

S&P Dow Jones Equity Indices' Mergers & Acquisitions Policy Update

NEW YORK, MAY 24, 2023: S&P Dow Jones Indices ("S&P DJI") announces updates to the Equity Indices Policies & Practices Methodology.

S&P DJI is updating the Mergers and Acquisitions (M&As) section of the methodology in order to provide additional guidance regarding the removal of a security under acquisition and implementation of partial acquisitions. The new guidance and clarifications are described in the table below.

Policy	Methodology	
	Previous	Updated
Removal of a Security under Acquisition (Target Security Deletion)	An M&A target company is generally dropped from all indices on or around its expected delisting date. In certain instances, the target company may be dropped before its delisting date once an offer to acquire the security has been deemed unconditional.	An M&A target company is generally removed from all indices on or around its expected delisting date or last trading date. A target company may be removed before its delisting date if: <ul style="list-style-type: none"> The M&A event has been deemed unconditional, i.e., all required approvals have been received and all conditions for the acquisition to complete have been met. In case of a tender offer: <ul style="list-style-type: none"> All conditions have been met and a settlement date has been announced. The remaining free float is less than 15% (except where pre-event IWF is less than 15%) based on publicly available information, even if the offer is still open. Where these conditions are met, the deletion will generally be made effective prior to the open of the business day following the last day of the tender period, subject to a sufficient notice period as specified above. Any stock removed from an index due to the above rule will not be eligible for re-inclusion in any S&P DJI branded indices for at least 12 months following its removal date, even if the stock continues to trade on an eligible exchange.
Implementation of Partial Acquisitions (Target Security Float Change)	--	For events where conditions for the removal of a security are not met or where the intention is a partial acquisition, S&P DJI may decide to update the IWF of the target security with at least two (2) business days' notice and based on publicly available information in the following circumstances: <ol style="list-style-type: none"> The offer period has ended, and the acquiring company does not announce an extension or re-opening. All the following conditions must be met: <ul style="list-style-type: none"> All required approvals have been received and conditions for the offer are met. Public information is available to calculate the new IWF. Settlement date of the tendered shares is known. Size of the change is at least 5% and US \$150 million or US \$1 billion. The offer period is extended, or an additional offer period is opened/announced, and all the following conditions are met: <ul style="list-style-type: none"> All required approvals have been received and conditions for the offer are met. Public information is available to calculate the new IWF. Settlement date of the tendered shares is known. Size of the change is at least US \$1 billion or IWF changes by at least 15%. In case the IWF change does not meet any of the above conditions, it will be updated at the subsequent quarterly rebalance subject to all required information being publicly available. In case the stock is suspended, the event will be recognized once trading resumes and based on above mentioned methodology.

This change becomes effective prior to the market open on **Wednesday, May 31, 2023**.

Please note that S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology on S&P DJI's website is being updated to reflect the change.

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

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.

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