

**S&P Dow Jones
Indices**

A Division of **S&P Global**

**S&P/TSX Revenue
Exposure Indices
*Methodology***

January 2018

Table of Contents

Introduction	3
Index Family	3
Supporting Documents	3
Eligibility Criteria	5
Index Universe	5
Eligibility Factors	5
Index Construction	6
Constituent Selection	6
Weights Computation	6
Index Calculations	7
Index Maintenance	8
Rebalancing	8
Additions and Deletions	8
Corporate Actions	8
Currency, Currency Hedged, and Risk Control Indices	8
Exchange Rate	9
Other Adjustments	9
Base Date and History Availability	9
Index Data	10
Calculation Return Types	10
Index Governance	11
Index Committee	11
Advisory Panel	11
Index Policy	12
Announcements	12
Holiday Schedule	12
Rebalancing	12
Unexpected Exchange Closures	12
Recalculation Policy	12
Contact Information	12

Index Dissemination	13
Tickers	13
FTP	13
Web site	13
Disclaimer	14

Introduction

The S&P/TSX Revenue Exposure Indices are designed to measure the performance of companies with higher than average revenue exposure to certain target regions or countries. The Focused Exposure Revenue Indices are designed to measure the performance of stocks ranked in the top quartile of revenue exposure to the targeted region or country. The index series employs the FactSet Geographic Revenue Exposure (GeoRev™) database to obtain the geographical revenue breakdown of companies in each applicable index universe.

This methodology describes the procedures that underlie the construction and maintenance of the index. These procedures are monitored by S&P Dow Jones Indices and revised as necessary.

Index Family

The S&P/TSX Revenue Exposure Indices are part of the S&P Global Revenue Exposure Index Series. Other indices in the series include:

- S&P 500 U.S. Revenue Exposure Index
- S&P 500 Focused U.S. Revenue Exposure Index
- S&P 500 Foreign Revenue Exposure Index
- S&P 500 Focused Foreign Revenue Exposure Index
- S&P 500 Emerging Markets Revenue Exposure Index
- S&P 500 Focused Emerging Markets Revenue Exposure Index
- S&P/TOPIX 150 Japan Revenue Exposure Index
- S&P/TOPIX 150 U.S. Revenue Exposure Index
- S&P Europe 350 Foreign Revenue Exposure Index
- S&P U.K. Domestic Revenue Exposure Index
- S&P U.K. Focused Domestic Revenue Exposure Index
- S&P U.K. Foreign Revenue Exposure Index
- S&P U.K. Focused Foreign Revenue Exposure Index

For information on the other indices in this series, please refer to their respective methodologies available at www.spdji.com.

Supporting Documents

This methodology is meant to be read in conjunction with supporting documents providing greater detail with respect to the policies, procedures and calculations described herein. References throughout the methodology direct the reader to the relevant supporting document for further information on a specific topic. The list of the main supplemental documents for this methodology and the hyperlinks to those documents is as follows:

Supporting Document	URL
S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology	Equity Indices Policies & Practices
S&P Dow Jones Indices' Index Mathematics Methodology	Index Mathematics Methodology
S&P Dow Jones Indices' Float Adjustment Methodology	Float Adjustment Methodology

This methodology was created by S&P Dow Jones Indices to achieve the aforementioned objective of measuring the underlying interest of each index governed by this methodology document. Any changes to or deviations from this methodology are made in the sole judgment and discretion of S&P Dow Jones Indices so that the index continues to achieve its objective.

Eligibility Criteria

Index Universe

Each index is constructed from the constituents of an underlying universe index as detailed below.

Index	Universe
S&P/TSX 60 U.S. Revenue Exposure Index	S&P/TSX 60
S&P/TSX 60 Canada Revenue Exposure Index	S&P/TSX 60
S&P/TSX Composite Canada Revenue Exposure Index	S&P/TSX Composite
S&P/TSX Composite Focused Canada Revenue Exposure Index	S&P/TSX Composite

For information on the S&P/TSX 60 and S&P/TSX Composite, please refer to the S&P/TSX Canadian Indices Methodology available at www.spdji.com.

Eligibility Factors

In order to be eligible for index consideration, the following must be met:

Underlying Universe Index Membership. The security must, on the rebalancing reference date be an existing member of the underlying universe index.

Revenue Region. The company must be included in the FactSet GeoRev database. Revenue from unspecified sources is not eligible. If 100% of a company's revenue is from unspecified sources, then that company is not eligible for index inclusion.

Please refer to www.factset.com/data/company_data/geo_revenue for information on FactSet GeoRev.

Multiple Share Classes and Dual Listed Companies. Some companies may have more than one share class line or listing in the underlying universe index. In the S&P/TSX Revenue Exposure Indices, each company is represented once by the most liquid share line.

Securities satisfying these criteria form the selection universe.

Index Construction

Constituent Selection

Index
S&P/TSX 60 U.S. Revenue Exposure Index
S&P/TSX 60 Canada Revenue Exposure Index
S&P/TSX Composite Canada Revenue Exposure Index

The constituent selection process for each index is as follows:

- The average exposure percentage of the selection universe to the targeted region or country is calculated as of the rebalancing reference date. In calculating the average exposure percentage, revenue from unspecified sources is excluded.
- Securities in the selection universe are included in the index if their revenue exposure is greater than or equal to the selection universe average.

Index
S&P/TSX Composite Focused Canada Revenue Exposure Index

The constituent selection process for each index is as follows:

- The exposure percentage of the selection universe to the targeted region or country is calculated as of the rebalancing reference date. In calculating the average exposure percentage, revenue from unspecified sources is excluded.
- Securities in the selection universe are included in the index if their revenue exposure is in the top 25% of the selection universe. If more than 25% of the selection universe has 100% revenue exposure to the targeted region, all companies with 100% revenue exposure are included in the index.

Weights Computation

Index
S&P/TSX 60 U.S. Revenue Exposure Index
S&P/TSX 60 Canada Revenue Exposure Index
S&P/TSX Composite Canada Revenue Exposure Index

The indices employ a modified market capitalization weighting scheme. At each rebalancing, all the securities selected for inclusion in the indices are weighted by the product of their company's float-adjusted market capitalization in the selection universe and their revenue exposure percentage to the targeted region or country, subject to a maximum security weight of 10%. For companies with multiple listings in the underlying universe index, the aggregate float-adjusted market capitalization of the company's listings is used for calculation of the final weight.

Please refer to S&P Dow Jones Indices' Index Mathematics Methodology for further details on the modified market cap methodology.

Index

S&P/TSX Composite Focused Canada Revenue Exposure Index

The index employs a revenue exposure weighting scheme. At each rebalancing, all the securities selected for inclusion in the index are weighted by their revenue exposure percentage to the targeted region or country, subject to a maximum security weight of 10%:

$$w_i = \frac{RE_t}{\sum_{i=1}^N RE_t}$$

where:

RE_t = Revenue Exposure to targeted region

Index Calculations

The indices are calculated using the divisor methodology used in all S&P Dow Jones Indices' equity indices.

Please refer to S&P Dow Jones Indices' Index Mathematics Methodology for further details on the index calculation methodology.

Index Maintenance

Rebalancing

The indices are rebalanced semi-annually after the close on the third Friday of May and November. As part of the rebalancing process, constituent stock weights are updated. The rebalancing reference dates are the last business day of April and October, respectively. Weights calculated as a result of the reference date data are implemented in the index using closing prices as of the Wednesday prior to the second Friday of May and November.

Additions and Deletions

Additions. With the exception of qualifying spin-offs, no additions are made to the index between semi-annual rebalancings.

Deletions. Constituents removed from the underlying universe index are also removed from the respective S&P/TSX Revenue Exposure Index simultaneously.

Corporate Actions

Spin-Offs. Spin-offs are added to the respective index on the ex-date. Spin-off treatment follows the underlying universe index. If the spin-off remains in the underlying universe index, it will remain in the index and is evaluated for continued index inclusion at the subsequent rebalancing.

For further information, please refer to the Treatment of Spin-offs in S&P Dow Jones Indices' Equity Indices Policies & Practices document.

Other corporate actions follow the S&P Dow Jones Indices' treatment for modified market capitalization weighted indices. For further information, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices document.

Currency, Currency Hedged, and Risk Control Indices

The indices are calculated in the following currencies:

Index	Currencies
S&P/TSX 60 U.S. Revenue Exposure Index	USD, CAD
S&P/TSX 60 Canada Revenue Exposure Index	USD, CAD
S&P/TSX Composite Canada Revenue Exposure Index	USD, CAD
S&P/TSX Composite Focused Canada Revenue Exposure Index	USD, CAD

Currency, currency hedged, and risk control versions of the indices may be available. For a list of available currency, currency hedged, and risk control indices, please contact Client Services at index_services@spglobal.com.

For more information on currency, currency hedged, and risk control indices, please refer to S&P Dow Jones Indices' Index Mathematics Methodology.

Exchange Rate

WM/Reuters foreign exchange rates are taken daily at 04:00 PM London time and used in the calculation of the index. These mid-market fixings are calculated by the WM Company based on Reuters' data and appear on Reuters pages WMRA.

Other Adjustments

In cases where there is no achievable market price for a stock being deleted, it can be removed at a zero or minimal price at the Index Committee's discretion, in recognition of the constraints faced by investors in trading bankrupt or suspended stocks.

Base Date and History Availability

Index history availability, base date and base value are shown in the table below.

Index	Launch Date	First Value Date	Base Date	Base Value
S&P/TSX 60 U.S. Revenue Exposure Index	01/09/2017	11/21/2008	11/21/2008	100
S&P/TSX 60 Canada Revenue Exposure Index	10/02/2017	11/21/2008	11/21/2008	100
S&P/TSX Composite Canada Revenue Exposure Index	10/02/2017	5/21/2010	5/21/2010	100
S&P/TSX Composite Focused Canada Revenue Exposure Index	10/02/2017	5/21/2010	5/21/2010	100

Index Data

Calculation Return Types

S&P Dow Jones Indices calculates multiple return types which vary based on the treatment of regular cash dividends. The classification of regular cash dividends is determined by S&P Dow Jones Indices.

- Price Return (PR) versions are calculated without adjustments for regular cash dividends.
- Gross Total Return (TR) versions reinvest regular cash dividends at the close on the ex-date without consideration for withholding taxes.
- Net Total Return (NTR) versions, if available, reinvest regular cash dividends at the close on the ex-date after the deduction of applicable withholding taxes.

In the event there are no regular cash dividends on the ex-date, the daily performance of all three indices will be identical.

For a complete list of indices available, please refer to the daily index levels file (“SDL”).

For more information on the classification of regular versus special cash dividends as well as the tax rates used in the calculation of net return, please refer to S&P Dow Jones Indices’ Equity Indices Policies & Practices Methodology.

For more information on the calculation of return types, please refer to S&P Dow Jones Indices’ Index Mathematics Methodology.

Index Governance

Index Committee

The S&P/TSX Canadian indices are maintained by the S&P/TSX Canadian Index Committee. The Index Committee is comprised of four members representing S&P Dow Jones Indices and three members representing the Toronto Stock Exchange (“TSX”). The Index Committee is chaired by a member designated by S&P Dow Jones Indices. Meetings are held monthly, and from time to time, as needed.

The Index Committee is responsible for setting rules and policies for the S&P/TSX Canadian Indices, determining the composition of the Indices and administering the methodology. In fulfilling its responsibilities, the Index Committee has full and complete discretion to amend, apply or exempt the application of the methodology and other index policies as circumstances may require, and add, remove or by-pass any security in determining the composition of any of the indices.

The Index Committee may rely on any information or documentation submitted to or gathered by it that the Index Committee believes to be accurate. Where a public document used by the Index Committee is available in both official languages, the Index Committee shall assume that the contents of both versions are identical. The Index Committee reserves the right to reinterpret publicly available information and to make changes to the index based on a new interpretation of that information at its sole and absolute discretion.

Index corrections and changes to index composition are implemented at such time and in such manner, as the Index Committee deems appropriate. The timing of any index change made in response to a correction shall be at the sole and absolute discretion of the Index Committee.

S&P Dow Jones Indices considers information about changes to its Canadian indices and related matters to be potentially market moving and material. Therefore, all Index Committee discussions are confidential.

S&P Dow Jones Indices’ Index Committees reserve the right to make exceptions when applying the methodology if the need arises. In any scenario where the treatment differs from the general rules stated in this document or supplemental documents, clients will receive sufficient notice, whenever possible.

In addition to the daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews the methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, S&P Dow Jones Indices may publish a consultation inviting comments from external parties.

Advisory Panel

S&P Dow Jones Indices maintains an Index Advisory Panel to provide advice to the Index Committee, to S&P Dow Jones Indices and to the TSX on index related matters. The Advisory Panel meets at the request of the Index Committee to discuss matters related to the use of equity indices in Canada; typically the Advisory Panel meets annually. The Index Committee designates members of the Advisory Panel to provide representation of major financial market entities including leading institutional investors, investment banks, brokerage firms and others with an interest in the development of the equity markets in Canada. Meetings of the Advisory Panel are not open to the public or the press; however, the proceedings are not confidential and members are free to discuss them publicly.

For information on Quality Assurance and Internal Reviews of Methodology, please refer to S&P Dow Jones Indices’ Equity Indices Policies & Practices document.

Index Policy

Announcements

Whenever possible, announcements of additions or deletions of stocks or other index adjustments are made five trading days before the adjustments are implemented. In those cases when it is not possible to trade a stock five days after an announcement, the announcement period may be shortened. However, the implementation of an index adjustment is never earlier than the market close of the day following the announcement.

Announcements of additions and deletions for the S&P/TSX Canadian indices are generally made at 05:15 PM Eastern Time. Press releases are released to major news services.

In addition, TMX Datalinx offers a fee-based subscription to Index Notices. The Index Notices provide the most detailed and comprehensive coverage of index changes. Complete data for index replication (including share counts, tickers and data on index levels and returns) are also available through TMX Datalinx. In order to subscribe, contact TMX Datalinx by phone at +1.416.947.4778 or by email at marketdata@tmx.com.

For more information on S&P Dow Jones Indices' announcements, please refer to the Announcement Policy located on our Web site, www.spdji.com.

Holiday Schedule

The S&P/TSX Canadian indices are calculated when the Canadian equity market is open.

A complete holiday schedule for the year is available on the TMX Web site at www.tmx.com.

Rebalancing

The index committee may change the date of a given rebalancing for reasons including market holidays occurring on or around the scheduled rebalancing date. Any such change will be announced with proper advance notice where possible.

Unexpected Exchange Closures

For information on Unexpected Exchange Closures, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices document.

Recalculation Policy

For information on the recalculation policy, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices document.

For information on Calculations and Pricing Disruptions, Expert Judgment and Data Hierarchy, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices document.

Contact Information

For any questions regarding an index, please contact: index_services@spglobal.com.

Index Dissemination

The TMX Group (TMX) serves as the distributor of both real-time and historical index data. In addition, index levels are available on S&P Dow Jones Indices Web site at www.spdji.com, major quote vendors, numerous investment-oriented web sites, and various print and electronic media.

Tickers

The table below lists headline indices covered by this document. All currency, currency hedged, risk control, and return type versions of the below indices that may exist are also covered by this document. Please contact index_services@spglobal.com for a complete list of indices covered by this document.

Index	Return Type	Bloomberg	Reuters
S&P/TSX 60 U.S. Revenue Exposure Index	Price Return Total Return Net Total Return	SPT60RX SPTRXT SPT60RXN	T.RX TR.RXT TR.RXN
S&P/TSX 60 Canada Revenue Exposure Index	Price Return Total Return Net Total Return	60CRX 60CRXT 60CRXN	T.CR TR.CR TR.XNV
S&P/TSX Composite Canada Revenue Exposure Index	Price Return Total Return Net Total Return	TXRE TXRET TXREN	T.XRE TR.RET TR.REN
S&P/TSX Composite Focused Canada Revenue Exposure Index	Price Return Total Return Net Total Return	TXFRE TXFRET TXFREN	T.FRE TR.XFR TR.FRE

FTP

Daily stock level and index data are available from the Toronto Stock Exchange on subscription. Please contact Market Data at 416-947-4778 or, by email, at marketdata@tmx.com.

For further information, please refer to the TMX Web site at www.tmx.com.

Web site

For further information, please refer to S&P Dow Jones Indices' Web site at www.spdji.com.

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