

**S&P Dow Jones
Indices**

A Division of **S&P Global**

S&P ESG Dividend Aristocrats Indices *Methodology*

January 2025

Table of Contents

| | |
|---|-----------|
| Introduction | 3 |
| Index Objective | 3 |
| Index Family | 3 |
| ESG Highlights | 4 |
| Supporting Documents | 4 |
| Eligibility Criteria and Index Construction | 5 |
| Multiple Share Classes and Dual Listed Companies | 5 |
| Dividend Payment Types | 5 |
| Payout Ratio | 5 |
| Index Calculations | 5 |
| S&P Developed ESG Dividend Aristocrats Index | 6 |
| S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index | 9 |
| S&P ESG High Yield Dividend Aristocrats Indices | 12 |
| S&P Global ESG Dividend Aristocrats Index | 15 |
| S&P Global ESG Dividend Aristocrats Quality Income Index | 18 |
| S&P Euro ESG High Yield Dividend Aristocrats Index | 22 |
| S&P 500 ESG Dividend Aristocrats Index | 25 |
| Index Maintenance | 28 |
| Rebalancing | 28 |
| Quarterly Eligibility Review | 28 |
| Monthly Dividend Review | 29 |
| Additions and Deletions | 29 |
| Controversies: Media and Stakeholder Analysis Overlay | 29 |
| Corporate Actions | 30 |
| Currency of Calculation and Additional Index Return Series | 30 |
| Base Date and History Availability | 30 |
| Index Data | 32 |
| Calculation Return Types | 32 |
| Index Governance | 33 |
| Index Committee | 33 |
| Index Policy | 34 |
| Announcements | 34 |

| | | |
|---------------------|---|-----------|
| | Pro-forma Files | 34 |
| | Holiday Schedule | 34 |
| | Rebalancing | 34 |
| | Unexpected Exchange Closures | 34 |
| | Recalculation Policy | 34 |
| | Contact Information | 34 |
| Index Dissemination | | 35 |
| | Tickers | 35 |
| | Index Data | 35 |
| | Web site | 35 |
| Appendix A | | 36 |
| | Indices in this Methodology Employing Backward Data Assumption | 36 |
| | Backward Data Assumption | 36 |
| | Designated Datasets Subject to Backward Data Assumption | 36 |
| | Exclusions Based on Missing Coverage | 37 |
| | Historical Coverage Assessment per Designated Dataset | 37 |
| Appendix B | | 41 |
| | Methodology Changes | 41 |
| Disclaimer | | 44 |
| | Performance Disclosure/Back-Tested Data | 44 |
| | Intellectual Property Notices/Disclaimer | 45 |
| | ESG Indices Disclaimer | 47 |

Introduction

Index Objective

The S&P ESG Dividend Aristocrats® Indices measure the dividend yield-weighted performance of companies from an underlying index that meet specific ESG criteria and have followed a managed-dividends policy for a specified number of years.

Index Family

The index family consists of:

- **S&P Developed ESG Dividend Aristocrats Index.** The index measures the dividend yield-weighted performance of 100 of the highest dividend yielding S&P Global ESG Score-screened companies within the S&P Developed BMI that meet specific ESG criteria and have followed a managed-dividends policy of increasing or stable dividends for at least ten consecutive years.
- **S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index.** The index measures the capped market capitalization-weighted performance of 100 of the highest dividend yielding S&P Global ESG Score-screened companies within the S&P EPAC Ex-Korea BMI that meet specific ESG criteria and have followed a managed-dividends policy of increasing or stable dividends for at least ten consecutive years.
- **S&P ESG High Yield Dividend Aristocrats Index.** The index measures the dividend yield-weighted performance of S&P Global ESG Score-screened companies within the S&P High Yield Dividend Aristocrats Index that meet specific ESG criteria and have followed a managed-dividends policy of consistently increasing dividends every year for at least 20 years.
- **S&P ESG High Yield Dividend Aristocrats FMC Weighted Index.** The index measures the float-adjusted market capitalization (FMC) weighted performance of S&P Global ESG Score-screened companies within the S&P High Yield Dividend Aristocrats Index that meet specific ESG criteria and have followed a managed-dividends policy of consistently increasing dividends every year for at least 20 years.
- **S&P Global ESG Dividend Aristocrats Index.** The index measures the dividend yield-weighted performance of 100 of the highest dividend yielding S&P Global ESG Score-screened companies within the S&P Global BMI that meet specific ESG criteria and have followed a managed-dividends policy of increasing or stable dividends for at least ten consecutive years.
- **S&P Global ESG Dividend Aristocrats Quality Income Index.** The index measures the dividend yield-weighted performance of 100 of the highest dividend yielding S&P Global ESG Score-screened companies within the S&P Global BMI that meet specific ESG and fundamental criteria and have followed a managed-dividends policy of increasing or stable dividends for at least ten consecutive years.
- **S&P Euro ESG High Yield Dividend Aristocrats Index.** The index measures the dividend yield-weighted performance of 40 of the highest dividend yielding S&P Global ESG Score-screened Eurozone companies within the S&P Europe BMI that meet specific ESG criteria and have followed a managed-dividends policy of increasing or stable dividends for at least ten consecutive years.
- **S&P 500 ESG Dividend Aristocrats Index.** The index measures the equal weighted performance of S&P Global ESG Score-screened companies within the S&P 500 that meet specific ESG criteria and have followed a managed-dividends policy of consistently increasing dividends for at least twenty-five consecutive years.

ESG Highlights

The indices use S&P Global ESG Scores as part of the constituent selection process. S&P Global Sustainable1 calculates these scores and derives them from their 'Corporate Sustainability Assessment' (CSA). A company's CSA score is derived using either company-provided data, publicly available information, or a combination thereof. The index also applies exclusions based on companies' involvement in specific business activities, performance against the United Nations' Global Compact (UNGC) principles, and involvement in relevant ESG controversies.

For the purposes of CSA assessment, companies are assigned to one of the industries defined by S&P Global Sustainable1 and their assessment is conducted using that industry's CSA questionnaire, which is largely specific to each industry. S&P Global Sustainable1 uses the Global Industry Classification Standard (GICS®) as its starting point for determining industry classification. At the industry group and sector levels, the S&P Global Sustainable1 Industries match the GICS classifications, but some non-standard aggregations are done at the industry level.

For information on S&P Global CSA Industry-GICS Sub-Industry Mapping, please see [here](#).

For more information on the CSA, please refer to <https://www.spglobal.com/esg/csa/>.

For more information on S&P Global ESG Scores, please see [here](#).

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 | Equity Indices Policies & Practices |
| S&P Dow Jones Indices' Index Mathematics Methodology | Index Mathematics Methodology |
| S&P Dow Jones Indices' Float Adjustment Methodology | Float Adjustment Methodology |
| S&P Dow Jones Indices' Global Industry Classification Standard (GICS) Methodology | GICS Methodology |

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

Multiple Share Classes and Dual Listed Companies

Each company is represented once by the listing with the highest dividend yield subject to meeting the eligibility criteria. In the event multiple lines meet the eligibility criteria and have similar dividend yields, the Designated Listing is selected.

For more information regarding the treatment of multiple share classes, please refer to Approach C within the Multiple Share Classes section of S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Dividend Payment Types

Calendar years and ex-dates are used for the dividend analysis. 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. A dividend initiation or re-initiation does not count as a dividend increase. The initiation calendar year may include payment of all four quarterly dividends, or only one, two or three quarterly payments. Evaluations are made on a best-effort basis. 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.

For spin-offs, the yearly dividend increase history of the parent company is assigned to both the parent and spun-off company before the spin-off effective date. To determine annual dividend payments, the dividends of the parent and spun-off companies are combined until two full calendar year cycles of dividend payments are available for both post-spin-off companies. For evaluation purposes the combined dividend amount is adjusted by the spin-off ratio. Subsequent dividend comparisons are based on the annual dividend amounts of each respective company. For merger and acquisition events, S&P Dow Jones Indices, at its discretion, may retain the dividend history for newly formed entities from their predecessor companies.

S&P Dow Jones Indices only considers Basic EPS, Excluding/Before Extraordinary Items for index eligibility and selection purposes. EPS data is based on last twelve months (LTM), which is the sum of the last four quarters. If quarterly financial data is not provided, the LTM EPS of the company is evaluated from its latest semi-annual or annual report.

Payout Ratio

The dividend payout ratio is calculated as the annual Dividend Per Share divided by the annual Earnings Per Share (EPS), using data from the last 12 months as of the rebalancing reference date. All dividend criteria are based on regular cash dividends as determined by S&P Dow Jones Indices. A dividend payout ratio is considered negative when the annual Earnings Per Share (EPS) is negative.

Index Calculations

The indices calculate 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 the Non-Market Capitalization section of S&P Dow Jones Indices' Index Mathematics Methodology.

S&P Developed ESG Dividend Aristocrats Index

Index Universe. At each rebalancing, the index universe is all constituents of the S&P Developed BMI (the underlying index).

For more information on the S&P Developed BMI, please refer to the S&P Global BMI Methodology, available at www.spglobal.com/spdji/.

Eligibility Factors. As of each rebalancing reference date, stocks in the index universe must satisfy the following to be eligible for index inclusion, with the eligibility factors applied in three sequential steps.

Step 1: Fundamental Criteria

- **Market Capitalization:** have an FMC of at least US\$ 1 billion.
- **Liquidity:** have median daily value traded (MDVT) of at least US\$ 5 million for the prior three-months.
- **Stock Class:** be common and ordinary shares.
 - **Ineligible Stocks:** not be preferred stock or preference shares.
- **Listing Venues:** be a local listings.
- **Dividend Growth:** have increased dividends or maintained stable dividends every year for at least 10 consecutive years.
- **Payout Ratio:** have a non-negative (greater than 0) dividend payout ratio. Non-constituents may have a maximum of 100% dividend payout ratio for addition to the index.
- **Dividend Yield:** have a maximum 10% indicated dividend yield. The cap aims to exclude companies whose dividends may not be sustainable over time, as well as companies whose stock prices have deteriorated rapidly.

Step 2: Exclusions Based on ESG Score. At each rebalancing reference date, exclude the following:

- companies without coverage
- companies in the index universe that satisfy the criteria in Step 1 with an S&P Global ESG score ranking within the worst 25% of stocks that both remain eligible after applying the fundamental criteria screens and have an S&P Global ESG score.

Step 3: Exclusions Based on Business Activities & UNGC Classification.

Exclusions Based on Business Activities. As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies with the following specific business activities. Revenue is used as a proxy in all categories.

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|--|--|---|
| Controversial Weapons | Customized Weapons: This screen includes companies involved in the manufacturing of the components of a weapon. These components are intended solely for use in the production and are essential for the functioning of Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons and Nuclear Weapons. | >0% | ≥25% |
| | Related Products and Services: This screen includes the companies that supply products and/or services such as stockpiling and transferring, and sales for Anti- | >0% | ≥25% |

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|--|--|---|
| | Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons, and Nuclear Weapons. | | |
| Small Arms | Production of Small Arms Weapons for Civilian Use: This screen covers the companies that are involved in the manufacturing of small arms weapons for civilian use. | >0% | ≥25% |
| | Production of Small Arms Weapons for Non-Civilian Use: This screen covers the companies that are involved that are involved in the manufacturing of small arms weapon for non-civilian use. | >0% | ≥25% |
| | Production of Key Components: This screen covers the companies that are involved in the manufacturing of key components for assault weapons. | >0% | ≥25% |
| | Retail and Distribution of Small Arms Weapons: This screen covers the companies involved in the retail or distribution of small arms weapons for civilian customers. | ≥5% | N/A |
| Military Contracting | Integral Military Weapons: This screen covers the companies which are engaged in the manufacturing, assembling, sale and transportation of integral military weapons. | ≥10% | N/A |
| | Weapon Related: This screen covers the companies which are engaged in the manufacturing and sales of weapon related products. | ≥10% | N/A |
| Coal ¹ | Thermal Coal Mining: This screen covers companies that own/and or operate coal mines that engage in thermal coal mining. | ≥5% | N/A |
| Thermal Coal ² | Generation: This screen involves companies that are involved in the electricity generation using coal power plants. | ≥5% | N/A |
| Oil Sands or Tar Sands | Extraction and/or Production: This screen involves companies that are involved in the extraction and/or production of fossil fuels from Oil Sands/Tar Sands. | ≥5% | N/A |
| Tobacco | Production: The screen covers companies that are involved in the manufacturing of tobacco. | >0% | ≥25% |
| | Related Products and Services: The screen covers companies that supply essential products/services for the tobacco industry. | ≥5% | N/A |
| | Retail and Distribution: The screen covers companies involved in the retail and/or distribution of tobacco as part of their offerings. | ≥5% | N/A |

S&P DJI Level of Involvement refers to the company's direct exposure to such products, while Significant Ownership indicates where the company has indirect involvement via some specified level of ownership of a subsidiary company with involvement.

For more information on the S&P Global Business Involvement Screens data set, please refer [here](#).

Exclusions Based on UNGC Classification. Sustainalytics' Global Standards Screening (GSS) provides an assessment of a company's impact on stakeholders and the extent to which a company causes, contributes, or is linked to violations of international norms and standards. The basis of the GSS assessments is the UNGC Principles. Information regarding related standards is also provided in the screening, including the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as their underlying conventions. Sustainalytics classifies companies into the following three statuses:

- **Non-Compliant:** classification given to companies that do not act in accordance with the UNGC principles and their associated standards, conventions, and treaties.
- **Watchlist:** classification given to companies that are at risk of violating one or more principles, for which all dimensions for Non-Compliant status could not be established or confirmed.
- **Compliant:** classification given to companies that act in accordance with the UNGC principles and their associated standards, conventions, and treaties.

As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies classified as Non-Compliant

¹ Thermal coal exclusions apply only since the January 2020 rebalancing.

² Thermal coal exclusions apply only since the January 2020 rebalancing.

Please refer to <http://www.sustainalytics.com/> for more information.

Constituent Selection. As of each rebalancing reference date, rank all eligible stocks in the index universe by indicated dividend yield, selecting the top 100 highest ranking stocks, subject to the following diversification requirements:

- No more than 20 constituents per single country
- No more than 35 constituents per single GICS Sector

If the number of stocks from a country reaches 20, or the number of stocks from a sector reaches 35, the highest yielding stocks from other countries and/or sectors are selected until the number of index constituents reaches 100.

If a selected company shares the same dividend yield with another company, include the company with the higher S&P Global ESG Score in the index.

If the number of eligible constituents is fewer than 100, then:

1. Underlying index constituents with an FMC above US\$ 500 million, that also satisfy all other index eligibility criteria, are added in decreasing order of dividend yield until the target count is reached.
2. If at this point there are still not 100 constituents then underlying index constituents with a history of increased or stable dividends for more than seven consecutive years, that also satisfy all other eligibility criteria, are added in decreasing order of dividend yield until the target count is reached.

Constituent Weightings. At each rebalancing, the index is indicated annual dividend yield weighted, subject to the following constraints:

- a single constituent weight cap of 3%
- a single country weight cap of 25%
- a single GICS Sector weight cap of 25%

If any weight cap is breached, the excess weight is proportionally redistributed to uncapped constituents in the respective category. This process proceeds iteratively until no cap is breached.

S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index

Index Universe. To qualify for index inclusion, as of the rebalancing reference date, a stock must first be a member of the S&P EPAC ex-Korea BMI.

For more information on the S&P Developed BMI, please refer to the S&P Global BMI, S&P/IFCI Methodology, available at www.spglobal.com/spdji/.

Eligibility Factors. At each rebalancing, stocks in the underlying index must satisfy the following to be eligible for index inclusion, with the eligibility factors applied in three sequential steps.

Step 1: Fundamental Criteria

- **Market Capitalization.** Stocks must have a float-adjusted market capitalization (FMC) of at least US\$ 1 billion as of the rebalancing reference date.
- **Liquidity.** Stocks must have an average daily value traded (ADVT) of at least US\$ 5 million for the three-months prior to the rebalancing reference date.
- **Stock Class.** All common and ordinary shares are eligible. Preferred stocks and preference shares are not eligible.
- **Listing Venues.** All local listings are eligible.
- **Dividend Growth.** Stocks must have increased dividends or maintained stable dividends every year for at least 10 consecutive years.
- **Payout Ratio.** Stocks must have a non-negative (greater than 0) dividend payout ratio. Non-constituents may have a maximum of 100% dividend payout ratio for addition to the index.
- **Dividend Yield.** Stocks may have a maximum 10% indicated dividend yield as of the rebalancing reference date. The cap aims to exclude companies whose dividends may not be sustainable over time, as well as companies whose stock prices have deteriorated rapidly.

Step 2: Exclusions Based on ESG Score. At each rebalancing reference date, exclude the following:

- companies without coverage
- companies in the index universe that satisfy the criteria in Step 1 with an S&P Global ESG score that falls within the worst 25% of stocks that both remain eligible after applying the fundamental criteria screens and have an S&P Global ESG scores.

Step 3: Exclusions Based on Business Activities & UNGC Classification.

Exclusions Based on Business Activities. As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies with the following specific business activities. Revenue is used as a proxy for all categories.

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|--|--|---|
| Controversial Weapons | Customized Weapons: This screen includes companies involved in the manufacturing of the components of a weapon. These components are intended solely for use in the production and are essential for the functioning of Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons and Nuclear Weapons. | >0% | ≥25% |

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|--|--|---|
| | Related Products and Services: This screen includes the companies that supply products and/or services such as stockpiling and transferring, and sales for Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons, and Nuclear Weapons. | >0% | ≥25% |
| Small Arms | Production of Small Arms Weapons for Civilian Use: This screen covers the companies that are involved in the manufacturing of small arms weapons for civilian use. | >0% | ≥25% |
| | Production of Small Arms Weapons for Non-Civilian Use: This screen covers the companies that are involved that are involved in the manufacturing of small arms weapon for non-civilian use. | >0% | ≥25% |
| | Production of Key Components: This screen covers the companies that are involved in the manufacturing of key components for assault weapons. | >0% | ≥25% |
| | Retail and Distribution of Small Arms Weapons: This screen covers the companies involved in the retail or distribution of small arms weapons for civilian customers. | ≥5% | N/A |
| Military Contracting | Integral Military Weapons: This screen covers the companies which are engaged in the manufacturing, assembling, sale and transportation of integral military weapons. | ≥10% | N/A |
| | Weapon Related: This screen covers the companies which are engaged in the manufacturing and sales of weapon related products. | ≥10% | N/A |
| Coal | Thermal Coal Mining: This screen covers companies that own/and or operate coal mines that engage in thermal coal mining. | ≥5% | N/A |
| Thermal Coal | Generation: This screen involves companies that are involved in the electricity generation using coal power plants. | ≥5% | N/A |
| Oil Sands or Tar Sands | Extraction and/or Production: This screen involves companies that are involved in the extraction and/or production of fossil fuels from Oil Sands/Tar Sands. | ≥5% | N/A |
| Tobacco | Production: The screen covers companies that are involved in the manufacturing of tobacco. | >0% | ≥25% |
| | Related Products and Services: The screen covers companies that supply essential products/services for the tobacco industry. | ≥5% | N/A |
| | Retail and Distribution: The screen covers companies involved in the retail and/or distribution of tobacco as part of their offerings. | ≥5% | N/A |

S&P DJI Level of Involvement refers to the company's direct exposure to such products, while Significant Ownership indicates where the company has indirect involvement via some specified level of ownership of a subsidiary company with involvement.

For more information on the S&P Global Business Involvement Screens data set, please refer [here](#).

Exclusions Based on the United Nations Global Compact (UNGC). Sustainalytics' Global Standards Screening (GSS) provides an assessment of a company's impact on stakeholders and the extent to which a company causes, contributes, or is linked to violations of international norms and standards. The basis of the GSS assessments is the United Nations (UN) Global Compact Principles. Information regarding related standards is also provided in the screening, including the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as their underlying conventions. Sustainalytics classifies companies into the following three statuses:

- **Non-Compliant:** classification given to companies that do not act in accordance with the UNGC principles and their associated standards, conventions, and treaties.
- **Watchlist:** classification given to companies that are at risk of violating one or more principles, for which all dimensions for Non-Compliant status could not be established or confirmed.
- **Compliant:** classification given to companies that act in accordance with the UNGC principles and their associated standards, conventions, and treaties.

As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies classified as Non-Compliant

Please refer to <http://www.sustainalytics.com/> for more information.

Constituent Selection. As of each rebalancing reference date, rank all eligible stocks in the index universe by indicated dividend yield, selecting the top 100 highest ranking stocks, subject to the following diversification requirements:

- No more than 20 constituents per single country
- No more than 35 constituents per single GICS Sector

If the number of stocks from a country reaches 20, or the number of stocks from a sector reaches 35, the highest yielding stocks from other countries and/or sectors are selected until the number of index constituents reaches 100.

If a selected company shares the same dividend yield with another company, include the company with the higher S&P Global ESG Score in the index.

If the number of eligible constituents is fewer than 100, then:

1. Underlying index constituents with an FMC above US\$ 500 million, that also satisfy all other index eligibility criteria, are added in decreasing order of dividend yield until the target count is reached.
2. If after Step 1 there are still fewer than 100 constituents then underlying index constituents with a history of increased or stable dividends for more than seven consecutive years, that also satisfy all other eligibility criteria, are added in decreasing order of dividend yield until the target count is reached.
3. If after Step 2 there are still fewer than 100 constituents, then country diversification criteria is relaxed so that stocks originally outside of their top 20 constituent count per country are added in order of dividend yield until the target count is reached.
4. If at this point there are still fewer than 100 constituents, then the final index will have fewer than 100 constituents.

Constituent Weightings. At each rebalancing, the index is float-adjusted market capitalization weighted, subject to the following constraints:

- a single constituent weight cap of 3%
- a single country weight cap of 25%
- a single GICS Sector weight cap of 25%

If any weight cap is breached, the excess weight is proportionally redistributed to uncapped constituents in the respective category. This process proceeds iteratively until no cap is breached.

S&P ESG High Yield Dividend Aristocrats Indices

Index Universe. To qualify for index inclusion, a stock must first be a member of the S&P High Yield Dividend Aristocrats Index as of the rebalancing effective date.

For more information on the S&P High Yield Dividend Aristocrats, please refer to the S&P Global Dividend Aristocrats Methodology, available at www.spglobal.com/spdji/.

Eligibility Factors. At each rebalancing, stocks in the underlying index must satisfy the following to be eligible for index inclusion, with the eligibility factors applied in two sequential steps.

Step 1: Exclusions Based on ESG Score. At each rebalancing reference date, exclude the following:

- companies without coverage
- companies in the index universe with an S&P Global ESG score ranking within the worst 25% of stocks that have S&P Global ESG scores.

Step 2: Exclusions Based on Business Activities & UNGC Classification.

Exclusions Based on Business Activities. As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies with the following specific business activities. Revenue is used as a proxy for all categories.

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|---|--|---|
| Controversial Weapons | Customized Weapons: This screen includes companies involved in the manufacturing of the components of a weapon. These components are intended solely for use in the production and are essential for the functioning of Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons, and Nuclear Weapons. | >0% | ≥25% |
| | Related Products and Services: This screen includes the companies that supply products and/or services such as stockpiling and transferring, and sales for Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons, and Nuclear Weapons. | >0% | ≥25% |
| Small Arms | Production of Small Arms Weapons for Civilian Use: This screen covers the companies that are involved in the manufacturing of small arms weapons for civilian use. | >0% | ≥25% |
| | Production of Small Arms Weapons for Non-Civilian Use: This screen covers the companies that are involved in the manufacturing of small arms weapon for non-civilian use. | >0% | ≥25% |
| | Production of Key Components: This screen covers the companies that are involved in the manufacturing of key components for assault weapons. | >0% | ≥25% |
| | Retail and Distribution of Small Arms Weapons: This screen covers the companies involved in the retail or distribution of small arms weapons for civilian customers. | ≥5% | N/A |
| Military Contracting | Integral Military Weapons: This screen covers the companies which are engaged in the manufacturing, assembling, sale and transportation of integral military weapons. | ≥10% | N/A |
| | Weapon Related: This screen covers the companies which are engaged in the manufacturing and sales of weapon related products. | ≥10% | N/A |
| Coal ³ | Thermal Coal Mining: This screen covers companies that own/and or operate coal mines that engage in thermal coal mining. | ≥5% | N/A |
| Thermal Coal ⁴ | Generation: This screen involves companies that are involved in the electricity generation using coal power plants. | ≥5% | N/A |

³ Coal exclusions apply only since the January 2020 rebalancing.

⁴ Thermal coal exclusions apply only since the January 2020 rebalancing.

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|---|--|---|
| Oil Sands or Tar Sands | Extraction and/or Production: This screen involves companies that are involved in the extraction and/or production of fossil fuels from Oil Sands/Tar Sands. | ≥5% | N/A |
| Tobacco | Production: The screen covers companies that are involved in the manufacturing of tobacco. | >0% | ≥25% |
| | Related Products and Services: The screen covers companies that supply essential products/services for the tobacco industry. | ≥5% | N/A |
| | Retail and Distribution: The screen covers companies involved in the retail and/or distribution of tobacco as part of their offerings. | ≥5% | N/A |

S&P DJI Level of Involvement refers to the company's direct exposure to such products, while Significant Ownership indicates where the company has indirect involvement via some specified level of ownership of a subsidiary company with involvement.

For more information on the S&P Global Business Involvement Screens data set, please refer [here](#).

Exclusions Based on the UNGC. Sustainalytics' Global Standards Screening (GSS) provides an assessment of a company's impact on stakeholders and the extent to which a company causes, contributes, or is linked to violations of international norms and standards. The basis of the GSS assessments is the UNGC Principles. Information regarding related standards is also provided in the screening, including the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as their underlying conventions. Sustainalytics classifies companies into the following three statuses:

- **Non-Compliant:** classification given to companies that do not act in accordance with the UNGC principles and their associated standards, conventions, and treaties.
- **Watchlist:** classification given to companies that are at risk of violating one or more principles, for which all dimensions for Non-Compliant status could not be established or confirmed.
- **Compliant:** classification given to companies that act in accordance with the UNGC principles and their associated standards, conventions, and treaties.

As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies classified as Non-Compliant

Please refer to <http://www.sustainalytics.com/> for more information.

Constituent Selection. At each rebalancing, select all eligible stocks and form the index.

Constituent Weightings. At each rebalancing, stocks in the S&P ESG High Yield Dividend Aristocrats Index are indicated annual dividend yield weighted while stocks in the S&P ESG High Yield Dividend Aristocrats FMC Weighted Index are FMC weighted, with both indices subject to the following constraints:

- a single constituent weight cap of 4% of the total index weight
- the minimum initial portfolio size that can be turned over in a single day (based on ADVT) cannot be lower than US\$ 2 billion.

Basket liquidity capping sets a minimum portfolio size of US\$ 2 billion that must be turned over in a single day, based on the historical average value-traded pattern. The maximum weight parameter is the maximum weight of each stock at the rebalancing. These parameters can be changed depending upon market circumstances.

As of the rebalancing reference date, the indices initially indicated annual dividend yield or FMC weight constituents, with final constituent weights determined according to the following process, performed separately for each index:

1. If any company has a weight greater than 4% (where 4% is the maximum weight allowed in the index), that company has its weight capped at 4%.
2. All excess weight is proportionally redistributed to all uncapped stocks within the index.
3. After this redistribution, if the weight of any other stock(s), then, breaches 4%, the process is iterated until there are no stocks breaching the 4% weight limit.
4. A basket liquidity maximum weight (BL) for each company is, then, determined by dividing the US\$ three-month ADVT by the basket liquidity amount (US\$ 2 billion). This weight is the maximum weight allowed for each stock in the index.
5. If any company has a weight greater than its BL maximum weight, that company will have its weight reduced to its BL maximum weight.
6. All excess weight is proportionally redistributed to all uncapped stocks within the index.
7. If, after this redistribution, the weight of any other stock(s) in the index exceeds its BL maximum weight, the process is iterated until no stock breaches its BL maximum weight.
8. The basket liquidity and maximum weight constraints are subject to change based on market conditions. If the basket liquidity rule cannot be satisfied for all index constituents after all possible iterations are completed, one or more of these constraints may be changed to ensure that the constraint is satisfied for all constituents.

S&P Global ESG Dividend Aristocrats Index

Index Universe. To qualify for index inclusion, as of the rebalancing reference date, a stock must first be a member of the S&P Global BMI.

For more information on the S&P Global BMI, please refer to the S&P Global BMI, S&P/IFCI Methodology, available at www.spglobal.com/spdji/.

Eligibility Factors. At each rebalancing, stocks in the underlying index must satisfy the following to be eligible for index inclusion, with the eligibility factors applied in three sequential steps.

Step 1: Fundamental Criteria

- **Market Capitalization.** Stocks must have a float-adjusted market capitalization (FMC) of at least US\$ 1 billion as of the rebalancing reference date.
- **Liquidity.** Stocks must have an average daily value traded (ADVT) of at least \$5 million for the three months prior to the rebalancing reference date.
- **Stock Class.** All common and ordinary shares are eligible. Preferred stocks and preference shares are not eligible.
- **Listing Venues.** All local listings are eligible. However, companies domiciled in either Russia or India will have their local listing included in the index only if they have an ADR or GDR listing trading in a developed market meeting the liquidity requirements.

All mainland China listed stocks are excluded from the index. However, any Hong-Kong listed shares included in the S&P Global BMI are eligible for inclusion.

- **Dividend Growth.** Stocks must have increased dividends or maintained stable dividends every year for at least 10 consecutive years.
- **Payout Ratio.** Stocks must have a non-negative (greater than 0) dividend payout ratio. Non-constituents may have a maximum of 100% dividend payout ratio for addition to the index.
- **Dividend Yield.** Stocks may have a maximum 10% indicated annual dividend yield as of the rebalancing reference date. The cap aims to exclude companies whose dividends may not be sustainable over time, as well as companies whose stock prices have deteriorated rapidly.

Step 2: Exclusions Based on ESG Score. At each rebalancing reference date, exclude the following:

- companies without coverage
- companies in the index universe that satisfy Step 1 and have an S&P Global ESG score lower than the worst 25% of ESG Scores of companies that both remain eligible after applying the fundamental criteria screens.

Step 3: Exclusions Based on Business Activities & UNGC Classification.

Exclusions Based on Business Activities. As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies with the following specific business activities. Revenue is used as a proxy for all categories.

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|---|--|---|
| Controversial Weapons | Customized Weapons: This screen includes companies involved in the manufacturing of the components of a weapon. These components are intended solely for use in the production and are essential for the functioning of Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons, and Nuclear Weapons. | >0% | ≥25% |
| | Related Products and Services: This screen includes the companies that supply products and/or services such as stockpiling and transferring, and sales for Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons, and Nuclear Weapons. | >0% | ≥25% |
| Small Arms | Production of Small Arms Weapons for Civilian Use: This screen covers the companies that are involved in the manufacturing of small arms weapons for civilian use. | >0% | ≥25% |
| | Production of Small Arms Weapons for Non-Civilian Use: This screen covers the companies that are involved that are involved in the manufacturing of small arms weapon for non-civilian use. | >0% | ≥25% |
| | Production of Key Components: This screen covers the companies that are involved in the manufacturing of key components for assault weapons. | >0% | ≥25% |
| | Retail and Distribution of Small Arms Weapons: This screen covers the companies involved in the retail or distribution of small arms weapons for civilian customers. | ≥5% | N/A |
| Military Contracting | Integral Military Weapons: This screen covers the companies which are engaged in the manufacturing, assembling, sale and transportation of integral military weapons. | ≥10% | N/A |
| | Weapon Related: This screen covers the companies which are engaged in the manufacturing and sales of weapon related products. | ≥10% | N/A |
| Coal ⁵ | Thermal Coal Mining: This screen covers companies that own/and or operate coal mines that engage in thermal coal mining. | ≥5% | N/A |
| Thermal Coal ⁶ | Generation: This screen involves companies that are involved in the electricity generation using coal power plants. | ≥5% | N/A |
| Oil Sands or Tar Sands | Extraction and/or Production: This screen involves companies that are involved in the extraction and/or production of fossil fuels from Oil Sands/Tar Sands. | ≥5% | N/A |
| Tobacco | Production: The screen covers companies that are involved in the manufacturing of tobacco. | >0% | ≥25% |
| | Related Products and Services: The screen covers companies that supply essential products/services for the tobacco industry. | ≥5% | N/A |
| | Retail and Distribution: The screen covers companies involved in the retail and/or distribution of tobacco as part of their offerings. | ≥5% | N/A |

S&P DJI Level of Involvement refers to the company's direct exposure to such products, while Significant Ownership indicates where the company has indirect involvement via some specified level of ownership of a subsidiary company with involvement.

For more information on the S&P Global Business Involvement Screens data set, please refer [here](#).

Exclusions Based on the UNGC. Sustainalytics' Global Standards Screening (GSS) provides an assessment of a company's impact on stakeholders and the extent to which a company causes, contributes, or is linked to violations of international norms and standards. The basis of the GSS assessments is the UNGC Principles. Information regarding related standards is also provided in the screening, including the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as their underlying conventions. Sustainalytics classifies companies into the following three statuses:

- **Non-Compliant:** classification given to companies that do not act in accordance with the UNGC principles and their associated standards, conventions, and treaties.
- **Watchlist:** classification given to companies that are at risk of violating one or more principles, for which all dimensions for Non-Compliant status could not be established or confirmed.
- **Compliant:** classification given to companies that act in accordance with the UNGC principles and their associated standards, conventions, and treaties.

⁵ The index started applying the coal exclusions at the January 2020 rebalancing.

⁶ The index started applying the thermal coal exclusions at the January 2020 rebalancing.

As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies classified as Non-Compliant

Please refer to <http://www.sustainalytics.com/> for more information.

Constituent Selection. At each rebalancing, rank all eligible stocks by indicated annual dividend yield, selecting the top 100 highest ranking stocks, subject to the following constraints:

- No more than 20 constituents per single country
- No more than 35 constituents per single GICS Sector

If the number of stocks from a country reaches 20, or the number of stocks from a sector reaches 35, the highest yielding stocks from other countries and/or sectors are selected until the number of index constituents reaches 100.

If a selected company shares the same dividend yield with another company, include the company with the higher S&P Global ESG Score in the index.

If the number of eligible constituents is fewer than 100, then:

1. Underlying index constituents with an FMC above US\$ 500 million, that also satisfy all other index eligibility criteria, are added in decreasing order of dividend yield until target count is reached.
2. If at this point there are still not 100 constituents then underlying index constituents with a history of increased or stable dividends for more than seven consecutive years, that also satisfy all other eligibility criteria, are added in decreasing order of dividend yield until the target count is reached.

Constituent Weightings. At each rebalancing the index is weighted by indicated annual dividend yield, subject to the following constraints:

- a single constituent weight cap of 3%
- a single country weight cap of 25%
- a single GICS Sector weight cap of 25%

If any weight cap is breached, the excess weight is proportionally redistributed to uncapped constituents in the respective category. This process proceeds iteratively until no cap is breached.

S&P Global ESG Dividend Aristocrats Quality Income Index

Index Universe. To qualify for index inclusion, as of the rebalancing reference date, a stock must first be a member of the S&P Global BMI.

For more information on the S&P Global BMI, please refer to the S&P Global BMI, S&P/IFCI Methodology, available at www.spglobal.com/spdji/.

Eligibility Factors. At each rebalancing, stocks in the underlying index must satisfy the following to be eligible for index inclusion, with the eligibility factors applied in three sequential steps.

Step 1: Fundamental Criteria

- **Market Capitalization.** Stocks must have a float-adjusted market capitalization (FMC) of at least US\$ 1 billion as of the rebalancing reference date.
- **Liquidity.** Stocks must have an average daily value traded (ADVT) of at least \$5 million for the three months prior to the rebalancing reference date.
- **Stock Class.** All common and ordinary shares are eligible. Preferred stocks and preference shares are not eligible.
- **Listing Venues.** All local listings are eligible. However, companies domiciled in either Russia or India will have their local listing included in the index only if they have an ADR or GDR listing trading in a developed market meeting liquidity requirements.

All mainland China listed stocks are excluded from the index. However, any Hong-Kong listed shares included in the S&P Global BMI are eligible for inclusion.

- **Dividend Growth.** Stocks must have increased dividends or maintained stable dividends every year for at least 10 consecutive years.
- **Payout Ratio.** Stocks must have a non-negative (greater than 0) dividend payout ratio. Non-constituents may have a maximum of 100% dividend payout ratio for addition to the index.
- **Dividend Yield.** Stocks may have a maximum 10% indicated annual dividend yield as of the rebalancing reference date. The cap aims to exclude companies whose dividends may not be sustainable over time, as well as companies whose stock prices have deteriorated rapidly.

- **Return on Equity (ROE).** Stocks must have positive ROE, where:

$$ROE = \frac{\text{Earnings}}{\text{Book Value of Equity}}$$

Earnings and Book Value of Equity use data from the last 12 months as of the rebalancing reference date.

Cash Flow from Operations. All stocks must have positive cash flow from operations using data from the last 12 months as of the rebalancing reference date (the last business day of December) to be eligible, except for those classified within the GICS Financials Sector (Code: 40) which are exempt from this requirement.

Step 2: Exclusions Based on ESG Score. At each rebalancing reference date, exclude the following:

- companies without coverage
- companies in the index universe that satisfy Step 1 and have an S&P Global ESG score lower than the worst 25% of ESG Scores of companies that both remain eligible after applying the fundamental criteria screens.

Step 3: Exclusions Based on Business Activities & UNGC Classification.

Exclusions Based on Business Activities. As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies with the following specific business activities. Revenue is used as a proxy for all categories.

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|---|--|---|
| Controversial Weapons | Customized Weapons: This screen includes companies involved in the manufacturing of the components of a weapon. These components are intended solely for use in the production and are essential for the functioning of Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons, and Nuclear Weapons. | >0% | ≥25% |
| | Related Products and Services: This screen includes the companies that supply products and/or services such as stockpiling and transferring, and sales for Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons, and Nuclear Weapons. | >0% | ≥25% |
| Small Arms | Production of Small Arms Weapons for Civilian Use: This screen covers the companies that are involved in the manufacturing of small arms weapons for civilian use. | >0% | ≥25% |
| | Production of Small Arms Weapons for Non-Civilian Use: This screen covers the companies that are involved in the manufacturing of small arms weapon for non-civilian use. | >0% | ≥25% |
| | Production of Key Components: This screen covers the companies that are involved in the manufacturing of key components for assault weapons. | >0% | ≥25% |
| | Retail and Distribution of Small Arms Weapons: This screen covers the companies involved in the retail or distribution of small arms weapons for civilian customers. | ≥5% | N/A |
| Military Contracting | Integral Military Weapons: This screen covers the companies which are engaged in the manufacturing, assembling, sale and transportation of integral military weapons. | ≥10% | N/A |
| | Weapon Related: This screen covers the companies which are engaged in the manufacturing and sales of weapon related products. | ≥10% | N/A |
| Coal ⁷ | Thermal Coal Mining: This screen covers companies that own/and or operate coal mines that engage in thermal coal mining. | ≥5% | N/A |
| Thermal Coal ⁸ | Generation: This screen involves companies that are involved in the electricity generation using coal power plants. | ≥5% | N/A |
| Oil Sands or Tar Sands | Extraction and/or Production: This screen involves companies that are involved in the extraction and/or production of fossil fuels from Oil Sands/Tar Sands. | ≥5% | N/A |
| Tobacco | Production: The screen covers companies that are involved in the manufacturing of tobacco. | >0% | ≥25% |
| | Related Products and Services: The screen covers companies that supply essential products/services for the tobacco industry. | ≥5% | N/A |
| | Retail and Distribution: The screen covers companies involved in the retail and/or distribution of tobacco as part of their offerings. | ≥5% | N/A |

S&P DJI Level of Involvement refers to the company's direct exposure to such products, while Significant Ownership indicates where the company has indirect involvement via some specified level of ownership of a subsidiary company with involvement.

For more information on the S&P Global Business Involvement Screens data set, please refer [here](#).

Exclusions Based on the UNGC. Sustainability's Global Standards Screening (GSS) provides an assessment of a company's impact on stakeholders and the extent to which a company causes, contributes, or is linked to violations of international norms and standards. The basis of the GSS

⁷ Coal exclusions apply only since the January 2020 rebalancing.

⁸ Thermal coal exclusions apply only since the January 2020 rebalancing.

assessments is the UNGC Principles. Information regarding related standards is also provided in the screening, including the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as their underlying conventions. Sustainalytics classifies companies into the following three statuses:

- **Non-Compliant:** classification given to companies that do not act in accordance with the UNGC principles and their associated standards, conventions, and treaties.
- **Watchlist:** classification given to companies that are at risk of violating one or more principles, for which all dimensions for Non-Compliant status could not be established or confirmed.
- **Compliant:** classification given to companies that act in accordance with the UNGC principles and their associated standards, conventions, and treaties.

As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies classified as Non-Compliant

Please refer to <http://www.sustainalytics.com/> for more information.

Constituent Selection. As of each rebalancing reference date, rank all eligible stocks by indicated annual dividend yield, selecting the top 100 highest ranking stocks. If the number of eligible constituents is fewer than 100, then:

1. Underlying index constituents with an FMC above US\$ 500 million, that also satisfy all other index eligibility criteria, are added in decreasing order of dividend yield until target count is reached.
2. If at this point there are still not 100 constituents then underlying index constituents with a history of increased or stable dividends for more than seven consecutive years, that also satisfy all other eligibility criteria, are added in decreasing order of dividend yield until the target count is reached.

If a selected company shares the same dividend yield with another company, the company with the higher S&P Global ESG Score is included in the index.

Constituent Weightings. At each rebalancing, constituents are initially indicated annual dividend yield weighted, subject to the following constraints:

- the minimum weight of each constituent must be 0.05%
- single constituent weights are capped at 3%.
- single GICS Sector weights are capped at 25%.

The constraints above are satisfied by using an optimization procedure that chooses final weights in such a way as to minimize the sum of the squared difference of capped weight and uncapped weight, subject to the constraints.

The index weights are further capped to maintain a country allocation similar to that of the S&P Global BMI for the S&P Global ESG Dividend Aristocrats Quality Income Index. Any excess weight is proportionally redistributed to all uncapped constituents. For each country (c) the weight in the index (IW_c) is capped relative to its weight in the BMI ($BMIW_c$) as follows:

- If $10\% \leq BMIW_c$, then the index weight of the country is capped by:

$$BMIW_c - 10\% \leq IW_c \leq BMIW_c + 10\%$$

- If $5\% \leq BMIW_c < 10\%$, then the index weight of the country is capped by:

$$IW_c \leq BMIW_c + 10\%$$

- If $1\% \leq BMIW_c < 5\%$, then the index weight of the country is capped by:

$$IW_c \leq 3 * BMIW_c$$

- If $BMIW_c < 1\%$, then the index weight of the country is capped by:
 $IW_c \leq 3\%$

If the optimization fails to satisfy the above capping constraints, the following steps are performed:

1. Increase the cap on the weight of each country by 2% and decrease the floor on the weight of each country by 2%.
2. If the optimization still fails, Increase the cap on the weight of each GICS Sector by 2.5%.
3. If the optimization still fails, Increase the cap on the weight of each index constituent by 1%.
4. If there is still no solution after Step 3, return to Step 1 and rerun the process until the optimization works.

S&P Euro ESG High Yield Dividend Aristocrats Index

Index Universe. To qualify for index inclusion, as of the rebalancing reference date, a stock must first be a member of the S&P Europe BMI.

For more information on the S&P Europe BMI, please refer to the S&P Global BMI, S&P/IFCI Methodology, available at www.spglobal.com/spdji/.

Eligibility Factors. At each rebalancing, stocks in the underlying index must satisfy the following to be eligible for index inclusion, with the eligibility factors applied in three sequential steps:

Step 1: Fundamental Criteria

- **Market Capitalization.** Stocks must have a float-adjusted market capitalization (FMC) of at least US\$ 1 billion (US\$ 800 million for current constituents) as of the rebalancing reference date.
- **Liquidity.** Stocks must have a median daily value traded (MDVT) of at least \$5 million (US\$ 4 million for current constituents) for the three months prior to the rebalancing reference date.
- **Stock Class.** All common and ordinary shares are eligible. Preferred stocks and preference shares are not eligible.
- **Listing Venues.** A company must have a Eurozone⁹ country classification, and trade in euros on a Eurozone domiciled exchange.
- **Dividend Growth.** Stocks must have increased dividends or maintained stable dividends every year for at least 10 consecutive years.
- **Payout Ratio.** Stocks must have a non-negative (greater than 0) dividend payout ratio. Non-constituents may have a maximum of 100% dividend payout ratio for addition to the index.
- **Dividend Yield.** Stocks may have a maximum 10% indicated annual dividend yield as of the rebalancing reference date. The cap aims to exclude companies whose dividends may not be sustainable over time, as well as companies whose stock prices have deteriorated rapidly.

Step 2: Exclusions Based on ESG Score. As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies in the index universe that satisfy Step 1 and have an S&P Global ESG Score lower than the worst 25% of ESG Scores of companies that both remain eligible after applying the fundamental criteria screens.

Step 3: Exclusions Based on Business Activities & UNGC Classification.

Exclusions Based on Business Activities. As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies with the following specific business activities. Revenue is used as a proxy for all categories.

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|--|--|---|
| Controversial Weapons | Customized Weapons: This screen includes companies involved in the manufacturing of the components of a weapon. These components are intended solely for use in the production and are essential for the functioning of Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser | >0% | ≥25% |

⁹ The Eurozone is defined as all countries using the euro as the national currency.

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|---|--|---|
| | Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons and Nuclear Weapons. | | |
| | Related Products and Services: This screen includes the companies that supply products and/or services such as stockpiling and transferring, and sales for Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons and Nuclear Weapons. | >0% | ≥25% |
| Small Arms | Production of Small Arms Weapons for Civilian Use: This screen covers the companies that are involved in the manufacturing of small arms weapons for civilian use. | >0% | ≥25% |
| | Production of Small Arms Weapons for Non-Civilian Use: This screen covers the companies that are involved that are involved in the manufacturing of small arms weapon for non-civilian use. | >0% | ≥25% |
| | Production of Key Components: This screen covers the companies that are involved in the manufacturing of key components for assault weapons. | >0% | ≥25% |
| | Retail and Distribution of Small Arms Weapons: This screen covers the companies involved in the retail or distribution of small arms weapons for civilian customers | ≥5% | N/A |
| Military Contracting | Integral Military Weapons: This screen covers the companies which are engaged in the manufacturing, assembling, sale and transportation of integral military weapons. | ≥10% | N/A |
| | Weapon Related: This screen covers the companies which are engaged in the manufacturing and sales of weapon related products. | ≥10% | N/A |
| Coal ¹⁰ | Thermal Coal Mining: This screen covers companies that own/and or operate coal mines that engage in thermal coal mining. | ≥5% | N/A |
| Thermal Coal ¹¹ | Generation: This screen involves companies that are involved in the electricity generation using coal power plants | ≥5% | N/A |
| Oil Sands or Tar Sands | Extraction and/or Production: This screen involves companies that are involved in the extraction and/or production of fossil fuels from Oil Sands/Tar Sands. | ≥5% | N/A |
| Tobacco | Production: The screen covers companies that are involved in the manufacturing of tobacco. | >0% | ≥25% |
| | Related Products and Services: The screen covers companies that supply essential products/services for the tobacco industry. | ≥5% | N/A |
| | Retail and Distribution: The screen covers companies involved in the retail and/or distribution of tobacco as part of their offerings. | ≥5% | N/A |

S&P DJI Level of Involvement refers to the company's direct exposure to such products, while Significant Ownership indicates where the company has indirect involvement via some specified level of ownership of a subsidiary company with involvement.

For more information on the S&P Global Business Involvement Screens data set, please refer [here](#).

Exclusions Based on the UNGC. Sustainalytics' Global Standards Screening (GSS) provides an assessment of a company's impact on stakeholders and the extent to which a company causes, contributes, or is linked to violations of international norms and standards. The basis of the GSS assessments is the UNGC Principles. Information regarding related standards is also provided in the screening, including the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as their underlying conventions. Sustainalytics classifies companies into the following three statuses:

- **Non-Compliant:** classification given to companies that do not act in accordance with the UNGC principles and their associated standards, conventions, and treaties.
- **Watchlist:** classification given to companies that are at risk of violating one or more principles, for which all dimensions for Non-Compliant status could not be established or confirmed.
- **Compliant:** classification given to companies that act in accordance with the UNGC principles and their associated standards, conventions, and treaties.

¹⁰ Thermal coal exclusions apply only since the January 2020 rebalancing.

¹¹ Thermal coal exclusions apply only since the January 2020 rebalancing.

As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies classified as Non-Compliant

Please refer to <http://www.sustainalytics.com/> for more information.

Constituent Selection. At each rebalancing, rank all eligible stocks by indicated annual dividend yield, selecting the top 40 highest ranking stocks to form the index.

If a selected company shares the same dividend yield with another company, the company with the higher S&P Global ESG Score is included in the index.

If fewer than 40 stocks in the index universe satisfy the eligibility criteria, then the minimum float-adjusted market capitalization is lowered from US\$ 1 billion to US\$ 500 million.

S&P Europe BMI constituent stocks that have a float-adjusted market capitalization above US\$ 500 million, that also satisfy all other index eligibility criteria, are added in decreasing order of dividend yield until the index constituent count of 40 is met.

S&P Europe BMI constituent stocks with a history of increased or stable dividends for more than nine consecutive years, also satisfying all other index eligibility criteria, are added in decreasing order of dividend yield until the targeted constituent count is met. The nine consecutive year condition will be reduced year by year to seven consecutive years if required until the targeted constituent count of 40 is met.

If, after these steps the target stock count is not reached, the ESG Score-based eligibility criteria will be relaxed to 20% and the selection process will be restarted, including the previously relaxed FMC and dividend growth rules. All previously selected constituents remain selected.

If, after all the previous relaxation steps have taken place, the index constituent count of 40 is not reached, the selected constituents will form the index with no further additions.

Constituent Weightings. At each rebalancing the index is indicated annual dividend yield weighted, subject to the following constraints:

- The weights of individual securities are capped at the lower of 5% or five times the constituent's liquidity weight.¹²
- A single country weight cap of 30%
- A single GICS Sector weight cap of 30%

If any constraint is breached, the excess weight is proportionally redistributed to uncapped constituents in the respective category. This process proceeds iteratively until no cap is breached.

¹² Liquidity Weight Cap = 5 * (Stock Liquidity / Aggregate Liquidity of all Stocks), where Stock Liquidity = Three-month MDVT.

S&P 500 ESG Dividend Aristocrats Index

Index Universe. To qualify for index inclusion, as of the rebalancing reference date, a stock must first be a member of the S&P 500.

For more information on the S&P 500, please refer to the S&P U.S. Indices Methodology, available at www.spglobal.com/spdji/.

Eligibility Factors. At each rebalancing, stocks in the underlying index must satisfy the following to be eligible for index inclusion, with the eligibility factors applied in three sequential steps:

Step 1: Fundamental Criteria.

- **Market Capitalization:** Stocks must have a float-adjusted market capitalization (FMC) of at least US\$ 3 billion as of the rebalancing reference date.
- **Liquidity:** Stocks must have a median daily value traded (MDVT) of at least \$5 million for the three months prior to the rebalancing reference date.
- **Dividend Growth.** Stocks must have increased dividends every year for at least 25 consecutive years.

Step 2: Exclusions Based on ESG Score. As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies in the index universe that satisfy Step 1 and have an S&P Global ESG Score lower than the worst 25% of ESG Scores of companies that both remain eligible after applying the fundamental criteria screens.

Step 3: Exclusions Based on Business Activities & UNGC Classification.

Exclusions Based on Business Activities. As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies with the following specific business activities. Revenue is used as a proxy for all categories.

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|---|--|---|
| Controversial Weapons | Customized Weapons: This screen includes companies involved in the manufacturing of the components of a weapon. These components are intended solely for use in the production and are essential for the functioning of Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons, and Nuclear Weapons. | >0% | ≥10% |
| | Related Products and Services: This screen includes the companies that supply products and/or services such as stockpiling and transferring, and sales for Anti-Personnel Mines, Biological and Chemical Weapons, Blinding Laser Weapons, Cluster Munitions, Depleted Uranium, Incendiary Weapons and Nuclear Weapons. | >0% | ≥10% |
| Small Arms | Production of Small Arms Weapons for Civilian Use: This screen covers the companies that are involved in the manufacturing of small arms weapons for civilian use. | >0% | ≥25% |
| | Production of Small Arms Weapons for Non-Civilian Use: This screen covers the companies that are involved that are involved in the manufacturing of small arms weapon for non-civilian use. | >0% | ≥25% |
| | Production of Key Components: This screen covers the companies that are involved in the manufacturing of key components for assault weapons. | >0% | ≥25% |

| S&P Global Business Involvement | S&P Global Category of Involvement and Description | S&P DJI Level of Involvement Threshold | S&P DJI Significant Ownership Threshold |
|---------------------------------|--|--|---|
| | Retail and Distribution of Small Arms Weapons: This screen covers the companies involved in the retail or distribution of small arms weapons for civilian customers. | ≥5% | N/A |
| Military Contracting | Integral Military Weapons: This screen covers the companies which are engaged in the manufacturing, assembling, sale and transportation of integral military weapons. | ≥10% | N/A |
| | Weapon Related: This screen covers the companies which are engaged in the manufacturing and sales of weapon related products. | ≥10% | N/A |
| Coal | Thermal Coal Mining: This screen covers companies that own/and or operate coal mines that engage in thermal coal mining. | ≥5% | N/A |
| Thermal Coal | Generation: This screen involves companies that are involved in the electricity generation using coal power plants. | ≥5% | N/A |
| Oil Sands or Tar Sands | Extraction and/or Production: This screen involves companies that are involved in the extraction and/or production of fossil fuels from Oil Sands/Tar Sands. | ≥5% | N/A |
| Tobacco | Production: The screen covers companies that are involved in the manufacturing of tobacco. | >0% | ≥25% |
| | Related Products and Services: The screen covers companies that supply essential products/services for the tobacco industry. | ≥5% | N/A |
| | Retail and Distribution: The screen covers companies involved in the retail and/or distribution of tobacco as part of their offerings. | ≥5% | N/A |

S&P DJI Level of Involvement refers to the company's direct exposure to such products, while Significant Ownership indicates where the company has indirect involvement via some specified level of ownership of a subsidiary company with involvement.

For more information on the S&P Global Business Involvement Screens data set, please refer [here](#).

Exclusions Based on UNGC Classification. Sustainalytics' Global Standards Screening (GSS) provides an assessment of a company's impact on stakeholders and the extent to which a company causes, contributes or is linked to violations of international norms and standards. The basis of the GSS assessments is the UNGC Principles. Information regarding related standards is also provided in the screening, including the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as their underlying conventions. Sustainalytics classifies companies into the following three statuses:

- **Non-Compliant:** classification given to companies that do not act in accordance with the UNGC principles and its associated standards, conventions, and treaties.
- **Watchlist:** classification given to companies that are at risk of violating one or more principles, for which all dimensions for Non-Compliant status could not be established or confirmed.
- **Compliant:** classification given to companies that act in accordance with the UNGC principles and its associated standards, conventions, and treaties.

As of each rebalancing reference date, exclude the following:

- companies without coverage
- companies classified as Non-Compliant

Please refer to <http://www.sustainalytics.com/> for more information.

Constituent Selection. All eligible stocks are selected and form the index, subject to a minimum constituent count of at least 40. If fewer than 40 stocks are eligible, then the remaining S&P 500 constituent stocks that satisfy the criteria on ESG, market capitalization, and liquidity, are classified 1) according to the length of their dividend growth history in years and 2) according to their indicated dividend yield and added in decreasing order until the minimum constituent count of 40 is satisfied.

Members of the S&P 500 that have reduced dividends in the 12 months preceding the reference date, as determined by S&P Dow Jones Indices, are not considered for inclusion.

Constituent Weightings. At each rebalancing and reweighting, the index is equal weighted.

Sector Diversification Criteria. Stocks are classified according to GICS. At each annual rebalancing, no single GICS sector's weight can exceed 30% of the total index weight.

As part of the annual rebalancing, if the Sector Diversification Criteria is not satisfied following the selection of constituent stocks as detailed above, then the remaining constituents of the S&P 500, from alternative sectors, also satisfying the criteria on ESG, market capitalization and liquidity are classified 1) according to the length of their dividend growth history in years and 2) according to their indicated dividend yield and added in decreasing order until the Sector Diversification Criteria is satisfied.

Members of the S&P 500 that have reduced dividends in the 12 months preceding the reference date, as determined by S&P Dow Jones Indices, are not considered for inclusion.

Index Maintenance

Rebalancing

The indices rebalance annually, effective after the close of business on the dates indicated in the table below. The rebalancing reference date for the data used in the review is reported below for each index. At this rebalancing, an updated universe is created, and all eligibility screens are applied.

| S&P Index | Effective Date | Reference Date |
|--|--|-----------------------------------|
| S&P Developed ESG Dividend Aristocrats Index | After the close of the last business date in January | The last business day of December |
| S&P Global ESG Dividend Aristocrats Index | After the close of the last business date in January | The last business day of December |
| S&P Global ESG Dividend Aristocrats Quality Income Index | After the close of the last business date in January | The last business day of December |
| S&P Euro ESG High Yield Dividend Aristocrats Index | After the close of the third Friday in June | The last business day of May |
| S&P 500 ESG Dividend Aristocrats Index | After the close of the last business date in January | The last business day of December |

Reweightings. In addition to the annual rebalancing and the monthly dividend review (see below), the indices also undergo additional review to ensure adherence to the constituent weighting criteria. Any changes due to the realignment of constituent weights with the weighting criteria or the removal of stocks no longer eligible for index inclusion become effective after the close of the reweighting effective date as defined in the table below. If weights require realignment, as of the reference date, the excess weight is redistributed among other stocks based on current constituent weights. The reference date is the last business day of the month prior to the rebalancing month.

At each rebalancing, stocks are weighted and assigned index shares using the closing prices as of seven business days prior to the last business day of the rebalancing month as the reference price. For the S&P Euro ESG High Yield Dividend Aristocrats Index, the reference date for the price is the business day prior to the second Friday of the rebalancing month. Since index shares are assigned based on prices prior to the rebalancing, the actual weight of each stock at the rebalancing differs from the target weights due to market movements.

| S&P Index | Effective Date |
|--|--|
| S&P Developed ESG Dividend Aristocrats Index | After the close of the Last business day in July |
| S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index | After the close of the Last business day in July |
| S&P ESG High Yield Dividend Aristocrats Indices | After the close of the Last business day in April, July and October |
| S&P Global ESG Dividend Aristocrats Index | After the close of the Last business day in July |
| S&P Global ESG Dividend Aristocrats Quality Income Index | After the close of the Last business day in July |
| S&P Euro ESG High Yield Dividend Aristocrats Index | Third Friday of March, September, and December |
| S&P 500 ESG Dividend Aristocrats Index | After the close of the Last business day in April, July, and October |

Quarterly Eligibility Review

Business Activities. The indices review index constituents for ongoing eligibility under the Business Activities criteria and remove, without replacement, all ineligible companies effective after the close of the last business day of April, July, and October for all indices except the S&P Euro ESG High Yield Dividend Aristocrats Index. For this index, any companies deemed to be ineligible are removed from the index

effective after the close of the third Friday in September, December, and March. The reference date for all reviews is the last business day of the previous month. The review does not consider or include coverage changes.

UNGC. The indices review index constituents for ongoing eligibility under the UNGC exclusions criteria and remove, without replacement, all ineligible companies effective after the close of the third Friday of March, June, September, and December using a reference date as of after the close of the last business day of the previous month. The review does not consider or include coverage changes.

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 A in the Monthly Review for Ongoing Eligibility in Dividend Focused Indices section of S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Additions and Deletions

Additions. Except for spin-offs, no additions are made to the index between rebalancings.

Spin-Offs. Spin-offs are added to the index on the ex-date. If the spin-off remains in the underlying index, both the parent company and spin-off remain in the index until the subsequent rebalancing, provided both the parent and spin-off indicate the continuation and/or initiation of a consistent dividend paying policy. If the spin-off does not indicate the continuation/initiation of such policy, the spin-off is removed from the index after the first day of regular way trading. In equal-weighted indices, the proceeds reinvest back into the parent.

For spin-offs in all indices, the yearly dividend increase history of the parent company is assigned to both the parent and spun-off company before the spin-off effective date. Spin-off events are considered inclusive of split-off and other demerger corporate actions. To determine annual dividend payments, the dividends of the parent and spun-off company are combined until two full calendar year cycles of dividend payments are available for both the parent and spun-off company. For evaluation purposes the combined dividend amount is adjusted by the spin-off ratio. Subsequent dividend comparisons are based on the annual dividend amounts of each respective company. For merger and acquisition events, S&P Dow Jones Indices, at its discretion, may retain the dividend history for newly formed entities from their predecessor companies.

For yield-weighted indices, if the spin-off does not announce its official dividend payment by the reference date of the subsequent quarterly rebalancing, the spin-off uses the parent company's additional weight factor.

Deletions. Constituents are removed from an index between rebalancings if the stock is removed from the underlying index due to corporate events such as mergers, acquisitions, takeovers, or delisting, or as part of the quarterly eligibility review process.

In addition, at the discretion of the Index Committee, a deletion may occur if an MSA is flagged.

Controversies: Media and Stakeholder Analysis Overlay

In addition to the above, S&P Global uses RepRisk for daily filtering, screening, and analysis of ESG risk incidents and controversial activities related to companies within the indices.¹³

¹³ RepRisk, an ESG data science company, leverages the combination of AI and machine learning with human intelligence to systematically analyze public information in 23 languages and identify material ESG risks. With daily data updates across 100+ ESG risk factors, RepRisk provides consistent, timely, and actionable data for risk management and ESG integration across a company's operations, business relationships, and investments.

In cases where risks are presented, S&P Global releases a Media and Stakeholder Analysis (MSA) which includes a range of issues such as economic crime and corruption, fraud, illegal commercial practices, human rights issues, labor disputes, workplace safety, catastrophic accidents, and environmental disasters.

The Index Committee reviews constituents flagged by S&P Global's MSA to evaluate the potential impact of controversial company activities on the composition of the indices. If the Index Committee decides to remove a company in question, that company is ineligible for re-entry into the index for one full calendar year, beginning with the subsequent rebalancing.

For more information on RepRisk, please refer to www.reprisk.com. This service is not considered a direct contribution to the index construction process.

Corporate Actions

For information on the treatment of Corporate Actions, please refer to the Non-Market Capitalization Indices section within S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Currency of Calculation and Additional Index Return Series

| S&P Dividend Aristocrats ESG Index | Currency |
|--|----------|
| S&P Developed ESG Dividend Aristocrats Index | USD |
| S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index | USD, CAD |
| S&P ESG High Yield Dividend Aristocrats Indices | USD |
| S&P Global ESG Dividend Aristocrats Index | USD |
| S&P Global ESG Dividend Aristocrats Quality Income Index | USD |
| S&P Euro ESG High Yield Dividend Aristocrats index | EUR |
| S&P 500 ESG Dividend Aristocrats Index | USD |

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/.

Base Date and History Availability

Index history availability, base dates, and base values are shown in the table below.

| Index | Launch Date | First Value Date | Base Date | Base Value |
|--|-------------|------------------|------------|------------|
| S&P Developed ESG Dividend Aristocrats Index | 11/09/2020 | 01/31/2011 | 01/31/2020 | 100 |
| S&P ESG High Yield Dividend Aristocrats Index | 03/01/2021 | 01/31/2011 | 01/31/2011 | 100 |
| S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index | 11/21/2022 | 01/31/2012 | 01/31/2012 | 100 |
| S&P Global ESG Dividend Aristocrats Index | 03/22/2021 | 01/31/2011 | 01/31/2011 | 100 |

| Index | Launch Date | First Value Date | Base Date | Base Value |
|--|--------------------|-------------------------|------------------|-------------------|
| S&P Global ESG Dividend Aristocrats Quality Income Index | 03/01/2021 | 01/31/2011 | 01/31/2011 | 100 |
| S&P Euro ESG High Yield Dividend Aristocrats index | 04/06/2021 | 06/18/2010 | 06/18/2010 | 100 |
| S&P 500 ESG Dividend Aristocrats Index | 05/16/2022 | 01/31/2011 | 01/31/2011 | 1000 |
| S&P ESG High Yield Dividend Aristocrats FMC Weighted Index | 11/07/2022 | 01/31/2011 | 01/31/2011 | 100 |

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 Index Committee maintains the indices. The Index 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.

For more information, please refer to the Announcements section of S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Pro-forma Files

In addition to the corporate events file (.SDE), S&P Dow Jones Indices provides constituent pro-forma files each time the indices rebalance. 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/ for a complete schedule of rebalancing timelines and pro-forma delivery times.

Holiday Schedule

The indices are calculated daily, throughout the calendar year. The only days the indices are not calculated, or files are not distributed, are on days when all exchanges where the indices' constituents are listed are officially closed.

A complete holiday schedule for the year is available at 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.

Index Dissemination

Index levels are available through S&P Dow Jones Indices' Web site at 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 |
|--|--|----------------------------------|
| S&P Developed ESG Dividend Aristocrats Index (USD) | Price Return Total Return Net Total Return | SPWDDEUP SPWDDEUT SPWDDEUN |
| S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index (USD) | Price Return Total Return Net Total Return | SPDXDFUP SPDXDFUT SPDXDFUN |
| S&P ESG High Yield Dividend Aristocrats Index (USD) | Price Return Total Return Net Total Return | SPEHYDUP SPEHYDUT SPEHYDUN |
| S&P ESG High Yield Dividend Aristocrats FMC Weighted Index (USD) | Price Return Total Return Net Total Return | SPEHDFUP SPEHDFUT SPEHDFUN |
| S&P Global ESG Dividend Aristocrats Index (USD) | Price Return Total Return Net Total Return | -- -- -- |
| S&P Global ESG Dividend Aristocrats Quality Income Index (USD) | Price Return Total Return Net Total Return | SPGEDAUP SPGEDAUT SPGEDAUN |
| S&P Euro ESG High Yield Dividend Aristocrats Index (EUR) | Price Return Total Return Net Total Return | -- -- -- |
| S&P 500 ESG Dividend Aristocrats Index (USD) | Price Return Total Return Net Total Return | SPESDAUP SPESDAUT SPESDAUN |

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/en/contact-us.

Web site

For further information, please refer to S&P Dow Jones Indices' Web site at www.spglobal.com/spdji/.

Appendix A

Indices in this Methodology Employing Backward Data Assumption

S&P Developed ESG Dividend Aristocrats Index

S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index

S&P ESG High Yield Dividend Aristocrats Indices

S&P Global ESG Dividend Aristocrats Index

S&P Global ESG Dividend Aristocrats Quality Income Index

S&P Euro ESG High Yield Dividend Aristocrats index

S&P 500 ESG Dividend Aristocrats Index

Backward Data Assumption

The index employs a “Backward Data Assumption” method for some datapoints used in the derivation of historical index membership prior to the Live Data Effective Date (defined below). The “Backward Data Assumption” method involves applying the earliest available actual live data point for an index constituent to all prior, historical instances of that constituent in the index universe.

Backward Data Assumption affects only the historical, hypothetical constituents of any index back-test. Only actual live data is ever used in live index rebalancings and in the historical rebalancing calculation of an index after its Live Data Effective Date.

For more information on S&P DJI’s principles and processes for using Backward Data Assumption, please visit our [FAQ](#).

Designated Datasets Subject to Backward Data Assumption

The Backward Data Assumption within the historical back-test, with respect to the indices identified above, applies only to designated datasets and associated time horizons as defined below. For each designated dataset, all historical rebalancing events prior to the Live Data Reference Date listed below are subject to use of the Backward Data Assumption.

S&P Developed ESG Dividend Aristocrats Index, S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index, S&P ESG High Yield Dividend Aristocrats, S&P Global ESG Dividend Aristocrats Index, S&P Global ESG Dividend Aristocrats Quality Income Index, and S&P 500 ESG Dividend Aristocrats Index. The relevant dates are as follows:

| Data Provider | Designated Dataset | Live Data Reference Date | Live Data Effective Date |
|----------------|------------------------------|--------------------------|--------------------------|
| Sustainalytics | Business Activity Exclusions | 12/31/2019 | 02/03/2020 |
| Arabesque | GC Score | 12/31/2019 | 02/03/2020 |

S&P Euro ESG High Yield Dividend Aristocrats index. The relevant dates are as follows:

| Data Provider | Designated Dataset | Live Data Reference Date | Live Data Effective Date |
|----------------|------------------------------|--------------------------|--------------------------|
| Sustainalytics | Business Activity Exclusions | 05/31/2020 | 07/01/2020 |
| Arabesque | GC Score | 05/31/2020 | 07/01/2020 |

The Live Data Reference Date refers to the first rebalancing reference date from which only actual live data is used.

The Live Data Effective Date refers to the first date from which index constituents are determined solely on actual live data for each respective dataset.

Exclusions Based on Missing Coverage

This index excludes companies based on missing coverage with respect to the designated datasets above. However, for rebalancing dates prior to each respective Live Data Reference Date, the eligibility of companies is determined based on the coverage after applying the Backward Data Assumption, and is not dictated by actual live data coverage.

Historical Coverage Assessment per Designated Dataset

Arabesque UNGC Coverage (with respect to underlying index universe):

S&P Developed ESG Dividend Aristocrats Index

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Point-in-Time Data Index Weight | After Using the Data Assumption Stock Count | After Using the Data Assumption Index Weight |
|------------------|------------------------------|--------------------------------|---------------------------------|---|--|
| 2010 | 7209 | 2927 | 81.3% | 4638 | 85.0% |
| 2011 | 7520 | 3184 | 80.4% | 4862 | 84.0% |
| 2012 | 7906 | 3223 | 81.7% | 5000 | 85.4% |
| 2013 | 7359 | 3142 | 81.3% | 4944 | 85.4% |
| 2014 | 7799 | 3161 | 82.7% | 5161 | 87.7% |
| 2015 | 8365 | 3200 | 82.2% | 5445 | 87.7% |
| 2016 | 8647 | 3952 | 85.4% | 5598 | 88.4% |
| 2017 | 8590 | 3995 | 84.7% | 5635 | 88.5% |
| 2018 | 8106 | 5128 | 86.4% | 5456 | 87.2% |
| 2019 | 8189 | 5192 | 86.7% | 5413 | 87.2% |
| 2020 | 7788 | 5087 | 85.2% | Na | Na |

S&P ESG High Yield Dividend Aristocrats Index

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Point-in-Time Data Index Weight | After Using the Data Assumption Stock Count | After Using the Data Assumption Index Weight |
|------------------|------------------------------|--------------------------------|---------------------------------|---|--|
| 2010 | 50 | 42 | 82.2% | 50 | 100.0% |
| 2011 | 60 | 53 | 93.0% | 60 | 100.0% |
| 2012 | 60 | 53 | 93.3% | 60 | 100.0% |
| 2013 | 81 | 77 | 96.7% | 81 | 100.0% |
| 2014 | 83 | 78 | 95.9% | 83 | 100.0% |
| 2015 | 95 | 86 | 92.8% | 95 | 100.0% |
| 2016 | 99 | 99 | 100.0% | 99 | 100.0% |
| 2017 | 106 | 104 | 99.0% | 106 | 100.0% |
| 2018 | 107 | 106 | 99.9% | 106 | 99.9% |
| 2019 | 111 | 109 | 97.9% | 109 | 97.9% |
| 2020 | 112 | 109 | 95.3% | Na | Na |

S&P Global ESG Dividend Aristocrats Index and S&P Global ESG Dividend Aristocrats Quality Income Index

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Point-in-Time Data Index Weight | After Using the Data Assumption Stock Count | After Using the Data Assumption Index Weight |
|------------------|------------------------------|--------------------------------|---------------------------------|---|--|
| 2010 | 9463 | 3327 | 89.4% | 5723 | 95.5% |
| 2011 | 10060 | 3955 | 90.6% | 6021 | 95.2% |
| 2012 | 10704 | 4098 | 91.1% | 6260 | 95.6% |
| 2013 | 9964 | 4109 | 91.2% | 6231 | 96.0% |
| 2014 | 10537 | 4166 | 90.6% | 6501 | 96.1% |
| 2015 | 11498 | 4288 | 90.3% | 6864 | 96.3% |

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Index Weight | After Using the Data Assumption Stock Count | Index Weight |
|------------------|------------------------------|--------------------------------|--------------|---|--------------|
| 2016 | 11803 | 5052 | 92.7% | 6995 | 96.3% |
| 2017 | 11629 | 5065 | 92.6% | 6999 | 96.8% |
| 2018 | 11303 | 6315 | 95.4% | 6827 | 96.5% |
| 2019 | 11271 | 6388 | 95.8% | 6707 | 96.5% |
| 2020 | 11915 | 6557 | 93.7% | Na | Na |

S&P Euro ESG High Yield Dividend Aristocrats index

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Index Weight | After Using the Data Assumption Stock Count | Index Weight |
|------------------|------------------------------|--------------------------------|--------------|---|--------------|
| 2010 | 1712 | 928 | 94.0% | 1319 | 97.0% |
| 2011 | 1703 | 922 | 93.6% | 1332 | 97.1% |
| 2012 | 1714 | 930 | 93.9% | 1337 | 97.0% |
| 2013 | 1565 | 909 | 94.5% | 1284 | 97.5% |
| 2014 | 1628 | 903 | 93.9% | 1339 | 97.5% |
| 2015 | 1778 | 908 | 93.5% | 1439 | 97.7% |
| 2016 | 1833 | 968 | 93.6% | 1506 | 98.1% |
| 2017 | 1829 | 948 | 92.1% | 1538 | 98.9% |
| 2018 | 1662 | 1331 | 97.7% | 1447 | 99.0% |
| 2019 | 1640 | 1299 | 96.8% | 1427 | 98.6% |
| 2020 | 1525 | 1319 | 94.5% | NA | NA |

Sustainalytics Business Activity Exclusions Coverage (with respect to underlying index universe):

S&P Developed ESG Dividend Aristocrats Index

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Index Weight | After Using the Data Assumption Stock Count | Index Weight |
|------------------|------------------------------|--------------------------------|--------------|---|--------------|
| 2010 | 7209 | 0 | 0.0% | 5516 | 85.3% |
| 2011 | 7520 | 0 | 0.0% | 5828 | 84.6% |
| 2012 | 7906 | 0 | 0.0% | 6126 | 86.3% |
| 2013 | 7359 | 3077 | 80.1% | 6050 | 86.3% |
| 2014 | 7799 | 3227 | 81.9% | 6537 | 88.9% |
| 2015 | 8365 | 5168 | 86.9% | 7091 | 89.0% |
| 2016 | 8647 | 5718 | 88.2% | 7494 | 90.1% |
| 2017 | 8590 | 5973 | 88.7% | 7553 | 90.2% |
| 2018 | 8106 | 7033 | 88.9% | 7342 | 89.2% |
| 2019 | 8189 | 7306 | 89.2% | 7334 | 89.2% |
| 2020 | 7788 | 6943 | 88.3% | NA | NA |

S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Index Weight | After Using the Data Assumption Stock Count | Index Weight |
|------------------|------------------------------|--------------------------------|--------------|---|--------------|
| 2012 | 4050 | 0 | 0 | 3141 | 96.9% |
| 2013 | 3669 | 0 | 0 | 3022 | 97.1% |
| 2014 | 3859 | 1621 | 89.8% | 3217 | 97.4% |
| 2015 | 4255 | 1861 | 90.9% | 3497 | 97.6% |
| 2016 | 4429 | 1961 | 91.9% | 3687 | 98.1% |
| 2017 | 4421 | 2115 | 93.2% | 3781 | 99.1% |
| 2018 | 4070 | 2232 | 94.6% | 3591 | 99.4% |
| 2019 | 4097 | 3268 | 98.3% | 3561 | 99.4% |
| 2020 | 3895 | 3233 | 98.5% | 3375 | 99.1% |
| 2021 | 4087 | 3372 | 98.4% | NA | NA |
| 2022 | 4490 | 3837 | 99.2% | NA | NA |

S&P ESG High Yield Dividend Aristocrats Indices

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Index Weight | After Using the Data Assumption Stock Count | Index Weight |
|------------------|------------------------------|--------------------------------|--------------|---|--------------|
| 2010 | 50 | 0 | 0.0% | 50 | 100.0% |
| 2011 | 60 | 0 | 0.0% | 60 | 100.0% |
| 2012 | 60 | 0 | 0.0% | 60 | 100.0% |
| 2013 | 81 | 76 | 95.7% | 81 | 100.0% |
| 2014 | 83 | 77 | 94.8% | 83 | 100.0% |

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Point-in-Time Data Index Weight | After Using the Data Assumption Stock Count | After Using the Data Assumption Index Weight |
|------------------|------------------------------|--------------------------------|---------------------------------|---|--|
| 2015 | 95 | 95 | 100.0% | 95 | 100.0% |
| 2016 | 99 | 99 | 100.0% | 99 | 100.0% |
| 2017 | 106 | 106 | 100.0% | 106 | 100.0% |
| 2018 | 107 | 107 | 100.0% | 107 | 100.0% |
| 2019 | 111 | 111 | 100.0% | 111 | 100.0% |
| 2020 | 112 | 112 | 100.0% | NA | NA |

S&P Global ESG Dividend Aristocrats Index and S&P Global ESG Dividend Aristocrats Quality Income Index

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Point-in-Time Data Index Weight | After Using the Data Assumption Stock Count | After Using the Data Assumption Index Weight |
|------------------|------------------------------|--------------------------------|---------------------------------|---|--|
| 2010 | 9463 | 0 | 0.0% | 7142 | 96.1% |
| 2011 | 10060 | 0 | 0.0% | 7657 | 96.3% |
| 2012 | 10704 | 0 | 0.0% | 8125 | 97.0% |
| 2013 | 9964 | 4148 | 90.2% | 8018 | 97.4% |
| 2014 | 10537 | 4371 | 90.1% | 8681 | 97.9% |
| 2015 | 11498 | 6467 | 95.4% | 9534 | 98.4% |
| 2016 | 11803 | 7143 | 96.2% | 10069 | 98.9% |
| 2017 | 11629 | 7734 | 97.3% | 10151 | 99.4% |
| 2018 | 11303 | 9473 | 99.0% | 10042 | 99.5% |
| 2019 | 11271 | 9867 | 99.5% | 9907 | 99.5% |
| 2020 | 11915 | 10091 | 99.2% | NA | NA |

S&P Euro ESG High Yield Dividend Aristocrats Index

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Point-in-Time Data Index Weight | After Using the Data Assumption Stock Count | After Using the Data Assumption Index Weight |
|------------------|------------------------------|--------------------------------|---------------------------------|---|--|
| 2010 | 1712 | 0 | 0.0% | 1354 | 96.4% |
| 2011 | 1703 | 0 | 0.0% | 1394 | 96.9% |
| 2012 | 1714 | 0 | 0.0% | 1430 | 97.2% |
| 2013 | 1565 | 933 | 91.4% | 1362 | 97.1% |
| 2014 | 1628 | 1065 | 95.7% | 1443 | 97.7% |
| 2015 | 1778 | 1102 | 95.4% | 1582 | 97.9% |
| 2016 | 1833 | 1261 | 96.3% | 1686 | 98.3% |
| 2017 | 1829 | 1694 | 99.5% | 1732 | 99.6% |
| 2018 | 1662 | 1609 | 99.7% | 1618 | 99.8% |
| 2019 | 1640 | 1597 | 99.8% | 1601 | 99.8% |
| 2020 | 1525 | 1425 | 99.7% | NA | NA |

S&P 500 ESG High Yield Dividend Aristocrats Index

| Rebalancing Date | Underlying Index Stock Count | Point-in-Time Data Stock Count | Point-in-Time Data Index Weight | After Using the Data Assumption Stock Count | After Using the Data Assumption Index Weight |
|------------------|------------------------------|--------------------------------|---------------------------------|---|--|
| 2011 | 500 | 0 | 0.00% | 499 | 99.95% |
| 2012 | 500 | 0 | 0.00% | 500 | 100% |
| 2013 | 500 | 0 | 0.00% | 500 | 100% |
| 2014 | 500 | 494 | 99.32% | 500 | 100% |
| 2015 | 502 | 498 | 99.45% | 502 | 100% |
| 2016 | 504 | 498 | 99.49% | 504 | 100% |
| 2017 | 505 | 503 | 99.88% | 505 | 100% |
| 2018 | 505 | 503 | 99.94% | 505 | 100% |
| 2019 | 505 | 504 | 99.98% | 505 | 100% |
| 2020 | 505 | 501 | 99.69% | 505 | 100% |
| 2021 | 505 | 504 | 99.99% | n/a | n/a |
| 2022 | 505 | 505 | 100% | n/a | n/a |

Coverage for each Sustainability Category of Involvement may differ due to the initiation of coverage for each sub-dataset. Actual live data coverage for each sub-dataset is therefore zero before its respective Coverage Initiation Date provided below:

| Sustainability Category of Involvement | Coverage Initiation Date |
|--|--------------------------|
| Controversial Weapons: Tailor-made and Essential | 12/31/2012 |

| Sustainalytics Category of Involvement | Coverage Initiation Date |
|--|--------------------------|
| Controversial Weapons: Significant ownership (Tailor-made and Essential) | 12/31/2018 |
| Thermal Coal: Extraction | 12/31/2015 |
| Thermal Coal: Power Generation | 12/31/2015 |
| Tobacco Products: Production | 12/31/2012 |
| Tobacco Products: Related Products/Services | 12/31/2012 |
| Tobacco Products: Retail | 12/31/2012 |
| Tobacco Products: Significant ownership (production) | 12/31/2018 |
| Tobacco Products: Significant ownership (related products/services) | 12/31/2018 |
| Tobacco Products: Significant ownership (retail) | 12/31/2018 |

Appendix B

Methodology Changes

Methodology changes since November 9, 2020, are as follows:

| Change | Effective Date (After Close) | Previous | Methodology Updated |
|---|---------------------------------|--|--|
| Quarterly UNGC Eligibility Review: S&P 500 ESG Dividend Aristocrats Index, S&P Developed ESG Dividend Aristocrats Index, S&P ESG High Yield Dividend Aristocrats FMC Weighted Index, S&P ESG High Yield Dividend Aristocrats Index, S&P Global ESG Dividend Aristocrats Index, S&P Global ESG Dividend Aristocrats Quality Income Index, S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index | 01/31/2025 | Index constituents are reviewed on a quarterly basis for ongoing eligibility under UNGC exclusion criteria. Companies determined to be ineligible are removed from the index, effective after the close of the last business day of April, July, and October. The reference date for this review is the last business day of the previous month. | The indices review index constituents for ongoing eligibility under the UNGC exclusion criteria and remove, without replacement, all ineligible companies effective after the close of the third Friday of March, June, September, December using a reference date for as of after the close of the last business day of the previous month. The review does not consider or include coverage changes. |
| Exclusions Based on Business Activities Data Provider: S&P 500 ESG Dividend Aristocrats Index, S&P Developed ESG Dividend Aristocrats Index, S&P ESG High Yield Dividend Aristocrats FMC Weighted Index, S&P ESG High Yield Dividend Aristocrats Index, S&P Global ESG Dividend Aristocrats Index, S&P Global ESG Dividend Aristocrats Quality Income Index, S&P International Developed Ex-North America & Korea ESG | 01/31/2025 | Sustainalytics provides the data for exclusions based on business activities. | S&P Global provides the data for exclusions based on business activities. |

| Change | Effective Date (After Close) | Previous | Methodology Updated |
|---|---|---|---|
| Dividend Aristocrats FMC Weighted Index | | | |
| ESG Score Data: S&P 500 ESG Dividend Aristocrats Index, S&P Developed ESG Dividend Aristocrats Index, S&P ESG High Yield Dividend Aristocrats FMC Weighted Index, S&P ESG High Yield Dividend Aristocrats Index, S&P Global ESG Dividend Aristocrats Index, S&P Global ESG Dividend Aristocrats Quality Income Index, S&P International Developed Ex-North America & Korea ESG Dividend Aristocrats FMC Weighted Index | 01/31/2025 | The index uses S&P DJI ESG Scores as part of the constituent selection process. | The index uses S&P Global ESG Scores as part of the constituent selection process. |
| Exclusions Based on Business Activities Data Provider: S&P Euro ESG High Yield Dividend Aristocrats Index | 06/21/2024 | Sustainalytics provides the data for exclusions based on business activities. | S&P Global provides the data for exclusions based on business activities. |
| ESG Score Data S&P Euro ESG High Yield Dividend Aristocrats Index | 06/21/2024 | The index uses S&P DJI ESG Scores as part of the constituent selection process. | The index uses S&P Global ESG Scores as part of the constituent selection process. |
| Exclusions based on UNGC Classification: Data Provider Change | 06/17/2022 (S&P Euro ESG High Yield Dividend Aristocrats Index) 01/31/2023 (All other indices) | Companies at or below the bottom 5% of the global Arabesque S-Ray™ universe by GC Score rank, as at the reference date of the last business day of March, are ineligible. | Exclude companies classified as Non-Compliant. |
| Exclusions Based on Business Activities: New and Revised Exclusions | 06/17/2022 (S&P Euro ESG High Yield Dividend Aristocrats Index) 01/31/2023 (All other indices) | <ul style="list-style-type: none"> No exclusion was applied for involvement in any Oil Sands, Small Arms or Military Contracting activity. No exclusion was applied for involvement in Controversial Weapons: Non-Tailor Made or Non-Essential. Exclusions were applied for involvement in Tobacco Products: Related Products/Services and Tobacco Products: Retail with a Level of Involvement Threshold of ≥10% and a Significant Ownership Threshold of ≥25%. | <ul style="list-style-type: none"> Exclusions are applied for involvement in Oil Sands Extraction with a level of involvement threshold of ≥5%, Small Arms: Civilian Customers (Assault Weapons), Small Arms: Civilian Customers (Non-Assault Weapons), Small Arms: Military/Law Enforcement Customers and Small Arms: Key Components at a Level of Involvement Threshold of >0% and a Significant Ownership Threshold of ≥25%, Small Arms: Retail/Distribution (Assault Weapons) and Small Arms: Retail/Distribution (Non-Assault Weapons) at a Level of Involvement Threshold of ≥5%, and Military Contracting: Weapons and Military Contracting: Weapon-related products |

| Change | Effective Date (After Close) | Methodology | |
|------------------------------|--|---|--|
| | | Previous | Updated |
| | | | <p>and services at a Level of Involvement Threshold of $\geq 10\%$.</p> <ul style="list-style-type: none"> Exclusions are applied for Controversial Weapons: Non-Tailor Made or Non-Essential at a Level of Involvement Threshold of $>0\%$ and a Significant Ownership Threshold of $\geq 25\%$, Exclusions are applied for Tobacco Products: Related Products/Services and Tobacco Products: Retail at a Level of Involvement Threshold of $\geq 5\%$ and no Significant Ownership Threshold. |
| Quarterly Eligibility Review | <p>06/17/2022 (S&P Euro ESG High Yield Dividend Aristocrats Index)</p> <p>01/31/2023 (All other indices)</p> | -- | <p>Index constituents are reviewed on a quarterly basis for ongoing eligibility under the Business Activities and UNGC exclusion criteria. Companies determined to be ineligible are removed from the index, effective after the close of the last business day of April, July, and October for all indices except the S&P Euro High Yield Dividend Aristocrats Index. For this index, any companies deemed to be ineligible are removed from the index effective after the close of the third Friday in September, December, and March. The reference date for all reviews is the last business day of the previous month. No constituent will be added to the index as a result of any deletion that may take place.</p> |
| Monthly Dividend Review | 02/19/2021 | <p>S&P Dow Jones Indices reviews index constituents on a monthly basis. If S&P Dow Jones Indices determines an index constituent has eliminated, suspended its dividend or omitted a payment, it will be removed from the index effective prior to the open of the first business day of the following month.</p> <p>In addition, constituent stocks are reviewed on a monthly basis for dividend cuts. Constituent stocks may, at the discretion of the Index Committee, be removed effective prior to the open of the first business day of the following month if the constituent company lowers but does not eliminate its dividend, its new yield is significantly lower than the lowest yielding constituent, and the index committee can determine based on current information that the company will not qualify for inclusion at the next rebalancing.</p> | <p>Index constituents are reviewed on a monthly basis for ongoing eligibility. For more information regarding the monthly dividend review, please refer to Approach A in the Monthly Review for Ongoing Eligibility in Dividend Focused Indices section of S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.</p> |

Disclaimer

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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.

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