

S&P Global Clean Energy Index Consultation on Constituent Weight Capping

NEW YORK, SEPTEMBER 11, 2019: S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with members of the investment community on a potential change to the S&P Global Clean Energy Index.

In order to reduce single stock concentration risk and enhance index diversification, S&P DJI is considering lowering the maximum index stock weight. The table below summarizes the proposed change.

Proposed Change	Current	Methodology	Proposed
Constituent Weightings	Every stock’s float-adjusted market capitalization is multiplied by its exposure score, with initial weights derived from those exposure score-adjusted FMC market capitalizations. A maximum index stock weight is set to 5%.		Every stock’s float-adjusted market capitalization is multiplied by its exposure score, with initial weights derived from those exposure score-adjusted FMC market capitalizations. A maximum index stock weight is set to 4.5%.

For information on the S&P Global Clean Energy Index, please refer to the S&P Thematic Indices Methodology available [here](#).

IMPACT ANALYSIS

Using data from the April 2019 rebalancing, the table below shows the index’s actual one-way turnover as well as the hypothetical one-way turnover that would have resulted had the proposed change been applied to that rebalancing.

Index	One-Way Turnover	
	Actual	Hypothetical
S&P Global Clean Energy Index	10.22%	11.33%

In addition, Appendix I shows the index’s actual composition weighting as well as the hypothetical composition weighting that would have resulted had the proposed change been applied to that rebalancing.

IMPLEMENTATION TIMING

S&P DJI is proposing to implement the previously described methodology change, if adopted, prior to the market open on Monday, October 21, 2019, in conjunction with the semi-annual reconstitution.

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 lower the maximum index stock weight from 5% to 4.5%?**
2. **If the proposed change is adopted, do you agree with the proposed implementation date?**
3. **Do you have any other comments regarding the proposed change 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.¹ 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 **September 25, 2019**. 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.

¹ Individual and company names as well as contact details will be redacted.

APPENDIX I

Using data from the April 2019 rebalancing, the table below shows the index's composition and weighting under three scenarios:

- **Scenario 1.** Float-adjusted market capitalization ("FMC") weight.
- **Scenario 2.** Actual weight – FMC weight, subject to a maximum index stock weight of 5% as per the current methodology.
- **Scenario 3.** Hypothetical weight – FMC weight, subject to a maximum index stock weight of 4.5% as per the proposed methodology.

Company	Ticker	Weight		
		Scenario 1	Scenario 2	Scenario 3
Vestas Wind Systems AS	VWS	25.6212%	5.0000%	4.5000%
First Solar Inc	FSLR	6.3750%	5.0000%	4.5000%
Siemens Gamesa Renewable Energy SA	SGRE	5.3411%	5.0000%	4.5000%
Cia Energetica de Minas Gerais Prf ADR	CIG	5.1664%	5.0000%	4.5000%
China Everbright International Ltd.	257	5.1073%	5.0000%	4.5000%
VERBUND AG	VER	4.6855%	5.0000%	4.5000%
Meridian Energy Ltd	MEL	4.6701%	5.0000%	4.5000%
Contact Energy Ltd	CEN	4.4777%	5.0000%	4.5000%
Ormat Technologies	ORA	3.9310%	5.0000%	4.5000%
China Longyuan Power Group Corporation Ltd. - H Shares	916	2.9842%	4.7402%	4.5000%
Covanta Holding Corp	CVA	2.8498%	4.5268%	4.5000%
Pattern Energy Group Inc	PEGI	2.8296%	4.4948%	4.5000%
SolarEdge Technologies Inc	SEDG	2.5460%	4.0442%	4.5000%
Xinyi Solar Holdings Ltd	968	2.0851%	3.3121%	3.6956%
Huaneng Renewables Corp Ltd.	958	1.9232%	3.0549%	3.4085%
Sunrun Inc.	RUN	1.6488%	2.6191%	2.9223%
Atlantica Yield plc	AY	1.6377%	2.6014%	2.9025%
Innergex Renewable Energy Inc	INE	1.6351%	2.5974%	2.8981%
TerraForm Power Inc A	TERP	1.5295%	2.4295%	2.7108%
Nordex SE	NDX1	1.4230%	2.2603%	2.5220%
Boralex Inc. 'A'	BLX	1.3888%	2.2061%	2.4615%
Xinjiang Goldwind Sci & Tech-H	2208	1.3739%	2.1824%	2.4351%
Companhia Paranaense de Energia	ELP	1.3698%	2.1759%	2.4278%
GCL-Poly Energy Holdings Ltd.	3800	1.2866%	2.0437%	2.2803%
Scatec Solar ASA	SSO	1.2197%	1.9374%	2.1617%
Renewable Energy Group Inc	REGI	1.2149%	1.9299%	2.1533%
Canadian Solar Inc	CSIQ	1.1632%	1.8478%	2.0617%
Enphase Energy Inc	ENPH	1.0793%	1.7145%	1.9129%
TPI Composites, Inc.	TPIC	0.7401%	1.1756%	1.3117%
JinkoSolar Holding Co Ltd	JKS	0.6963%	1.1061%	1.2341%

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.spdji.com.

FOR MORE INFORMATION:

S&P Dow Jones Indices
index_services@spglobal.com