

S&P Dow Jones Indices

Global Resource for Index-Based Innovation, Data & Research

Transparent Solutions that Span Asset Classes, Geographies, and Investment Strategies

As the world's leading resource for index-based innovation, data, and research, S&P Dow Jones Indices' mission is to bring independent, transparent, and cost-effective solutions to the global investment community.

spglobal.com/indices

S&P Dow Jones Indices has more than 120 years of experience constructing innovative and transparent solutions

How S&P Dow Jones Indices Generates Revenue

ETFs & Mutual Funds: Licensing fees on assets invested in products linked to S&P Dow Jones Indices (asset-linked fee revenue)

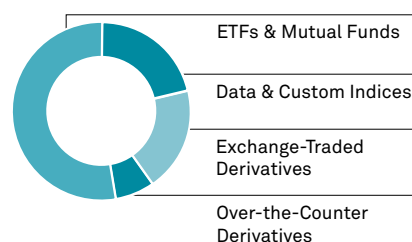
Data & Custom Indices: Customized index solutions and data subscriptions that support index fund management, portfolio analytics, and research (subscription revenue)

Exchange-Traded Derivatives: Royalties based on trading volumes of derivatives contracts listed on global exchanges ⁽²⁾ (transaction revenue)

OTC Derivatives & Structured Products: Fixed or variable annual and per-issue fees or blanket fees for OTC derivatives and structured products (asset-linked fee revenue)

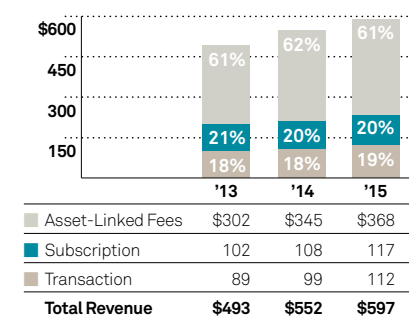
Revenue Mix: S&P Dow Jones Indices

(percentage of revenue)



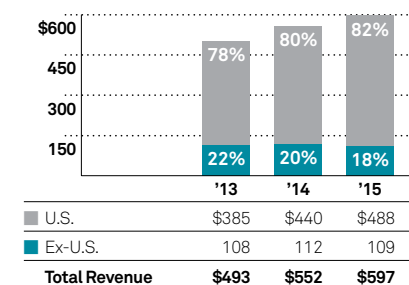
Revenue by Type ^(1,3)

(dollars in millions)



Global Revenue ⁽³⁾

(dollars in millions)



(1) Starting in 1Q 2016, the Company is classifying S&P Dow Jones Indices' ETF and mutual fund AUM-based licensing revenue as "asset-linked fees" instead of as "non-subscription/transaction." This modification will provide more granularity into the Company's revenue mix

(2) See map on page 34 for exchanges with a Listing Agreement

(3) Ownership of S&P Dow Jones Indices LLC joint venture (launched in June 2012):
 • S&P Global: 73%
 • CME Group: 27%

S&P Dow Jones Indices Is the World's Leading Provider of Financial Market Indices

Two Iconic Benchmarks Measuring the U.S. Stock Market

The Dow[®]

The Dow Jones Industrial Average is the world's most-cited market measure

Celebrating its 120th anniversary in 2016, "The Dow" was first published as a 12-stock average on May 26, 1896. The Dow Jones Industrial Average expanded to 20 stocks in 1916 and to 30 stocks in 1928.

S&P 500[®]

The S&P 500 is the world's most-tracked index by assets under management

The S&P 500 is the world's most-followed stock market index with \$7.5 trillion in benchmarked assets and \$2.1 trillion⁽¹⁾ indexed to it.

More than
1.0 million
indices

are calculated on a real-time or end-of-day basis covering a range of asset classes

\$3.1 trillion
in assets

are directly indexed to S&P Dow Jones Indices⁽¹⁾

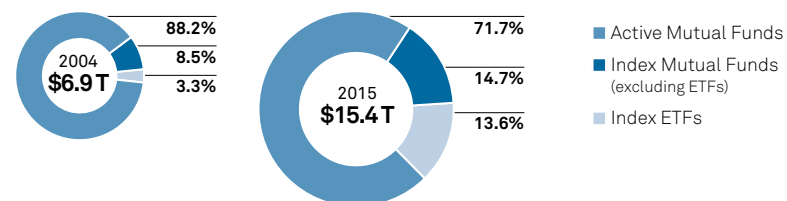
(1) S&P Dow Jones Indices Annual Survey of Indexed Assets. Assets include ETFs and other indexed funds

Data as of 12/31/2015

Industry Trends

Rising Popularity of Index Investing

U.S. Equity and Bond Funds and Index ETFs (ending AUM; dollars in trillions)

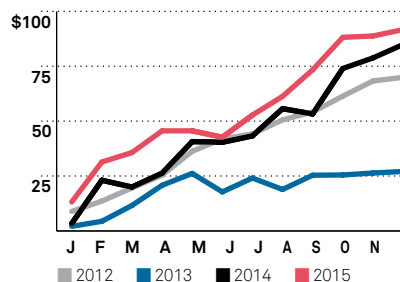


Source: Strategic Insight Simfund

Growth in Fixed-Income ETP AUM⁽²⁾

Fixed income ETPs continue to attract interest from investors seeking yield, management of costs, and diversification of portfolios.

(dollars in billions)



Sources:

(2) BlackRock ETP Landscape, Industry Highlights. Data as of 12/31/2015

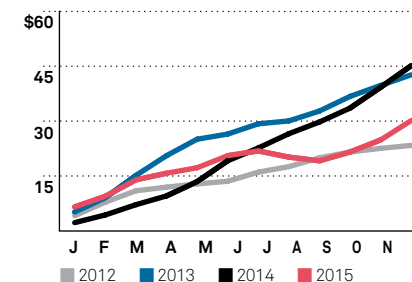
(3) BlackRock Global ETP Landscape: 2015 Year in Review. Data as of 12/31/2015

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Growth in Smart Beta ETP Flows⁽³⁾

Drivers of growth include dividend-focused funds, minimum volatility funds, and a proliferation of factor funds.

(dollars in billions)



Note: Exchange-traded products (ETPs) include exchange-traded funds (ETFs), exchange-traded vehicles (ETVs) and exchange-traded notes (ETNs)

Leveraging Strategic Exchange Relationships to Expand Global Distribution and Create Growth in Emerging Markets

Strategic relationships with local market exchanges enable S&P Dow Jones Indices to expand global distribution and linkages to emerging markets. Through these exchange relationships, S&P Dow Jones Indices expands its mission of bringing greater index-based solutions, research, ideas, and analysis to markets around the world.

Featured Exchange Partnerships

CME Group (CME)

Starting with the 1982 launch of the first successful stock index futures contract—S&P 500 Index futures—S&P Dow Jones Indices' long-standing strategic partnership with the CME Group continues to bring new benefits to both companies' customers.

S&P Global owns 73% and CME Group owns 27% of the S&P Dow Jones Indices LLC joint venture.

Chicago Board Options Exchange (CBOE)

Since partnering with CBOE on the launch of the S&P 500 index options more than 30 years ago, S&P Dow Jones Indices' relationship with CBOE has changed how investors measure and view the financial markets.

TMX Group Ltd.

Partners since 1998, S&P Dow Jones Indices and TMX Group together offer Canada's premier market benchmarks under the S&P/TSX brand.

ASX Group

Partners since 1999, S&P Dow Jones Indices and ASX Group together offer leading measures of the Australian markets, including a complete toolkit of equity indices as well as fixed interest indices.

Bombay Stock Exchange (BSE)

Partners since 2013, S&P Dow Jones Indices and BSE are 50-50 partners of Asia Index Private Limited. The joint venture company aims to provide a full array of indices, including the iconic S&P BSE SENSEX index, to allow investors to participate in South Asia's economies.

Bolsa Mexicana de Valores (BMV)

S&P Dow Jones Indices and Bolsa Mexicana de Valores signed an agreement in 2015 to develop, license, distribute, and manage co-branded indices, including the S&P/Valmer indices.

NZX Limited (NZX)

S&P Dow Jones Indices and NZX Limited signed an agreement in 2015 to jointly develop, produce, and commercialize co-branded investable equity and fixed income indices, including the S&P/NZX50. The companies collaborate on the development and commercialization of the New Zealand index business across equity and fixed income securities.

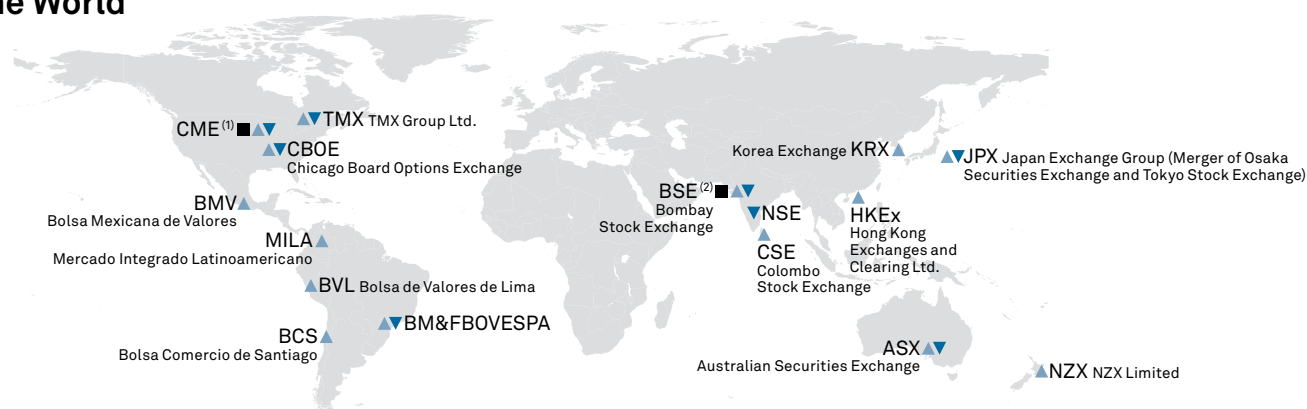
Bolsa Comercio de Santiago (BCS)

In August 2016, S&P Dow Jones indices and BCS signed a strategic agreement to develop, license, distribute, and manage a new generation of indices for fixed income and equity markets in Chile.

Exchange Relationships Around the World

Partnerships with local exchanges increase index-based opportunities for both local and global investors, providing market participants greater insight and exposure to local capital markets.

Combining the local exchanges' local market expertise and benchmarks with S&P Dow Jones Indices' internationally recognized brand and world-class indexing capabilities facilitates greater investor access to fast-growing emerging markets.



■ **Joint Venture Partner**
An exchange partner and joint venture partner with S&P Dow Jones Indices

▲ **Exchange Relationship**
An exchange partner in commercializing/producing indices

▼ **Listing Agreement**
An exchange with an agreement to trade derivative products based on S&P Dow Jones Indices

(1) CME Group owns 27% of the S&P Dow Jones Indices LLC joint venture

(2) Asia Index Private Limited is a 50-50 joint venture partnership between BSE and S&P Dow Jones Indices

Investable & Benchmark Indices

S&P Dow Jones Indices, the world's leading index provider, maintains a wide variety of investable and benchmark indices to meet an array of investor needs.

S&P Dow Jones Indices Spans Asset Classes, Investment Strategies & Geographic Markets

<u>Equity</u>	<u>Fixed Income</u>	<u>Real Assets</u>	<u>Commodities</u>	<u>Indicators</u>	<u>Smart Beta/Strategy</u>	<u>Multi-Asset</u>	<u>Theme-Based/ESG</u>
Families of indices for global and local markets, covering more than 20,000 securities in more than 83 countries with over 20 years of uninterrupted history	Broad market benchmarks measuring exposure to liquid fixed-income asset classes as well as less observable divisions of the credit market	Indices that track real assets—physical or tangible assets that have value due to their substance and properties	The S&P GSCI was the first major investable commodity index. It is broad-based and production-weighted to represent the global commodity market beta	Indices that track changes in specialty indicators such as real estate, healthcare claims, and default rates in consumer credit.	Providing a targeted series of tools to meet a broad range of investor needs. Designed to provide efficient exposure to investment themes	Indices where the exposure to the multiple constituent asset classes is determined by specific strategies or investment goals	Exposure to alternative asset classes and popular investment themes
U.S.	Global	S&P Real Assets	S&P GSCI	The S&P CoreLogic Case-Shiller Home Price Indices are the leading measures of U. S. residential real estate prices	Single-Factor Strategy	S&P STRIDE	Environmental, Social & Governance (ESG)
Global	Aggregate	Infrastructure	Dow Jones Commodity Index	S&P CoreLogic Case-Shiller Home Price Indices ⁽¹⁾	Multi-Factor Strategy – S&P GIMI – S&P LTVC	Target Date	Infrastructure
Developed	Investment-Grade Corporate	Property	Dow Jones Commodity Index	Healthcare Claims	Volatility & Risk Management	Target Risk	Natural Resources
Emerging	High-Yield Corporate	Natural Resources	Dow Jones RAFI Commodity Index	Consumer Credit Default	– VIX		Consumer Industries
Frontier	Senior Loan	Inflation-Linked Bonds	S&P WCI		– Risk Control		Clean/Alternative Energy
Sector	Preferred & Convertible		Strategic Futures		– Managed Risk		Commodity Producers
Style	Government		Equity-Based		– VEQTOR		Energy
Property & REIT	U.S. Municipal			(1) Case-Shiller® and Case-Shiller Indexes® are registered trademarks of CoreLogic	Quantitative Strategies		Green Investing
	Collateralized						CapEx and Human Capital
	Credit Default Swap						Shariah
	Inflation-Linked						
	Bond Futures						
	Money Market						

It is not possible to invest directly in an index. Exposure to an asset class represented by an index is available through investable instruments based on that index. S&P Dow Jones Indices does not sponsor, endorse, sell, promote, or manage any investment fund or other investment vehicle that is offered by any third party and that seeks to provide an investment return based on the performance of any index.

Custom Index Services: Leveraging Robust Technology, Processes and Infrastructure

Largest and Most Experienced Independent Third-Party Calculation Agent

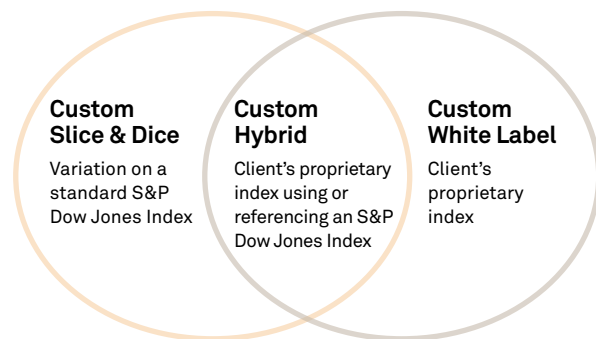
S&P Dow Jones Indices' custom services give clients the ability to create or tailor an index to reflect their unique investment needs. These custom services leverage S&P Dow Jones Indices' deep experience in creating and managing independent, transparent, and accurate indices.

Three Types of Custom Indexing Solutions

ETF sponsors, derivative desks, self-indexers, structured product teams, exchanges, and plan sponsors use custom indices as the basis for new financial products and benchmarks.

Clients also seek the services of S&P Dow Jones Indices' custom services to address regulatory and reputational requirements that may constrain their in-house index calculation operations.

S&P Dow Jones Indices offers clients the opportunity to modify an existing S&P Dow Jones index, use their own proprietary index, and/or create a new hybrid index based on their specific requirements.



Custom Slice & Dice

Variation on a standard S&P Dow Jones Index

Custom Hybrid

Client's proprietary index using or referencing an S&P Dow Jones Index

Custom White Label

Client's proprietary index

Custom Clients have a Range of Asset-Class Coverage and Strategies from which to Choose:

Asset Class	Sector	Region	Size
Strategies	Total Return	Weighting	Capping
Rebalancing	Style	Currency	Themes

A Spectrum of Custom Services

S&P Dow Jones Indices offers a range of custom services and solutions ranging from calculation of a single custom index to large-scale index outsourcing services.

S&P Dow Jones Indices' Custom Services Include:

Benchmark Administration including index governance and oversight of index methodologies through a dedicated index governance committee

Dedicated Global Custom Client Services and Support provided by teams from five regional centers in New York, London, Mumbai, Beijing, and Hong Kong

Index Calculation and maintenance. iNAV calculation services are offered for U.S.-listed ETFs and ETNs

Index Distribution including real-time and end-of-day distribution or via third-party redistributors. Indices can be distributed every 15 seconds—24 hours a day, seven days a week

Custom indices calculated by S&P Dow Jones Indices can display the "Calculated by S&P Dow Jones Indices" mark



S&P Dow Jones Indices calculates more than 7,000 headline custom indices for 145 clients, globally

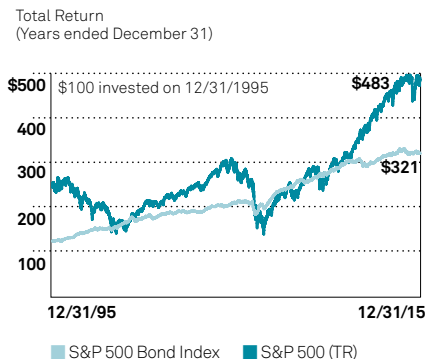
S&P Dow Jones Indices: Expanding Its Fixed-Income Index Offering

Global Suite of Index Solutions for Fixed-Income Portfolio Strategies

Volatility in equity and commodities markets, mixed with an extended period of quantitative easing, has edged investors toward fixed income in their search for yield. In response to this growing trend, S&P Dow Jones Indices offers a global suite of both market-value and alternatively weighted index solutions that apply methodologies to fit various fixed-income portfolio strategies. S&P Dow Jones Indices uses globally recognized independent bond price providers.

S&P 500 Bond Index is a Corporate-Bond Counterpart to the S&P 500 Index

This market value-weighted index seeks to measure the performance of U.S. corporate debt issued by constituents in the iconic S&P 500. The S&P 500 Bond Index allows investors to monitor—side-by-side, minute-by-minute—the price action of S&P 500 stocks and bonds.



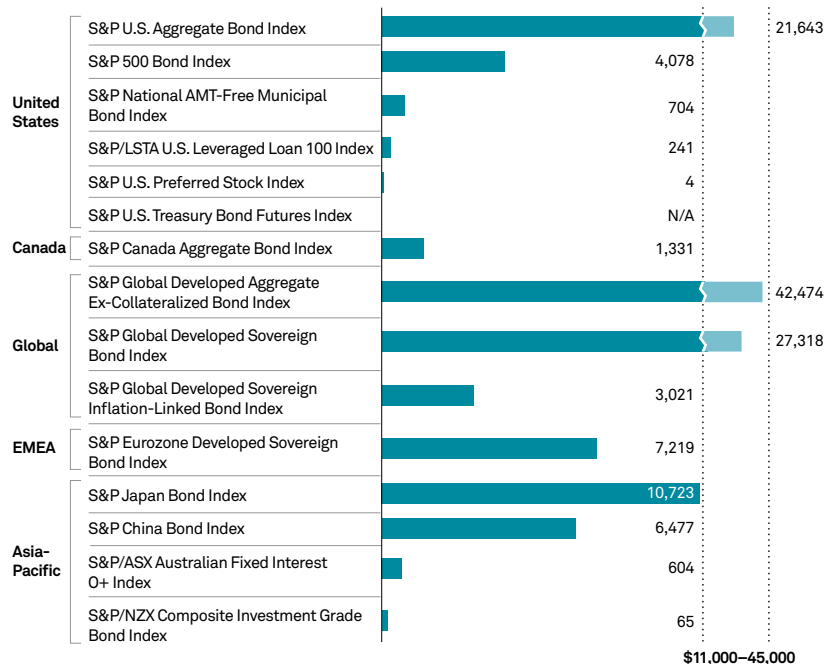
S&P Dow Jones Indices publishes more than 1,500 fixed-income total return indices

Core Fixed Income

Core fixed-income securities are often deployed to reduce risk and/or generate income. S&P Dow Jones Indices offers a comprehensive suite of core market-value indices that track the performance of investment-grade sovereign bonds, quasi and foreign governments, sovereign inflation-linked bonds, preferred stock, and corporate bonds in both domestic and global currencies. These indices can serve as a performance benchmark for core portfolios of fixed-income securities, as well as the basis for investment products.

Market Value of Core Fixed-Income Indices: By Region

(dollars in billions)



Note: N/A – Market value not applicable to futures
Data as of May 31, 2016
Source: S&P Dow Jones Indices

Additional Fixed-Income Index Solutions

S&P Dow Jones Indices also offers a variety of indices to meet benchmarking needs that extend beyond core fixed income. These indices cover alternatively weighted diversification objectives as well as frontier and emerging market exposure, municipal bonds, and sustainability-focused options such as green bonds. S&P Dow Jones Indices can also weight at the bond, issuer, country, and sector level to meet various diversification requirements and concentration limits, and can combine multi-asset class indices to benchmark different investment approaches.

Alternatively Weighted Indices, Including Tilts Toward ESG or GDP

Collateralized Bond Indices

Extensive U.S. Municipal Indices

Senior Loan Indices

African Sovereign Bond Indices

Frontier & Emerging Market Country Indices

Global Green Bond Indices

Infrastructure Indices

Custom Indices

Sukuk Indices

S&P Dow Jones Indices' Strategy/Smart Beta Indices

S&P Dow Jones Indices has been offering Smart Beta indices since 2003 to meet the demand from institutional investors looking beyond classic market beta for factors that influence risk and return. S&P Dow Jones Indices has been rapidly expanding its offerings of strategy smart beta indices to meet continued, growing demand.

Indexing/Passive Management	Active Management
BETA	ALPHA
Market Exposure	Manager Skill
SMART BETA	
Systematic Factor Exposures	

The boundary between beta and alpha has become increasingly blurred, with investors considering a spectrum of approaches

S&P Dow Jones Indices applies a quantitative framework or a theme to an asset class or combination of classes.

Single-Factor Strategies

Indices designed to capture a single systematic factor exposure from characteristics of the stocks instead of the overall market. These factors include momentum, low volatility, value, and yield

Multi-Factor Strategies

Indices that allow diversification across multiple factors

Volatility & Risk Management

Measures of implied volatility as well as indices that contain frameworks that attempt to address risk exposure from volatility. Includes the CBOE Volatility Index, otherwise known as VIX

Quantitative Strategies

Indices utilize quantitative frameworks to allocate exposure within an asset class or across asset classes

Single- and multi-factor strategy indices aim to capture a return premium associated with factors, including:

Size

Equal-weight indices reduce the concentration risk typically associated with capitalization-weighted indices

Dividend Yield

Provides exposure to dividend-paying stocks, employing both dividend-growth and high-dividend approaches

Value

Provides exposure to stocks whose market valuation is more attractive than their book valuation

Low Volatility

Provides exposure to lowest volatility stocks within global markets

Quality

Provides exposure to quality in companies, as defined by financial and competitive considerations

Momentum

Measures the performance of securities that exhibit persistence in their relative performance

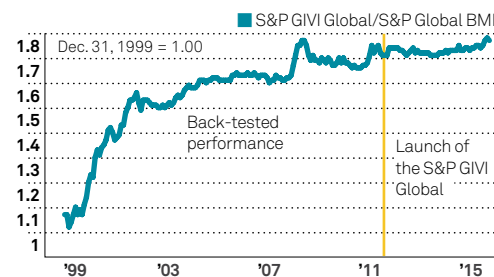
S&P GIVI™

The S&P GIVI (Global Intrinsic Value Index) is a rules-based, global equity strategy index designed to offer investors lower volatility (low beta) and stock weighting by intrinsic value instead of traditional market capitalization.

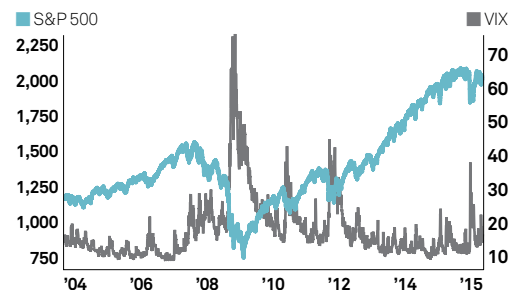
VIX

The CBOE Volatility Index, the VIX, is a leading measure of the stock market's expectation of volatility as implied by S&P 500 options. S&P Dow Jones Indices calculates benchmarks tracking the performance of the futures contracts. VIX is typically negatively correlated with stock performance.

Performance of the S&P GIVI Relative to the S&P Global BMI



The S&P 500 and the VIX Generally Move in Opposite Directions



\$146 billion in assets are indexed to S&P Dow Jones Indices' Smart Beta indices*

*S&P Dow Jones Indices Annual Survey of Indexed Assets. Assets include ETFs and other indexed funds. Data as of 12/31/2015

Market-Leading, Innovative Index Solutions

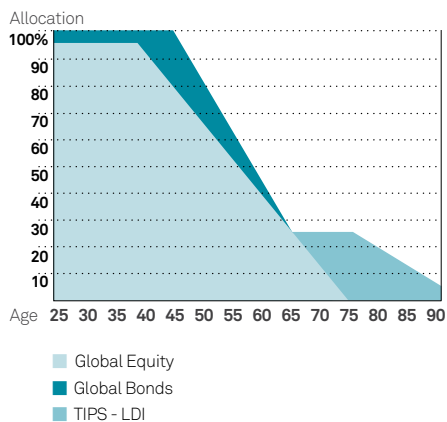
S&P Dow Jones Indices' broad and deep indexing capabilities provide the foundation for the creation of innovative, multi-asset class and multi-strategy indices.

S&P STRIDE Index

The S&P Shift to Retirement Income and Decumulation (STRIDE) Index is a new generation of retirement plan indices addressing the need for benchmarks comprising the entire life cycle—from growth and accumulation through retirement decumulation. The risk of income affordability is tracked and made explicit with index data highlighting the cost of retirement income, and the index mitigates that risk with allocations to global equities, global fixed income securities, and inflation-adjusted bonds (TIPS).

The S&P STRIDE Index Asset Allocation is Based on a Predetermined Life Cycle

Illustrative Glide Path from Age 25 to 90 years



S&P Long-Term Value Creation (LTVC)

The S&P LTVC Global Index is designed to measure companies that have the potential to create long-term value based on sustainability criteria and financial quality.

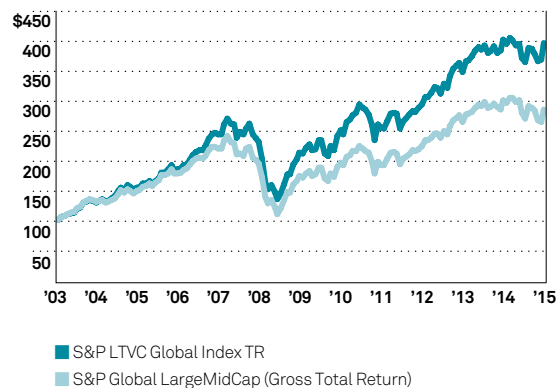
The Economic Dimension Scores provided by RobecoSAM are included in the qualitative assessment to gauge corporate governance effectiveness. The quantitative assessment consists of drivers of long-term investment.

The index was developed collaboratively with the Canada Pension Plan Investment Board (CPPIB).

The S&P LTVC Index Uses Both Sustainability and Financial Quality Criteria

Historical Performance: S&P LTVC vs. Benchmark*

*S&P Global LargeMidCap (USD) Gross Total Return
\$100 invested on 4/30/2003



S&P Real Assets Index

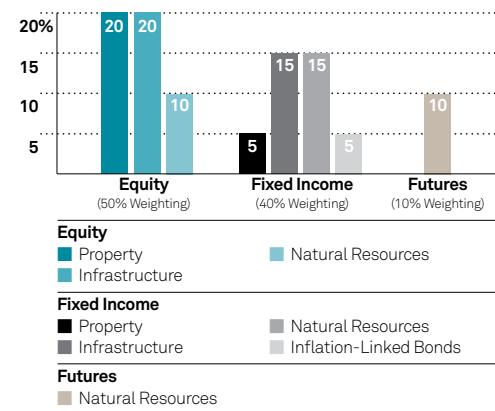
The S&P Real Assets Index is an innovative investable index for investors seeking diversification benefits and inflation protection typically provided by real assets.

This is the first time a complete set of liquid real assets—infrastructure, property, natural resources, and inflation bonds—have been combined in an index using a multi-asset class approach that allocates across equities, fixed income, and futures.

S&P Real Assets Index Goes Beyond Equities to Include Fixed-Income and Commodity Futures

S&P Real Assets Index

(Components and Weights)



Index Solutions: Basis for a Range of Investment Vehicles

S&P Dow Jones Indices serves as the basis for ETFs, futures, options, and other investable products around the world.

S&P Dow Jones Indices Has Been a Catalyst for Important Financial Innovations

1972

First indexed mutual fund:

Qualidex Fund (based on DJIA)

1973

One of first institutional indexed funds:

Wells Fargo Stagecoach Fund (based on S&P 500)

1975

First major retail indexed mutual fund:

Vanguard 500 Index Fund

1982

Longest running listed index future:

S&P 500 index futures on CME

1983

Longest running listed index options:

S&P 100 and S&P 500 options on CBOE

1990

World's first exchange-traded, index-linked product:

iShares S&P/TSX 60 Index Fund

1993

First U.S.-listed exchange-traded fund:

S&P 500 SPDR

1997

DJIA options and futures:

Cash options on CBOE and futures on CBOT

2003

First dividend ETF:

iShares Select Dividend ETF

2003

First equal-weight ETF:

Guggenheim S&P 500 Equal Weight ETF

2004

First volatility derivative:

VIX futures on CBOE

2011

First low volatility ETF:

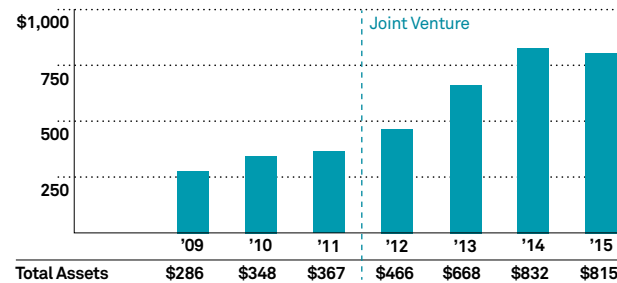
PowerShares S&P 500 Low Volatility Portfolio

ETFs Linked to S&P Dow Jones Indices

Exchange-traded funds (ETFs)—which represent share ownership of an index fund but trade like shares of stock—have become some of the most actively traded securities on stock markets around the world.

S&P Dow Jones Index-Based Global ETF Assets⁽¹⁾

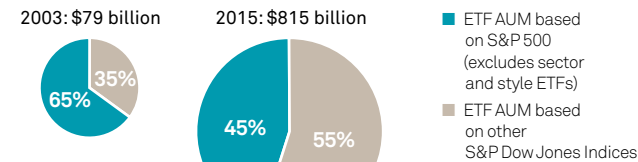
(ending AUM; dollars in billions)



\$855 billion
in assets

under management as of June 30, 2016 are based on S&P Dow Jones Indices

Growing and Diversifying ETF Assets Based on S&P Dow Jones Indices⁽¹⁾



Notes for pages 40 and 41:

Sources:

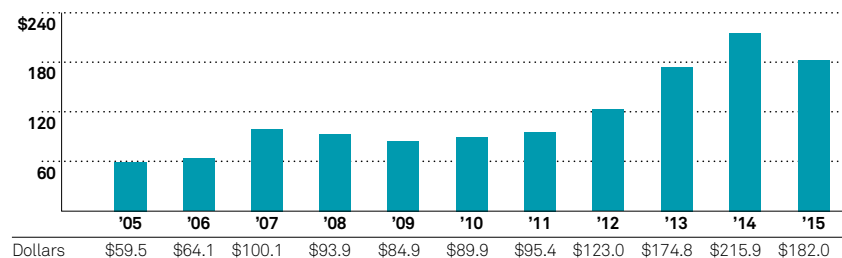
- (1) Source for S&P Indices: Bloomberg (2009–2015); Source for Dow Jones Indices: Bloomberg (2009–2015). Historical figures from S&P Indices and Dow Jones Indices for 2009–2011 have been combined for illustration purposes only. The joint venture was launched in June 2012
- (2) Sources: American Stock Exchange (2005–2008), Bloomberg (2009–2015)
- (3) Sources: American Stock Exchange (2005–2008), Bloomberg (2009–2015) Select Sector SPDRs started trading in December 1998
- (4) Source: Bloomberg
- (5) Source: Chicago Mercantile Exchange. E-mini 500 contracts started trading in September 1997
- (6) Source: Chicago Board Options Exchange
- (7) Source: Chicago Board Options Exchange. VIX option contracts started trading in February 2006. Contract volume may be based on preliminary reported volume rather than cleared volume

ETFs

S&P Dow Jones Indices was at the forefront of ETF development with the 1993 launch of the S&P 500 SPDR (Standard & Poor's Depository Receipts), the world's largest and most traded ETF with \$182 billion in assets for the period ending 2015.

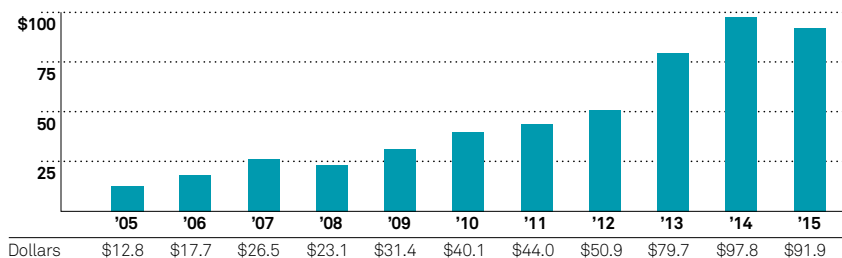
SPDR S&P 500 (Symbol: SPY)⁽²⁾

(ending AUM; dollars in billions)



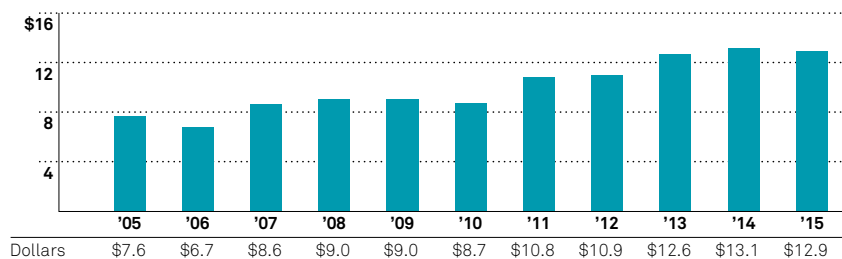
Select Sector SPDRs (Symbols: XLY, XLP, XLE, XLF, XLV, XLI, XLB, XLK, XLU)⁽³⁾

(ending AUM; dollars in billions)



SPDR Dow Jones Industrial Average ETF (Symbol: DIA)⁽⁴⁾

(ending AUM; dollars in billions)

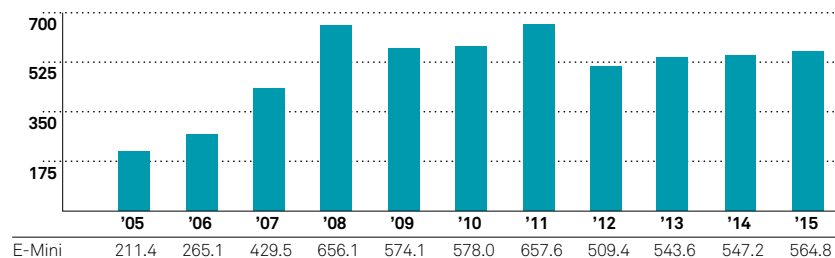


Exchange-Traded Derivatives

Since the introduction of the S&P 500 futures contracts by CME in 1982 and the S&P 100 and S&P 500 options by CBOE in 1983, S&P Dow Jones Indices has been an important contributor to the exchange-traded derivatives market.

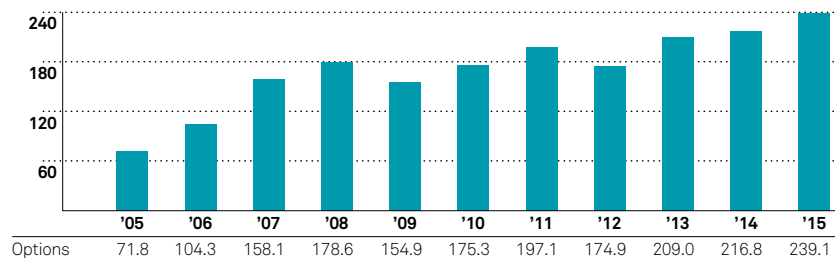
S&P 500 E-Mini Contracts Traded on the CME⁽⁵⁾

(contracts in millions)



S&P 500 Option Contracts Traded on the CBOE⁽⁶⁾

(contracts in millions)



VIX® Contracts Traded on the CBOE⁽⁷⁾

(contracts in millions)

