

Dow Jones U.S. Dividend 100 Index Consultation on Constituent Weightings Results

NEW YORK, MAY 29, 2020: S&P Dow Jones Indices (“S&P DJI”) has conducted a consultation with market participants on a potential change to the Dow Jones U.S. Dividend 100 Index.

With the aim of enhancing diversification within the index, S&P DJI will change the index’s constituent weighting scheme by modifying the individual stock weight cap threshold and establishing a daily weight cap check. The table below summarizes the changes.

Change	Methodology	
	Previous	Updated
Constituent Weightings	Stocks in the index are weighted quarterly, based on a capped market capitalization weighted approach. No single stock can represent more than 4.5% of the index and no single industry, as defined by the proprietary classification system, can represent more than 25% of the index, as measured at the time of index construction, annual rebalancing, and quarterly updates.	Stocks in the index are weighted quarterly, based on a capped market capitalization weighted approach. No single stock can represent more than 4.0% of the index and no single Global Industry Classification Standard (GICS®) sector can represent more than 25% of the index, as measured at the time of index construction, annual rebalancing, and quarterly updates.
Daily Weight Cap Check	--	<p>The index is subject to a daily weight cap check. If the sum of stocks with weights greater than 4.7% exceeds 22%, the index is re-weighted using the quarterly weighting method described above. Any changes from daily capping take effect two days after the breaching occurred.</p> <p>A freeze period on daily capping is implemented during each quarterly rebalancing. The freeze period begins after the market close on the Wednesday prior to the second Friday of each rebalancing month (i.e. March, June, September, and December) and ends after the market close on the Monday following third Friday of the rebalancing month.</p>

This change will be implemented in conjunction with the upcoming rebalancing, which takes effect prior to the market open on Monday, June 22, 2020.

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

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