

S&P Euro and UK High Yield Dividend Aristocrats Index Consultation

LONDON, FEBRUARY 21, 2018: S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with members of the investment community on potential changes to the S&P Euro and UK High Yield Dividend Aristocrats Indices.

Impacted Indices	Proposed Change	Description
S&P UK High Yield Dividend Aristocrats Index	Dividend Payout History and Constituent Count	The index currently selects the 30 highest indicated dividend yielding stocks which pass all eligibility criteria. In addition, stocks must have a 10-year stable or increasing dividend payout history in order to be eligible. S&P DJI is proposing to reduce the dividend payout history requirement from 10 years to 7 years, while increasing the number of stocks in the index from 30 to either a fixed count of 40, or all eligible stocks. ¹ These changes will expand the number of stocks eligible for index inclusion and help the index meet its objective of including the highest dividend yielding UK stocks.
S&P Euro and UK High Yield Dividend Aristocrats Indices	Replacement Rule	S&P DJI is proposing to remove the replacement rule that currently exists for stocks which are dropped due to dividend omissions. Index constituents would instead be reviewed for dividend omissions on a monthly basis. If a constituent stock publicly announces a suspension or cancellation of its dividend program, it would be removed from the relevant index effective prior to the open of the first business day of the following month. Replacement stocks would not be added to the indices until the annual reconstitution.

IMPACT ANALYSIS

Estimated index yield and turnover figures that would have resulted if the proposed methodology changes had been applied at the June 2017 annual rebalancing are available upon request.

QUESTIONS

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

- For the S&P UK High Yield Dividend Aristocrats Index, do you agree with the proposal to reduce the Dividend Payout History to 7 years?**
- If you agreed with the proposal in question 1 above, which option do you prefer?**
 - Increasing the index stock count to 40**
 - Including all eligible stocks**

¹ Note: The original proposal published on February 21, 2018 has been updated herein effective March 29, 2018.

3. For the S&P UK and Euro High Yield Dividend Aristocrats Indices, do you agree with the proposed Replacement Rule change?
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. S&P DJI will make responses to consultations freely available upon request.² If you do not want your response to be made available, you must clearly state that in your response. Please respond to this survey by **April 13, 2018**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI will consider the issues and may request clarifications from respondents as part of that review. Alternative options to the proposed questions after the deadline require that the consultation be re-opened to the public.

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 index_services@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.

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 become home to over 1,000,000 indices across the spectrum of asset classes that have helped 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:

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² Individual and company names as well as contact details will be redacted.