S&P Dow Jones Indices

A Division of S&P Global

S&P Global Resources Select Equal Weighted Index Consultation on Index Eligibility and Target Constituent Count

NEW YORK, FEBRUARY 22, 2022: S&P Dow Jones Indices ("S&P DJI") is conducting a consultation with market participants on potential changes to the S&P Global Resources Select Equal Weighted Index.

In order to ease selection limitations and continue meeting the target counts for each of the clusters, S&P DJI is considering modifying the index universe. S&P DJI is also considering modifying the selection of stocks within the Metals & Mining cluster to take into account situations where there may not be enough eligible companies. The table below summarizes the proposed changes.

Proposed Change	Methodology	
	Current	**Proposed**
Index Eligibility	The index universe is all constituents of the S&P Global BMI classified as part of the GICS Sub-Industries defined below:	The index universe is all constituents of the S&P Global BMI classified as part of the GICS Sub-Industries defined below:
	Agriculture Cluster	**Agriculture Cluster**
	Agriculture (30 Stocks) • Agricultural Products (30202010) • Fertilizers & Agricultural Chemicals (15101030) • Forest Products (15105010) • Paper Packaging (15103020) • Paper Products (15105020) • Specialized REITS – Timber REITs (60101080)	Agriculture (30 Stocks) • Agricultural Products (30202010) • Fertilizers & Agricultural Chemicals (15101030) • Forest Products (15105010) • Paper Packaging (15103020) • Paper Products (15105020) • Specialized REITS – Timber REITs (60101080)
	Energy Cluster	**Energy Cluster**
	Energy (30 Stocks) • Integrated Oil & Gas (10102010) • Oil & Gas Drilling (10101010) • Oil & Gas Exploration & Production (10102020) • Oil & Gas Refining & Marketing (10102030) • Coal & Consumable Fuels (10102050)	Energy (30 Stocks) • Integrated Oil & Gas (10102010) • Oil & Gas Drilling (10101010) • Oil & Gas Exploration & Production (10102020) • **Oil & Gas Equipment & Services (10101020)** • Oil & Gas Refining & Marketing (10102030) • Coal & Consumable Fuels (10102050)
	Metals & Mining Cluster	**Metals & Mining Cluster**
	Industrial Metals (20 Stocks) • Aluminum (15104010) • Copper (15104025) • Diversified Metals & Mining (15104020) • Steel (15104050)	Industrial Metals (20 Stocks) • Aluminum (15104010) • Copper (15104025) • Diversified Metals & Mining (15104020) • Steel (15104050)
	Precious Metals (20 Stocks) • Gold (15104030) • Precious Metals & Minerals (15104040) • Silver (15104045)	Precious Metals (20 Stocks) • Gold (15104030) • Precious Metals & Minerals (15104040) • Silver (15104045)

Proposed Change	Methodology	
	Current	**Proposed**
Target Constituent Count	The index measures the equal weighted performance of 100 large companies in natural resources and commodities businesses. The index includes companies tied to three clusters of commodities: Agriculture, Energy, and Metals & Mining. • The Agriculture cluster includes 30 large companies involved in agriculture and timber & forestry businesses. • The Energy cluster includes 30 large companies involved in oil, gas and coal exploration, extraction and production. • The Metals & Mining cluster includes 40 large companies from two sub-clusters: industrial metals and precious metals. Each sub-cluster includes 20 large mining companies involved in the exploration, extraction, and production of industrial or precious metals.	The index measures the equal weighted performance of 100 large companies in natural resources and commodities businesses. The index includes companies tied to three clusters of commodities: Agriculture, Energy, and Metals & Mining. • The Agriculture cluster includes 30 large companies involved in agriculture and timber & forestry businesses. • The Energy cluster includes 30 large companies involved in oil, gas and coal exploration, extraction and production. • The Metals & Mining cluster includes 40 large companies from two sub-clusters: industrial metals and precious metals. Each sub-cluster includes 20 large mining companies involved in the exploration, extraction, and production of industrial or precious metals. **If there are less than 20 eligible stocks under the Precious Metals sub-cluster, the highest-ranking stocks by total market capitalization from the Industrial Metals sub-cluster are selected until the target constituent count of 40 is reached. If there are less than 20 eligible stocks under the Industrial Metals sub-cluster, the highest-ranking stocks by total market capitalization from the Precious Metals sub-cluster are selected until the target constituent count of 40 is reached.**

IMPACT ANALYSIS

Using data from the August 2021 rebalancing, the hypothetical index composition can be found here. Please note that the proposed target constituent count change to the Metals & Mining cluster would not have impacted the actual August 2021 reconstitution if it had been in effect at that time. The proposed addition of the new sub-industry to the Energy cluster would also have had no impact on the actual August 2021 reconstitution turnover figures if it had been in effect at that time.

IMPLEMENTATION TIMING

S&P DJI is proposing to implement the previously described methodology changes, if adopted, in conjunction with the upcoming annual reconstitution, which takes effect prior to the market open on Thursday, September 1, 2022. If adopted, the changes will first be visible to clients beginning on Wednesday, August 24, 2022.

QUESTIONS

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

1. **Do you agree with the proposed change to the index universe?**

2. **Do you agree with the proposed change to the target constituent count?**

3. **If any of the proposed changes are adopted, do you agree with the proposed implementation date?**

CONSULTATION

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 23, 2022**. 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.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.

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.spglobal.com/spdji.

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CONSULTATION