S&P Dow Jones Indices

A Division of S&P Global

S&P 500® Dividend Drivers Index

Tracking companies that demonstrate both historical and projected dividend growth, as well as strong fundamental characteristics

Index Overview

Launched in June 2026, the S&P 500 Dividend Drivers Index tracks the top 50 non-REIT companies in the S&P 500 with the highest five-year dividend growth, one-year forecasted dividend yield and five-year average ROIC. To be eligible, companies must also have increased their dividends for at least 10 consecutive years, plus one additional forecasted year.

The index leverages the S&P Global Market Intelligence Dividend Forecasting dataset, which is supported by a team of over 40 dividend analysts.

The dataset contains dividend amount and payment date estimates for over 41,000 stocks worldwide.

Key Index Characteristics

Focus on Dividend Growth:

Screens the S&P 500 for companies with 10 consecutive years of dividend growth, along with projected dividend growth for the upcoming year. The selection step also assesses the strongest dividend growers over the past five years.

Robust Fundamentals:

Selects companies based on three core pillars—yield, dividend growth and quality—prioritizing those with strong business fundamentals and the forecasted capacity to increase payouts.

Forward-Looking Approach:

Utilizes the industry-leading S&P Global Market Intelligence Dividend Forecasting dataset throughout the screening, selection and weighting process.

Three Engines of the Total Return of a Stock

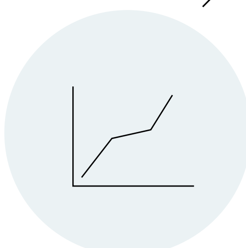
As a general principle, the total return of a stock is driven by its current dividend yield, dividend growth, and price appreciation. The S&P 500 Dividend Drivers Index assesses these three complementary fundamentals-based "drivers" of dividend strength during its constituent selection process.

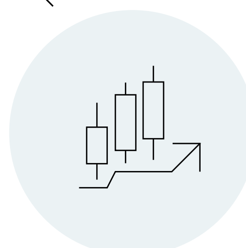
Current Dividend Yield

Measures current dividend yield today

Dividend Growth

Companies with strong and consistent dividend growth can deliver rising income streams over time, helping investors keep pace with inflation





Capital Appreciation

Robust earnings and cash flows can drive increases in stock prices, contributing to long-term price growth

Methodology and Index Construction Process

The S&P 500 Dividend Drivers Index selects the top 50 non-REIT companies from the S&P 500 with the highest five-year dividend growth, one-year forecasted dividend yield and five-year average ROIC. To be eligible, companies must have raised their dividends for at least 10 consecutive years, plus have forecasted dividend growth for the upcoming year.

S&P 500 Dividend Drivers Index Methodology Snapshot

1 **Dividend Eligibility**

Like other dividend growth strategies, requiring consecutive years of dividend increases helps the index identify high-quality companies with strong long-term financial discipline.

2 **Selection**

Once constituents meet the dividend eligibility criteria, they are evaluated across three key components to identify the top dividend growth companies through a comprehensive assessment.

3 **Weighting**

Weighting by forecasted dividend yield may help boost the yield over the coming year and helps the index avoid potential yield traps.

Dividend Eligibility:

Companies must have increased dividends per share for at least 10 consecutive years, plus 1 additional forecasted year

Selection:

Select top 50 non-REIT companies based on:

(i) Five-year dividend growth
(ii) 12-month forecasted dividend yield
(iii) Five-year average ROIC

Dividend Weighting:

At each quarterly reweight, constituents are weighted by forecasted dividend yield, subject to sector and single-stock constraints

Holistic Assessment of Dividend Growth Companies

12-Month Forecasted Yield: The forecasted yield reflects the dividends that can be expected to be paid over the next 12 months. As a current, forward-looking metric, it offers insight into anticipated cash flow and helps reduce the risk of potential "yield traps" or dividend cuts.

5-Year Historical Dividend Growth Rate: This identifies companies with the highest rates of dividend growth over the past five years. Strong dividend growth helps preserve purchasing power and accelerates wealth compounding over time.

5-Year Average Return on Invested Capital (ROIC): ROIC drives future earnings growth, acting as both a leading indicator of future dividend growth and a primary contributor to the compounding of a company's intrinsic value and long-term capital appreciation.

Introducing the S&P Global Market Intelligence Dividend Forecasting Dataset

The S&P 500 Dividend Drivers Index uses the industry-leading S&P Global Market Intelligence Dividend Forecasting dataset across its eligibility, selection and weighting processes.

Overview:

The industry-leading S&P Dividend Forecasting dataset sits within the S&P Global Market Intelligence division of S&P Global. This team is responsible for forecasting the size and timing of dividend payments for over 41,000 stocks globally.

Team:

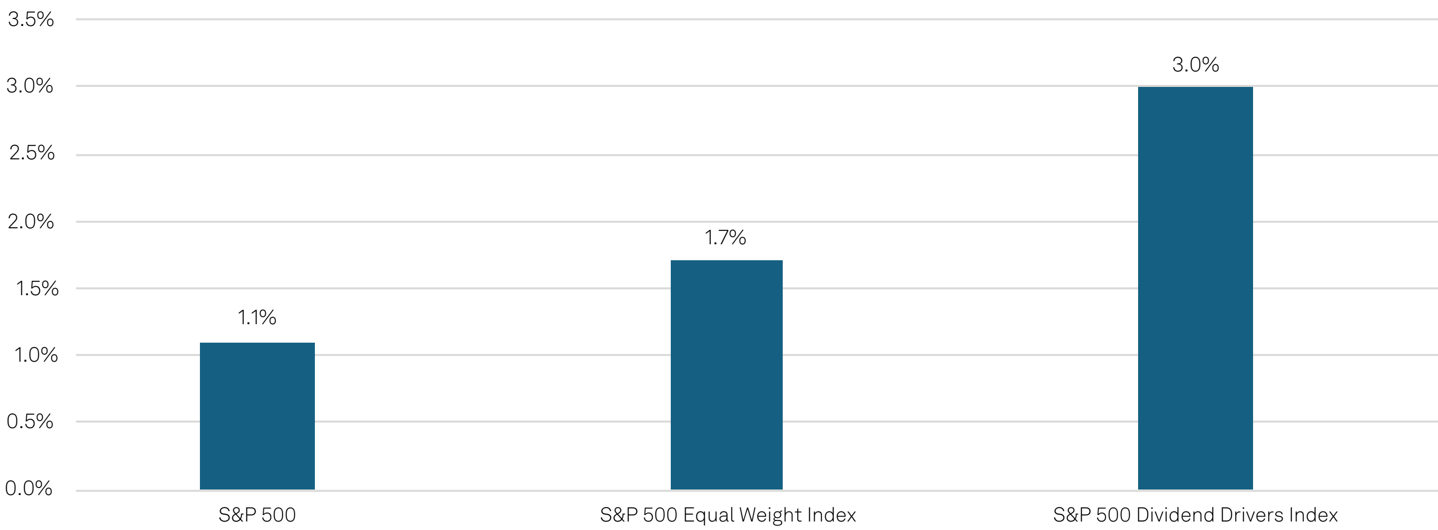
A highly experienced global team of 40 equity analysts specializing in dividends, located in 7 locations around the world.

Approach:

Financial statement and ratio analysis are central to their forecasting approach, complemented by insights into individual company and industry dividend policies. The team actively monitors company news and integrates top-down factors, such as economic sentiment.

Index Fundamentals

12-Month Trailing Dividend Yield



Lower Valuations and Robust Fundamentals

June 30, 2026	S&P 500	S&P 500 Equal Weight	S&P 500 Dividend Drivers Index
Price-to-Earnings	27.4	22.3	18.2
Return on Equity	23.3	18.1	28.7
Return on Invested Capital (ROIC)	24.8	14.6	19

Source: S&P Dow Jones Indices LLC. Data as of June 30, 2026. Past performance is no guarantee of future results. Chart and table are provided for illustrative purposes.

About S&P Dow Jones Indices

At S&P Dow Jones Indices, we provide iconic and innovative index solutions backed by unparalleled expertise across the asset-class spectrum. We're the largest global resource for index-based concepts, data and research and home to iconic financial market benchmarks such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based upon our indices than any other index provider in the world. Our solutions bring transparency to global capital markets and are widely considered essential in tracking market performance, evaluating portfolios and developing investment strategies.

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