

## S&P/ASX 300 Shareholder Yield Index Consultation Results

**SYDNEY, AUGUST 12, 2020:** S&P Dow Jones Indices (“S&P DJI”) has conducted a consultation with market participants on potential changes to the S&P/ASX 300 Shareholder Yield Index.

In an effort to ensure that the ongoing shareholder yield of index constituents is maintained and limit stock concentration within the index, S&P DJI will introduce a monthly dividend review, as well as modify the index’s constituent weighting scheme. In addition, S&P DJI will update the index’s deletions criteria to align with other similar S&P DJI indices. The table below summarizes the changes.

Change	Methodology	
	Current	Proposed
Monthly Dividend Review	--	<p>S&amp;P DJI reviews index constituents on a monthly basis. If S&amp;P DJI determines an index constituent has eliminated, suspended its dividend or omitted a payment, it will be removed from the index effective prior to the open of the first business day of the following month and not replaced until the following reconstitution. Any changes are announced five business days prior to month-end.</p> <p>The decision to remove an index constituent due to dividend elimination, suspension, or omission is based on information publicly announced by the company as of seven business days prior to month-end.</p>
Constituent Weightings	<p>At each rebalancing reference date, the initial weight, <math>w</math>, for each index constituent, <math>i</math>, is set proportional to its Shareholder Yield Adjusted Float Cap (Shareholder Yield * Float Cap) to the sum of all constituents’ Shareholder Yield Adjusted Float Cap.</p> $w_i = \frac{\text{ShareholderYield} * \text{FloatCap}}{\sum_{i=1}^N \text{ShareholderYield} * \text{FloatCap}}$ <p>If the initial weight of any constituent exceeds 10%, the weight is capped at 10%, with the excess weight proportionally redistributed to all non-capped constituents.</p>	<p>Constituents are weighted by the product of their float-adjusted market capitalization and shareholder yield, subject to single stock cap of 5%. Any excess weight is proportionally redistributed to all non-capped constituents.</p>
Deletions	<p>Constituents removed from the S&amp;P/ASX 300 are removed from the index simultaneously. If deletions from the S&amp;P/ASX 300 cause the number of deletions from the index to exceed three, the decision whether to implement an immediate index rebalancing is determined by the Index Committee.</p>	<p>Constituents removed from the S&amp;P/ASX 300 are removed from the index simultaneously and not replaced until the following rebalancing.</p>

The monthly dividend review will commence in August 2020. The constituent weightings and deletions changes will become effective in conjunction with the October rebalancing, which takes effect prior to the market open on Monday, October 19, 2020.

Please note the methodology on S&P DJI's website is being updated to reflect this change.

For more information about S&P Dow Jones Indices, please visit [www.spdji.com](http://www.spdji.com).

## ABOUT S&P DOW JONES INDICES

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