

# S&P Dow Jones Indices

A Division of **S&P Global**

# S&P Colombia Indices *Methodology*

February 2025

# Table of Contents

Introduction	3
<b>Index Objectives and Highlights</b>	<b>3</b>
<b>Supporting Documents</b>	<b>3</b>
Eligibility Criteria and Index Construction	4
<b>S&amp;P Colombia Select Index</b>	<b>4</b>
<b>S&amp;P Colombia Dividend Index</b>	<b>6</b>
Index Maintenance	8
<b>Index Calculations</b>	<b>8</b>
<b>Additions and Deletions</b>	<b>8</b>
<b>Corporate Actions</b>	<b>8</b>
<b>Currency of Calculation and Additional Index Return Series</b>	<b>8</b>
<b>Base Date and History Availability</b>	<b>9</b>
Index Data	10
<b>Calculation Return Types</b>	<b>10</b>
Index Governance	11
<b>Index Committee</b>	<b>11</b>
Index Policy	12
<b>Announcements</b>	<b>12</b>
<b>Pro-forma Files</b>	<b>12</b>
<b>Holiday Schedule</b>	<b>12</b>
<b>Rebalancing</b>	<b>12</b>
<b>Unexpected Exchange Closures</b>	<b>12</b>
<b>Recalculation Policy</b>	<b>12</b>
<b>Contact Information</b>	<b>12</b>
Index Dissemination	13
<b>Tickers</b>	<b>13</b>
<b>Index Data</b>	<b>13</b>
<b>Web site</b>	<b>13</b>
Appendix A	14
<b>Methodology Changes</b>	<b>14</b>
Appendix B	16
<b>ESG Disclosures</b>	<b>16</b>

Disclaimer	17
<b>Performance Disclosure/Back-Tested Data</b>	<b>17</b>
<b>Intellectual Property Notices/Disclaimer</b>	<b>18</b>
<b>ESG Indices Disclaimer</b>	<b>20</b>

# Introduction

## Index Objectives and Highlights

**S&P Colombia Select Index.** The index measures the performance of a minimum of 14 stocks domiciled in Colombia meeting specific eligibility criteria for company size and liquidity. Constituents are float-adjusted market capitalization (FMC) weighted, subject to the single stock weight, single sector weight, and minimum initial portfolio size that can be turned over in a single day, constraints defined in *Eligibility Criteria and Index Construction*.

**S&P Colombia Dividend Index.** The index measures the performance of a minimum of 10 constituents of the S&P Colombia Select Index that have paid dividends for at least four years in the prior five-year period. Constituents are weighted by trailing 12-month dividend yield, subject to a 15% individual company cap.

## Supporting Documents

This methodology is meant to be read in conjunction with supporting documents providing greater detail with respect to the policies, procedures and calculations described herein. References throughout the methodology direct the reader to the relevant supporting document for further information on a specific topic. The list of the main supplemental documents for this methodology and the hyperlinks to those documents is as follows:

Supporting Document	URL
S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology	<a href="#">Equity Indices Policies &amp; Practices</a>
S&P Dow Jones Indices' Index Mathematics Methodology	<a href="#">Index Mathematics Methodology</a>
S&P Dow Jones Indices' Float Adjustment Methodology	<a href="#">Float Adjustment Methodology</a>
S&P Dow Jones Indices' Global Industry Classification Standard (GICS) Methodology	<a href="#">GICS Methodology</a>

This methodology was created by S&P Dow Jones Indices to achieve the aforementioned objective of measuring the underlying interest of each index governed by this methodology document. Any changes to or deviations from this methodology are made in the sole judgment and discretion of S&P Dow Jones Indices so that the index continues to achieve its objective.

# Eligibility Criteria and Index Construction

## S&P Colombia Select Index

**Index Universe.** At each rebalancing, the index universe is all stocks in the S&P Colombia BMI.

*For information on the S&P Colombia BMI, please refer to the S&P Global BMI Methodology available at [www.spglobal.com/spdji](http://www.spglobal.com/spdji).*

*For more information on domicile policy please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.*

**Eligibility Factors.** As of the rebalancing reference date, stocks in the index universe must satisfy the following criteria to be eligible for index inclusion:

- **Listing Exchange:** trade on the Colombia Stock Exchange (the Bolsa de Valores de Colombia or BVC) as domestic stocks.
- **Market Capitalization:** have an FMC of at least \$500 billion Colombian pesos (COP) as of the rebalancing reference date (COP \$400 billion for current constituents).
- **Liquidity:** have three-month, six-month, and 12-month average daily value traded (ADVT) in the local market of at least COP \$375 million as of the rebalancing reference date (COP \$300 million for current constituents).
- **Multiple Share Classes:** Each company is represented once by the Designated Listing. For more information regarding the treatment of multiple share classes, please refer to Approach B within the Multiple Share Classes section of the S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.
- **Trading History:** satisfy the following criteria:
  - Except for spin-offs, stocks must have a trading history of at least six months.
  - Stocks with more than 10 cumulative non-trading days (not caused by a corporate action), during the past three months prior to the rebalancing are ineligible for index inclusion. If a stock's trading is halted due to a corporate action, the period between the initial suspension and the resumption of trading will be counted as normal trading days.
  - For stocks with less than 12 months of trading history (e.g., IPOs and spin-offs), the corresponding ADVT for the number of historical trading months is used.

**Constituent Selection.** At each rebalancing, select all stocks in the eligible universe and form the index. If the number of eligible stocks is less than 14, the index universe is expanded to all stocks trading on the Colombia Stock Exchange that satisfy all the eligibility factors, until the minimum stock count of 14 is met, giving priority to current constituents.

If current constituents do not meet the criteria to fulfill the minimum 14 stock count or there are less than 14 stocks in the Expanded Universe that meet the eligibility criteria, then the most liquid non-component stock measured by the average of their three-month, six-month, and 12-month ADVT is added until the target count of 14 is reached.

**Constituent Weightings.** The index is weighted by FMC, subject to the following diversification criteria employed at each rebalancing:

1. The weight of any stock cannot exceed 15% in the index.

2. The weight of any one GICS sector cannot exceed 40% of the index.
3. The stock's weight cannot exceed two times its liquidity weight. Liquidity weight is based on the company's 12-month ADVT.

The capping algorithm redistributes excess weight to the remaining stocks in proportion to company FMC weights. If the capping algorithm fails, the liquidity weight cap relaxes by a factor of 1 in each iteration until a solution is found.

*For more information on the index calculation methodology, please refer to the Non-Market Capitalization Weighted Indices section of S&P Dow Jones Indices' Index Mathematics Methodology.*

**Rebalancing.** The index rebalances twice a year in March and September, effective after the close of the third Friday of the respective rebalancing month. The reference dates for the data used in the rebalancings are the third Friday of February and August, respectively.

Constituents' index shares are calculated using closing prices on the Wednesday prior to the second Friday of the rebalancing month as the reference price. Index share amounts are calculated and assigned to each stock to arrive at the weights determined on the reference date.

## S&P Colombia Dividend Index

**Index Universe.** At each rebalancing, the index universe is all constituents of the S&P Colombia Select Index.

**Eligibility Factors.** As of the rebalancing reference date, stocks in the index universe must satisfy the following criteria to be eligible for index inclusion:

- **Dividend Stability:** have paid dividends for at least four years in the prior five-year period. Exclude companies that eliminate the latest scheduled dividend payment or cancel the subsequent scheduled dividend.

Ex-dates are used for the dividend analysis with the data being reviewed every rebalancing reference date. The total dividend amount considered is based on a trailing year basis. In situations where a dividend payment, or payments, deviates from the company's standard dividend payment cycle, S&P Dow Jones Indices will, at its discretion, allocate payments to the appropriate year in order to take a full cycle into account.

**Constituent Selection.** At each rebalancing, select all companies from the eligible universe and form the index.

If fewer than 10 stocks in the universe are eligible, stocks on the S&P Colombia BMI that trade on the Colombia Stock Exchange (the Bolsa de Valores de Colombia or BVC) as domestic stocks are ranked by six-month MDVT. The next most liquid stocks, based on six-month MDVT, that meet the remaining eligibility criteria are chosen until the target minimum count of 10 is reached. If there are still less than 10 stocks following this step, then the index will have less than 10 constituents.

**Constituent Weightings.** At each rebalancing, each index constituent is weighted by its trailing 12-month dividend yield subject to security and liquidity constraints. The maximum weight of each security is the lower of 15% and three times its liquidity weight. Liquidity is based on the security's six-month MDVT. Dividend yield is calculated as the dividend per share paid over the trailing 12-months divided by the price as of the rebalancing reference date.

The capping algorithm redistributes excess weight to the remaining stocks in proportion to company FMC weights. If the capping algorithm fails, the liquidity weight cap relaxes by a factor of 0.5 in each iteration until a solution is found.

*For more information on the index calculation methodology, please refer to the Non-Market Capitalization Weighted Indices section of S&P Dow Jones Indices' Index Mathematics Methodology.*

**Dividend Payment Types.** S&P Dow Jones Indices only considers cash dividend payments declared as regular by the paying company for index eligibility, selection, and weighting purposes. Cash dividend payments declared as special by the paying company, including recurring special cash dividends, are not considered. For both eligibility and weighting purposes, annualized cash dividend amounts, before withholding tax, are used.

**Rebalancing.** The index is rebalanced semi-annually after the close on the last business day of April, and October. As part of the rebalancing process, the index composition and constituent stock weights are updated. The reference dates are the last business days of March and September, respectively. In addition, the index is reweighted two times outside of the semi-annual rebalancing, effective after the market close on the last business day of July and January; using trailing 12-month dividend yields as of the reference dates, which are the last business days of June and December, respectively.

Index shares are calculated using closing prices on seven business days prior to the rebalancing effective date as the reference price. Index shares are calculated and assigned to each stock to arrive at the weights determined on the reference date. Since index shares are assigned based on prices prior to the

rebalancing effective date, the actual weight of each stock at the rebalancing may differ from these weights due to market movements.

**Monthly Dividend Review.** Index constituents are reviewed on a monthly basis for ongoing eligibility. For more information regarding the monthly dividend review, please refer to Approach C in the Monthly Review for Ongoing Eligibility in Dividend Focused Indices section of S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

# Index Maintenance

## Index Calculations

The indices are calculated by means of the divisor method used for all S&P Dow Jones Indices' equity indices.

*For more information on the Index calculation methodology, please refer to S&P Dow Jones Indices' Index Mathematics Methodology.*

## Additions and Deletions

**Additions.** Except for spin-offs, companies can only be added to the index at the time of the rebalancings.

**Spin-offs.** A spin-off is added to the index at a zero price prior to the market open on the ex-date (with no divisor adjustment). The spin-off remains in the index until the subsequent rebalancing, when the spin-off is evaluated for continued index inclusion.

**Deletions.** Between rebalancings, deletions can occur due to acquisitions, mergers, takeovers, bankruptcies or delistings. The deletion of a stock from an index causes the weights of the rest of the stocks in that index to change. Relative weights stay the same.

## Corporate Actions

For more information on Corporate Actions, please refer to the Market Capitalization Indices section for the S&P Colombia Select Index and the Non-Market Capitalization Indices section for the S&P Colombia Dividend Index of S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

## Currency of Calculation and Additional Index Return Series

The index calculates in Colombian pesos and U.S. dollars.

WMR foreign exchange rates are taken daily at 4:00 PM London Time and used in the calculation of the indices. These mid-market fixings are calculated by WMR based on LSEG data and appear on LSEG pages.

In addition to the indices detailed in this methodology, additional return series versions of the indices may be available, including, but not limited to the following: currency, currency hedged, decrement, fair value, inverse, leveraged, and risk control versions. For a list of available indices, please refer to the [S&P DJI Methodology & Regulatory Status Database](#).

*For information on various index calculations, please refer to S&P Dow Jones Indices' Index Mathematics Methodology.*

*For the inputs necessary to calculate certain types of indices, including decrement, dynamic hedged, fair value, and risk control indices, please refer to the Parameters documents available at [www.spglobal.com/spdji](http://www.spglobal.com/spdji).*

### Base Date and History Availability

Index history availability, base date, and base value are shown in the table below.

<b>Index</b>	<b>Launch Date</b>	<b>First Value Date</b>	<b>Base Date</b>	<b>Base Value</b>
S&P Colombia Select Index	10/24/2013	10/31/2008	09/17/2010	1000
S&P Colombia Dividend Index	07/08/2019	10/29/2010	10/29/2010	1000

# Index Data

## Calculation Return Types

S&P Dow Jones Indices calculates multiple return types which vary based on the treatment of regular cash dividends. The classification of regular cash dividends is determined by S&P Dow Jones Indices.

- Price Return (PR) versions are calculated without adjustments for regular cash dividends.
- Gross Total Return (TR) versions reinvest regular cash dividends at the close on the ex-date without consideration for withholding taxes.
- Net Total Return (NTR) versions, if available, reinvest regular cash dividends at the close on the ex-date after the deduction of applicable withholding taxes.

In the event there are no regular cash dividends on the ex-date, the daily performance of all three indices will be identical.

For a complete list of indices available, please refer to the daily index levels file (“.SDL”).

*For more information on the classification of regular versus special cash dividends as well as the tax rates used in the calculation of net return, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.*

*For more information on the calculation of return types, please refer to S&P Dow Jones Indices' Index Mathematics Methodology.*

# Index Governance

## **Index Committee**

An S&P Dow Jones Indices Index Committee maintains the indices. All committee members are full-time professional members of S&P Dow Jones Indices' staff. The Committee meets regularly. At each meeting, the Index Committee may review pending corporate actions that may affect index constituents, statistics comparing the composition of the index to the market, companies that are being considered as candidates for addition to the index, and any significant market events. In addition, the Index Committee may revise index policy covering rules for selecting companies, treatment of dividends, share counts or other matters.

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

S&P Dow Jones Indices' Index Committees reserve the right to make exceptions when applying the methodology if the need arises. In any scenario where the treatment differs from the general rules stated in this document or supplemental documents, clients will receive sufficient notice, whenever possible.

In addition to the daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews the methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, S&P Dow Jones Indices may publish a consultation inviting comments from external parties.

*For information on Quality Assurance and Internal Reviews of Methodology, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.*

# Index Policy

## **Announcements**

All index constituents are evaluated daily for data needed to calculate index levels and returns. All events affecting the daily index calculation are typically announced in advance via the Index Corporate Events report (.SDE), delivered daily to all clients. Any unusual treatment of a corporate action or short notice of an event may be communicated via email to clients.

## **Pro-forma Files**

In addition to the corporate events file (.SDE), S&P Dow Jones Indices provides constituent pro-forma files each time the index rebalances. The pro-forma file is typically provided daily in advance of the rebalancing date and contains all constituents as well as their corresponding weights and index shares effective for the upcoming rebalancing.

*Please visit [www.spglobal.com/spdji](http://www.spglobal.com/spdji) for a complete schedule of rebalancing timelines and pro-forma delivery times.*

## **Holiday Schedule**

The index is calculated daily, throughout the calendar year, provided the exchange is open and trading.

*A complete holiday schedule for the year is available on S&P Dow Jones Indices' Web site at [www.spglobal.com/spdji](http://www.spglobal.com/spdji).*

## **Rebalancing**

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.

## **Unexpected Exchange Closures**

For information on Unexpected Exchange Closures, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

## **Recalculation Policy**

For information on the recalculation policy, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

*For information on Calculations and Pricing Disruptions, Expert Judgment and Data Hierarchy, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.*

## **Contact Information**

For questions regarding an index, please contact: [index\\_services@spglobal.com](mailto:index_services@spglobal.com).

# Index Dissemination

Index levels are available through S&P Dow Jones Indices' Web site at [www.spglobal.com/spdji](http://www.spglobal.com/spdji), major quote vendors (see codes below), numerous investment-oriented Web sites, and various print and electronic media.

## Tickers

The table below lists headline indices covered by this document. All versions of the below indices that may exist are also covered by this document. Please refer to the [S&P DJI Methodology & Regulatory Status Database](#) for a complete list of indices covered by this document.

Index	Return Type	BBG	
		USD	COP
S&P Colombia Select Index	Price Return	SPCOSL	SPCOSLCP
	Total Return	SPCOSLT	SPCOSLCT
	Net Total Return	SPCOSLN	SPCOSLCN
S&P Colombia Dividend Index	Price Return	SPCODUP	SPCODCP

## Index Data

Daily constituent and index level data are available via subscription.

For product information, please contact S&P Dow Jones Indices, [www.spglobal.com/spdji/contact-us](http://www.spglobal.com/spdji/contact-us).

## Web site

For further information, please refer to S&P Dow Jones Indices' Web site at [www.spglobal.com/spdji](http://www.spglobal.com/spdji).

# Appendix A

## Methodology Changes

Methodology changes since January 1, 2015, are as follows:

Change	Effective Date (After Close)	Methodology	
		Previous	Updated
Constituent Weightings: S&P Colombia Select	09/16/2022	The index is weighted by FMC, subject to the following diversification criteria employed at each rebalancing: <ol style="list-style-type: none"> <li>1. The weight of any company cannot exceed 15% in the index.</li> <li>2. The weight of any one GICS sector cannot exceed 40% of the index.</li> <li>3. The minimum initial portfolio size that can be turned over in a single day (based on 12-month ADVT) cannot be lower than COP \$60 billion. For companies with multiple share classes, the index share count is based on the combined float-adjusted shares outstanding and the combined 12-month ADVT is utilized to calculate basket liquidity.</li> </ol>	The index is weighted by FMC, subject to the following diversification criteria employed at each rebalancing: <ol style="list-style-type: none"> <li>1. The weight of any company cannot exceed 15% in the index.</li> <li>2. The weight of any one GICS sector cannot exceed 40% of the index.</li> <li>3. The weight cannot exceed two times the stock's liquidity weight. Liquidity weight is calculated based on the company's 12-month ADVT.</li> </ol>
Constituent Selection: S&P Colombia Select	09/16/2022	At each rebalancing, all stocks in the index universe that pass the Eligibility Criteria are selected and form the index. If the number of eligible stocks is less than 14, the index universe is expanded so that all stocks trading on the Colombia Stock Exchange are included in the review.  In such a scenario, the next most liquid non-component measured by six-month ADVT with an FMC of at least COP \$600 billion in the expanded universe is added until the target count of 14 is reached.	At each rebalancing, all stocks in the index universe that pass the Eligibility Criteria are selected and form the index. If the number of eligible stocks is less than 14, the index universe is expanded to all stocks trading on the Colombia Stock Exchange that satisfy all the eligibility factors, until the minimum stock count of 14 is met, giving priority to current constituents.  If current constituents do not meet the criteria to fulfill the minimum 14 stock count or there are less than 14 stocks in the Expanded Universe that meet the eligibility criteria, then the most liquid non-component stock measured by the average of their three-month, six-month, and 12-month ADVT is added until the target count of 14 is reached.
Trading History, IPOs, and Spin-offs: S&P Colombia Select Index	09/16/2022	To be considered for index inclusion, an IPO or spin-off must be included in the index universe and satisfy one of the following criteria: <ol style="list-style-type: none"> <li>1. Have a minimum of 12 months of history.</li> <li>2. Be among the five largest companies within the index universe based on FMC.</li> </ol> Eligible IPOs and spin-offs meeting these criteria must also have a three-month ADVT in the local market of at least COP \$375 million as of the rebalancing reference date to be included in the index.	The trading history criteria is as follows: <ul style="list-style-type: none"> <li>• Except for spin-offs, stocks must have a trading history of at least six months.</li> <li>• Stocks with more than 10 cumulative non-trading days (not caused by a corporate action), during the past three months prior to the rebalancing are ineligible for index inclusion. If a stock's trading is halted due to a corporate action, the period between the initial suspension and the resumption of trading will be counted as normal trading days.</li> <li>• For stocks with less than 12 months of trading history (e.g., IPOs and</li> </ul>

Change	Effective Date (After Close)	Methodology	
		Previous	Updated
		Stocks with more than 10 cumulative non-trading days during the past three months prior to the rebalancing are ineligible for index inclusion.	spin-offs), the corresponding ADVT for the number of historical trading months is used.
Market Capitalization: S&P Colombia Select Index	09/16/2022	Stocks must have an FMC of at least COP \$600 billion as of the rebalancing reference date (COP \$475 billion for current constituents).	Stocks must have an FMC of at least COP \$500 billion as of the rebalancing reference date (COP \$400 billion for current constituents).
Corporate Action Treatment: S&P Colombia Select Index	06/17/2022	The index follows S&P Dow Jones Indices' Non-Market Capitalization Indices corporate action treatment.	The index follows S&P Dow Jones Indices' Market Capitalization Indices corporate action treatment.
Index Universe: S&P Colombia Select Index	03/16/2018	The underlying index universe is all stocks in the S&P Colombia BMI that trade on the Bolsa de Valores de Colombia as domestic stocks.	The underlying index universe is all stocks in the S&P Colombia BMI that trade on the Bolsa de Valores de Colombia as domestic stocks.  If the semi-annual rebalancing component count is less than 14 after applying the rules set forth in the eligibility criteria of the methodology, the index universe is expanded so that all stocks trading on the Colombia Stock Exchange are included in the review.  In such a scenario, the next most liquid non-component measured by six-month ADVT and meeting the minimum FMC threshold in the expanded universe, is added until the component count reaches 14.
Minimum Component Count: S&P Colombia Select Index	03/16/2018	--	At each semi-annual rebalancing, the index must have a minimum of 14 components.
Rebalancing Reference Date: S&P Colombia Select Index	09/15/2017	The rebalancing reference date is the last business day of the month prior to rebalancing.	The rebalancing reference date is the third Friday of the month prior to rebalancing.
Market Capitalization Eligibility Factor: S&P Colombia Select Index	03/17/2017	Minimum FMC of USD \$200 million.	Minimum FMC of COP \$600 billion.
Liquidity Eligibility Factor: S&P Colombia Select Index	03/17/2017	Minimum three-month, six-month, and 12-month ADVT of USD \$125,000.	Minimum three-month, six-month, and 12-month ADVT of COP \$375 million.
Selection Buffers for Current Constituents: S&P Colombia Select Index	03/17/2017	Minimum FMC to remain in the index of USD \$150 million.  Minimum three-month ADVT to remain in the index of USD \$100,000.	Minimum FMC to remain in the index of COP \$450 billion.  Minimum three-month ADVT to remain in the index of COP \$300 million.
Constituent Weighting: S&P Colombia Select Index	03/17/2017	Minimum basket liquidity of USD \$50 million.	Minimum basket liquidity of COP \$60 billion.

# Appendix B

## ESG Disclosures

<b>EXPLANATION OF HOW ENVIRONMENTAL, SOCIAL &amp; GOVERNANCE (ESG) FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY<sup>1</sup></b>	
<b>1.</b>	<b>Name of the benchmark administrator.</b> S&P Dow Jones Indices LLC.
<b>2.</b>	<b>Underlying asset class of the ESG benchmark.<sup>2</sup></b> N/A
<b>3.</b>	<b>Name of the S&amp;P Dow Jones Indices benchmark or family of benchmarks.</b> <a href="#">S&amp;P DJI Equity Indices Benchmark Statement</a>
<b>4.</b>	<b>Do any of the indices maintained by this methodology take into account ESG factors?</b> No
<b>Appendix latest update:</b> February 2021	
<b>Appendix first publication:</b> February 2021	

<sup>1</sup> 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 minimum content of the explanation of how environmental, social and governance factors are reflected in the benchmark methodology and the retained EU law in the UK [The Benchmarks (amendment and Transitional Provision) (EU Exit) Regulations 2019].

<sup>2</sup> 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.

# Disclaimer

## Performance Disclosure/Back-Tested Data

Where applicable, S&P Dow Jones Indices and its index-related affiliates (“S&P DJI”) defines various dates to assist our clients by 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. S&P DJI defines the Launch Date as 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. For Dow Jones-branded indices introduced prior to May 31, 2013, the Launch Date (which prior to May 31, 2013, was termed “Date of introduction”) is set at a date upon which no further changes were permitted to be made to the index methodology, but that may have been prior to the Index’s public release date.

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.

Information presented prior to an index’s launch date is hypothetical back-tested performance, not actual performance, and is based on the index methodology in effect on the 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. 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.

Typically, when S&P DJI creates back-tested index data, S&P DJI uses actual historical constituent-level data (e.g., historical price, market capitalization, and corporate action data) in its calculations. As ESG investing is still in early stages of development, certain datapoints used to calculate certain ESG indices may not be available for the entire desired period of back-tested history. The same data availability issue could be true for other indices as well. In cases when actual data is not available for all relevant historical periods, S&P DJI may employ a process of using “Backward Data Assumption” (or pulling back) of ESG data for the calculation of back-tested historical performance. “Backward Data Assumption” is a process that applies the earliest actual live data point available for an index constituent company to all prior historical instances in the index performance. For example, Backward Data Assumption inherently assumes that companies currently not involved in a specific business activity (also known as “product involvement”) were never involved historically and similarly also assumes that companies currently involved in a specific business activity were involved historically too. The Backward Data Assumption allows the hypothetical back-test to be extended over more historical years than would be feasible using only actual data. For more information on “Backward Data Assumption” please refer to the FAQ. The methodology and factsheets of any index that employs backward assumption in the back-tested history

will explicitly state so. The methodology will include an Appendix with a table setting forth the specific data points and relevant time period for which backward projected data was used. Index returns shown do not represent the results of actual trading of investable assets/securities. S&P DJI maintains the index and calculates the index levels and performance shown or discussed but does not manage any 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).

### **Intellectual Property Notices/Disclaimer**

© 2025 S&P Dow Jones Indices. All rights reserved. S&P, S&P 500, SPX, SPY, The 500, US500, US 30, S&P 100, S&P COMPOSITE 1500, S&P 400, S&P MIDCAP 400, S&P 600, S&P SMALLCAP 600, S&P GIVI, GLOBAL TITANS, DIVIDEND ARISTOCRATS, Select Sector, S&P MAESTRO, S&P PRISM, S&P STRIDE, GICS, SPIVA, SPDR, INDEXOLOGY, iTraxx, iBoxx, ABX, ADBI, CDX, CMBX, MBX, MCDX, PRIMEX, HHPI, and SOVX are registered trademarks of S&P Global, Inc. ("S&P Global") or its affiliates. DOW JONES, DJIA, THE DOW and DOW JONES INDUSTRIAL AVERAGE are trademarks of Dow Jones Trademark Holdings LLC ("Dow Jones"). These trademarks together with others have been licensed to S&P Dow Jones Indices LLC. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. This document does not constitute an offer of services in jurisdictions where S&P DJI does not have the necessary licenses. Except for certain custom index calculation services, all information provided by S&P DJI is impersonal and not tailored to the needs of any person, entity, or group of persons. S&P DJI receives compensation in connection with licensing its indices to third parties and providing custom calculation services. Past performance of an index is not an indication or guarantee of future results.

It is not possible to invest directly in an index. Exposure to an asset class represented by an index may be available through investable instruments based on that index. S&P DJI does not sponsor, endorse, sell, promote or manage any investment fund or other investment vehicle that is offered by third parties and that seeks to provide an investment return based on the performance of any index. S&P DJI makes no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. S&P DJI is not an investment advisor, commodity trading advisor, fiduciary, "promoter" (as defined in the Investment Company Act of 1940, as amended) or "expert" as enumerated within 15 U.S.C. § 77k(a), and S&P DJI makes no representation regarding the advisability of investing in any such investment fund or other investment vehicle. A decision to invest in any such investment fund or other investment vehicle should not be made in reliance on any of the statements set forth in this document. S&P DJI is not a tax advisor. Inclusion of a security, commodity, crypto currency, or other asset within an index is not a recommendation by S&P DJI to buy, sell, or hold such security, commodity, crypto currency, or other asset, nor is it considered to be investment or trading advice.

These materials have been prepared solely for informational purposes based upon information generally available to the public and from sources believed to be reliable. No content contained in these materials (including index data, ratings, credit-related analyses and data, research, valuations, model, software or other application or output therefrom) or any part thereof ("Content") may be modified, reverse engineered, reproduced, or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written permission of S&P DJI. The Content shall not be used for any unlawful or unauthorized purposes. S&P DJI and its third-party data providers and licensors (collectively "S&P Dow Jones Indices Parties") do not guarantee the accuracy, completeness, timeliness, or availability of the Content. S&P Dow Jones Indices Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON AN "AS IS" "WHERE IS" BASIS. S&P DOW JONES INDICES PARTIES DISCLAIMS ANY AND ALL

EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Dow Jones Indices Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special, or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related information and other analyses, including ratings, research and valuations are generally provided by licensors and/or affiliates of S&P Dow Jones Indices, including but not limited to S&P Global's other divisions such as S&P Global Market Intelligence. Any credit-related information and other related analyses and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. Any opinion, analyses and rating acknowledgement decisions are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P Dow Jones Indices does not assume any obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P DJI does not act as a fiduciary or an investment advisor. While S&P DJI has obtained information from sources it believes to be reliable, S&P DJI does not perform an audit or undertake independent verification of any information it receives. S&P DJI reserves the right to vary or discontinue any index at any time for regulatory or other reasons. Various factors, including external factors beyond S&P DJI's control might necessitate material changes to indices.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P Global Ratings reserves the right to assign, withdraw or suspend such acknowledgement at any time and in its sole discretion. S&P Dow Jones Indices, including S&P Global Ratings, disclaim any duty whatsoever arising out of the assignment, withdrawal, or suspension of an acknowledgement as well as any liability for any damage alleged to have been suffered on account thereof. Affiliates of S&P Dow Jones Indices LLC, including S&P Global Ratings, may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of securities or from obligors. Such affiliates of S&P Dow Jones Indices LLC, including S&P Global Ratings, reserve the right to disseminate its opinions and analyses. Public ratings and analyses from S&P Global Ratings are made available on its Web sites, [www.standardandpoors.com](http://www.standardandpoors.com) (free of charge), and [www.ratingsdirect.com](http://www.ratingsdirect.com) and [www.globalcreditportal.com](http://www.globalcreditportal.com) (subscription), and may be distributed through other means, including via S&P Global Ratings publications and third-party redistributors. Additional information about our ratings fees is available at [www.standardandpoors.com/usratingsfees](http://www.standardandpoors.com/usratingsfees).

S&P Global keeps certain activities of its various divisions and business units separate from each other to preserve the independence and objectivity of their respective activities. As a result, certain divisions and business units of S&P Global may have information that is not available to other business units. S&P Global has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

In addition, S&P Dow Jones Indices provides a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions, and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate, or otherwise address.

Some indices use the Global Industry Classification Standard (GICS®), which was developed by, and is the exclusive property and a trademark of, S&P Global and MSCI. Neither MSCI, S&P DJI nor any other party involved in making or compiling any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use

thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability, or fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P DJI, any of their affiliates or any third party involved in making or compiling any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

S&P Dow Jones Indices products are governed by the terms and conditions of the agreements under which they may be provided. A license is required from S&P Dow Jones Indices to display, create derivative works of and/or distribute any product or service that uses, is based upon and/or refers to any S&P Dow Jones Indices and/or index data.

### **ESG Indices Disclaimer**

S&P DJI provides indices that seek to select, exclude, and/or weight index constituents based on, but not limited to, certain environmental, social or governance (ESG) indicators, or a combination of those indicators, including the following: environmental indicators (including the efficient use of natural resources, the production of waste, greenhouse gas emissions, or impact on biodiversity); social indicators (such as, inequality and investment in human capital); governance indicators (such as sound management structures, employee relations, remuneration of staff, tax compliance, respect for human rights, anti-corruption and anti-bribery matters), specific sustainability or values-related company involvement indicators (for example, production/distribution of controversial weapons, tobacco products, or thermal coal), or controversies monitoring (including research of media outlets to identify companies involved in ESG-related incidents).

S&P DJI ESG indices use ESG metrics and scores in the selection and/or weighting of index constituents. ESG scores or ratings seek to measure or evaluate a company's, or an asset's, performance with respect to environmental, social and corporate governance issues.

The ESG scores, ratings, and other data used in S&P DJI ESG indices is supplied directly or indirectly by third parties (note these parties can be independent affiliates of S&P Global or unaffiliated entities) so an S&P DJI ESG index's ability to reflect ESG factors depends on these third parties' data accuracy and availability.

ESG scores, ratings, and other data may be reported (meaning that the data is provided as disclosed by companies, or an asset, or as made publicly available), modelled (meaning that the data is derived using a proprietary modelling process with only proxies used in the creation of the data), or reported and modelled (meaning that the data is either a mix of reported and modelled data or is derived from the vendor using reported data /information in a proprietary scoring or determination process).

ESG scores, ratings, and other data, whether from an external and/or internal source, is based on a qualitative and judgmental assessment, especially in the absence of well-defined market standards, and due to the existence of multiple approaches and methodologies to assess ESG factors and considerations. An element of subjectivity and discretion is therefore inherent in any ESG score, rating, or other data and different ESG scoring, rating, and/or data sources may use different ESG assessment or estimation methodologies. Different persons (including ESG data ratings, or scoring providers, index administrators or users) may arrive at different conclusions regarding the sustainability or impact of a particular company, asset, or index.

Where an index uses ESG scores, ratings or other data supplied directly or indirectly by third parties, S&P DJI does not accept responsibility for the accuracy or completeness of such ESG scores, ratings, or data. No single clear, definitive test or framework (legal, regulatory, or otherwise) exists to determine 'ESG', 'sustainable', 'good governance', 'no adverse environmental, social and/or other impacts', or other equivalently labelled objectives. In the absence of well-defined market standards and due to the existence of multitude approaches, the exercise of judgment is necessary. Accordingly, different persons may classify the same investment, product and/or strategy differently regarding 'ESG', 'sustainable', 'good governance', 'no adverse environmental, social and/or other impacts', or other equivalently labelled

objectives. Furthermore, the legal and/or market position on what constitutes an 'ESG', 'sustainable', 'good governance', 'no adverse environmental, social and/or other impacts', or other equivalently labelled objectives may change over time, especially as further regulatory or industry rules and guidance are issued and the ESG sustainable finance framework becomes more sophisticated.

Prospective users of an S&P DJI ESG Index are encouraged to read the relevant index methodology and related disclosures carefully to determine whether the index is suitable for their potential use case or investment objective.