

S&P 500 Volatility Stabilizer Index

Harnessing Stability Through
Intraday Rebalancing



**S&P Dow Jones
Indices**

A Division of **S&P Global**

S&P 500 Volatility Stabilizer Index

The **S&P 500 Volatility Stabilizer 10% VT Intraday TCA 1.50% Decrement Index** (S&P 500 Volatility Stabilizer Index, or “the index”) is an innovative index strategy that tracks dynamic, long-term exposure to the S&P 500 while seeking to stabilize volatility. It utilizes a systematic, intraday rebalancing index framework that responds to changes in market conditions up to seven times per day, along with an additional risk control mechanism to maintain a target volatility of 10%.

The index aims to reflect stable volatility while incorporating dynamic upside exposure by using two volatility control layers and a momentum signal. This index framework aims to mitigate the effect of sudden market swings and adjusts exposure to potentially capture observed intraday price momentum.



Key Index Benefits



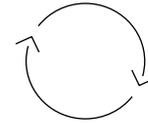
Stability

The index is designed to stabilize volatility in a rapidly changing market environment. By actively adjusting S&P 500 exposure, it aims to minimize the impact of extreme market fluctuations through a multi-layered approach to volatility control.



Momentum-Driven Growth Potential

The index quickly adjusts its exposure to the underlying index when intraday momentum is detected. This approach employs intraday price fluctuations as a detection threshold to enhance the speed of adjustments while prioritizing volatility stabilization.

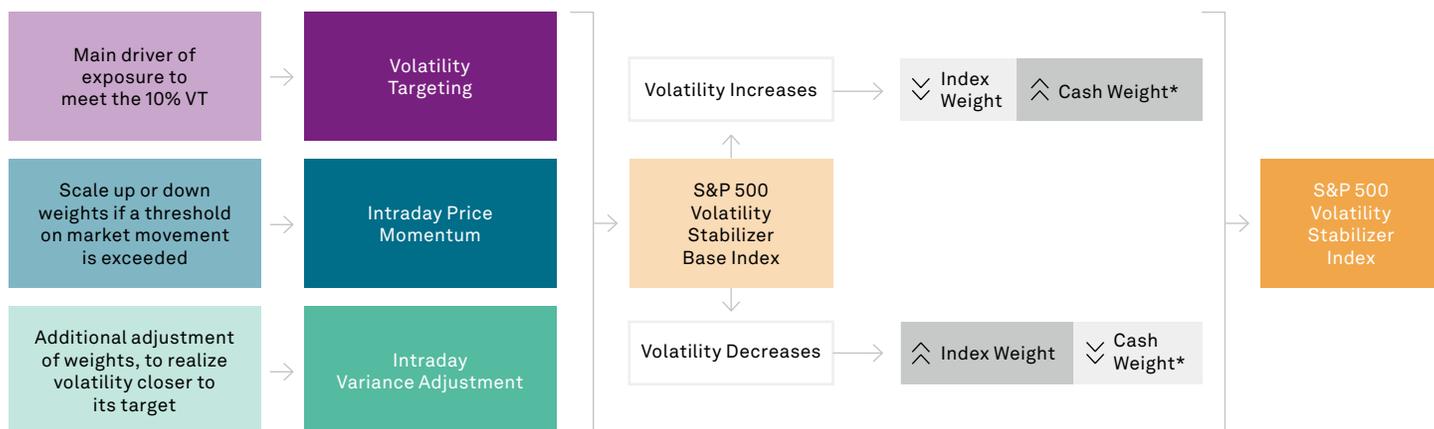


Mitigate Fluctuations

Through two reinforcement mechanisms, the index seeks to maintain a tighter pattern around its 10% volatility target, looking to reflect a more consistent realized volatility.



How Does the Index Work?



Step 1 Intraday Rebalancing

Volatility Target:	10%
Max. Exposure:	100%
Frequency:	Intraday, up to 7 times
Replication and Rebalancing Fee	

Step 2 End-of-Day Rebalancing

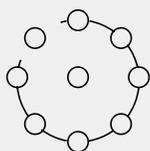
Volatility Target:	10%
Max. Exposure:	120%
Frequency:	Daily
1.5% Annualized Decrement	

Final Index Level

Source: S&P Dow Jones Indices LLC.

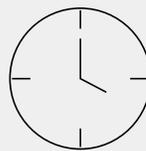
*Cash Weight reflects a hypothetical cash weight component. ⤴ Increasing ⤵ Decreasing
Chart is provided for illustrative purposes.

The S&P 500 Volatility Stabilizer Index employs two layers of risk control in order to target a volatility level of 10%.



Intraday Rebalancing

The index adjusts its exposure to the S&P 500 via futures between 0% and 100% up to seven times daily and serves as the basis for the final index calculation. The base index incorporates an intraday momentum signal, rebalancing thresholds seeking to minimize turnover and a hypothetical transaction cost adjustment (TCA).



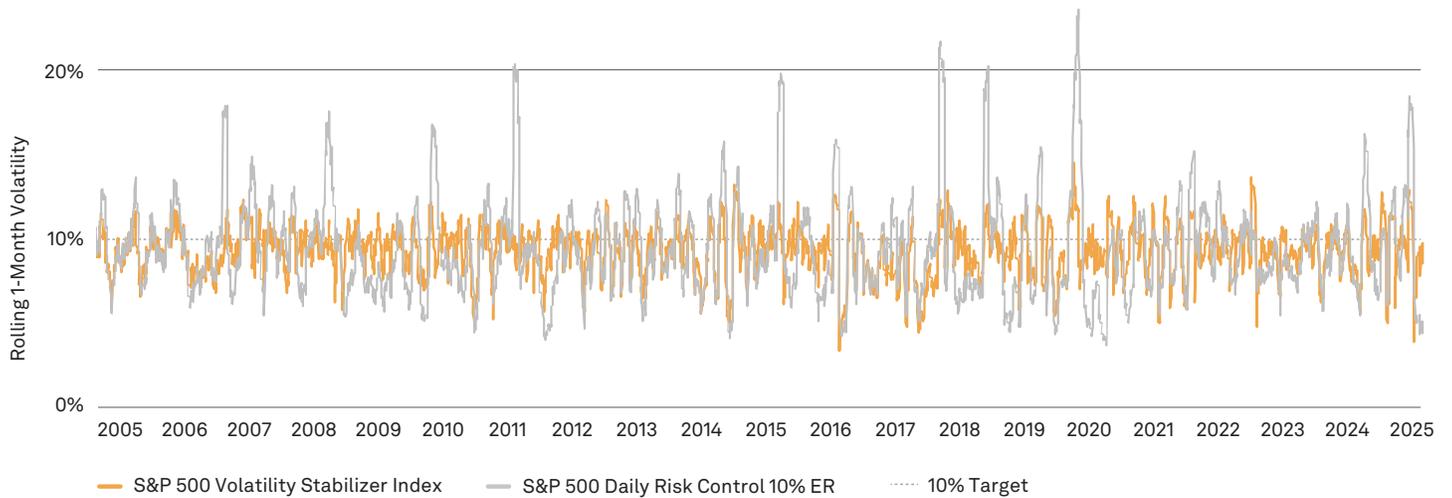
End-of-Day Rebalancing

A daily risk control mechanism further adjusts exposure between the base index component and a hypothetical cash component at the end of the day. If the base index's volatility still exceeds the 10% target, the index methodology reduces equity exposure and increases cash exposure. Conversely, if volatility is below the target, the index can increase base index exposure up to a maximum of 120%.

How Has the Index Performed?

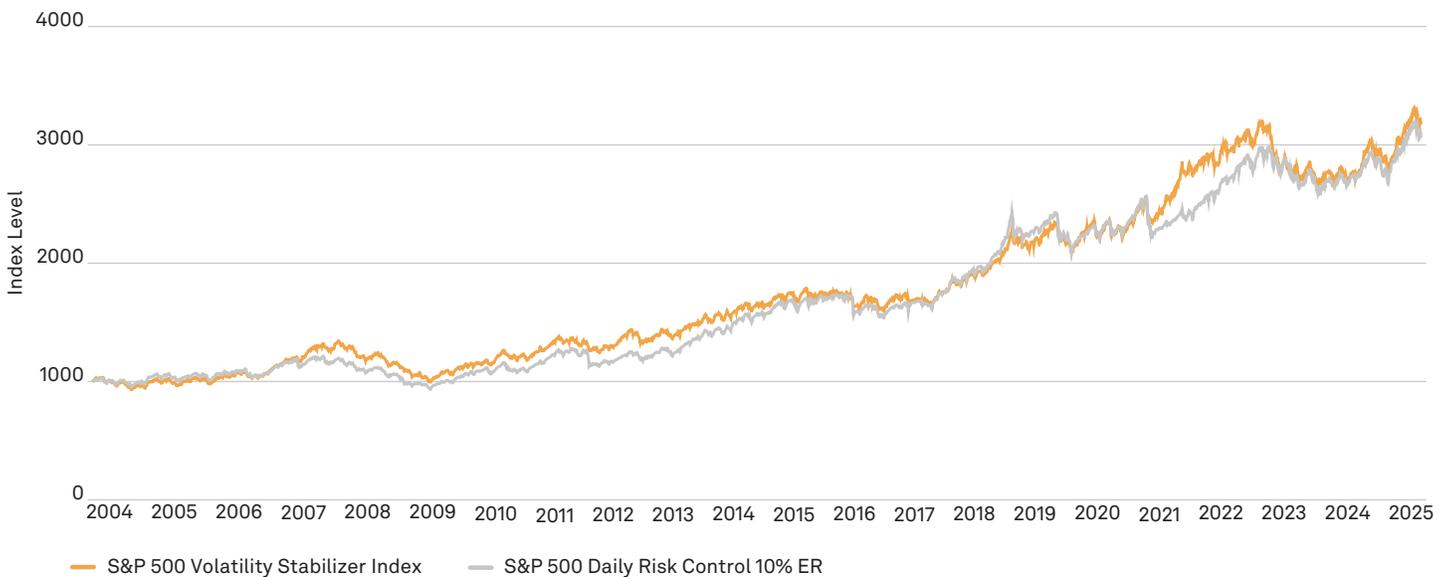
Back-Tested Rolling 1-Month Volatility

Based on back-tested data, realized volatility of the index appears to have remained closer to its 10% volatility target compared to a risk control index, showcasing tighter fluctuations over time.



Back-Tested Historical Performance

Back-tested history demonstrated stability through various market fluctuations.



Source: S&P Dow Jones Indices LLC. Data as of June 30, 2025. The S&P 500 Volatility Stabilizer 10% VT Intraday TCA 1.50% Decrement Index was launched on July 14, 2025. All data prior to such date is back-tested hypothetical data. Past performance is no guarantee of future results. 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.

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Performance Disclosure/Back-Tested Data

The S&P 500 Volatility Stabilizer 10% VT Intraday TCA 1.50% Decrement Index was launched July 14, 2025. 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. Also, the treatment of corporate actions in back-tested performance may differ from treatment for live indices due to limitations in replicating index management decisions. Complete index methodology details are available at www.spglobal.com/spdji. 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.

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