

S&P Kensho New Economies Indices Methodology Update

NEW YORK, OCTOBER 11, 2023: S&P Dow Jones Indices (“S&P DJI”) announces changes to the indices listed in the S&P Kensho New Economies Indices Methodology.

To become more aligned with the S&P Kensho Global Indices Methodology, the below changes are being implemented:

| Methodology | | |
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| Eligibility Factors | -- | Share Price: Must have a share price of at least US \$1.00 or the equivalent. |
| Business Activity Focus | In order to identify eligible companies at each reconstitution, S&P DJI conducts an automated scan of the EDGAR database of annual company-issued filings, specifically: 10-Ks; 20-Fs; 40-Fs; and S-1 filings. | <p>In order to identify eligible companies at each reconstitution, S&P DJI conducts an automated scan of global annual filings and reports for companies maintained in the S&P Market Intelligence United Document Repository (“MI UDR”), as well as the S&P Capital IQ database, for annual fiscal year revenue segment reporting. If the company has a U.S. listing, the automated scan searches annual SEC filings in the following order of hierarchy: 10-Ks; 20-Fs; 40-Fs; and S-1 filings.</p> <p>If the company does not have a U.S. listing, the scan searches the entire annual report filings database and identifies companies whose business descriptions contain the target search terms and produce related products and services in line with the index objectives. Where there are multiple annual reports on file for a company, the system selects the filing with the most recent filing date.</p> |
| Constituent Selection | At each semi-annual rebalancing the same procedure is run as for the annual reconstitution except the business activity focus criteria is not re-analyzed. All stocks that met the business activity focus criteria at the prior annual reconstitution, regardless of whether they are currently in the index or not, are reassessed for size and liquidity with all stocks that pass those criteria being selected for the indices. | Each semi-annual rebalancing uses the same procedure as the annual reconstitution, except for company filings that were reviewed in the previous reconstitution, which inherit their business activity from the previous reconstitution review. Only in instances where a new eligible filing has been filed since the last reconstitution will the business activity eligibility be reviewed in the semi-annual rebalancing. All stocks that met the business activity focus criteria at the prior annual reconstitution, regardless of whether they are currently in the index or not, are reassessed for size and liquidity, and all stocks that pass those criteria are selected for the indices. |
| Constituent Weightings | Sector and Subsector Indices. Constituent weights are set at the annual reconstitution and at the semi-annual rebalancing. With the exception of the S&P Kensho Artificial Intelligence Enablers & Adopters Index, which uses FMC weighting for initial weighting purposes, index constituents are | Sector and Subsector Indices. Constituent weights are set at the annual reconstitution and at the semi-annual rebalancings. Index constituents are first categorized as “core” or “non-core”. Core companies are those for which products and services related to the index objectives and target |

| Methodology | | |
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| | first categorized as “core” or “non-core”. Core companies are those for which products and services related to the index objectives and target markets of a specific index are an important component of their business strategy; core companies are identified as such based on the prominence (e.g., location, context) of the disclosures in the company’s regulatory filings, as well as other publicly available information. | markets of a specific index are an important component of their business strategy. Core companies are those for which products and services related to the index objectives and target markets of a specific index are an important component of their business strategy; core companies are identified as such based on the prominence (e.g., location, context) of the disclosures in the company’s regulatory filings, as well as other publicly available information. Companies may also be deemed core if the majority of the company’s revenue is derived from products and services related to the index objective as indicated by the company’s reported business segments, which is derived from scanning the S&P Capital IQ database for annual fiscal year revenue segment reporting. |

IMPLEMENTATION TIMING

S&P DJI will implement the previously described methodology changes in conjunction with the November rebalancing period, which takes effect at various dates, starting with the first pro-forma files being delivered **Friday, November 10, 2023** and effective at the open of **Monday, November 20, 2023**.

Please note that the S&P Kensho Indices Methodology on S&P DJI’s website is being updated to reflect these changes.

For more information about S&P Dow Jones Indices, please visit www.spglobal.com/spdji.

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® and the Dow Jones Industrial Average®. 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.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit www.spglobal.com/spdji.

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