comments from this consultation will be reviewed and considered before a final decision is made; however, S&P DJI makes no guarantees or is under any obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If S&P DJI decides to change the index methodology, an announcement will be posted on our website.

Thank you for taking the time to complete this survey.

For more information about S&P Dow Jones Indices, please visit www.spdji.com.

¹ Individual and company names as well as contact details will be redacted.

ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has become home to over 1,000,000 indices across the spectrum of asset classes that have helped define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit www.spdji.com.

FOR MORE INFORMATION:

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