S&P Dow Jones Indices

A Division of S&P Global

CONSULTATION

S&P Target Date Indices Consultation

NEW YORK, MAY 23, 2017: This consultation is now closed. For results, please click here.

For more information about S&P Dow Jones Indices, please visit *www.spdji.com*.

S&P Dow Jones Indices
index_services@spglobal.com

S&P Dow Jones Indices

A Division of S&P Global

CONSULTATION

S&P Target Date Indices Consultation

NEW YORK, APRIL 27, 2017: 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 Target Date Indices.

The indices employ an annual survey of target date fund holdings to determine benchmark allocations to eligible asset classes. The current index methodology includes procedures to control for outlier effects and other potential anomalies. Two proposed changes are under consideration:

Proposed Change	Description
Discontinue the application of a fitted curve	Currently, a fitted curve is applied to finalize index representation of each asset class across target date years. This procedure was instituted because sample sizes were small in earlier years. However, survey sample sizes have grown over the years. Therefore, S&P DJI is proposing to discontinue this procedure as doing so is not expected to have a material impact on final index weights. In addition, it is anticipated that the final weights would be more representative of target date fund allocations.
Discontinue the inclusion of "legacy" target date funds in the retirement income survey	Another step in the index reconstitution process involves grouping "legacy" target date funds into the retirement income category of the annual holdings survey. Legacy funds are those whose target date has passed, but that are not included in any other survey category (e.g. last year, several 2005 target date funds were included in the retirement income category). Since survey sample size has improved, and the inclusion of "legacy" target date funds in the retirement income category may cause bias in that category due to longer survivorship of "through" versus "to" target date funds, S&P DJI is proposing to discontinue this procedure. Doing so would allow legacy funds to be dropped entirely from the annual holdings survey if there is no specific index corresponding to their target date year (e.g. there will be a 2010 Target Date Index as long as there are sufficient 2010 target date funds to perform the survey. However, if this procedure is discontinued, then when the 2010 Target Date Index is discontinued, the 2010 target date funds would no longer be included in the annual survey.

QUESTIONS:

1. **Do you agree with the proposal to discontinue the application of a fitted curve from the index methodology?**
2. **Do you agree with the proposal to discontinue the inclusion of "legacy" target date funds in the retirement income survey category?**

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. Your responses will be kept confidential. Please respond to this survey by **May 19, 2017**. After this date, S&P Dow Jones Indices will no longer accept survey responses. Prior to the Index Committee's final review, S&P Dow Jones Indices 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 respond to 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 Dow Jones Indices 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 Dow Jones Indices 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 based on any other provider in the world. With over 1,000,000 indices and more than 120 years of experience constructing innovative and transparent solutions, S&P Dow Jones Indices defines 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:

S&P Dow Jones Indices
index_services@spglobal.com