S&P Dow Jones Indices

A Division of S&P Global

INDEX ANNOUNCEMENT

S&P/NZX 50 High Dividend Index Consultation on Eligibility Criteria, Constituent Selection, Constituent Weighting, and Deletions – Results

SYDNEY, JUNE 10, 2026: S&P Dow Jones Indices ("S&P DJI") conducted a consultation with market participants on potential changes to the S&P/NZX 50 High Dividend Index methodology.

To reduce turnover, S&P DJI is adding a 10% momentum screen to the eligibility criteria. In addition, S&P DJI is changing the constituent selection and weighting metric from 12-month gross dividend yield to indicated annual dividend yield, and revising the deletion treatment, as detailed below.

	Methodology	
Changes	**Previous**	**Updated**
Eligibility Factors	As of the rebalancing reference date, stocks in the index universe must satisfy the following criteria to be eligible for index: 1. Dividend Payout: meet the following requirements: a. have paid dividends in the past 12 months. b. have a regular dividend policy in place, and not suspended, cancelled, or omitted the most recent dividend payment.	As of the rebalancing reference date, stocks in the index universe must satisfy the following criteria to be eligible for index: 1. Dividend Payout: meet the following requirements: a. have paid dividends in the past 12 months. b. have a regular dividend policy in place, and not suspended, cancelled, or omitted the most recent dividend payment. **2. Momentum: not rank in the bottom 10% by momentum value.** *For more information on momentum value calculation, please refer to the S&P Momentum Indices Methodology, available at www.spglobal.com/spdji*.
Constituent Selection	Select index constituents as follows: 1. Calculate the trailing 12-month gross dividend yield by dividing the company's trailing 12-month gross dividend (including any attached imputation credits) by its price on the reference date. Only regular cash dividends are included in the computation of dividend yield. 2. The top 25 companies with the highest trailing 12-month gross dividend yield form the index, subject to a selection buffer, implemented as follows: a. Rank the eligible companies in the index universe in descending order by highest trailing 12 month gross dividend yield. b. Select the 20 highest-ranking companies for index inclusion. c. Select current constituents ranked within the top 30 in descending order until the constituent count reaches 25. d. If, after steps 1-2, the constituent count has not been met, select the highest	At each rebalancing, select index constituents as follows: 1. Calculate the **indicated annual dividend yield (IADY)** by dividing the company's **indicated annual dividend (IAD)** by the company's price on the reference date. 2. The top 25 companies with the highest indicated annual dividend yield form the index, subject to a selection buffer, implemented as follows: a. Rank the eligible companies in the index universe in descending order by **IADY**. b. Select the 20 highest-ranking companies for index inclusion. c. Select current constituents ranked within the top 30 in descending order until the constituent count reaches 25. d. If, after steps 1-2, the constituent count has not been met, select the highest ranked company remaining until the target constituent count is achieved.

Changes	Methodology: Previous	Methodology: Updated
	ranked company remaining until the target constituent count is achieved. 3. If multiple issues of a single company qualify, select the issue with the highest yield.	3. If multiple issues of a single company qualify, select the issue with the highest yield.
Constituent Weighting	At each rebalancing, the initial weight, w, for each index constituent, i, is set proportional to the product of the constituent's gross dividend yield and float-adjusted market capitalization on the reference date. $w_i = \frac{DividendYield * FloatMarketCap}{\sum_{i=1}^{N} DividendYield * FloatMarketCap}$ If the initial weight of any constituent exceeds 10%, the weight is capped at 10% and the excess weight is redistributed to all non-capped constituents on a pro-rata basis. If necessary, this process is repeated until no constituent has a weight in the index greater than 10%.	At each rebalancing, the initial weight, w, for each index constituent, *i*, is set proportional to the products of the constituent's **IADY** and FMC on the reference date. $w_i = \frac{IADY * FloatMarketCap}{\sum_{i=1}^{N} IADY * FloatMarketCap}$ If the initial weight of any constituent exceeds 10%, cap constituent's weight at 10% and proportionally redistribute the excess weight to the uncapped constituents, repeating iteratively until no constituent breaches the cap.
Deletions	Constituents removed from the S&P/NZX 50 Index remain in the S&P/NZX 50 High Dividend Index until the subsequent semi-annual rebalancing.	Constituents removed from the S&P/NZX 50 Index **are removed from the S&P/NZX 50 High Dividend Index simultaneously**.

IMPACTED INDEX

Index Name	Index Code
S&P/NZX 50 High Dividend Index	SPN5HDP

IMPLEMENTATION TIMING

S&P DJI is implementing the previously described methodology changes in conjunction with the next rebalancing which will take effect prior to the market open on **Monday, July 20, 2026**. The changes will first be visible to clients in pro-forma files beginning on **Friday, July 10, 2026**.

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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