

**S&P Global SmallCap  
Select Index Series  
*Methodology***

August 2021

# Table of Contents

Introduction	3
<b>Index Objective</b>	<b>3</b>
<b>Index Series</b>	<b>3</b>
<b>Supporting Documents</b>	<b>4</b>
Eligibility Criteria	5
<b>Index Universe</b>	<b>5</b>
<b>Selection Universe</b>	<b>5</b>
Index Construction	6
<b>Constituent Selection</b>	<b>6</b>
<b>Constituent Weightings</b>	<b>6</b>
<b>Index Calculations</b>	<b>6</b>
Index Maintenance	7
<b>Rebalancing</b>	<b>7</b>
<b>Additions</b>	<b>7</b>
<b>Deletions</b>	<b>7</b>
<b>Corporate Actions</b>	<b>7</b>
<b>Currency of Calculation and Additional Index Return Series</b>	<b>7</b>
<b>Base Dates and History Availability</b>	<b>8</b>
Index Data	9
<b>Calculation Return Types</b>	<b>9</b>
Index Governance	10
<b>Index Committee</b>	<b>10</b>
Index Policy	11
<b>Announcements</b>	<b>11</b>
<b>Pro-forma Files</b>	<b>11</b>
<b>Holiday Schedule</b>	<b>11</b>
<b>Rebalancing</b>	<b>11</b>
<b>Unexpected Exchange Closures</b>	<b>11</b>
<b>Recalculation Policy</b>	<b>11</b>
<b>Real-Time Calculation</b>	<b>12</b>
<b>Contact Information</b>	<b>12</b>

Index Dissemination	13
<b>Tickers</b>	<b>13</b>
<b>Index Data</b>	<b>13</b>
<b>Web site</b>	<b>13</b>
Appendix	14
<b>EU Required ESG Disclosures</b>	<b>14</b>
Disclaimer	15

# Introduction

## Index Objective

The S&P SmallCap Select Index Series measures the performance of small cap companies with positive earnings within the S&P Global BMI index family. All indices are float-adjusted market capitalization weighted.

## Index Series

The index series includes:

- **S&P Global SmallCap Select.** The index measures the performance of global small cap companies with positive earnings.
- **S&P Global ex-U.S. SmallCap Select.** The index measures the performance of global small cap companies with positive earnings, excluding stocks domiciled in the U.S.
- **S&P Developed ex-U.S. SmallCap Select.** The index measures the performance of small cap companies with positive earnings from developed markets, excluding stocks domiciled in the U.S.
- **S&P Developed ex-U.S. & Korea SmallCap Select.** The index measures the performance of small cap companies with positive earnings from developed markets, excluding stocks domiciled in the U.S. and South Korea.
- **S&P EPAC SmallCap Select.** The index measures the performance of small cap companies with positive earnings from developed markets within the Europe and Asia Pacific regions.
- **S&P EPAC ex-Korea SmallCap Select.** The index measures the performance of small cap companies with positive earnings from developed markets within the Europe and Asia Pacific regions, excluding stocks domiciled in South Korea.
- **S&P Emerging SmallCap Select.** The index measures the performance of small cap companies with positive earnings from emerging markets.
- **S&P Emerging Plus SmallCap Select.** The index measures the performance of small cap companies with positive earnings from emerging markets, including South Korea.
- **S&P United Kingdom SmallCap Select.** The index measures the performance small cap companies with positive earnings domiciled in the United Kingdom.

## 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:

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

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

# Eligibility Criteria

## Index Universe

The S&P SmallCap Select Index Series draws constituents from the S&P Global BMI index family. To qualify for index membership, a stock must, as of the rebalancing reference date, be a member of the respective benchmark (the “Index Universe”), as defined in the table below.

Index	Benchmark (Index Universe)
S&P Global SmallCap Select	S&P Global SmallCap
S&P Global ex-U.S. SmallCap Select	S&P Global ex-U.S. SmallCap
S&P Developed ex-U.S. SmallCap Select	S&P Developed ex-U.S. SmallCap
S&P Developed ex-U.S. & Korea SmallCap Select	S&P Developed ex-U.S. & Korea SmallCap
S&P EPAC SmallCap Select	S&P EPAC SmallCap
S&P EPAC ex-Korea SmallCap Select	S&P EPAC ex-Korea SmallCap
S&P Emerging SmallCap Select	S&P Emerging SmallCap
S&P Emerging Plus SmallCap Select	S&P Emerging Plus SmallCap
S&P United Kingdom SmallCap Select	S&P United Kingdom SmallCap

For information on the S&P Global BMI, including eligibility criteria and maintenance procedures, please refer to the S&P Global BMI, S&P/IFCI Methodology available at [www.spdji.com](http://www.spdji.com).

## Selection Universe

Stocks in the Index Universe excluding China-A Shares that satisfy the below eligibility criteria, as of the rebalancing reference date, form the selection universe:

- Liquidity and Float-Adjusted Market Capitalization (FMC).** At each rebalancing reference date companies are ranked within their particular country based on liquidity measured by the six-month Median Daily Value Traded (MDVT) and FMC. The two screens below are performed independently of the other. Companies ranked within the percentiles defined below are not eligible for index inclusion:
  - The 20% least liquid securities in each country (16% for current constituents), by six-month MDVT, are excluded.
  - The 20% smallest securities in each country (16% for current constituents), by FMC, are excluded.
- Positive Earnings.** At each rebalancing reference date, a company’s prior two years of annual earnings must each be positive. Annual earnings are defined as trailing earnings per share (EPS) for all companies except for Real Estate Investment Trusts (REITs). EPS over the last twelve months is given preference over fiscal year earnings per share data. If last trailing months EPS is not available, fiscal year-end EPS will be used. For REITs, annual earnings are defined as Funds-From-Operations (FFO), if available. If FFO is not available for a REIT, then EPS is used. REITs are determined by their GICS industry code (601010). Current constituents that post two consecutive years of negative earnings become ineligible.
- Multiple Share Classes.** All publicly listed multiple share class lines are eligible for index inclusion, subject to meeting the eligibility criteria. For more information regarding the treatment of multiple share classes, please refer to Approach A within the Multiple Share Classes section of the S&P Dow Jones Indices’ Equity Indices Policies & Practices Methodology.

# Index Construction

## **Constituent Selection**

All stocks in the respective selection universe form each index.

## **Constituent Weightings**

The indices are FMC weighted.

## **Index Calculations**

The indices are calculated by means of the divisor methodology used in all S&P Dow Jones Indices equity indices.

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

# Index Maintenance

## Rebalancing

The indices rebalance semi-annually after the close on the third Friday of June and December. The fundamental data reference date is the last business day in May and November, respectively.

**Quarterly Updates.** In addition to the semi-annual rebalancings, shares outstanding and IWFs update quarterly after the close of the third Friday in March and September.

*For more information on shares outstanding and IWFs, please refer to S&P Dow Jones Indices' Equity Policies & Practices Methodology.*

## Additions

Except for spun-off companies, and as otherwise detailed below, there are no additions between rebalancings.

## Deletions

Companies that are removed from the respective benchmark index are also removed from the appropriate S&P SmallCap Select index. This includes, but is not limited to, companies being assigned to a different cap size.

Between rebalancings, a company can be deleted from the index due to corporate events such as mergers, acquisitions, delistings, or bankruptcies.

## Corporate Actions

**Spin-Offs.** Spin-offs from current index constituents are eligible for index inclusion. Such spin-offs are included in the index on their ex-dates and remain in the index until the first rebalancing reference date after the spin-off reports annual earnings, when it is evaluated for inclusion. As of this rebalancing reference date, if the company reported positive earnings, it remains in the index; if the company reported negative earnings, it is removed from the index at the rebalancing.

After the first earnings screen, the spin-off is treated according to the regular deletion rules.

Note that the first rebalancing reference date with company reporting earnings does not equate to being the actual next rebalancing reference date after the spin-off ex-date if that rebalancing occurs before the spin-off reports earnings.

*For more information on Corporate Actions, please refer to the Market Capitalization Weighted Indices section of S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.*

## Currency of Calculation and Additional Index Return Series

The indices are calculated in U.S. dollars.

WM/Refinitiv foreign exchange rates are taken daily at 04:00 PM London time, and used in the calculation of the S&P Global Equity Indices. These mid-market fixings are calculated by The WM Company based on Refinitiv data and appear on Refinitiv pages WMRA.

In addition to the indices detailed in this methodology, additional return series versions of the indices may be available, including, but not limited to: 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.spdji.com](http://www.spdji.com).

### Base Dates 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 Global SmallCap Select	12/21/2018	12/17/1999	12/17/1999	100
S&P Global ex-U.S. SmallCap Select	12/21/2018	12/17/1999	12/17/1999	100
S&P Developed ex-U.S. SmallCap Select	12/21/2018	12/17/1999	12/17/1999	100
S&P Developed ex-U.S. & Korea SmallCap Select	04/05/2019	12/17/1999	12/17/1999	100
S&P EPAC SmallCap Select	04/05/2019	12/17/1999	12/17/1999	100
S&P EPAC ex-Korea SmallCap Select	04/05/2019	12/17/1999	12/17/1999	100
S&P Emerging SmallCap Select	12/21/2018	12/17/1999	12/17/1999	100
S&P Emerging Plus SmallCap Select	04/05/2019	12/17/1999	12/17/1999	100
S&P United Kingdom SmallCap Select	04/05/2019	12/17/1999	12/17/1999	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 S&P Dow Jones Indices' Index Committee maintains the indices. The Index Committee meets regularly. All committee members are full-time professional members of S&P Dow Jones Indices' staff. At each meeting, the Index Committee reviews pending corporate actions that may affect index constituents, statistics comparing the composition of the indices to the market, companies that are being considered as candidates for addition to an 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 and their corresponding weights and index shares effective for the upcoming rebalancing. Since index shares are assigned based on reference prices prior to the rebalancing, the actual weight of each stock at the rebalancing differs from these weights due to market movements.

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

## Holiday Schedule

The indices are calculated when the U.S. equity markets are open.

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

## 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.

**Real-Time Calculation**

Real-time indices are not restated.

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

# Index Dissemination

## 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 Global SmallCap Select	Price Return Total Return	SPGLSSUP SPGLSSUT
S&P Global ex-U.S. SmallCap Select	Price Return Total Return	SPGUSSUP SPGUSSUT
S&P Developed ex-U.S. SmallCap Select	Price Return Total Return	SPWUSSUP SPWUSSUT
S&P Developed ex-U.S. & Korea SmallCap Select	Price Return Total Return	SPWKSSUP SPWKSSUT
S&P EPAC SmallCap Select	Price Return Total Return	SPEPSSUP SPEPSSUT
S&P EPAC ex-Korea SmallCap Select	Price Return Total Return	SPEKSSUP SPEKSSUT
S&P Emerging SmallCap Select	Price Return Total Return	SPEMSSUP SPEMSSUT
S&P Emerging Plus SmallCap Select	Price Return Total Return	SPKESSUP SPKESSUT
S&P United Kingdom SmallCap Select	Price Return Total Return	SPGBSSUP SPGBSSUT

## Index Data

Daily constituent and index level data are available via subscription.

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

## Web site

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

# Appendix

## EU Required ESG Disclosures

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

<sup>1</sup> The information contained in this Appendix is intended to meet the requirements of the European Union Commission Delegated Regulation (EU) 2020/1817 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the minimum content of the explanation of how environmental, social and governance factors are reflected in the benchmark methodology.

<sup>2</sup> The 'underlying assets' are defined in European Union Commission Delegated Regulation (EU) 2020/1816 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published.

# Disclaimer

© 2021 S&P Dow Jones Indices. All rights reserved. S&P, S&P 500, S&P 500 LOW VOLATILITY INDEX, S&P 100, S&P COMPOSITE 1500, S&P 400, S&P MIDCAP 400, S&P 600, S&P SMALLCAP 600, S&P GIVI, GLOBAL TITANS, DIVIDEND ARISTOCRATS, S&P TARGET DATE INDICES, S&P PRISM, S&P STRIDE, GICS, SPIVA, SPDR and INDEXOLOGY are registered trademarks of S&P Global, Inc. (“S&P Global”) or its affiliates. DOW JONES, DJ, DJIA, THE DOW and DOW JONES INDUSTRIAL AVERAGE are registered trademarks of Dow Jones Trademark Holdings LLC (“Dow Jones”). These trademarks together with others have been licensed to S&P Dow Jones Indices LLC. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. This document does not constitute an offer of services in jurisdictions where S&P Dow Jones Indices LLC, S&P Global, Dow Jones or their respective affiliates (collectively “S&P Dow Jones Indices”) do not have the necessary licenses. Except for certain custom index calculation services, all information provided by S&P Dow Jones Indices is impersonal and not tailored to the needs of any person, entity or group of persons. S&P Dow Jones Indices receives compensation in connection with licensing its indices to third parties and providing custom calculation services. Past performance of an index is not an indication or guarantee of future results.

It is not possible to invest directly in an index. Exposure to an asset class represented by an index may be available through investable instruments based on that index. S&P Dow Jones Indices does not sponsor, endorse, sell, promote or manage any investment fund or other investment vehicle that is offered by third parties and that seeks to provide an investment return based on the performance of any index. S&P Dow Jones Indices makes no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment advisor, and S&P Dow Jones Indices makes no representation regarding the advisability of investing in any such investment fund or other investment vehicle. A decision to invest in any such investment fund or other investment vehicle should not be made in reliance on any of the statements set forth in this document. Prospective investors are advised to make an investment in any such fund or other vehicle only after carefully considering the risks associated with investing in such funds, as detailed in an offering memorandum or similar document that is prepared by or on behalf of the issuer of the investment fund or other investment product or vehicle. S&P Dow Jones Indices LLC is not a tax advisor. A tax advisor should be consulted to evaluate the impact of any tax-exempt securities on portfolios and the tax consequences of making any particular investment decision. Inclusion of a security within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, nor is it considered to be investment advice.

These materials have been prepared solely for informational purposes based upon information generally available to the public and from sources believed to be reliable. No content contained in these materials (including index data, ratings, credit-related analyses and data, research, valuations, model, software or other application or output therefrom) or any part thereof (“Content”) may be modified, reverse-engineered, reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written permission of S&P Dow Jones Indices. The Content shall not be used for any unlawful or unauthorized purposes. S&P Dow Jones Indices and its third-party data providers and licensors (collectively “S&P Dow Jones Indices Parties”) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Dow Jones Indices Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON AN “AS IS” BASIS. S&P DOW JONES INDICES PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT’S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Dow Jones Indices Parties be

liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

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

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

The Global Industry Classification Standard (GICS<sup>®</sup>) was developed by and is the exclusive property and a trademark of S&P and MSCI. Neither MSCI, S&P nor any other party involved in making or compiling any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.