

S&P Dow Jones Indices' Consultation on the Investor Perspective for Certain Regional China Fixed Income Indices

NEW YORK, FEBRUARY 24, 2021: S&P Dow Jones Indices ("S&P DJI") is conducting a consultation with market participants on potential changes to certain indices' investor perspective¹ following the recent [update](#) to the S&P DJI policy on the treatment of sanctioned securities. Generally, S&P DJI will consider sanctioned securities from the perspective of a U.S., U.K., and/or European Union (EU) based investor for S&P DJI's standard, global indices.

Under the updated policy, and subject to S&P DJI's compliance with applicable law, S&P DJI may expressly differentiate certain regional China indices to consider the eligibility of securities from the perspective of a non-U.S./U.K./EU investor, and/or other individualized perspectives.

For the below S&P DJI global fixed income indices the change in sanctioned securities policy has no impact. These index families employ a U.S./U.K./EU investor perspective, and sanctioned securities are ineligible for index inclusion.

Index Name	Index Code
S&P Global Developed Aggregate Ex-Collateralized Bond Index (USD)	SPDABXC
S&P Global Developed Sovereign Bond Index USD	SPFIDSU
S&P International Sovereign Ex-U.S. Bond Index	SPBDXUTR
S&P Global LargeMidCap Commodity and Resources Corporate Bond Index	SPGLCRB
S&P Green Bond Index	SPUSGRN
S&P U.S. Aggregate Bond Index	SPUSAGG
S&P 500 Bond Index	SP500BD
Dow Jones Brookfield Global Infrastructure Broad Market Corporate Bond Index	DJGLIFT
Dow Jones Global Select Real Estate Securities Corporate Bond Index	DJGRESB
Dow Jones Sukuk Total Return Index (ex-Reinvestment)	DJSUKTXR
S&P Pan Asia Bond Index	SPBASCO

S&P DJI is proposing to change the investor perspective of the below regional China fixed income indices to be that of a non-U.S./U.K./EU investor to allow the reinstatement of recently excluded, China-domiciled securities.

Index Name	Index Code
S&P China Bond Index	SPBCNCOT
S&P China Composite Bond Index	SPCCBI
S&P China Composite Select Bond Index	SPBCNSI
S&P China Convertible Bond Index	SPCBCV
S&P China High Quality Corporate Bond 3-7 Year Index	SPBCNH3T

If adopted, this change would become effective after the close of business **Wednesday, June 30, 2021**, with the reinstated securities first visible in pro-forma files starting Friday June 25, 2021.

¹ The investor perspective is the viewpoint of the investor relative to the index and component securities.

Where applicable, S&P DJI will update the index objectives of the respective index methodologies in order to better reflect the index's global, or domestic, investor perspective. In addition, access and use of these indices may be subject to certain licensing restrictions to ensure S&P DJI's compliance with applicable law.

If the above change in investor perspective is adopted, and China-domiciled sanctioned securities are reinstated to the regional China Fixed Income indices, those securities would then also be re-eligible for certain downstream/sub-index indices.

QUESTIONS

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

- 1. Do you agree with the proposed application of S&P DJI's updated policy on sanctioned securities to the regional China fixed income indices?**
- 2. Should the proposed methodology changes be adopted, do you agree with the proposed implementation date?**
- 3. Are there any indices not included in this consultation which you think should be based on the potential impact?**
- 4. Do you have any other comments or feedback regarding the proposed changes outlined above?**

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. Please respond to this survey by **March 12, 2021**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI may request clarifications from respondents as part of that review.

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 SPDJI_Index_Governance@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.

Please note that users of S&P DJI's indices are solely responsible for ensuring such users' compliance with all applicable law (including, without limitation, sanctions laws and any other rules, regulations or prohibitions) in connection with such use (including, without limitation, trading, investment or other use). U.S. law currently prohibits U.S. persons from purchasing for value, or selling, publicly traded securities of certain Chinese issuers, as well as securities that are derivative of or designed to provide investment exposure to such securities. U.S. investors and other persons subject to U.S. law should therefore ensure that any use by them of S&P DJI indices that may comprise these securities is in compliance with all applicable sanctions laws and regulations.

CONSULTATION

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 been innovating and developing indices across the spectrum of asset classes helping to 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:

S&P Dow Jones Indices
index_services@spglobal.com