

## S&P Dow Jones Indices’ Fixed Income Indices Sanctioned Securities Policy Update

**NEW YORK, FEBRUARY 17, 2021:** S&P Dow Jones Indices (“S&P DJI”) is updating the sanctioned securities policy due to recent developments in global markets. The table below summarizes the change.

Policy	Current	Updated
<b>Sanctioned Securities</b>	<p>Some sanctions programs are comprehensive in nature, and block the government or include broad-based trade restrictions, while others selectively target specific individuals and entities. Because sanctions can be either comprehensive or selective, S&amp;P DJI reviews sanctions on a case-by-case basis. Depending on the circumstance, countries or specific securities may be impacted by sanctions. Generally, S&amp;P DJI will treat sanctions using the perspective of a U.S. and/or European Union (EU) based investor. Specific securities impacted by sanctions may result in deletion from indices if the impacted security is a current index constituent, blocking the addition of a non-constituent security to an index or freezing the current par amount outstanding/index weight/GICS of a security for the duration of the sanctions. In all cases, S&amp;P DJI’s treatment is announced to clients when new sanctions are imposed or removed with index implications.</p>	<p>Some sanctions programs are comprehensive in nature and include broad-based trade restrictions, while others selectively target specific individuals and entities. As sanctions can be either comprehensive or selective, S&amp;P DJI reviews sanctions on a case-by-case basis. Depending on the circumstance, entire countries, or specific securities, may be impacted by sanctions.</p> <p>Generally, S&amp;P DJI will consider sanctions using the perspective of a U.S., U.K., and/or European Union (EU) based investor for standard, global indices. Subject to Index Committee determination, specific securities impacted by sanctions may:</p> <ul style="list-style-type: none"> <li>• Have their current par amount outstanding/index weight/GICS frozen for the duration of the sanctions</li> <li>• Be deleted from indices; and/or</li> <li>• Become ineligible for addition to indices.</li> </ul> <p>In all cases, S&amp;P DJI’s specific treatment is announced to clients when new sanctions are imposed or removed with index implications.</p> <p>Subject to S&amp;P DJI’s compliance with applicable law, S&amp;P DJI may also elect to publish indices whose objective is to measure the performance of securities from the perspective of certain non U.S./U.K./EU investor groups that may not be impacted by the sanctions described above. Such indices may contain securities subject to sanctions from a U.S./U.K./EU perspective and are therefore ineligible for S&amp;P DJI’s global indices. In any such case, the relevant index methodology will explicitly define the treatment. Please note the use and licensing of such indices may be restricted to ensure S&amp;P DJI’s compliance with applicable law.</p> <p>Please note that users of S&amp;P DJI’s indices are solely responsible for ensuring such users’ compliance with all applicable law (including, without limitation, sanctions laws and any other rules, regulations or prohibitions) in connection with such use (including, without limitation, trading, investment or other use).</p>

Please note that users of S&P DJI’s indices are solely responsible for ensuring such users’ compliance with all applicable law (including, without limitation, sanctions laws and any other rules, regulations or

prohibitions) in connection with such use (including, without limitation, trading, investment or other use). U.S. law currently prohibits U.S. persons from purchasing for value, or selling, publicly traded securities of certain Chinese issuers, as well as securities that are derivative of or designed to provide investment exposure to such securities. U.S. investors and other persons subject to U.S. law should therefore ensure that any use by them of S&P DJI indices that may comprise these securities is in compliance with all applicable sanctions laws and regulations.

This change becomes effective Monday, February 22, 2021.

Please note that S&P Dow Jones Indices' Fixed Income Policies & Practices Methodology on S&P DJI's website is being updated to reflect the change.

For more information about S&P Dow Jones Indices, please visit [www.spdji.com](http://www.spdji.com).

## ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500<sup>®</sup> and the Dow Jones Industrial Average<sup>®</sup>. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

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