

S&P Global BMI and Dow Jones Global Indices Consultation on Eligibility Criteria – Results

MEXICO CITY, JANUARY 4, 2023: S&P Dow Jones Indices (“S&P DJI”) has conducted a [consultation](#) with market participants on potential changes to the S&P Global BMI and Dow Jones Global Indices.

To better represent a company’s local market characteristics in the indices, S&P DJI will align the index eligible listing with its country of domicile by considering the ‘local listing’ as the first eligible choice for inclusion in the S&P Global BMI and Dow Jones Global Indices. The table below summarizes the changes.

Eligibility Criteria	
Previous: S&P Global BMI Index	For those companies having depository receipts or shares listed on an exchange outside of the country of domicile (including inter-listed stocks), the eligible share class is generally the one that has the highest six-month liquidity as measured by median daily value traded (“MDVT”).
Previous: Dow Jones Global Index	<p>Each company, including multinationals, is assigned to the country of its primary market listing, which typically is its country of incorporation. In some cases, such as where there is no readily accessible home equity market or where a company is domiciled in one country solely for tax or regulatory purposes but is headquartered in another country, the company may be included in the index universe for the country of its primary equity market.</p> <p>Eligible for selection are all equity securities that trade on the major exchanges of these countries, screened for share class and liquidity. For emerging countries with significant barriers to direct foreign investment, S&P Dow Jones Indices may opt to include issues directly listed on U.S. exchanges, Depository Receipts (DRs), and other types of offshore listings. The DR is used if the local listing does not satisfy the liquidity rules, but the DR does.</p>
Updated: S&P Global BMI & Dow Jones Global Indices	<p>For companies having depository receipts or shares listed on an exchange outside of the country of domicile (including inter-listed stocks), the eligible share class is generally the one listed on the exchange in the country of domicile (local listing). For Chinese domiciled companies, a listing in Hong Kong will also be considered a ‘local listing’ for index inclusion purposes.</p> <p>If the local listing does not comply with the index eligibility rules, depository receipts and alternate listings that comply with the index eligibility criteria become eligible. Under this scenario, the following rules are applied to select the listing for index inclusion:</p> <ul style="list-style-type: none"> • The highest six-month trading liquidity as measured by MDVT. • Only listings on developed markets exchanges are eligible for companies classified in a developed country. • For companies classified in emerging countries, listings trading on developed and emerging markets are eligible. <p>Switches in non-local listings:</p> <ul style="list-style-type: none"> • When a non-local listing is part of the index, it will be switched for a local listing, providing that the local listing stock meets all index eligibility criteria, and an additional 2x median value traded ratio (MVTR) from the index threshold.¹ • When a company is represented in the index by its local listing, and the local listing fulfills the index criteria, a switch is not applicable in any case.

¹ See S&P Global BMI, S&P/IFCI Methodology, pp.6-7 for more information regarding the MVTR calculation.

IMPLEMENTATION TIMING

S&P DJI will implement the previously described methodology changes in conjunction with the off-cycle March 2023 rebalancing of the S&P Global BMI and the Dow Jones Global Indices, which takes effect prior to the market open on **Monday, March 20, 2023**. The changes would first be visible to clients in pro-forma files beginning on **Friday March 3, 2023**. Regular share listings eligibility review would be expected to be conducted as part of the indices' annual reconstitutions effective as of the open of Monday following the third Friday in September.

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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