

S&P Dow Jones Indices

A Division of **S&P Global**

S&P 500[®] Engle 12% VT Index

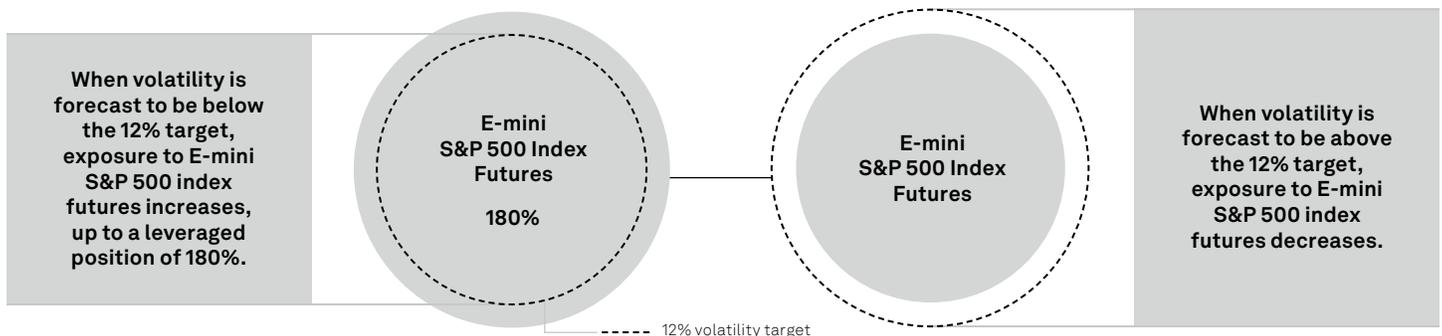
The S&P 500 Engle 12% VT¹ Index measures dynamic exposure to the S&P 500 while applying a predictive volatility control mechanism. This mechanism employs a variation of the GARCH model, inspired by the research of Nobel Laureate Robert F. Engle.

How Does the Index Measure Volatility?

The S&P 500 Engle 12% VT Index takes an innovative approach to modeling volatility by measuring it in three distinct ways:

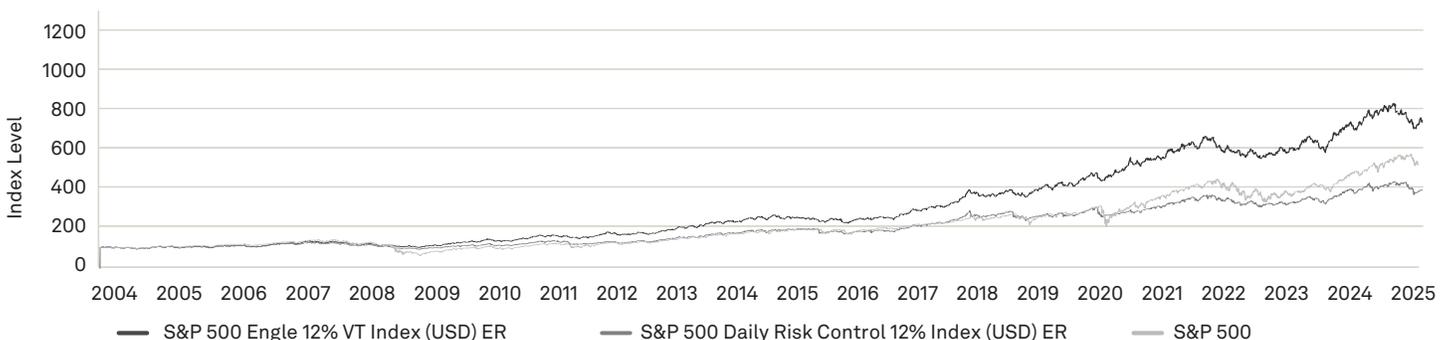
<p>Slow-Moving Volatility</p> <p>The index uses GARCH-style models with 20 years of realized volatility data to predict daily volatility from historical patterns.</p>	<p>Time-of-Day Volatility</p> <p>The index accounts for time-of-day effects where volatility levels tend to be elevated at specific times of the day.</p>	<p>Intraday Volatility</p> <p>This index component focuses on short-term fluctuations observed within a single trading day or from the end of one trading day into the beginning of the next.</p>
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This innovative volatility modeling approach is combined with an intraday trend mechanism that allows the index to further reduce its exposure to the S&P 500 in stressed market conditions and increase exposure during periods of recovery.



Historical Performance of S&P 500 Engle 12% VT Index versus Traditional Risk Control

Based on Back-Tested Data



Source: S&P Dow Jones Indices LLC. Data from Jan. 2, 2004 to June 30, 2025. Past performance is no guarantee of future results. The S&P 500 Engle 12% VT Index was launched Dec. 18, 2024. The S&P 500 Daily Risk Control 12% Index was launched Apr. 21, 2010. All data prior to such date is back-tested hypothetical data. Chart is 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.

¹ VT stands for volatility target.
For institutional use only; not for use with retail investors.

Performance Disclosure/Back-Tested Data

The S&P 500 Engle 12% VT Index was launched Dec. 18, 2024. The S&P 500 Daily Risk Control 12% Index was launched Apr. 21, 2010. 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. 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. Please refer to the methodology for more details about the index. 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, backtested returns. Past performance is not an indication or guarantee of future results.

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. The Launch Date is 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.

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).

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