

Dow Jones ESG Real Estate Indices Consultation on Constituent Weighting

AMSTERDAM, APRIL 24, 2025: S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with market participants on potential changes to the Dow Jones Select ESG Tilted Real Estate Securities Indices included in the Dow Jones ESG Real Estate Indices methodologies.

To address a decrease in GRESB score improvement of the indices relative to their underlying indices over the years, S&P DJI proposes to increase the tilt scaling factor, amend the titling group definition, and revise the winsorization process. The proposals are detailed below.

Proposed Changes	Methodology	
	Current	Proposed
Tilt Scaling Factors	Tilt Scaling Factor for all indices is 0.5	Tilt Scaling Factor for all indices is 1.
Tilting Groups	On each rebalancing reference date, the GICS Sub-Industries in each region (“Region-Sub-Industries”) form individual Tilting Groups; for example, North America Developed Diversified REITs, North America Developed Industrial REITs, ..., North America Developed Real Estate Services; Europe Diversified REITs, Europe Industrial REITs, ..., Europe Real Estate Services etc. At each rebalancing, the Region-Sub-Industry weights are neutral to those in the eligible universe, respectively. Determine constituents’ weights in each tilting group using a GRESB Tilt Score (S_i).	On each rebalancing reference date, the GICS Industries in each region (“Region- Industries ”) form individual Tilting Groups; for example, North America Developed Diversified REITs, North America Developed Industrial REITs, ..., North America Developed Real Estate Management & Development ; Europe Diversified REITs, Europe Industrial REITs, ..., Europe Real Estate Management & Development etc. At each rebalancing, the Region- Industry weights are neutral to those in the eligible universe, respectively. Determine constituents’ weights in each tilting group using a GRESB Tilt Score (S_i).
Winsorization	GRESB Tilt Scores (S_i) are winsorized to reduce the impact of outliers and handle extreme scenarios. For securities with GRESB Tilt Score above 2 or below 0.5, their value is set as equal to 2 or 0.5, whichever is applicable.	GRESB Tilt Scores (S_i) are winsorized to reduce the impact of outliers and handle extreme scenarios. For securities with GRESB Tilt Scores greater than the 95th percentile, values are set equal to the value at the 95th percentile. For securities with GRESB Tilt Scores less than the 5th percentile, values are set equal to the value at the 5th percentile.

IMPACTED INDICES

Index Name	Index Code
Dow Jones Global Select ESG Tilted RESI (USD)	DJGSGRUP
Dow Jones Global Ex-U.S. Select ESG Tilted RESI (USD)	DJEUGRUP
Dow Jones U.S. Select ESG Tilted REIT Index (USD)	DJUSGRUP

IMPACT ANALYSIS

The impact analysis of the proposed changes to the Dow Jones Global Ex-U.S. Select ESG Tilted RESI Index and Dow Jones U.S. Select ESG Titled REIT Index is available [here](#). The impact analysis for the Dow Jones Global Select ESG Tilted RESI is available [here](#).

Additional data and analysis may be made available in the Client Resource Center www.spglobal.com/spdji/en/client-services/, which may be updated from time to time throughout the consultation without notice. Additional data and analysis may also be made available upon request.

IMPLEMENTATION TIMING

S&P DJI proposes to implement the previously described methodology changes, if adopted, in conjunction with the next rebalancing which will take effect prior to the market open on **Monday June, 23, 2025**. If adopted, the changes will first be visible to clients in pro-forma files beginning on **Friday, June 13, 2025**.

QUESTIONS

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

1. **Do you agree with the proposal to revise the Tilt Scaling Factors?**
2. **Do you agree with the proposal to revise the Tilting Group definitions?**
3. **Do you agree with the proposal to revise the WinsORIZATION treatment?**
4. **If any of the proposed changes are adopted, do you agree with the proposed implementation date?**
5. **Do you have any other comments or feedback regarding the proposed changes outlined above?**

Participation in this consultation is important as S&P DJI gathers information from various market participants to properly evaluate the market participants' views and preferences. Please respond to this survey by **Friday, May 16, 2024**, as S&P DJI does not accept responses post the survey closure date. 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](#).

Please be advised that S&P DJI reviews and considers all feedback before a final decision is made. However, S&P DJI makes no guarantees and is under no 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, the change(s) will be announced to clients and posted on the S&P DJI website with prior notice ahead of the effective date.

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.

CONSULTATION

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.

FOR MORE INFORMATION:

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