

Dow Jones Emerging Markets Sector Titans IndexesSM

Methodology

Dow Jones Emerging Markets Sector Titans Composite 100 IndexSM
Dow Jones Emerging Markets Basic Resources Titans 30 IndexSM
Dow Jones Emerging Markets Consumer Goods Titans 30 IndexSM
Dow Jones Emerging Markets Consumer Services Titans 30 IndexSM
Dow Jones Emerging Markets Financials Titans 30 IndexSM
Dow Jones Emerging Markets Health Care Titans 30 IndexSM

Dow Jones Emerging Markets Industrials Titans 30 IndexSM
Dow Jones Emerging Markets Metals & Mining Titans 30 IndexSM
Dow Jones Emerging Markets Oil & Gas Titans 30 IndexSM
Dow Jones Emerging Markets Technology Titans 30 IndexSM
Dow Jones Emerging Markets Telecommunications Titans 30 IndexSM
Dow Jones Emerging Markets Utilities Titans 30 IndexSM

Introduction

The Dow Jones Emerging Markets Sector Titans IndexesSM measure the stock performance of leading emerging-market companies in each of the 10 Industries defined by the Industry Classification Benchmark (ICB). The family also currently includes one index—the Dow Jones Emerging Markets Metals & Mining Titans 30 IndexSM—that covers two ICB Sectors.

The Dow Jones Emerging Markets Sector Titans Composite 100 IndexSM is a 100-stock index created by aggregating the ten Industry-level indexes.

Index Universe

The index universe is defined as all stocks in the Dow Jones Emerging Markets Total Stock Market IndexSM, which is part of the Dow Jones Total Stock Market IndexSM family, with a few country exceptions:

- Eligible stocks for Russia include ADRs/GDRs.
- The index excludes local China shares that trade in Shanghai and Shenzhen. Only stocks of companies in mainland China that trade on the exchanges of Hong Kong and the U.S. are eligible.

The current list of emerging-market countries in the Dow Jones Emerging Markets Total Stock Market IndexSM is published in the Dow Jones Total Stock Market IndexSM family rulebook, available for download at www.djindexes.com.

Selection List

A selection list for each index is created according to the steps outlined below. These lists serve as a pool for final stock selection.

- 1 The index universe is sorted by float-adjusted market capitalization.
- 2 For each represented industry or supersector, the top 60 companies by float-adjusted market capitalization are chosen for the selection list. If an existing component does not qualify for the selection list, it will be replaced at the next annual review by the highest-ranked noncomponent.

Stock Selection

A component list is established from each of the 12 selection lists according to the following steps:

- 1 The companies on the selection list are ranked by each of the following:
 - Float-adjusted market capitalization
 - Revenue
 - Net profit
- 2 For each company, a final rank is calculated by weighting the float-adjusted market capitalization rank at 60%, the revenue rank at 20% and the net profit rank at 20%.
- 3 The top 30 companies by final rank are selected as index components, subject to the following buffers:
 - If a noncomponent is among the top 20 stocks on the selection list, it replaces the lowest-ranked index component.
 - If a component is not among the top 40 stocks on the selection list, it is replaced by the highest-ranked noncomponent on the selection list.

Review Frequency

The composition of the indexes is reviewed annually, in June. Float factors, shares and weights are updated quarterly at the close of the third Friday in March, June, September and December. The indexes are also reviewed on an ongoing basis to account for corporate actions such as mergers, delistings or bankruptcies.

Weighting

The indexes are weighted by float-adjusted market capitalization. Within each index, individual stocks' weightings are capped at 10% of the index's total float-adjusted market capitalization. Weights are updated quarterly.

Historical Data Availability

Calculation of the Dow Jones Emerging Markets Sector Titans IndexesSM began on March 30, 2009. Real index history is available from this date forward. Back-tested historical data have been calculated daily back to December 30, 2005, the date at which the index base values are set at 1000.

Estimated back-tested historical data represents calculations of how the index might have performed in the past if it had existed. Back-tested performance information is purely hypothetical and is solely for informational purposes. Back-tested performance does not represent actual performance, and should not be interpreted as an indication of actual performance. Past performance is not indicative of future results. Index performance is not the same as fund performance as it does not reflect management and other fees.

For more information on the Dow Jones Emerging Markets Sector Titans IndexesSM, email djindexsupport@dowjones.com or call 609-520-7249. Learn more at www.djindexes.com.

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