

Methodology

Introduction

The Dow Jones Global Select Dividend IndexSM measures the stock performance of leading dividend paying companies worldwide.

Index Universe

The index universe is defined as all component companies of the 24 developed-market country indexes in the Dow Jones Global Indexes (DJGI) family. These indexes cover approximately 95% of their underlying market capitalization.

Eligibility Screens

To be further considered for the index, companies in the index universe must pass screens for dividend quality and liquidity. To be included on the quarterly selection list, a company must:

- Pay a current dividend.
- Have a current-year dividend-per-share ratio that is greater than or equal to its five-year average annual dividend-per-share ratio.
- Have a five-year average payout ratio of less than or equal to 60% for U.S. and European companies; or less than or equal to 80% for all other countries.
- Have a minimum three-month daily average trading volume of \$3 million USD.

Stock Selection

- 1 Stocks meeting all eligibility requirements are ranked by dividend yield.
- 2 The top 100 highest-yielding stocks are selected to the index, subject to buffers designed to limit turnover by favoring current index components:
 - Stocks in the index universe are ranked in descending order by indicated annual dividend yield, defined as a stock's unadjusted indicated annual dividend (not including any special dividends) divided by its unadjusted price.
 - All current component stocks that are among the top 150 stocks are included in the index.
 - Noncomponent stocks are added to the index based on their rankings until the component count reaches 100.

Review Frequency

- The scheduled index composition review occurs annually in December. Changes are implemented at the open of trading on the Monday following the third Friday of December.
- Any company that discontinues its dividend is immediately removed from the index and replaced by the highest ranking non-component on the most recent quarterly selection list. Advance notice of at least two business days is provided whenever possible.
- Composition and weighting adjustments required as the result of extraordinary events such as delistings, bankruptcies, mergers or takeovers involving index components are implemented as soon as the events are effective, with advance notice of at least two business days whenever possible.

Historical Data Availability

Historical index values are available daily back to December 31, 1998. The base value of the index is set at 100 as of that date.

Weighting

Component weightings are assigned based on dividend yield. Weights of individual securities are capped at 10%.

For more information on the Global Select Dividend IndexSM,
email djindexsupport@dowjones.com or call 609-520-7249. Learn more at www.djindexes.com.

© Dow Jones & Company, Inc. 2008. All Rights Reserved. "Dow Jones", "Dow Jones Indexes" and all index names cited are service marks of Dow Jones & Company, Inc.