

S&P Dow Jones Indices

A Division of **S&P Global**

S&P Dow Jones Indices *Futures Indices* *Benchmark Statement*

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Introduction

S&P Dow Jones Indices LLC (S&P DJI) is the administrator of the S&P DJI futures indices. This document is a 'benchmark statement', created in accordance with Article 27 of Regulation (EU) 2016/1011 and the supplementary delegated regulation (EU) 2018/1643. This benchmark statement should be read in conjunction with the methodology documents for each S&P DJI futures index, which can be found on our Web site at www.spdji.com. This benchmark statement covers non-significant benchmarks as defined by Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016.

Objective of Indices

S&P DJI develops, calculates and publishes a wide range of commodity and financial futures indices to objectively measure the performance of a variety of markets (including country specific, regional, global, sectors or industry) based on documented, transparent methodologies. The underlying objective of S&P DJI's futures indices is to provide liquid and diversified exposure to commodities, bonds, currency, or to measure market volatility via futures contracts. S&P DJI offers a wide range of futures indices with different weighting schemes and covering various global commodity markets.

The S&P VIX Futures Index Series seeks to measure the outcome of holding long and/or short positions in VIX futures contracts or other volatility indices. The S&P GSCI measures general price movements and commodity inflation in the world economy. The index is comprised of liquid commodity futures and is world-production weighted. The Dow Jones Commodity Index Series measures the commodity futures market, emphasizing diversification and liquidity using a simple, transparent, equal-weighted approach. Its sub-indices are designed to track individual commodities, components, and sectors. The S&P World Commodity Indices are comprised of futures contracts on non-U.S. exchanges readily accessible to global market participants. The index is world-production weighted and consists of commodities across three major sectors: Agriculture, Energy, and Metals. The S&P Strategic Futures Indices are investable long/short strategy indices designed to reflect an exposure to rising or declining price trends. These indices, along with other available indices, provide a variety of approaches to measure different futures markets.

Methodology & Index Design Guidelines and Reviews

S&P DJI's approach to index construction uses transparent and rules-based methodologies. Each index methodology is documented and available on our Web site, www.spdji.com.

All new indices are subject to the approval of an Index Committee tasked with ensuring that:

- The index objective is clearly stated and the index is expected to achieve its objective.
- The procedures documented in the methodology are transparent and clearly described.
- All aspects of an index – data, calculation, maintenance, presentation and governance – are consistent with S&P DJI practices and any exceptions are explicitly discussed and decided upon by the relevant Index Committee.

S&P DJI indices are rebalanced on a regular schedule ranging from daily to annually. A rebalancing may also be triggered by conditions specified in the relevant methodology.

Index methodologies are reviewed by an Index Committee as part of the regular index rebalancing process as well as on at least an annual basis to ensure that the methodology is being applied consistently and allows the index to achieve its stated objective. These reviews may highlight situations where changes in the methodology are necessary to reflect changes in the underlying market. Please see the section on Consultations below for more information on Index Committee reviews and the external consultation process.

Index Governance

Indices are assigned to an index committee tasked with providing oversight to ensure that indices are maintained in accordance with S&P DJI policies and procedures. At each meeting, the Index Committee may review statistics comparing the composition of the index to the market, commodity futures that are being considered as candidates for addition to an index, and any significant market events. In addition, the Index Committee may revise index policy covering rules for other relevant matters.

Most Index Committees are comprised of full-time professional members of S&P DJI's staff, with the exception of some indices co-branded with a third party organization, which may include Index Committee members from external third party organizations. S&P DJI's internal voting members on Index Committees are senior employees from the Index Management & Production Group and the Index Governance group. Individuals from these functions have no commercial responsibilities. External Index Committee members are appointed by the external third party organization and are subject to S&P DJI's reasonable approval. The external members have no commercial responsibilities within their organization. Please refer to individual index methodology documents for information on Index Committees with external Index Committee members.

Questions of interpretation or possible exceptions to index rules are considered by the Index Committee responsible for the indices in question.

S&P DJI considers information about changes to its indices and related matters to be potentially market moving and material. Therefore, all Index Committee meetings are confidential.

Discretion

S&P DJI has established a documented rules-based approach for the calculation and maintenance of its indices; rules are stated in the methodology and supplementary documents. This approach seeks to minimize the need for expert judgement and discretion. In certain circumstances, including market disruptions, or where the methodology does not describe, or does not adequately describe an event, the Index Committee may use discretion to make decisions that differ from what is stated in the index methodology.

Internal Oversight

The S&P DJI Internal Oversight Committee ("IOC") is comprised of representatives from the Compliance, Legal, and Risk functions. The IOC's mission is to oversee S&P DJI's compliance with its benchmark governance, quality, and operational standards. Among other responsibilities, the IOC reviews S&P DJI's adherence with its policies, monitors applicable regulatory developments, and serves as an escalation body for S&P DJI's Index Governance function.

Index Calculation

Input Data

S&P DJI's futures indices are calculated using official prices sourced via vendors from the eligible commodities exchanges. The S&P DJI futures indices do not use contributed input data.

Index Varieties

S&P DJI's index calculation varies according to the categorization of the indices. Indices may be equal weighted, world-production weighted or use another alternative weighting method, and may be divided into sub-indices in order to track individual commodities, components and sectors.

Unexpected Exchange Closures

Full Day Exchange Closure. If an exchange fails to open due to unforeseen circumstances, such as natural disasters, inclement weather, outages, or other events, the index uses the prior day's settlement prices.

Partial Day or Early Exchange Closure. In situations where an exchange is forced to close early due to unforeseen events, such as computer or electric power failures, weather conditions or other events, S&P DJI calculates the settlement price of the indices based on (1) the settlement prices published by the exchange, or (2) if no settlement price is available, the Index Committee determines the course of action and notifies clients accordingly.

Rebalancing. Rebalancing of S&P DJI's futures indices takes place over a period of time. If an exchange is fully or partially closed on one or more days during this rebalancing period and S&P DJI is unable to obtain official settlement prices, the Index Committee will review the situation on a case-by-case basis and the appropriate treatment will be announced to clients.

The Index Committee may change the date of a given rebalancing for reasons including market holidays occurring on or around the scheduled rebalancing date. Any such change will be announced with proper advance notice where possible.

Index Corrections

S&P DJI reserves the right to recalculate an index at its discretion in the event one of the following issues has occurred:

1. Settlement prices are amended;
2. Missed index methodology event (deviation from what is stated in the methodology document).

A general description of how these events are handled can be found in the Error Correction section of the S&P Commodity Indices Policies and Practices document, located on our Web site, www.spdji.com.

Consultations

Communication with Stakeholders and Consultations

S&P DJI communicates and consults with market participants through various channels such as press releases, index announcements, emails and the distribution of data files. In addition, S&P DJI has a designated client service team available to respond to inquiries.

When a material change to the index methodology is considered, S&P DJI publishes a consultation inviting comments from market participants. A material change alters the index objective or changes the methodology in a way that affects the likelihood that the index will achieve its objective. Examples of methodology changes that could impact the index objective include altering rules determining the index universe, the selection of its constituents, or the weighting of its constituents. Consultations are announced through a number of channels, including the S&P DJI Web site, and by email directly to S&P DJI clients. Feedback is accepted only during the posted timeframe. Under normal circumstances, the consultation period is open for a minimum of 30 days from publication. In instances where a material change is deemed to be time sensitive, the Index Committee may determine that a shorter consultation period is required. Time sensitive changes are those that may require consideration or implementation within a shorter timeframe, and where the full consultation time period is not possible. Prior to finalizing its decision, the Index Committee will consider the issues and may request clarifications from respondents as part of this process. All feedback from consultations is reviewed and considered before a final decision is made by the Index Committee. Any changes to an index methodology are announced on the Web site together with the effective date of the change. A summary of the consultation feedback is made available upon request after announcement of the results, with the exception of responses requesting confidentiality. Individual and company names are not provided.

Internal Reviews of Methodology

Annual Review Process. In addition to its daily governance of indices and maintenance of index methodologies, the Index Committee reviews, at least once within any 12 month period, the index methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. The annual review process includes the gathering of information on the appropriateness, representativeness, and effectiveness of the index methodology from colleagues responsible for commercializing the indices. In the case that an index methodology is reviewed off cycle from the annual review, the Index Committee reserves the right to cancel the annual review if the requested review covers all the relevant issues.

Index Terminations

S&P DJI may determine that an index should be discontinued. Reasons for an index termination could include:

- Fewer than the required number of securities are available for inclusion in an index, such as with size or sector based indices
- An index duplicates other S&P DJI indices
- Data required for an index is no longer available or no longer reliable
- Market conditions, regulations or potential index constituents have changed, making it unlikely that the index can achieve its objective
- Declining investor use or interest

All proposals to discontinue an index are assessed to determine any potential impact on the market. S&P DJI may, at its option, consult with market participants regarding the index termination.

If the data on a discontinued index is provided to clients at the time of termination, S&P DJI may suggest possible appropriate alternative S&P DJI indices. Index terminations will be announced in advance, and vendors will be notified. Index levels and related data on a discontinued index are retained by S&P DJI.

If financial product issuers or investment managers choose to use an S&P DJI index, regardless of index family, as the basis of an index-linked financial product or an investment fund, they should consider the potential need to terminate or modify the terms of a financial product resulting from the termination of the calculation of the index.

Indices discontinued due to size or sector may resume calculation if enough securities become eligible in the future.

Index Usage

S&P DJI is a provider of market indices used worldwide by asset managers, investment consultants, exchanges, investment banks and various other financial institutions. S&P DJI licenses indices and data for use as:

- The basis of an index-linked financial product or investment fund
- Portfolio construction and asset allocation decisions
- Research and analysis, such as performance attribution
- Benchmarking the performance of actively managed funds and institutional portfolios for reporting to regulators, clients and pension plan participants

S&P DJI is not an investment advisor. Not all uses of an index are appropriate for all users. Market participants should make their own assessment and judgment when selecting an index for their purpose.

An S&P DJI index and its methodology can be affected by a number of factors, some of which are beyond S&P DJI's control. These may include, but are not limited to, structural changes to the underlying market including decreases in the size and liquidity of the relevant market segment, infrastructure changes, geo-political events, and regulatory changes. These circumstances may result in a material change to the methodology, or in exceptional circumstances, the termination of an index.

S&P DJI assumes no responsibility for potential use of its indices, regardless of index family, for particular purpose by users, whether that use is for research, benchmarking, the basis for an index-linked financial product or investment fund, or some other use. The effective representation of a market or strategy is the primary aim for S&P DJI.

S&P DJI also licenses real-time values of indices to the media for display on television, websites, and mobile apps.

Additional Information

Individual index methodologies with information regarding rebalancing and other relevant details are available on www.spdji.com. Index methodologies should be read in conjunction with supporting documents, which detail corporate action treatment, policies and procedures, index calculations, and other pertinent information. These documents can be found on the Governance page of www.spdji.com.

Index ISINs, if available, can be found [here](#).

Appendix

EXPLANATION OF HOW ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) FACTORS ARE REFLECTED IN THE BENCHMARK STATEMENT¹		
1.	Name of the benchmark administrator	S&P Dow Jones Indices LLC
2.	Underlying asset class of the ESG benchmark²	N/A
3.	List of the S&P Dow Jones Indices benchmark or family of benchmarks covered by this Benchmark Statement:	S&P DJI Methodology & Regulatory Database
4.	Are there in the portfolio of the benchmark administrator any EU Climate Transition Benchmarks, EU Paris-aligned benchmarks, benchmarks that pursue ESG objectives or benchmarks that take into account ESG factors?	Yes For a list of the benchmarks that take in account ESG factors, please refer to the S&P DJI Methodology & Regulatory Database .
5.	Does the benchmark or family of benchmarks pursue ESG objective?	No
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¹ The information contained in this Appendix is intended to meet the requirements of the European Union Commission Delegated Regulation (EU) 2020/1817 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published.

² The 'underlying assets' are defined in European Union Commission Delegated Regulation (EU) 2020/1816 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published.

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