



Select Sector Indices - Capping Considerations & Analysis

August 2024

**S&P Dow Jones
Indices**

A Division of **S&P Global**

S&P Dow Jones Indices – For Financial Professionals Only

Select Sector Indices - Overview

Select Sector indices are governed by the S&P U.S. Indices Methodology. Select Sector indices are designed to measure the performance of major economic segments and are highly liquid benchmarks.

- All components of the S&P 500 are assigned to 1 of the 11 Select Sector Indices. Stock classifications are based on the Global Industry Classification Standard (GICS®).
- Select Sector Indices are rebalanced quarterly after the close of the third Friday in March, June, September and December. The Select Sector Indices also employ a secondary rebalancing check on the second-to-last business day of March, June, September and December.
- Each index within the Select Sector Index Series is **capped** market-capitalization weighted.
- Capping is applied to ensure diversification among companies within each index. The capping thresholds defined in the Select Sector weighting section of the S&P U.S. Indices methodology document are intended to reflect certain diversification requirements imposed on regulated investment companies under the United States Internal Revenue Code (the “Code”) and the Investment Company Act of 1940 (the “40 Act”).
- For more information on the capping thresholds, please refer to the Regulatory Capping Requirements section of S&P Dow Jones Indices’ Equity Indices Policies & Practices Methodology.

Source: S&P Dow Jones Indices LLC. Information as of July 2024. S&P U.S. Indices Methodology (page 13 -15)

Select Sector Indices – Quarterly Capping Process Explained

The Select Sector Indices are rebalanced quarterly after the close of the third Friday in March, June, September and December, using data from the second Friday of the corresponding month (the reference date).

With prices reflected on the rebalancing reference date, adjusted for any applicable corporate actions, membership, shares outstanding and investable weight factors (IWFs) as of the rebalancing effective date, each company is initially weighted by float market capitalization (FMC).

Modifications are made to these FMC weights.

A) Single Company Cap:

- If FMC weight >24%, company weight capped at 23%, allowing 2% buffer

B) Aggregate Weight Cap:

- Sum of company weights >4.8% cannot exceed 50%
- If breached, rank all companies in descending order by FMC weight and **reduce the weight of the smallest company whose weight is greater than 4.8% that causes the breach to 4.5%**

Please refer to the Index Construction section of the [S&P U.S. Indices Methodology](#), which outlines the quarterly capping process further for the Select Sector Indices.

Source: S&P Dow Jones Indices LLC. Information as of July 2024. [S&P U.S. Indices Methodology](#) (page 13 -15)

Select Sector Indices - Quarterly Capping Considerations

Challenges with current methodology

- The Select Sector index weights of some companies can deviate quite substantially from their float-market capitalization weight. The application of the capping mechanism can result in a "weight cliff".
- **Example: Technology Select Sector – March 2024**
 - As of March 2024 rebalance, the largest three constituents in the 500's Information Technology sector by FMC weight were Microsoft (24.2%), Apple (19.7%) and Nvidia (17.0%). The threshold was breached and therefore, as the smallest of the 3 companies, Nvidia's weight was reduced to **4.5% (vs. 17.0%)**.

Potential Alternative Approach

- An "iterative capping" approach may help to mitigate weight deviations. It still checks breaches for single company cap (24%) and aggregate weight cap (sum of company weight >4.8% not exceeding 50%).
- **Iterative capping:**
 - Cap company weight >4.8% at $W_i^{capped} = \max\left(\frac{45\% \times W_i}{\sum_i W_i}, 4.5\%\right)$, where W_i is the capped FMC weight for large companies >4.8%.
 - Proportionally redistribute the excess weight to companies with initial weights < 4.8% at a max of 4.5% weight.

Alternative Approach: Iterative Capping

- **Quarterly capping mechanism**
- Each company is initially weighted by float market cap (FMC) with existing rebalance and reference dates
 - Single Company Cap: Check if any company has an FMC weight >24%
 - If so, cap all companies at 23%.
 - Aggregate Weight Cap: Check if the aggregate weight of companies greater than 4.8% exceeds 50% of the total index weight
 - **If so, cap the company with weight >4.8% at** $W_i^{capped} = \max\left(\frac{45\% \times W_i}{\sum_i^N W_i}, 4.5\%\right)$, where
 - N is the total number of companies whose index weight, after checking the single company cap, exceeds 4.8%.
 - W_i is the index weight of the N companies whose individual company weight exceeds 4.8% after checking the single company cap.
 - 4.5% and 45% caps are set to allow for a buffer below the 5% limit.
 - Proportionally redistribute the excess weight to companies with initial weights < 4.8%, setting a 4.5% upper bound on the index weight of these companies.

Source: S&P Dow Jones Indices LLC. Information as of July 2024.

Select Sector Indices – Secondary Capping Process Explained

Secondary rebalance checks related to the Select Sector Indices are based on the Select Sector Index weights, rather than company float market capitalizations, on the second-to-last business day of March, June, September or December.

Specifically, a secondary rebalance will be triggered if:

- a) if a company has an index weight greater than 24%, or
- b) the sum of the companies with index weights greater than 4.8% exceeds 50%.

Ordinarily, if triggered, a secondary rebalance involves re-running the capping mechanism using updated information compared to the quarterly rebalance.

The secondary rebalance uses closing prices as of the second-to-last business day of March, June, September or December, as well as membership, shares outstanding and IWFs as of the rebalance effective date. The secondary rebalance effective date is after the close of the last business day of the month.

Please refer to the Index Construction section of the [S&P U.S. Indices Methodology](#), which outlines the quarterly capping process further for the Select Sector Indices.

Source: S&P Dow Jones Indices LLC. Information as of July 2024. [S&P U.S. Indices Methodology](#) (page 13 -15)

Select Sector Indices - Secondary Rebalance Considerations

Current methodology

- If triggered, the secondary rebalance re-runs the capping mechanism using updated information compared to the quarterly rebalance. Depending on performance of index components, the secondary capping process could cause index turnover.

Potential Alternative Approach

- If triggered, the secondary reweighting will apply the iterative capping mechanism using **capped index weights** on the reference date, adjusted for any index membership, shares outstanding and IWF changes between the reference date and the secondary rebalance effective date (prior to the open on the first business day of April/July/October/January).

Alternative Approach – Secondary Rebalance

Secondary reweighting:

The secondary capping will be triggered if a breach is observed in at least one of the single company threshold or aggregate weight threshold on the second to last business day of March/June/September/December (the reference date).

If triggered, the secondary reweighting will apply the iterative capping mechanism using **capped index weights** on the reference date, adjusted for any index membership, shares outstanding and IWF changes between the reference date and the secondary rebalance effective date (prior to the open on the first business day of April/July/October/January)

Source: S&P Dow Jones Indices LLC. Information as of July 2024.

Key Observations

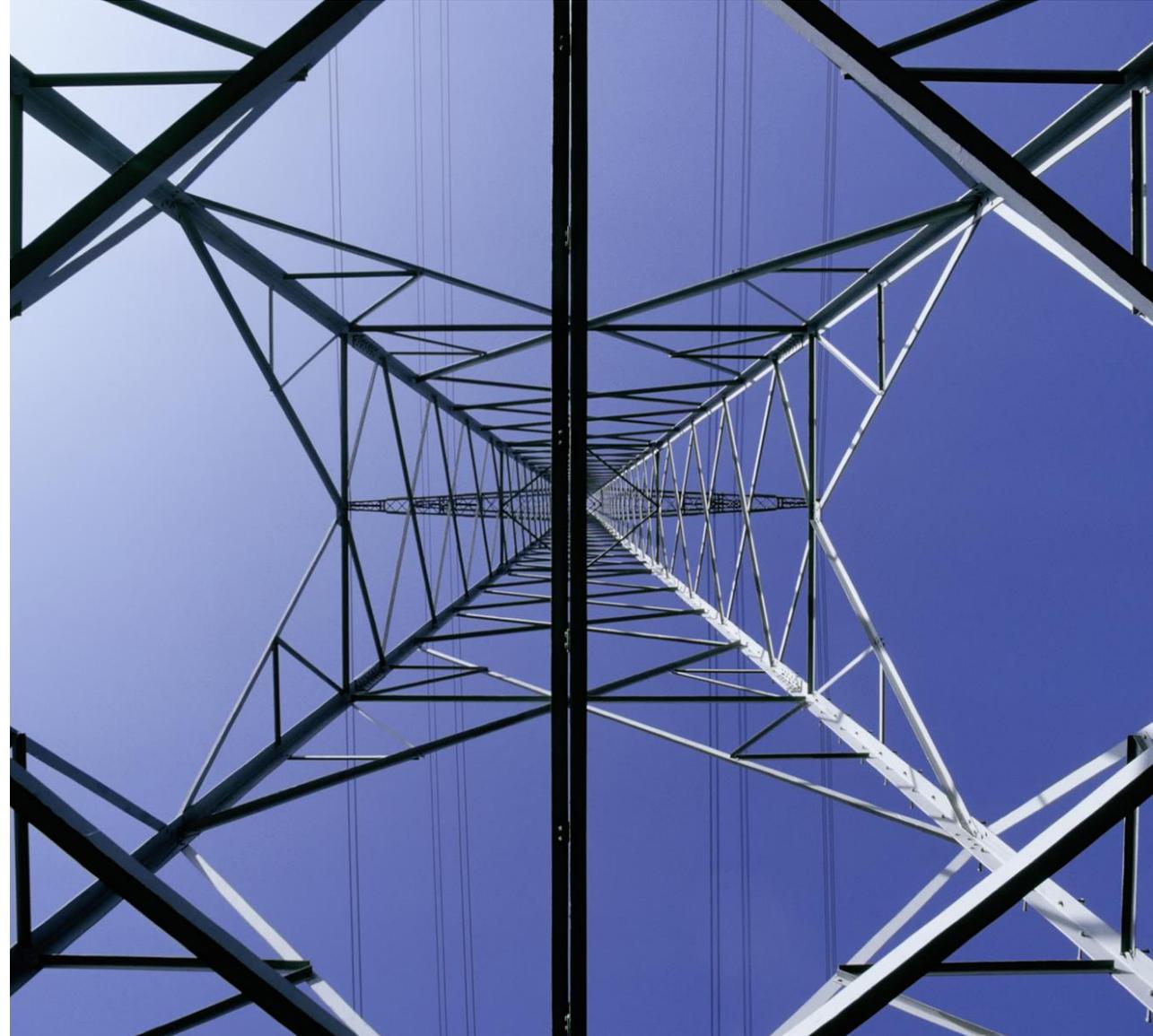
- **Alternative approach tracks closely with current indices for most select sectors**
 - **Communication Services/Technology/Consumer Discretionary** have the largest differences
 - Financials/Health Care/Real Estate/Industrials were similar
- For the June 2024 rebalancing backtest, most weight differences between current and alternative approach are <0.5%
 - **Technology has the largest changes:** MSFT (-7.6%), NVDA (-7.5%), AAPL (+8.8%)
 - Consumer Staples: P&G (-4.4%), Costco (-4.3%), Walmart (-3.2%), Coca-Cola (-2.7%), Pepsi (+1.5%)
 - Communication Services: Meta (-3.4%)
 - Consumer Discretionary: Tesla (-2.7%)
 - Energy: Chevron (-1.8%), ConocoPhillips (+3.5%)

Source: S&P Dow Jones Indices LLC. Past performance is no guarantee of future results.

Backtest Snapshots

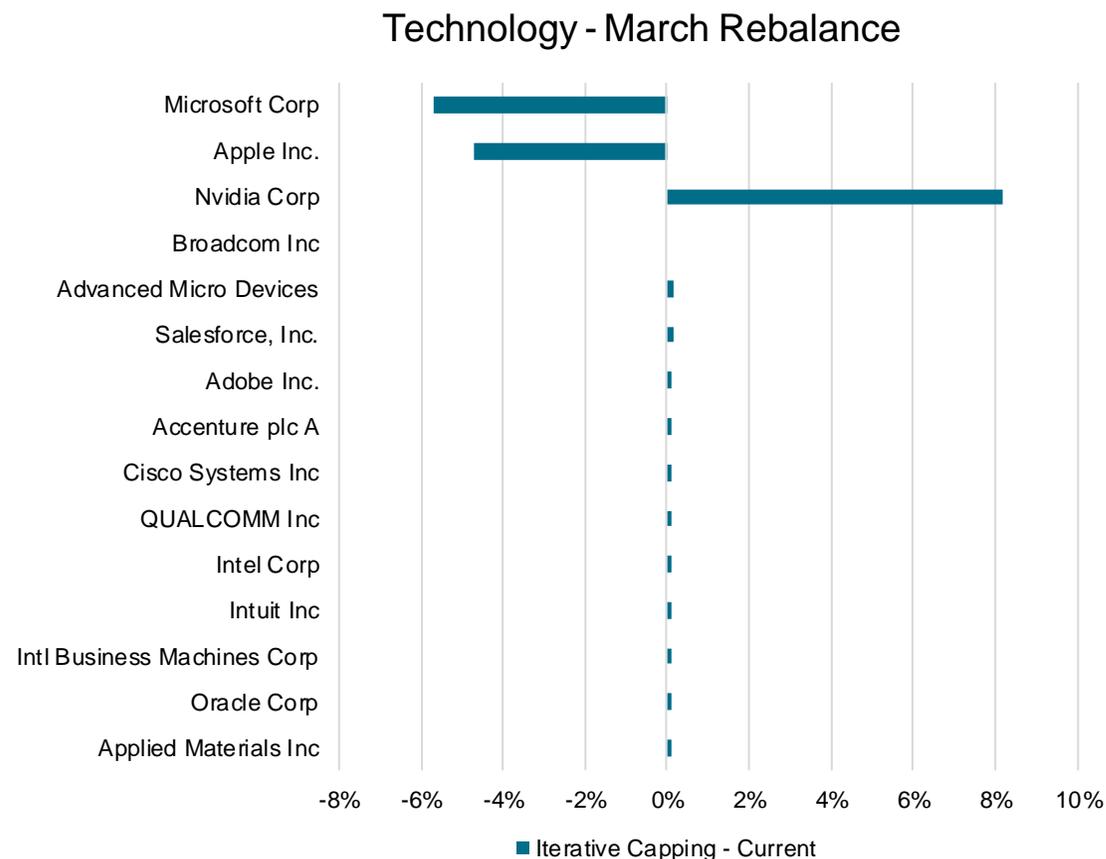
– Alternative Approaches vs. Current*

*Capping mechanisms were not triggered for sectors that are not shown.



Largest 15 Constituents Weights Difference (1/6) – Tech for **March** Rebalance

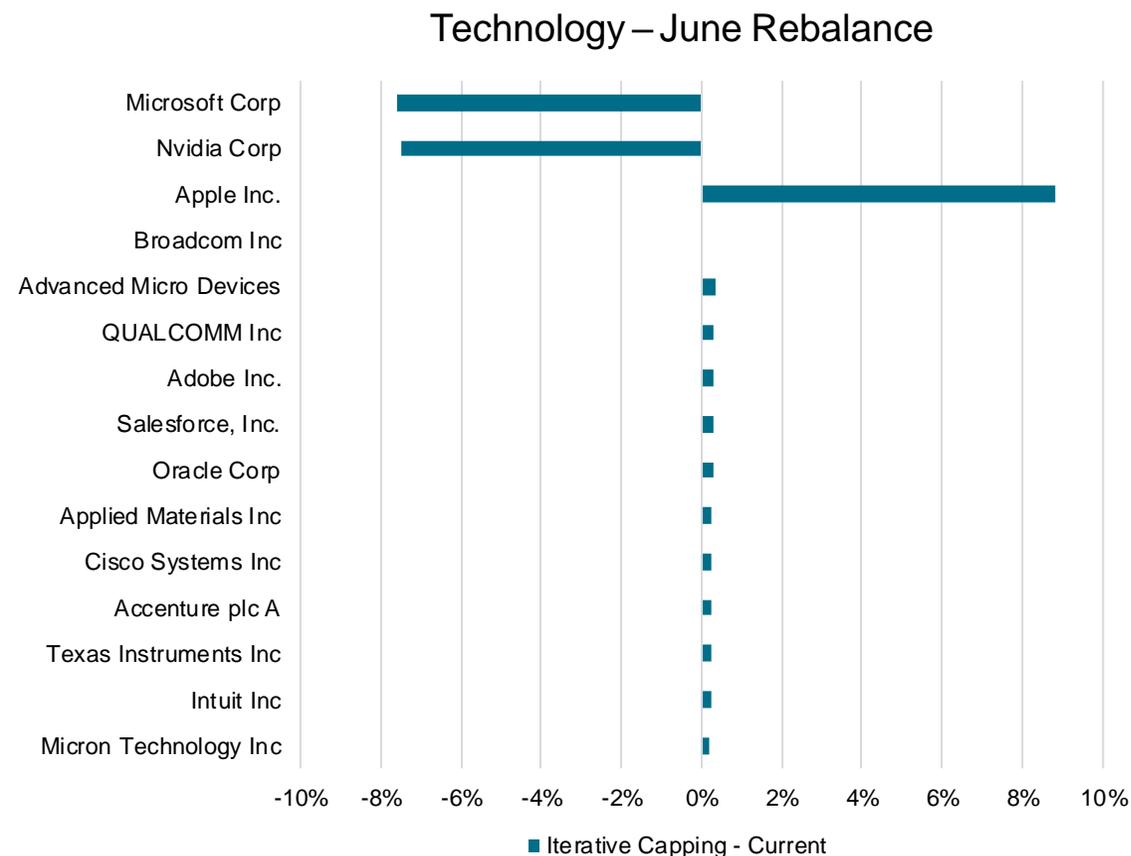
COMPANY	FMC	Iterative Capping	Current
Microsoft Corp	23.4%	17.7%	23.4%
Apple Inc.	19.3%	14.6%	19.3%
Nvidia Corp	16.8%	12.7%	4.5%
Broadcom Inc	4.5%	4.5%	4.5%
Advanced Micro Devices	2.6%	3.6%	3.5%
Salesforce, Inc.	2.3%	3.2%	3.1%
Adobe Inc.	1.9%	2.7%	2.6%
Accenture plc A	1.8%	2.6%	2.5%
Cisco Systems Inc	1.6%	2.2%	2.1%
QUALCOMM Inc	1.5%	2.1%	2.0%
Intel Corp	1.4%	2.0%	1.9%
Intuit Inc	1.4%	2.0%	1.9%
Intl Business Machines Corp	1.4%	2.0%	1.9%
Oracle Corp	1.4%	2.0%	1.9%
Applied Materials Inc	1.3%	1.9%	1.8%



Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on March 15, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

Largest 15 Constituents Weights Difference (2/6) – Tech for June Rebalance

COMPANY	FMC	Iterative Capping	Current
Microsoft Corp	21.9%	14.3%	21.9%
Nvidia Corp	21.6%	14.1%	21.6%
Apple Inc.	20.4%	13.3%	4.5%
Broadcom Inc	5.0%	4.5%	4.5%
Advanced Micro Devices	1.7%	3.0%	2.6%
QUALCOMM Inc	1.6%	2.8%	2.4%
Adobe Inc.	1.6%	2.7%	2.4%
Salesforce, Inc.	1.5%	2.6%	2.3%
Oracle Corp	1.5%	2.5%	2.2%
Applied Materials Inc	1.3%	2.3%	2.0%
Cisco Systems Inc	1.2%	2.1%	1.9%
Accenture plc A	1.2%	2.1%	1.8%
Texas Instruments Inc	1.2%	2.0%	1.8%
Intuit Inc	1.1%	1.9%	1.7%
Micron Technology Inc	1.0%	1.8%	1.6%

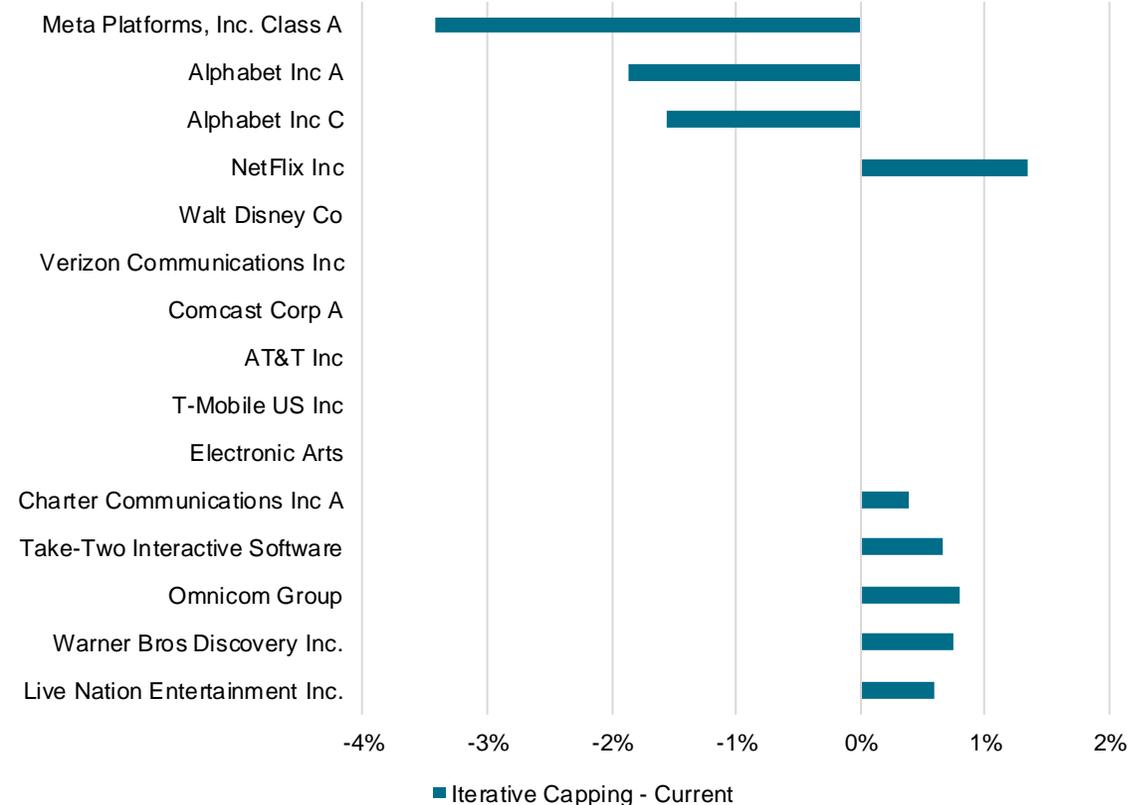


Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

Largest 15 Constituents Weights Difference (3/6) – Comm. Services

COMPANY	FMC	Iterative Capping	Current
Meta Platforms, Inc. Class A	26.3%	19.6%	23.0%
Alphabet Inc A	24.7%	10.6%	12.5%
Alphabet Inc C	20.8%	8.9%	10.5%
NetFlix Inc	6.9%	5.8%	4.5%
Walt Disney Co	4.3%	4.5%	4.5%
Verizon Communications Inc	4.0%	4.5%	4.5%
Comcast Corp A	3.5%	4.5%	4.5%
AT&T Inc	3.0%	4.5%	4.5%
T-Mobile US Inc	2.2%	4.5%	4.5%
Electronic Arts	0.8%	4.5%	4.5%
Charter Communications Inc A	0.6%	4.5%	4.1%
Take-Two Interactive Software	0.6%	4.5%	3.8%
Omnicom Group	0.4%	3.4%	2.6%
Warner Bros Discovery Inc.	0.4%	3.2%	2.5%
Live Nation Entertainment Inc.	0.3%	2.5%	1.9%

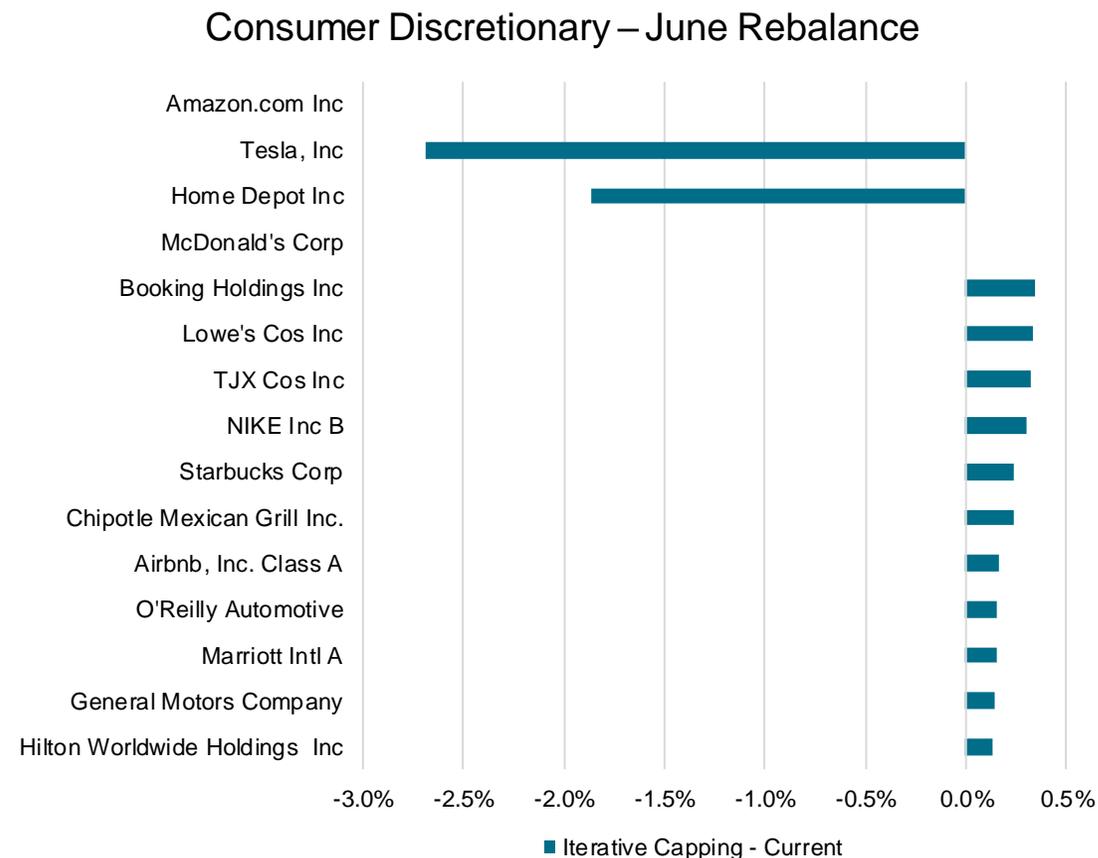
Communication Services – June Rebalance



Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

Largest 15 Constituents Weights Difference (4/6) – Cons. Disc.

COMPANY	FMC	Iterative Capping	Current
Amazon.com Inc	38.0%	23.0%	23.0%
Tesla, Inc	11.1%	11.1%	13.8%
Home Depot Inc	7.8%	7.8%	9.6%
McDonald's Corp	4.1%	4.5%	4.5%
Booking Holdings Inc	3.0%	4.1%	3.7%
Lowe's Cos Inc	2.9%	4.0%	3.6%
TJX Cos Inc	2.8%	3.8%	3.5%
NIKE Inc B	2.6%	3.5%	3.2%
Starbucks Corp	2.0%	2.8%	2.6%
Chipotle Mexican Grill Inc.	2.0%	2.8%	2.5%
Airbnb, Inc. Class A	1.5%	2.0%	1.8%
O'Reilly Automotive	1.3%	1.8%	1.7%
Marriott Intl A	1.3%	1.8%	1.6%
General Motors Company	1.2%	1.7%	1.5%
Hilton Worldwide Holdings Inc	1.2%	1.6%	1.5%

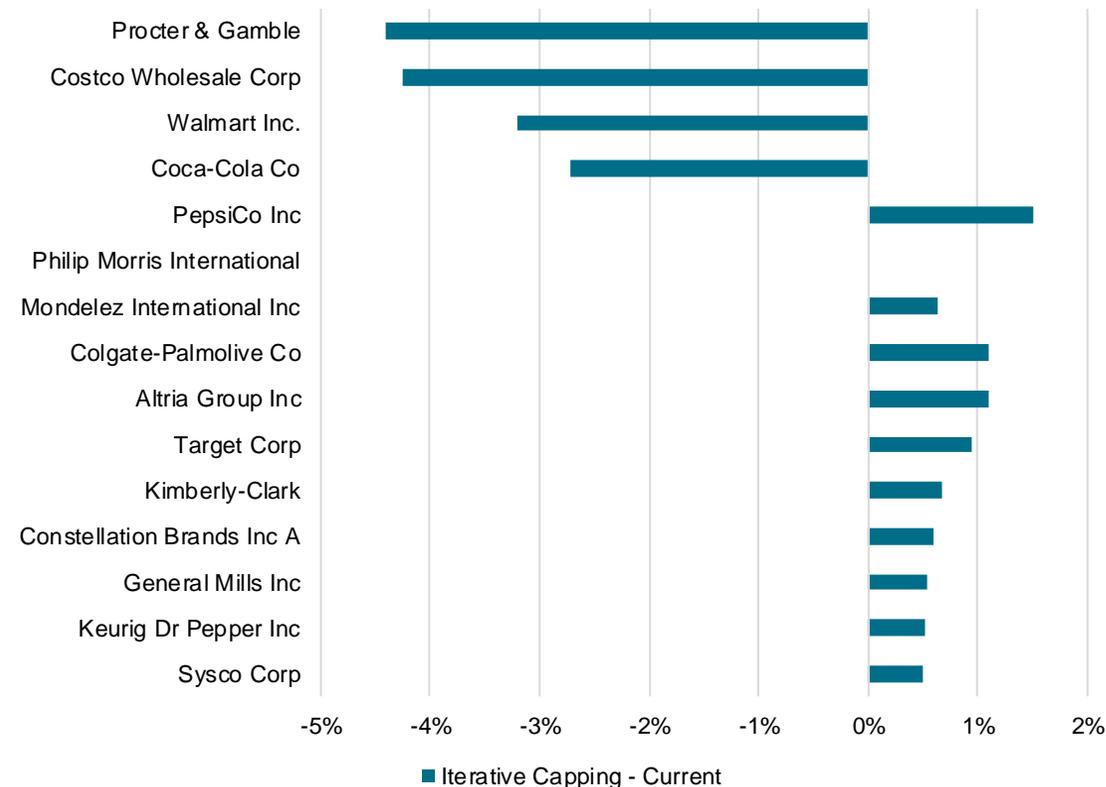


Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

Largest 15 Constituents Weights Difference (5/6) – Cons. Staples

COMPANY	FMC	Iterative Capping	Current
Procter & Gamble	14.9%	10.5%	14.9%
Costco Wholesale Corp	14.4%	10.1%	14.4%
Walmart Inc.	10.9%	7.6%	10.9%
Coca-Cola Co	9.2%	6.5%	9.2%
PepsiCo Inc	8.5%	6.0%	4.5%
Philip Morris International	6.0%	4.5%	4.5%
Mondelez International	3.3%	4.5%	3.9%
Colgate-Palmolive Co	2.9%	4.5%	3.4%
Altria Group Inc	2.9%	4.4%	3.3%
Target Corp	2.5%	3.8%	2.9%
Kimberly-Clark	1.8%	2.7%	2.1%
Constellation Brands Inc A	1.5%	2.4%	1.8%
General Mills Inc	1.4%	2.2%	1.6%
Keurig Dr Pepper Inc	1.3%	2.1%	1.6%
Sysco Corp	1.3%	2.0%	1.5%

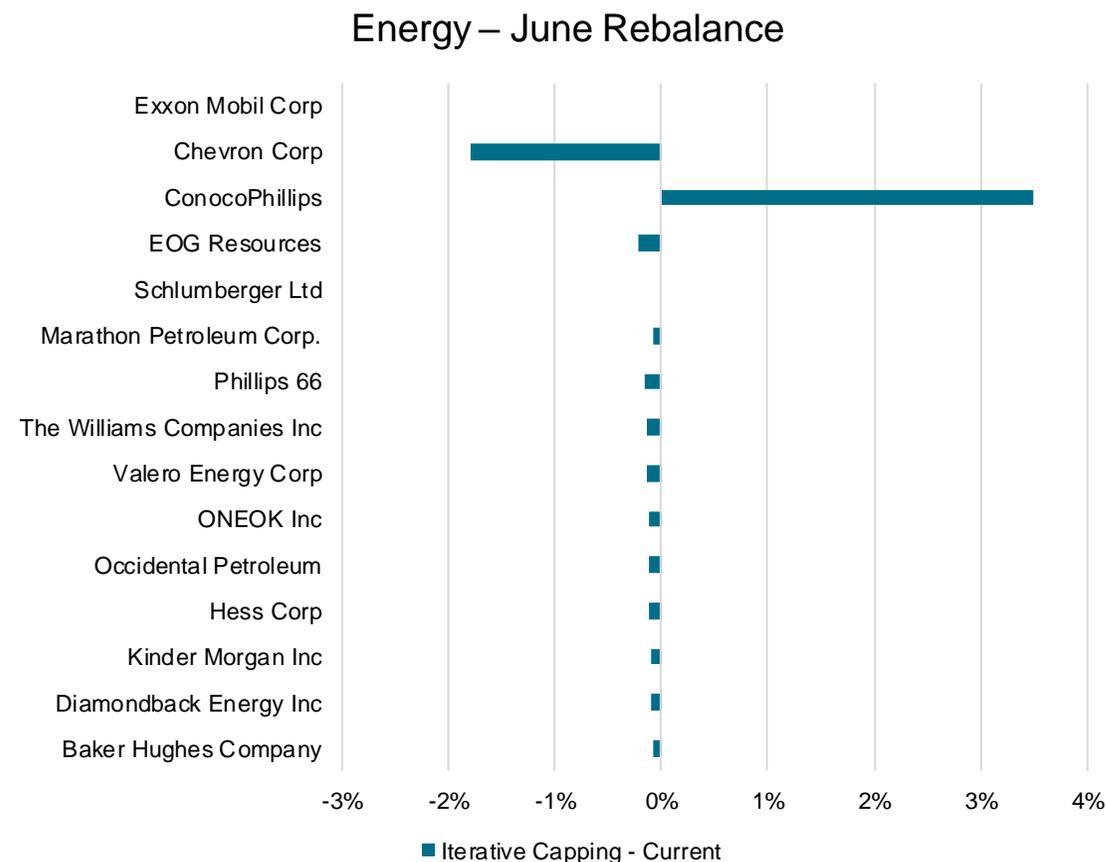
Consumer Staples – June Rebalance



Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

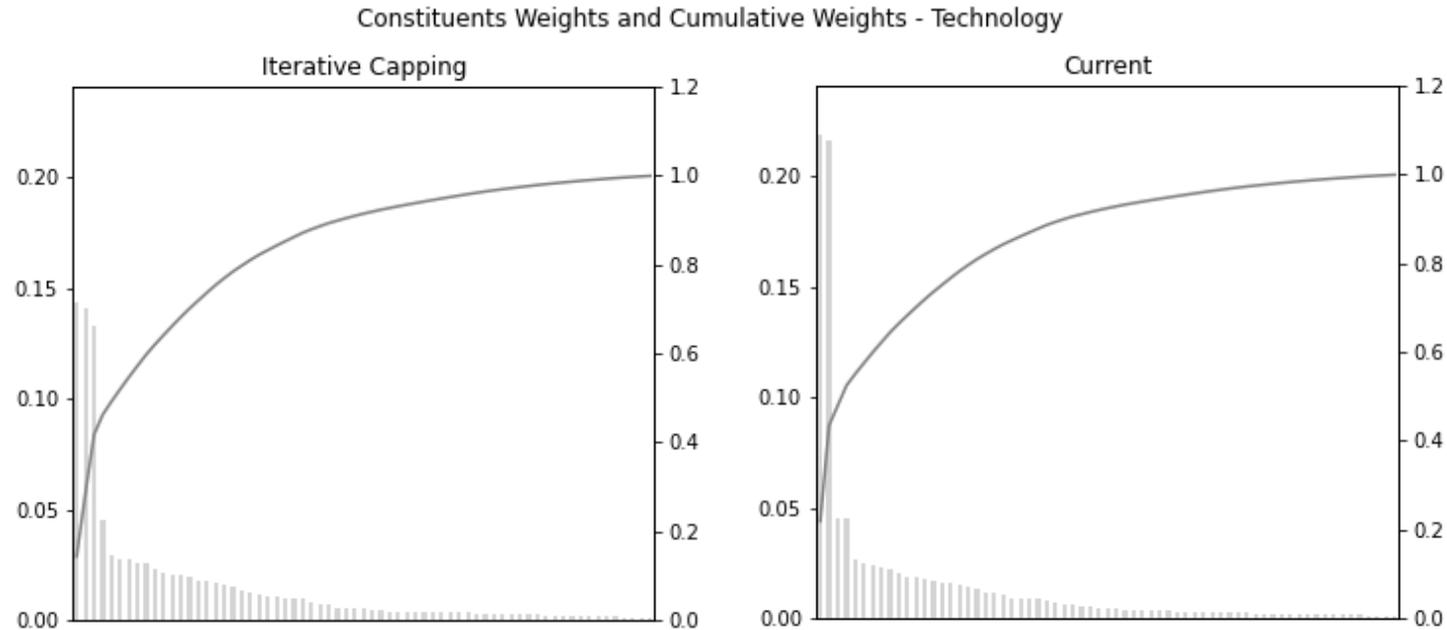
Largest 15 Constituents Weights Difference (6/6) – Energy

COMPANY	FMC	Iterative Capping	Current
Exxon Mobil Corp	30.6%	23.0%	23.0%
Chevron Corp	16.3%	16.3%	18.1%
ConocoPhillips	8.0%	8.0%	4.5%
EOG Resources	4.2%	4.5%	4.7%
Schlumberger Ltd	3.8%	4.5%	4.5%
Marathon Petroleum Corp.	3.7%	4.4%	4.5%
Phillips 66	3.6%	4.3%	4.4%
The Williams Companies Inc	3.1%	3.7%	3.8%
Valero Energy Corp	3.1%	3.6%	3.8%
ONEOK Inc	2.8%	3.4%	3.5%
Occidental Petroleum	2.5%	2.9%	3.0%
Hess Corp	2.5%	2.9%	3.0%
Kinder Morgan Inc	2.4%	2.8%	2.9%
Diamondback Energy Inc	2.1%	2.4%	2.5%
Baker Hughes Company	1.9%	2.3%	2.4%



Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

Constituents Weights and Cumulative Weights (1/6)

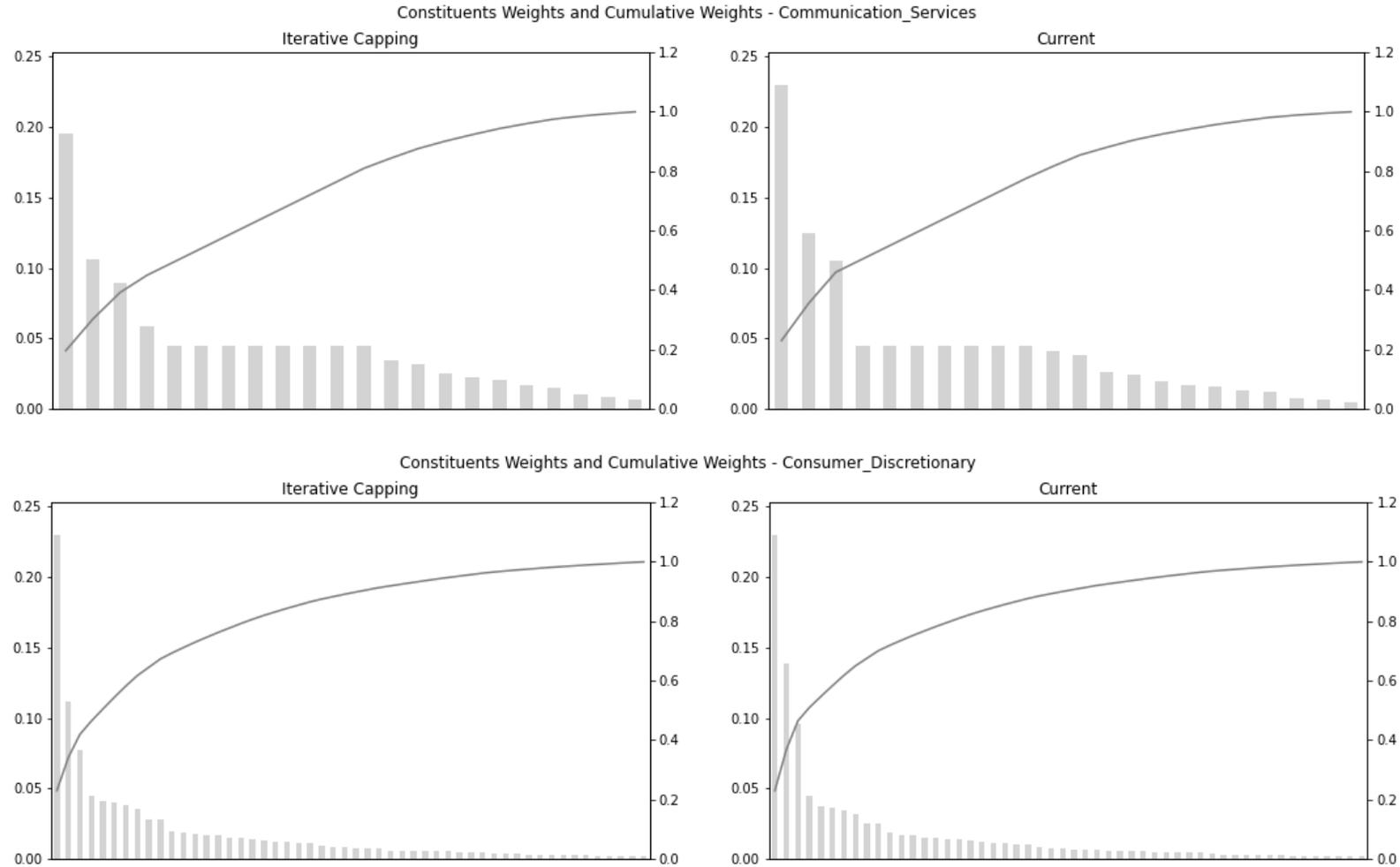


Alternative methods aim to reduce the “weight cliff” for larger stocks, especially in Info. Tech. sector

- x-axis: constituent ranked by final weight
- LHS y-axis: constituent weight (bar)
- RHS y-axis: cumulative weight (line)

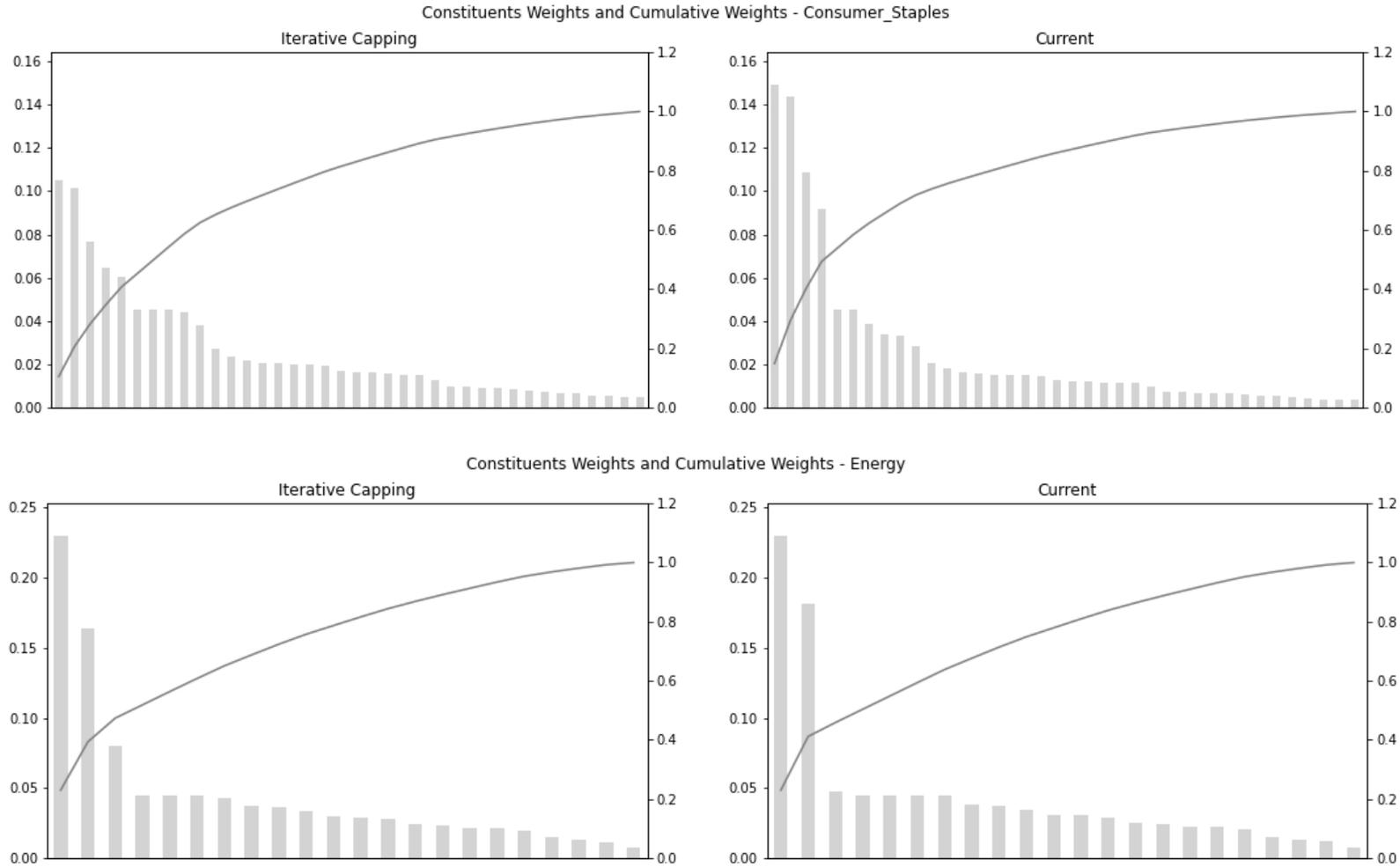
Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

Constituents Weights and Cumulative Weights (2/6)



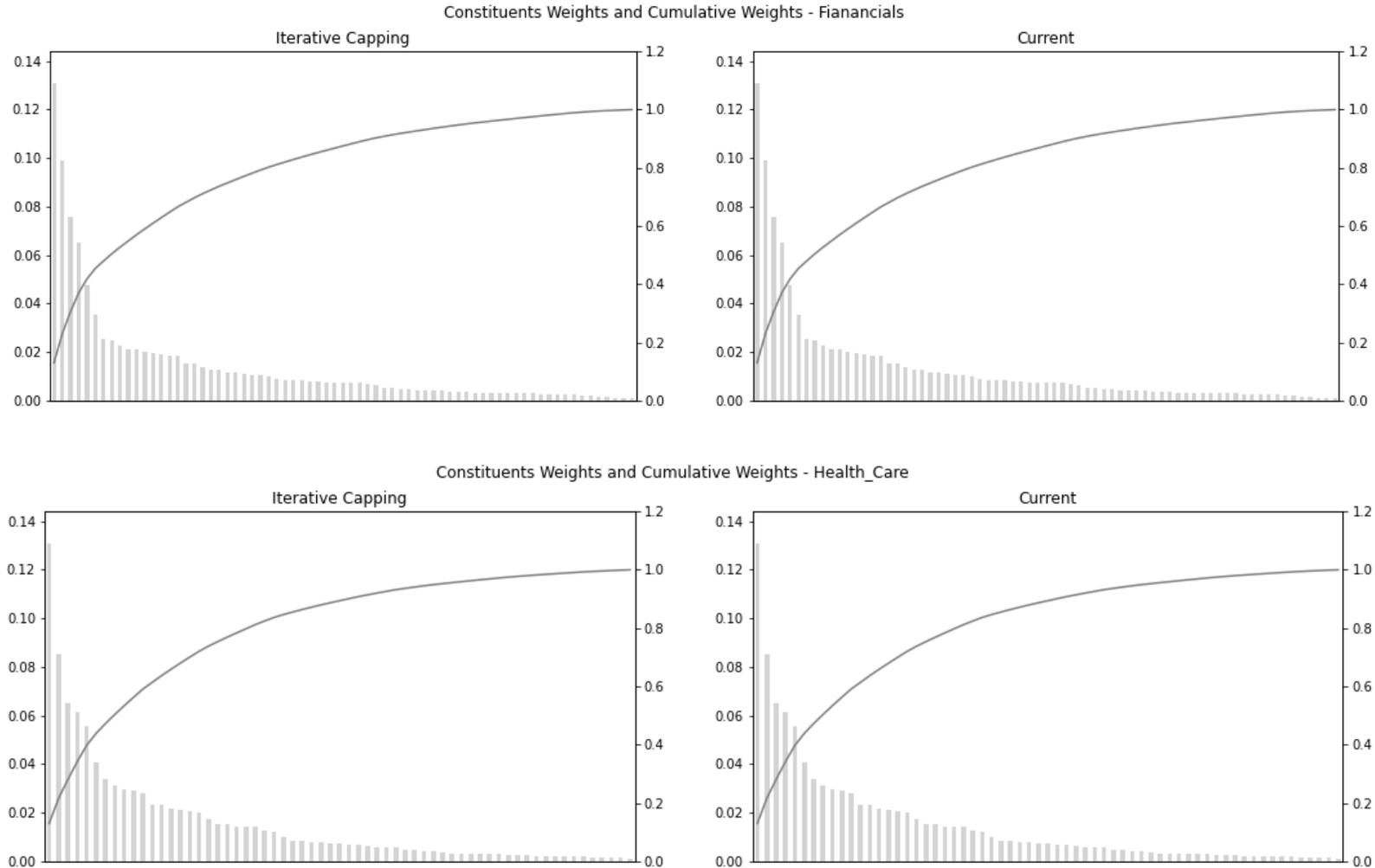
Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

Constituents Weights and Cumulative Weights (3/6)



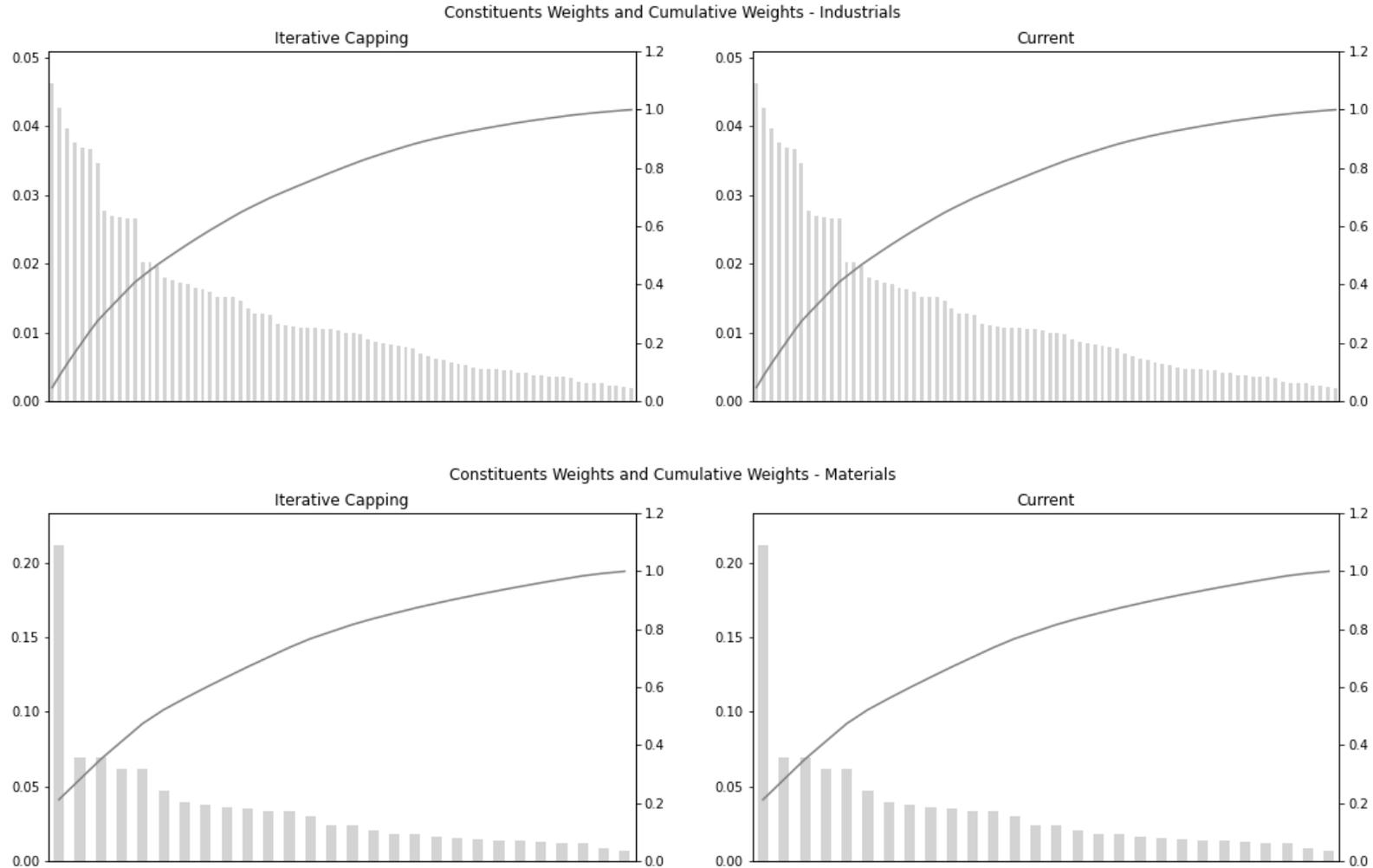
Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

Constituents Weights and Cumulative Weights (4/6)



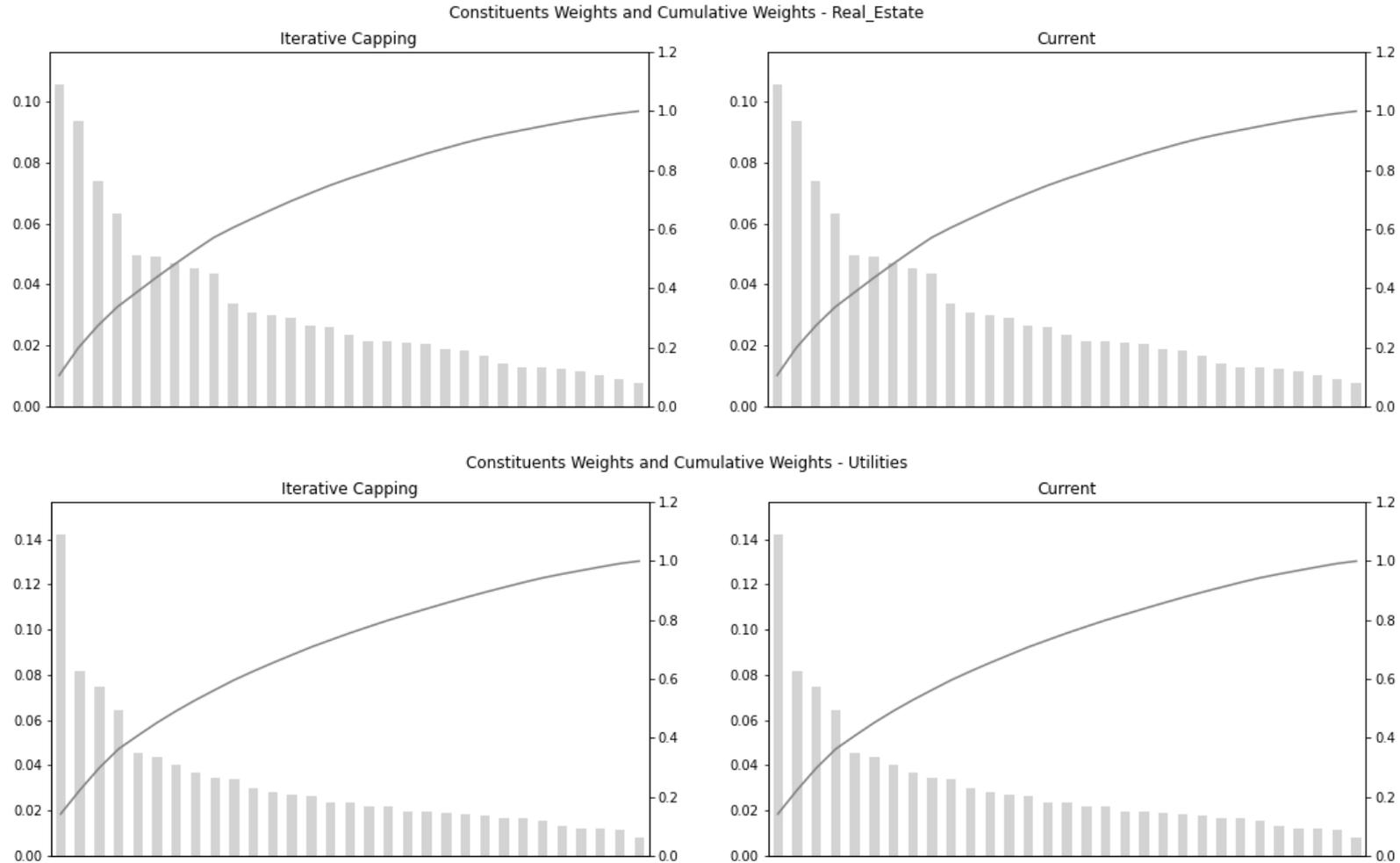
Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

Constituents Weights and Cumulative Weights (5/6)



Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

Constituents Weights and Cumulative Weights (6/6)



Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Past performance is no guarantee of future results. Chart provided for illustrative purposes.

Active Shares & Ownership Analysis – March Rebalance

Sector	Active Share			Max AUM 5% FMC Rule*	
	ITERATIVE VS FMC	CURRENT VS FMC	ITERATIVE VS CURRENT	ITERATIVE	CURRENT
Communication Services	35.3%	25.7%	10.5%	22.1B	34.0B
Consumer Discretionary	13.2%	13.2%	3.9%	167.6B	180.8B
Consumer Staples	15.2%	5.3%	11.8%	91.6B	113.3B
Energy	3.7%	3.7%	1.4%	74.3B	76.8B
Financials	0.0%	0.0%	0.0%	278.5B	278.5B
Health Care	0.0%	0.0%	0.0%	270.3B	270.3B
Industrials	0.0%	0.0%	0.0%	187.9B	187.9B
Materials	0.0%	0.0%	0.0%	50.2B	50.2B
Real Estate	0.0%	0.0%	0.0%	50.9B	50.9B
Technology	14.5%	12.3%	10.4%	459.3B	480.2B
Utilities	0.0%	0.0%	0.0%	46.8B	46.8B

Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on March 15, 2024. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

* Maximum AUM for alternative methods are smaller than current method is due to the weight of larger companies being reduced in alternative methods and thereby increasing the weight of smaller companies that are subject to lower AUM requirement

Active Shares & Ownership Analysis – June Rebalance

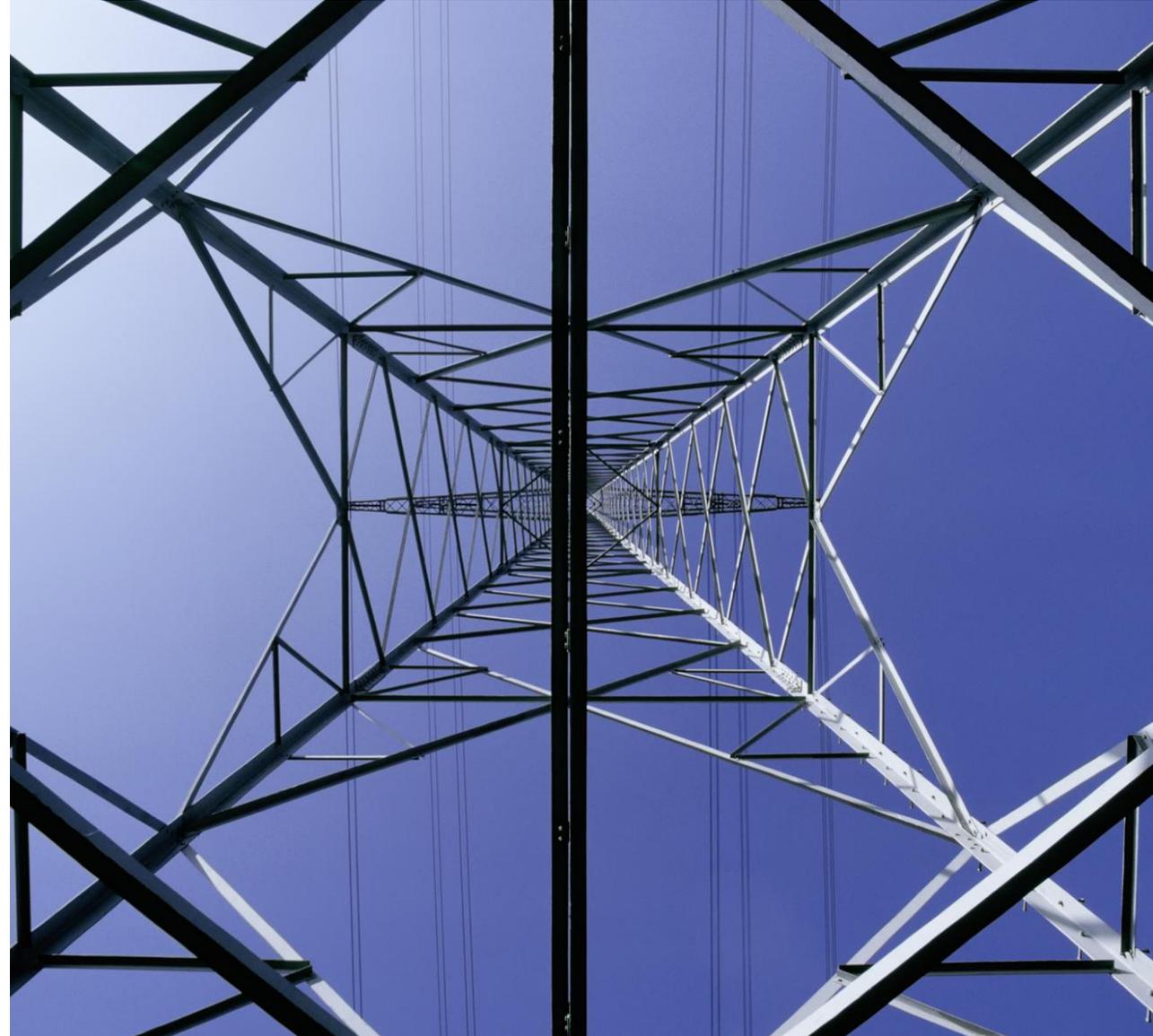
Sector	Active Share			Max AUM 5% FMC Rule*	
	ITERATIVE VS FMC	CURRENT VS FMC	ITERATIVE VS CURRENT	ITERATIVE	CURRENT
Communication Services	33.7%	28.2%	6.8%	25.2B	32.9B
Consumer Discretionary	15.0%	15.0%	4.6%	161.3B	176.3B
Consumer Staples	18.6%	5.6%	14.6%	86.0B	114.3B
Energy	7.6%	11.1%	3.5%	67.7B	65.4B
Financials	0.0%	0.0%	0.0%	280.5B	280.5B
Health Care	0.0%	0.0%	0.0%	268.1B	268.1B
Industrials	0.0%	0.0%	0.0%	184.6B	184.6B
Materials	0.0%	0.0%	0.0%	49.6B	49.6B
Real Estate	0.0%	0.0%	0.0%	49.2B	49.2B
Technology	22.6%	16.4%	15.0%	435.7B	492.8B
Utilities	0.0%	0.0%	0.0%	52.8B	52.8B

Source: S&P Dow Jones Indices LLC. Charts demonstrate the hypothetical scenario if the methodology were to apply on June 21, 2024. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

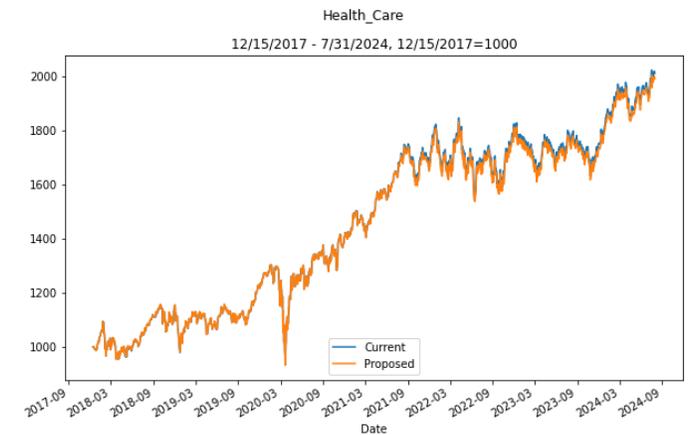
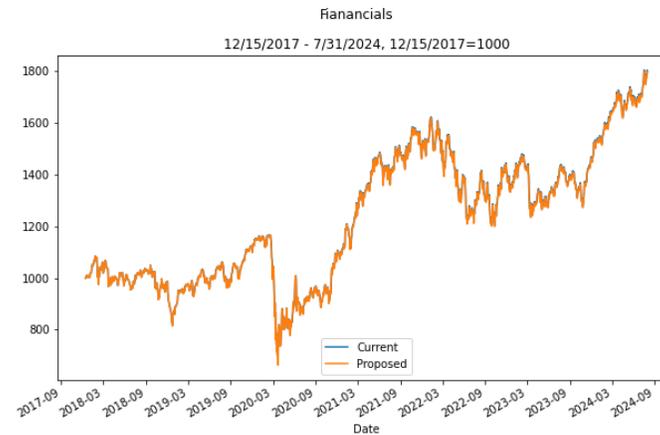
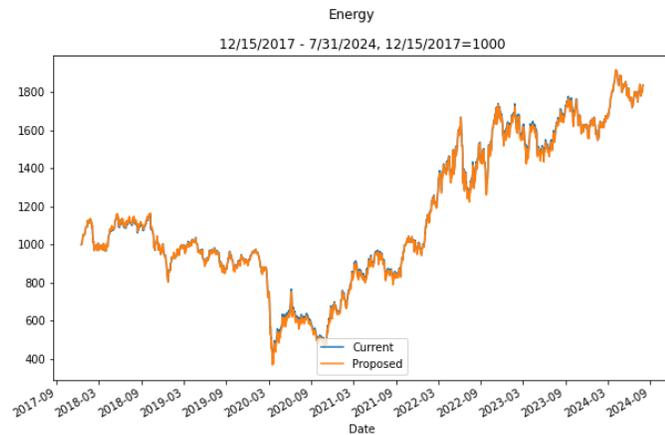
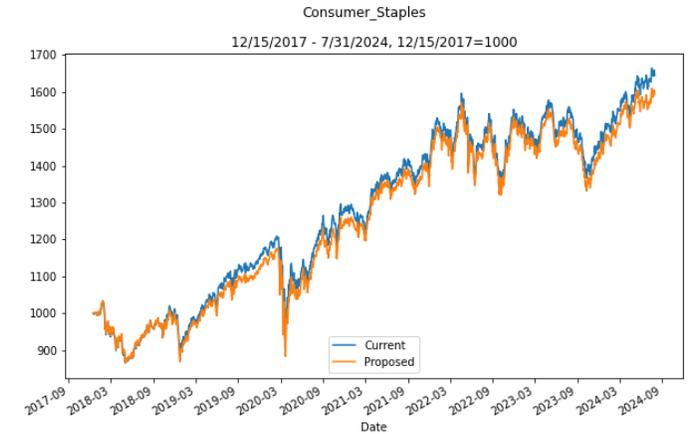
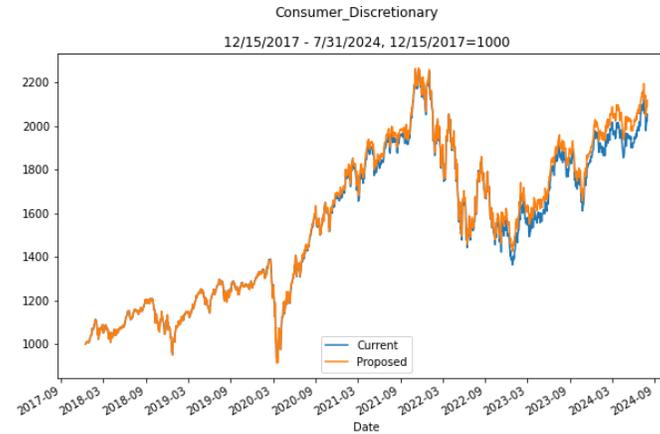
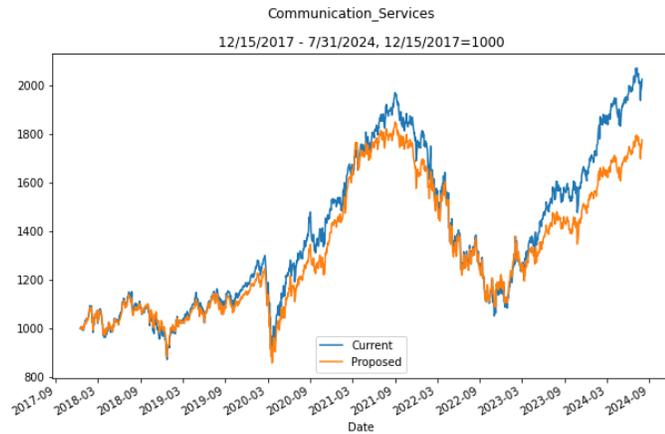
* Maximum AUM for alternative methods are smaller than current method is due to the weight of larger companies being reduced in alternative methods and thereby increasing the weight of smaller companies that are subject to lower AUM requirement

Historical Backtests

– Alternatives vs.
Current

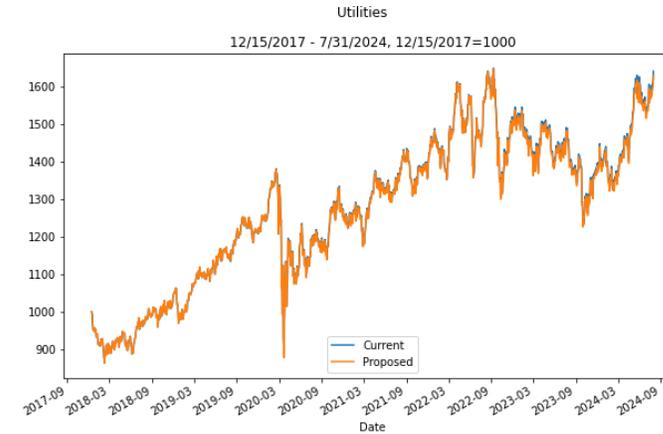
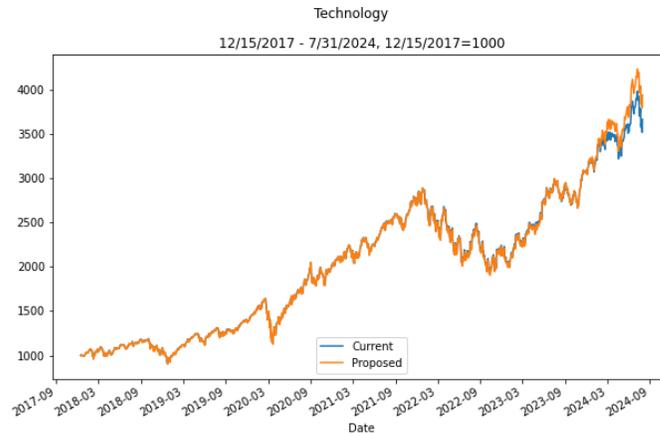
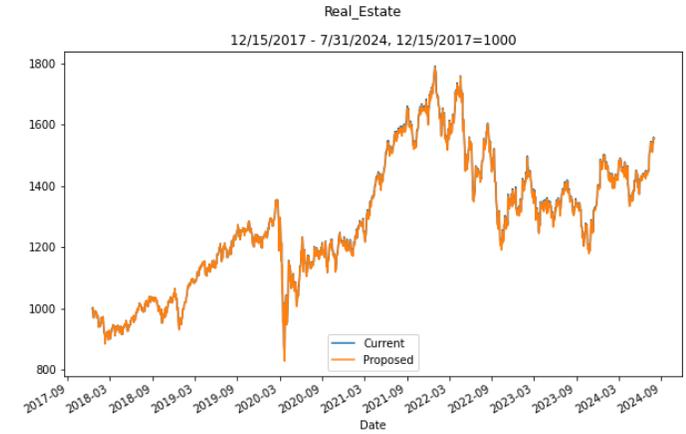
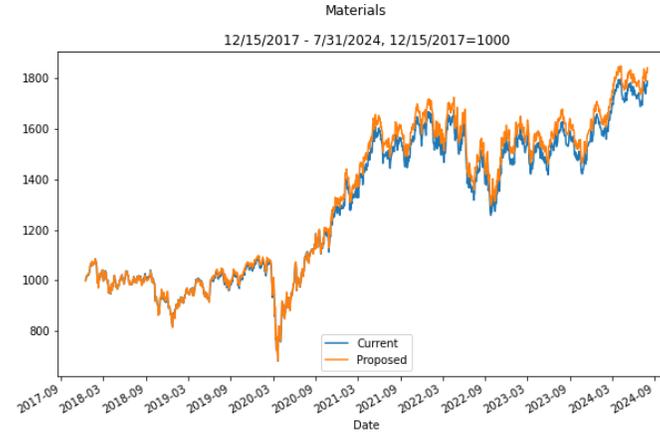
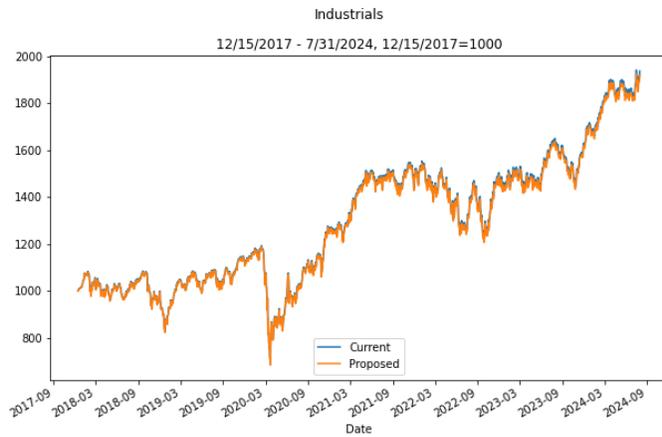


Backtest Results – Hypothetical Cumulative Performance (1/2)



Source: S&P Dow Jones Indices LLC. Data from Dec 15, 2017 to July 31, 2024. Secondary rebalancing is not incorporated in the backtesting. Charts are provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Backtest Results – Hypothetical Cumulative Total Returns (2/2)



Source: S&P Dow Jones Indices LLC. Data from Dec 15, 2017 to July 31, 2024. Secondary rebalancing is not incorporated in the backtesting. Charts are provided for illustrative purposes and reflect hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Backtest Results – Summary (1/2)

As of July 31, 2024	Communication Services		Consumer Discretionary		Consumer Staples		Energy		Financials		Health Care	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Return (Ann.)												
1y	26.20%	20.07%	8.90%	9.53%	5.93%	4.78%	10.22%	10.83%	26.11%	26.12%	13.48%	13.53%
3y	2.39%	-0.33%	2.21%	2.76%	5.78%	5.40%	28.71%	29.10%	8.29%	8.26%	5.98%	5.76%
5y	12.17%	9.58%	10.30%	10.99%	8.51%	8.34%	13.95%	14.02%	11.44%	11.38%	12.48%	12.25%
Since Dec 15, 2017	11.24%	9.05%	11.48%	12.00%	7.79%	7.29%	9.60%	9.59%	9.28%	9.22%	11.11%	10.95%
Volatility (Daily, Ann.)												
1y	16.11%	14.60%	17.38%	16.28%	10.51%	10.70%	17.52%	17.54%	12.01%	12.01%	10.28%	10.28%
3y	23.01%	20.89%	25.01%	24.05%	13.52%	13.43%	27.30%	27.62%	18.92%	18.93%	14.31%	14.30%
5y	24.35%	22.83%	25.78%	25.24%	17.03%	16.87%	36.96%	37.52%	26.60%	26.61%	18.53%	18.53%
Since Dec 15, 2017	23.31%	21.78%	23.99%	23.56%	16.17%	16.04%	33.74%	34.23%	24.75%	24.76%	17.96%	17.95%
Risk-adj. Return												
1y	1.63	1.37	0.51	0.59	0.56	0.45	0.58	0.62	2.17	2.17	1.31	1.32
3y	0.10	-0.02	0.09	0.11	0.43	0.40	1.05	1.05	0.44	0.44	0.42	0.40
5y	0.50	0.42	0.40	0.44	0.50	0.49	0.38	0.37	0.43	0.43	0.67	0.66
Since Dec 15, 2017	0.48	0.42	0.48	0.51	0.48	0.45	0.28	0.28	0.38	0.37	0.62	0.61
Tracking Error												
1y		3.64%		1.98%		1.21%		0.59%		0.00%		0.04%
3y		4.74%		1.85%		1.04%		0.86%		0.05%		0.50%
5y		5.21%		1.58%		1.15%		1.25%		0.08%		0.42%
Since Dec 15, 2017		5.03%		1.38%		1.15%		1.13%		0.07%		0.37%

As of July 31, 2024	Communication Services		Consumer Discretionary		Consumer Staples		Energy		Financials		Health Care	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Annual Return												
2018	-6.84%	-6.34%	1.77%	1.69%	-7.93%	-9.54%	-18.01%	-18.29%	-12.97%	-13.04%	6.39%	6.51%
2019	31.39%	26.35%	28.63%	28.60%	27.68%	26.82%	12.09%	12.24%	32.13%	32.04%	20.82%	20.64%
2020	26.98%	24.19%	29.75%	31.18%	10.29%	9.88%	-32.84%	-33.36%	-1.69%	-1.83%	13.45%	13.34%
2021	16.04%	14.64%	28.01%	27.57%	17.32%	18.36%	53.43%	54.23%	35.04%	35.03%	26.13%	25.21%
2022	-37.66%	-32.27%	-36.23%	-33.83%	-0.70%	-0.28%	64.56%	64.14%	-10.53%	-10.61%	-1.95%	-1.97%
2023	53.04%	36.80%	39.81%	37.53%	-0.79%	-1.39%	-0.59%	0.01%	12.15%	12.15%	2.06%	1.90%
YTD (as of July 31, 2024)	18.86%	14.46%	5.36%	5.76%	9.81%	8.61%	13.05%	13.09%	17.29%	17.29%	10.67%	10.71%

Source: S&P Dow Jones Indices LLC. Data from Dec 15, 2017 to July 31, 2024. Secondary rebalancing is not incorporated in the backtesting. Return and volatility values are annualized. Tables are provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Backtest Results – Summary (2/2)

As of July 31, 2024	Industrials		Materials		Real Estate		Technology		Utilities	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Return (Ann.)										
1y	17.77%	17.59%	9.76%	9.72%	11.83%	11.94%	23.74%	32.71%	12.36%	12.16%
3y	9.19%	9.05%	5.35%	5.36%	-0.55%	-0.51%	13.63%	16.46%	6.71%	6.55%
5y	12.44%	12.33%	11.88%	12.31%	5.52%	5.49%	23.38%	25.21%	7.58%	7.41%
Since Dec 15, 2017	10.50%	10.34%	9.16%	9.64%	6.89%	6.86%	21.64%	22.97%	7.77%	7.65%
Volatility (Daily, Ann.)										
1y	12.75%	12.72%	13.79%	13.79%	18.12%	18.12%	19.34%	19.86%	17.14%	17.12%
3y	17.15%	17.14%	19.27%	19.26%	20.88%	20.88%	24.74%	24.99%	18.25%	18.27%
5y	23.33%	23.31%	24.09%	24.31%	25.27%	25.28%	27.84%	27.97%	23.31%	23.32%
Since Dec 15, 2017	22.09%	22.09%	22.75%	22.93%	23.19%	23.20%	26.40%	26.51%	21.44%	21.45%
Risk-adj. Return										
1y	1.39	1.38	0.71	0.70	0.65	0.66	1.23	1.65	0.72	0.71
3y	0.54	0.53	0.28	0.28	-0.03	-0.02	0.55	0.66	0.37	0.36
5y	0.53	0.53	0.49	0.51	0.22	0.22	0.84	0.90	0.33	0.32
Since Dec 15, 2017	0.48	0.47	0.40	0.42	0.30	0.30	0.82	0.87	0.36	0.36
Tracking Error										
1y		0.27%		0.39%		0.13%		3.12%		0.59%
3y		0.19%		0.37%		0.15%		1.93%		0.43%
5y		0.24%		1.00%		0.17%		1.50%		0.36%
Since Dec 15, 2017		0.24%		1.13%		0.15%		1.30%		0.32%

As of July 31, 2024	Industrials		Materials		Real Estate		Technology		Utilities	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Annual Return										
2018	-12.96%	-13.21%	-14.68%	-15.19%	-2.21%	-2.24%	-1.42%	-1.58%	4.11%	4.15%
2019	29.37%	29.26%	24.44%	26.34%	29.01%	29.01%	50.29%	50.32%	26.34%	26.38%
2020	11.06%	10.96%	20.46%	22.02%	-2.09%	-2.34%	43.89%	43.95%	0.51%	0.15%
2021	21.12%	21.06%	27.34%	28.15%	46.19%	46.27%	34.71%	34.63%	17.67%	17.66%
2022	-5.48%	-5.68%	-12.27%	-12.17%	-26.13%	-26.20%	-27.64%	-27.97%	1.57%	1.30%
2023	18.13%	18.31%	12.54%	12.30%	12.36%	12.49%	56.13%	57.87%	-7.08%	-7.08%
YTD (as of July 31, 2024)	13.03%	12.73%	8.66%	8.66%	4.59%	4.62%	14.12%	22.02%	16.86%	16.66%

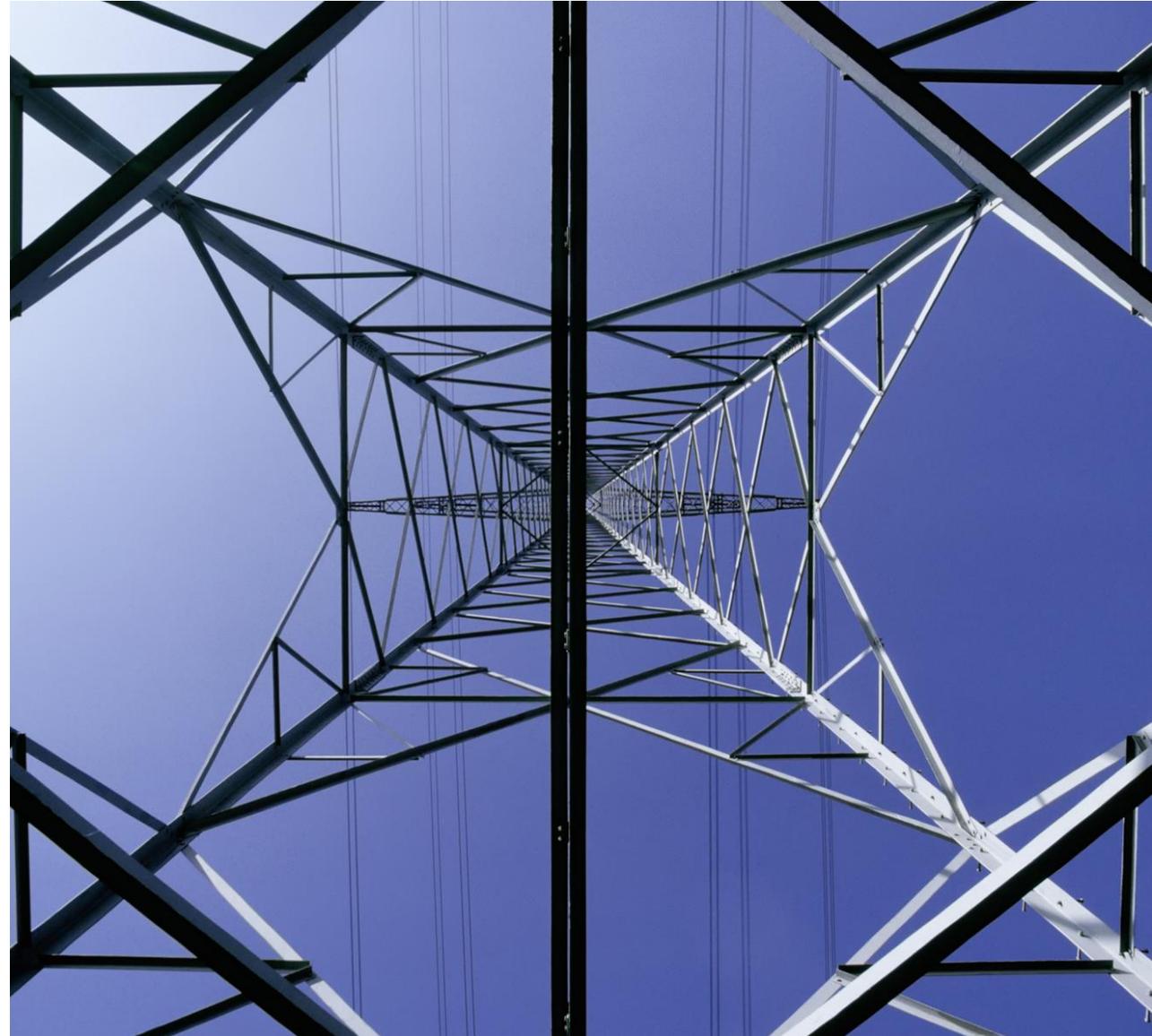
Source: S&P Dow Jones Indices LLC. Data from Dec 15, 2017 to July 31, 2024. Secondary rebalancing is not incorporated in the backtesting. Return and volatility values are annualized. Tables are provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Appendix

Historical Breaches at Secondary Reweighting*

(March 2020 – June 2024)

*Capping mechanisms were not triggered
for sectors that are not shown.



Historical Breaches at Secondary Reweighting (1/7) – Technology

	Iterative Capping		Current	
DATE	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT
Mar. 2020	22%	46%	22%	46%
Jun. 2020	22%	43%	22%	43%
Sep. 2020	24%	44%	24%	44%
Dec. 2020	25%	44%	25%	44%
Mar. 2021	21%	41%	21%	41%
Jun. 2021	21%	47%	21%	47%
Sep. 2021	22%	48%	22%	48%
Dec. 2021	20%	44%	23%	45%
Mar. 2022	21%	46%	24%	51%
Jun. 2022	22%	42%	25%	47%
Sep. 2022	24%	45%	24%	46%
Dec. 2022	22%	44%	22%	44%
Mar. 2023	20%	46%	24%	51%
Jun. 2023	19%	45%	23%	46%
Sep. 2023	18%	45%	23%	46%
Dec. 2023	18%	49%	22%	49%
Mar. 2024	18%	46%	24%	44%
Jun. 2024	15%	41%	23%	43%

Source: S&P Dow Jones Indices LLC. Data from March 30, 2020 to June 27, 2024. Tables are provided for illustrative purposes and reflects hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Historical Breaches at Secondary Reweighting (2/7) – Comm. Services

	Iterative Capping		Current	
DATE	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT
Mar. 2020	13%	38%	23%	59%
Jun. 2020	13%	34%	22%	51%
Sep. 2020	12%	34%	23%	45%
Dec. 2020	13%	39%	22%	49%
Mar. 2021	14%	46%	23%	50%
Jun. 2021	14%	37%	24%	51%
Sep. 2021	15%	32%	23%	45%
Dec. 2021	15%	33%	23%	45%
Mar. 2022	17%	33%	23%	43%
Jun. 2022	17%	33%	24%	42%
Sep. 2022	19%	55%	23%	51%
Dec. 2022	16%	33%	23%	57%
Mar. 2023	16%	32%	23%	46%
Jun. 2023	16%	34%	24%	46%
Sep. 2023	19%	41%	24%	46%
Dec. 2023	16%	31%	24%	47%
Mar. 2024	19%	41%	25%	46%
Jun. 2024	20%	45%	23%	46%

Source: S&P Dow Jones Indices LLC. Data from March 30, 2020 to June 27, 2024. Tables are provided for illustrative purposes and reflects hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Historical Breaches at Secondary Reweighting (3/7) – Cons. Disc.

	Iterative Capping		Current	
DATE	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT
Mar. 2020	26%	48%	31%	55%
Jun. 2020	24%	39%	24%	49%
Sep. 2020	23%	42%	23%	49%
Dec. 2020	23%	43%	23%	47%
Mar. 2021	23%	42%	23%	45%
Jun. 2021	23%	48%	23%	50%
Sep. 2021	22%	43%	22%	47%
Dec. 2021	22%	48%	22%	41%
Mar. 2022	23%	50%	23%	53%
Jun. 2022	20%	46%	24%	55%
Sep. 2022	20%	45%	22%	44%
Dec. 2022	20%	48%	23%	49%
Mar. 2023	21%	47%	24%	49%
Jun. 2023	19%	40%	23%	42%
Sep. 2023	19%	40%	22%	42%
Dec. 2023	20%	41%	23%	50%
Mar. 2024	23%	42%	23%	46%
Jun. 2024	24%	43%	24%	48%

Source: S&P Dow Jones Indices LLC. Data from March 30, 2020 to June 27, 2024. Tables are provided for illustrative purposes and reflects hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Historical Breaches at Secondary Reweighting (4/7) – Cons. Staples

	Iterative Capping		Current	
DATE	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT
Mar. 2020	12%	44%	17%	57%
Jun. 2020	12%	40%	16%	46%
Sep. 2020	13%	41%	18%	47%
Dec. 2020	12%	40%	17%	47%
Mar. 2021	12%	45%	16%	45%
Jun. 2021	12%	50%	16%	44%
Sep. 2021	12%	44%	16%	45%
Dec. 2021	12%	40%	17%	47%
Mar. 2022	12%	41%	16%	47%
Jun. 2022	11%	45%	15%	46%
Sep. 2022	11%	40%	15%	46%
Dec. 2022	11%	45%	16%	46%
Mar. 2023	11%	45%	14%	43%
Jun. 2023	11%	41%	14%	44%
Sep. 2023	11%	41%	15%	45%
Dec. 2023	11%	41%	14%	45%
Mar. 2024	11%	41%	15%	46%
Jun. 2024	10%	41%	15%	49%

Source: S&P Dow Jones Indices LLC. Data from March 30, 2020 to June 27, 2024. Tables are provided for illustrative purposes and reflects hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Historical Breaches at Secondary Reweighting (5/7) – Energy

	Iterative Capping		Current	
DATE	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT
Mar. 2020	22%	56%	25%	56%
Jun. 2020	20%	45%	23%	46%
Sep. 2020	20%	50%	23%	46%
Dec. 2020	21%	49%	23%	46%
Mar. 2021	20%	45%	23%	50%
Jun. 2021	21%	46%	24%	44%
Sep. 2021	20%	49%	23%	53%
Dec. 2021	19%	45%	23%	49%
Mar. 2022	19%	48%	22%	44%
Jun. 2022	19%	47%	24%	45%
Sep. 2022	20%	45%	23%	43%
Dec. 2022	20%	45%	23%	43%
Mar. 2023	23%	49%	23%	43%
Jun. 2023	23%	49%	23%	47%
Sep. 2023	20%	41%	23%	42%
Dec. 2023	22%	48%	22%	49%
Mar. 2024	23%	47%	23%	49%
Jun. 2024	23%	47%	23%	41%

Source: S&P Dow Jones Indices LLC. Data from March 30, 2020 to June 27, 2024. Tables are provided for illustrative purposes and reflects hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Historical Breaches at Secondary Reweighting (6/7) – Materials

	Iterative Capping		Current	
DATE	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT
Mar. 2020	15%	41%	18%	48%
Jun. 2020	14%	37%	17%	48%
Sep. 2020	13%	36%	17%	48%
Dec. 2020	14%	41%	17%	50%
Mar. 2021	14%	31%	16%	46%
Jun. 2021	14%	36%	16%	46%
Sep. 2021	17%	41%	17%	41%
Dec. 2021	17%	43%	17%	43%
Mar. 2022	16%	42%	16%	42%
Jun. 2022	17%	41%	17%	41%
Sep. 2022	18%	42%	18%	42%
Dec. 2022	19%	44%	18%	39%
Mar. 2023	19%	39%	19%	39%
Jun. 2023	20%	45%	20%	45%
Sep. 2023	21%	46%	21%	46%
Dec. 2023	18%	36%	21%	46%
Mar. 2024	22%	47%	22%	47%
Jun. 2024	21%	52%	21%	52%

Source: S&P Dow Jones Indices LLC. Data from March 30, 2020 to June 27, 2024. Tables are provided for illustrative purposes and reflects hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

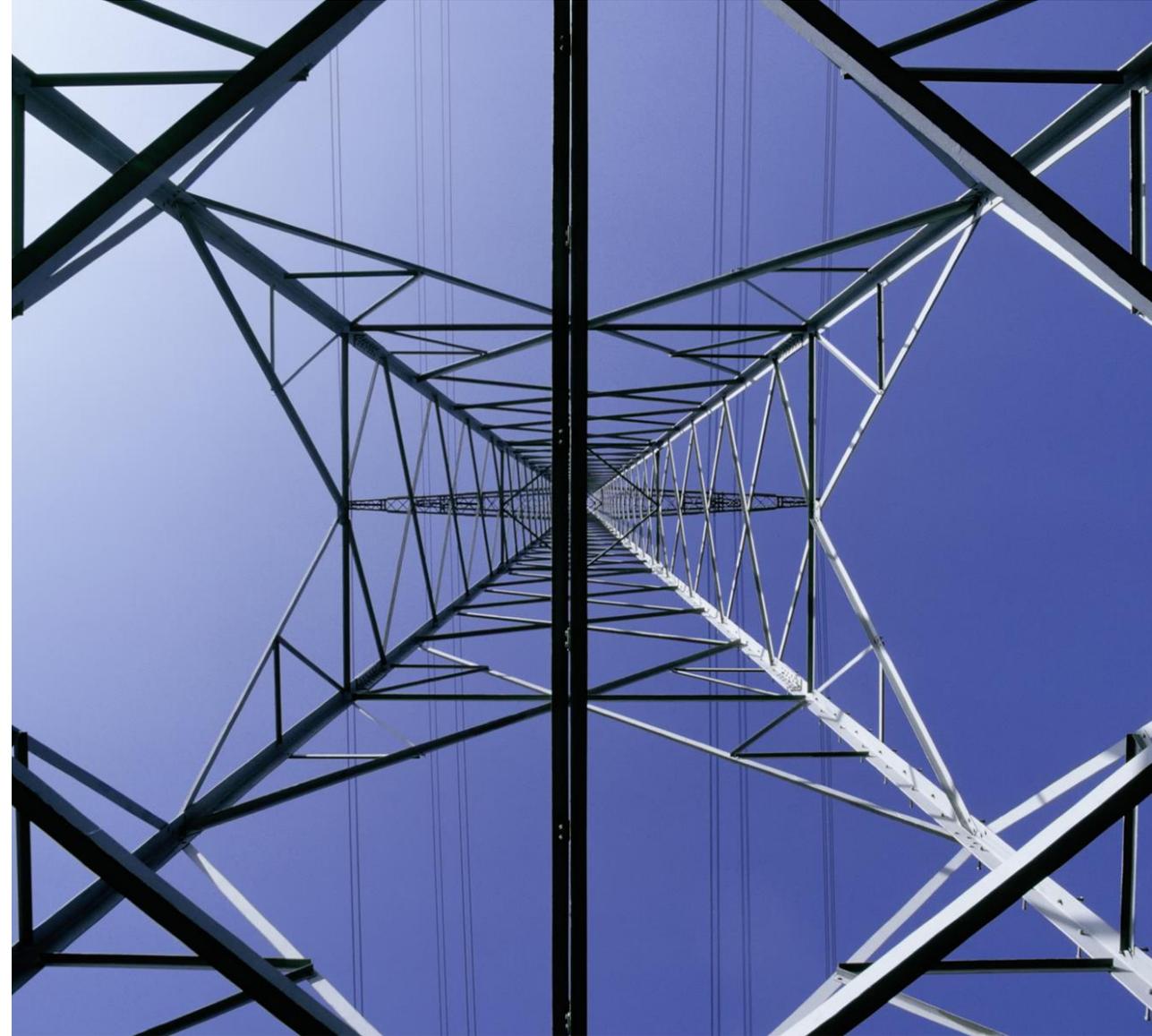
Historical Breaches at Secondary Reweighting (7/7) – Real Estate

	Iterative Capping		Current	
DATE	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT	MAX COMPANY WEIGHT	CUMULATIVE WEIGHT
Mar. 2020	15%	48%	15%	48%
Jun. 2020	16%	48%	16%	48%
Sep. 2020	15%	53%	15%	53%
Dec. 2020	13%	45%	13%	45%
Mar. 2021	13%	38%	13%	38%
Jun. 2021	13%	39%	13%	44%
Sep. 2021	13%	43%	13%	43%
Dec. 2021	12%	43%	12%	43%
Mar. 2022	12%	42%	12%	42%
Jun. 2022	13%	41%	13%	41%
Sep. 2022	12%	40%	12%	40%
Dec. 2022	12%	42%	12%	42%
Mar. 2023	13%	44%	13%	44%
Jun. 2023	12%	40%	12%	40%
Sep. 2023	12%	39%	12%	39%
Dec. 2023	12%	40%	12%	40%
Mar. 2024	12%	39%	12%	39%
Jun. 2024	11%	43%	11%	43%

Source: S&P Dow Jones Indices LLC. Data from March 30, 2020 to June 27, 2024. Tables are provided for illustrative purposes and reflects hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Additional Information

– Top 10 Companies’ Weight & Performance



Weight of Top 10 Companies for each Select Sector index

		Top 10 Companies Weight			Difference		
Sector	EFFECTIVE_DATE	COMPANY_FMC_WEIGHT	COMPANY_CURRENT_WEIGHT	COMPANY_PROPOSED_WEIGHT	PROPOSED VS CURRENT	PROPOSED VS FMC	CURRENT VS FMC
Communication Services	20240318	96.7%	81.6%	72.4%	-9.3%	-24.3%	-15.1%
	20240624	97.1%	81.6%	76.5%	-5.1%	-20.6%	-15.5%
Consumer Discretionary	20240318	74.9%	69.1%	66.7%	-2.4%	-8.3%	-5.8%
	20240624	76.2%	70.1%	67.3%	-2.8%	-8.9%	-6.1%
Consumer Staples	20240318	73.0%	69.4%	62.1%	-7.3%	-10.9%	-3.6%
	20240624	75.5%	71.8%	62.5%	-9.3%	-13.1%	-3.8%
Energy	20240318	77.3%	76.2%	75.4%	-0.8%	-1.9%	-1.1%
	20240624	79.5%	74.9%	75.7%	0.9%	-3.7%	-4.6%
Financials	20240318	55.1%	55.1%	55.1%	0.0%	0.0%	0.0%
	20240624	54.9%	54.9%	54.9%	0.0%	0.0%	0.0%
Health Care	20240318	54.9%	54.9%	54.9%	0.0%	0.0%	0.0%
	20240624	56.3%	56.3%	56.3%	0.0%	0.0%	0.0%
Industrials	20240318	36.4%	36.4%	36.4%	0.0%	0.0%	0.0%
	20240624	35.5%	35.5%	35.5%	0.0%	0.0%	0.0%
Materials	20240318	67.0%	67.0%	67.0%	0.0%	0.0%	0.0%
	20240624	67.0%	67.0%	67.0%	0.0%	0.0%	0.0%
Real Estate	20240318	61.6%	61.6%	61.6%	0.0%	0.0%	0.0%
	20240624	60.6%	60.6%	60.6%	0.0%	0.0%	0.0%
Technology	20240318	75.7%	67.4%	65.9%	-1.5%	-9.8%	-8.3%
	20240624	78.0%	66.4%	62.0%	-4.4%	-16.0%	-11.6%
Utilities	20240318	59.3%	59.3%	59.3%	0.0%	0.0%	0.0%
	20240624	59.7%	59.7%	59.7%	0.0%	0.0%	0.0%

Source: S&P Dow Jones Indices LLC. Data from March 2024 to June 2024.

Performance of the Communication Services Select Sector Index

Communication Services (TR)			BENCHMARK FMC	BENCHMARK Current	STRATEGY Proposed	STRATEGY Proposed VS FMC	STRATEGY Proposed VS Current
From	To	Horizon	Annualized Return			Excess Return	
20230731	20240731	1y	30.03%	26.20%	20.07%	-9.96%	-6.13%
20210730	20240731	3y	3.76%	2.39%	-0.33%	-4.09%	-2.72%
20190731	20240731	5y	13.03%	12.17%	9.58%	-3.45%	-2.59%
20171215	20240731	Inception	11.08%	11.24%	9.05%	-2.03%	-2.19%
From	To	Horizon	Annualized Volatility			Tracking Error	
20230731	20240731	1y	19.67%	16.11%	14.60%	9.20%	3.64%
20210730	20240731	3y	24.80%	23.01%	20.89%	8.94%	4.74%
20190731	20240731	5y	25.23%	24.35%	22.83%	8.43%	5.21%
20171215	20240731	Inception	23.91%	23.31%	21.78%	9.84%	5.03%
From	To	Horizon	Risk Adjusted Return			Information Ratio	
20230731	20240731	1y	1.53	1.63	1.37	-1.08	-1.69
20210730	20240731	3y	0.15	0.10	-0.02	-0.46	-0.57
20190731	20240731	5y	0.52	0.50	0.42	-0.41	-0.50
20171215	20240731	Inception	0.46	0.48	0.42	-0.21	-0.43

* For all other sectors not listed here (Financials, Health Care, Industrials and Real Estate), no capping is applied during the backtesting period. These indices are FMC weighted.

Source: S&P Dow Jones Indices LLC. Data from Dec 15, 2017 to July 31, 2024. Tables are provided for illustrative purposes and reflect hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Performance of the Consumer Discretionary Select Sector Index

Consumer Discretionary (TR)			BENCHMARK FMC	BENCHMARK Current	STRATEGY Proposed	STRATEGY Proposed VS FMC	STRATEGY Proposed VS Current
From	To	Horizon	Annualized Return			Excess Return	
20230731	20240731	1y	12.21%	8.90%	9.53%	-2.68%	0.63%
20210730	20240731	3y	2.64%	2.21%	2.76%	0.12%	0.55%
20190731	20240731	5y	10.69%	10.30%	10.99%	0.30%	0.69%
20171215	20240731	Inception	11.63%	11.48%	12.00%	0.37%	0.52%
From	To	Horizon	Annualized Volatility			Tracking Error	
20230731	20240731	1y	17.61%	17.38%	16.28%	3.43%	1.98%
20210730	20240731	3y	25.28%	25.01%	24.05%	2.88%	1.85%
20190731	20240731	5y	25.84%	25.78%	25.24%	3.62%	1.58%
20171215	20240731	Inception	24.20%	23.99%	23.56%	3.25%	1.38%
From	To	Horizon	Risk Adjusted Return			Information Ratio	
20230731	20240731	1y	0.69	0.51	0.59	-0.78	0.32
20210730	20240731	3y	0.10	0.09	0.11	0.04	0.30
20190731	20240731	5y	0.41	0.40	0.44	0.08	0.44
20171215	20240731	Inception	0.48	0.48	0.51	0.11	0.37

* For all other sectors not listed here (Financials, Health Care, Industrials and Real Estate), no capping is applied during the backtesting period. These indices are FMC weighted.

Source: S&P Dow Jones Indices LLC. Data from Dec 15, 2017 to July 31, 2024. Tables are provided for illustrative purposes and reflect hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Performance of the Consumer Staples Select Sector Index

Consumer Staples (TR)			BENCHMARK FMC	BENCHMARK Current	STRATEGY Proposed	STRATEGY Proposed VS FMC	STRATEGY Proposed VS Current
From	To	Horizon	Annualized Return			Excess Return	
20230731	20240731	1y	7.93%	5.93%	4.78%	-3.15%	-1.15%
20210730	20240731	3y	6.92%	5.78%	5.40%	-1.52%	-0.38%
20190731	20240731	5y	9.33%	8.51%	8.34%	-0.99%	-0.17%
20171215	20240731	Inception	8.38%	7.79%	7.29%	-1.09%	-0.50%
From	To	Horizon	Annualized Volatility			Tracking Error	
20230731	20240731	1y	10.47%	10.51%	10.70%	1.42%	1.21%
20210730	20240731	3y	13.47%	13.52%	13.43%	1.30%	1.04%
20190731	20240731	5y	17.01%	17.03%	16.87%	1.42%	1.15%
20171215	20240731	Inception	16.16%	16.17%	16.04%	1.41%	1.15%
From	To	Horizon	Risk Adjusted Return			Information Ratio	
20230731	20240731	1y	0.76	0.56	0.45	-2.21	-0.95
20210730	20240731	3y	0.51	0.43	0.40	-1.17	-0.36
20190731	20240731	5y	0.55	0.50	0.49	-0.70	-0.15
20171215	20240731	Inception	0.52	0.48	0.45	-0.77	-0.44

* For all other sectors not listed here (Financials, Health Care, Industrials and Real Estate), no capping is applied during the backtesting period. These indices are FMC weighted.

Source: S&P Dow Jones Indices LLC. Data from Dec 15, 2017 to July 31, 2024. Tables are provided for illustrative purposes and reflect hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Performance of the Energy Select Sector Index

Energy (TR)			BENCHMARK FMC	BENCHMARK Current	STRATEGY Proposed	STRATEGY Proposed VS FMC	STRATEGY Proposed VS Current
From	To	Horizon	Annualized Return			Excess Return	
20230731	20240731	1y	10.15%	10.22%	10.83%	0.68%	0.61%
20210730	20240731	3y	28.95%	28.71%	29.10%	0.15%	0.39%
20190731	20240731	5y	13.84%	13.95%	14.02%	0.18%	0.07%
20171215	20240731	Inception	9.48%	9.60%	9.59%	0.11%	-0.02%
From	To	Horizon	Annualized Volatility			Tracking Error	
20230731	20240731	1y	17.68%	17.52%	17.54%	0.97%	0.59%
20210730	20240731	3y	27.38%	27.30%	27.62%	1.17%	0.86%
20190731	20240731	5y	36.74%	36.96%	37.52%	1.78%	1.25%
20171215	20240731	Inception	33.55%	33.74%	34.23%	1.60%	1.13%
From	To	Horizon	Risk Adjusted Return			Information Ratio	
20230731	20240731	1y	0.57	0.58	0.62	0.71	1.03
20210730	20240731	3y	1.06	1.05	1.05	0.13	0.45
20190731	20240731	5y	0.38	0.38	0.37	0.10	0.06
20171215	20240731	Inception	0.28	0.28	0.28	0.07	-0.01

* For all other sectors not listed here (Financials, Health Care, Industrials and Real Estate), no capping is applied during the backtesting period. These indices are FMC weighted.

Source: S&P Dow Jones Indices LLC. Data from Dec 15, 2017 to July 31, 2024. Tables are provided for illustrative purposes and reflect hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Performance of the Materials Select Sector Index

Materials (TR)			BENCHMARK FMC	BENCHMARK Current	STRATEGY Proposed	STRATEGY Proposed VS FMC	STRATEGY Proposed VS Current
From	To	Horizon	Annualized Return			Excess Return	
20230731	20240731	1y	9.71%	9.76%	9.72%	0.01%	-0.04%
20210730	20240731	3y	5.32%	5.35%	5.36%	0.04%	0.02%
20190731	20240731	5y	11.94%	11.88%	12.31%	0.38%	0.43%
20171215	20240731	Inception	9.21%	9.16%	9.64%	0.44%	0.48%
From	To	Horizon	Annualized Volatility			Tracking Error	
20230731	20240731	1y	13.80%	13.79%	13.79%	0.39%	0.39%
20210730	20240731	3y	19.27%	19.27%	19.26%	0.38%	0.37%
20190731	20240731	5y	24.08%	24.09%	24.31%	1.01%	1.00%
20171215	20240731	Inception	22.76%	22.75%	22.93%	1.17%	1.13%
From	To	Horizon	Risk Adjusted Return			Information Ratio	
20230731	20240731	1y	0.70	0.71	0.70	0.02	-0.11
20210730	20240731	3y	0.28	0.28	0.28	0.11	0.05
20190731	20240731	5y	0.50	0.49	0.51	0.37	0.43
20171215	20240731	Inception	0.40	0.40	0.42	0.37	0.43

* For all other sectors not listed here (Financials, Health Care, Industrials and Real Estate), no capping is applied during the backtesting period. These indices are FMC weighted.

Source: S&P Dow Jones Indices LLC. Data from Dec 15, 2017 to July 31, 2024. Tables are provided for illustrative purposes and reflect hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Performance of the Technology Select Sector Index

Technology (TR)			BENCHMARK FMC	BENCHMARK Current	STRATEGY Proposed	STRATEGY Proposed VS FMC	STRATEGY Proposed VS Current
From	To	Horizon	Annualized Return			Excess Return	
20230731	20240731	1y	35.20%	23.74%	32.71%	-2.49%	8.97%
20210730	20240731	3y	17.46%	13.63%	16.46%	-1.00%	2.83%
20190731	20240731	5y	25.81%	23.38%	25.21%	-0.60%	1.83%
20171215	20240731	Inception	23.62%	21.64%	22.97%	-0.66%	1.33%
From	To	Horizon	Annualized Volatility			Tracking Error	
20230731	20240731	1y	20.31%	19.34%	19.86%	2.40%	3.12%
20210730	20240731	3y	25.19%	24.74%	24.99%	1.63%	1.93%
20190731	20240731	5y	28.08%	27.84%	27.97%	1.27%	1.50%
20171215	20240731	Inception	26.67%	26.40%	26.51%	1.22%	1.30%
From	To	Horizon	Risk Adjusted Return			Information Ratio	
20230731	20240731	1y	1.73	1.23	1.65	-1.04	2.87
20210730	20240731	3y	0.69	0.55	0.66	-0.61	1.47
20190731	20240731	5y	0.92	0.84	0.90	-0.47	1.22
20171215	20240731	Inception	0.89	0.82	0.87	-0.54	1.02

* For all other sectors not listed here (Financials, Health Care, Industrials and Real Estate), no capping is applied during the backtesting period. These indices are FMC weighted.

Source: S&P Dow Jones Indices LLC. Data from Dec 15, 2017 to July 31, 2024. Tables are provided for illustrative purposes and reflect hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Performance of the Utilities Select Sector Index

Utilities (TR)			BENCHMARK FMC	BENCHMARK Current	STRATEGY Proposed	STRATEGY Proposed VS FMC	STRATEGY Proposed VS Current
From	To	Horizon	Annualized Return			Excess Return	
20230731	20240731	1y	12.36%	12.36%	12.16%	-0.20%	-0.20%
20210730	20240731	3y	6.71%	6.71%	6.55%	-0.15%	-0.15%
20190731	20240731	5y	7.57%	7.58%	7.41%	-0.16%	-0.17%
20171215	20240731	Inception	7.76%	7.77%	7.65%	-0.11%	-0.12%
From	To	Horizon	Annualized Volatility			Tracking Error	
20230731	20240731	1y	17.14%	17.14%	17.12%	0.59%	0.59%
20210730	20240731	3y	18.25%	18.25%	18.27%	0.43%	0.43%
20190731	20240731	5y	23.31%	23.31%	23.32%	0.36%	0.36%
20171215	20240731	Inception	21.44%	21.44%	21.45%	0.32%	0.32%
From	To	Horizon	Risk Adjusted Return			Information Ratio	
20230731	20240731	1y	0.72	0.72	0.71	-0.34	-0.34
20210730	20240731	3y	0.37	0.37	0.36	-0.36	-0.36
20190731	20240731	5y	0.32	0.33	0.32	-0.44	-0.46
20171215	20240731	Inception	0.36	0.36	0.36	-0.35	-0.37

* For all other sectors not listed here (Financials, Health Care, Industrials and Real Estate), no capping is applied during the backtesting period. These indices are FMC weighted.

Source: S&P Dow Jones Indices LLC. Data from Dec 15, 2017 to July 31, 2024. Tables are provided for illustrative purposes and reflect hypothetical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

GENERAL DISCLAIMER

© 2024 S&P Dow Jones Indices. All rights reserved. S&P, S&P 500, SPX, SPY, The 500, US500, US 30, S&P 100, S&P COMPOSITE 1500, S&P 400, S&P MIDCAP 400, S&P 600, S&P SMALLCAP 600, S&P GVI, GLOBAL TITANS, DIVIDEND ARISTOCRATS, Select Sector, S&P MAESTRO, S&P PRISM, S&P STRIDE, GICS, SPIVA, SPDR, INDEXOLOGY, iTraxx iBoxx, ABX, ADBI, CDX, CMBX, LCDX, MBX, MCDX, PRIMEX, TABX, HHPI, IRXX, I-SYND, SOVX, CRITS, CRITR are registered trademarks of S&P Global, Inc. (“S&P Global”) or its affiliates. DOW JONES, DJIA, THE DOW and DOW JONES INDUSTRIAL AVERAGE are trademarks of Dow Jones Trademark Holdings LLC (“Dow Jones”). These trademarks together with others have been licensed to S&P Dow Jones Indices LLC. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. This document does not constitute an offer of services in jurisdictions where S&P Dow Jones Indices LLC, S&P Global, Dow Jones or their respective affiliates (collectively “S&P Dow Jones Indices”) do not have the necessary licenses. Except for certain custom index calculation services, all information provided by S&P Dow Jones Indices is impersonal and not tailored to the needs of any person, entity or group of persons. S&P Dow Jones Indices receives compensation in connection with licensing its indices to third parties and providing custom calculation services. Past performance of an index is not an indication or guarantee of future results.

It is not possible to invest directly in an index. Exposure to an asset class represented by an index may be 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 third parties and that seeks to provide an investment return based on the performance of any index. S&P Dow Jones Indices makes no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment advisor, and S&P Dow Jones Indices makes no representation regarding the advisability of investing in any such investment fund or other investment vehicle. A decision to invest in any such investment fund or other investment vehicle should not be made in reliance on any of the statements set forth in this document. S&P Dow Jones Indices is not an investment adviser, commodity trading advisor, commodity pool operator, broker dealer, fiduciary, promoter” (as defined in the Investment Company Act of 1940, as amended), “expert” as enumerated within 15 U.S.C. § 77k(a) or tax advisor. Inclusion of a security, commodity, cryptocurrency or other asset within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, commodity, cryptocurrency or other asset, nor is it considered to be investment advice or commodity trading advice.

These materials have been prepared solely for informational purposes based upon information generally available to the public and from sources believed to be reliable. No content contained in these materials (including index data, ratings, credit-related analyses and data, research, valuations, model, software or other application or output therefrom) or any part thereof (“Content”) may be modified, reverse-engineered, reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written permission of S&P Dow Jones Indices. The Content shall not be used for any unlawful or unauthorized purposes. S&P Dow Jones Indices and its third-party data providers and licensors (collectively “S&P Dow Jones Indices Parties”) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Dow Jones Indices Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON AN “AS IS” BASIS. S&P DOW JONES INDICES PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Dow Jones Indices Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

S&P Global keeps certain activities of its various divisions and business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain divisions and business units of S&P Global may have information that is not available to other business units. S&P Global has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

In addition, S&P Dow Jones Indices provides a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.

PERFORMANCE DISCLOSURE/BACK-TESTED DATA

All information presented prior to an index's Launch Date is hypothetical (back-tested), not actual performance, and is based on the index methodology in effect on the index launch date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. In addition, forks have not been factored into the back-test data with respect to the S&P Cryptocurrency Indices. For the S&P Cryptocurrency Top 5 & 10 Equal Weight Indices, the custody element of the methodology was not considered; the back-test history is based on the index constituents that meet the custody element as of the Launch Date. Complete index methodology details are available at www.spdji.com. Back-tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results.

Please refer to the methodology for the Index for more details about the index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations. Back-tested performance is for use with institutions only; not for use with retail investors.

S&P Dow Jones Indices defines various dates to assist our clients in providing transparency. The First Value Date is the first day for which there is a calculated value (either live or back-tested) for a given index. The Base Date is the date at which the index is set to a fixed value for calculation purposes. The Launch Date designates the date when the values of an index are first considered live: index values provided for any date or time period prior to the index's Launch Date are considered back-tested. S&P Dow Jones Indices defines the Launch Date as the date by which the values of an index are known to have been released to the public, for example via the company's public website or its data feed to external parties. For Dow Jones-branded indices introduced prior to May 31, 2013, the Launch Date (which prior to May 31, 2013, was termed "Date of introduction") is set at a date upon which no further changes were permitted to be made to the index methodology, but that may have been prior to the Index's public release date.

Typically, when S&P DJI creates back-tested index data, S&P DJI uses actual historical constituent-level data (e.g., historical price, market capitalization, and corporate action data) in its calculations. As ESG investing is still in early stages of development, certain datapoints used to calculate S&P DJI's ESG indices may not be available for the entire desired period of back-tested history. The same data availability issue could be true for other indices as well. In cases when actual data is not available for all relevant historical periods, S&P DJI may employ a process of using "Backward Data Assumption" (or pulling back) of ESG data for the calculation of back-tested historical performance. "Backward Data Assumption" is a process that applies the earliest actual live data point available for an index constituent company to all prior historical instances in the index performance. For example, Backward Data Assumption inherently assumes that companies currently not involved in a specific business activity (also known as "product involvement") were never involved historically and similarly also assumes that companies currently involved in a specific business activity were involved historically too. The Backward Data Assumption allows the hypothetical back-test to be extended over more historical years than would be feasible using only actual data. For more information on "Backward Data Assumption" please refer to the [FAQ](#). The methodology and factsheets of any index that employs backward assumption in the back-tested history will explicitly state so. The methodology will include an Appendix with a table setting forth the specific data points and relevant time period for which backward projected data was used.

Index returns shown do not represent the results of actual trading of investable assets/securities. S&P Dow Jones Indices maintains the index and calculates the index levels and performance shown or discussed but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the Index or investment funds that are intended to track the performance of the Index. The imposition of these fees and charges would cause actual and back-tested performance of the securities/fund to be lower than the Index performance shown. As a simple example, if an index returned 10% on a US \$100,000 investment for a 12-month period (or US \$10,000) and an actual asset-based fee of 1.5% was imposed at the end of the period on the investment plus accrued interest (or US \$1,650), the net return would be 8.35% (or US \$8,350) for the year. Over a three-year period, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.10%, a total fee of US \$5,375, and a cumulative net return of 27.2% (or US \$27,200).