

S&P Dow Jones Indices

A Division of **S&P Global**

S&P/NZX New Zealand Indices *Methodology*

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Table of Contents

Introduction	3
Index Objective and Highlights	3
Index Family	3
Collaboration	4
Supporting Documents	4
Eligibility Criteria	6
Index Eligibility	6
Eligibility Factors	6
Timing of Intra-Quarter Constituent Changes	8
Sector Indices Eligibility Criteria	8
Thematic Indices Eligibility Criteria	9
Index Construction	10
Approaches	10
Index Calculations	10
Index Maintenance	11
Rebalancing	11
Constituent Capping	11
Corporate Actions	12
Currency of Calculation and Additional Index Return Series	12
Index Data	14
Calculation Return Types	14
Index Governance	15
Index Committee	15
Index Policy	16
Announcements	16
Pro-forma Files	16
Holiday Schedule	16
Rebalancing	16
Unexpected Exchange Closures	16
Recalculation Policy	16
Real-Time Calculation	16
Contact Information	17

Index Dissemination	18
Tickers	18
Index Data	18
Web site	18
Appendix A	19
Methodology Changes	19
Appendix B	21
ESG Disclosures	21
Disclaimer	22
Performance Disclosure/Back-Tested Data	22
Intellectual Property Notices/Disclaimer	23
ESG Indices Disclaimer	25

Introduction

Index Objective and Highlights

The S&P/NZX family of indices measures the performance of NZX-listed companies across various sizes, industries, themes, and strategies. Each index is designed to represent a certain segment of the New Zealand equities market.

Index Family

Benchmark and Size-based Indices

S&P/NZX 50 Index. The index measures the performance of the 50 largest index-eligible stocks listed on the NZX Main Board (NZSX) by float-adjusted market capitalization. Representative, liquid and tradable, it is widely considered New Zealand's pre-eminent benchmark index.

S&P/NZX 50 Portfolio Index. The index comprises the same constituents as the S&P/NZX 50 Index, but with a 5% cap on the float-adjusted market capitalization weights of the constituents.

S&P/NZX 10 Index. The index measures the performance of 10 of the largest companies within the S&P/NZX 50 Index.

S&P/NZX 20 Index. The index measures the performance of 20 of the largest and most liquid securities on the NZX Main Board (NZSX) and serves as the underlying index for derivatives including NZX Futures and Options. The index is weighted by float-adjusted market capitalization, subject to a single stock cap of 15%.

S&P/NZX MidCap Index. The index is designed to measure the performance of New Zealand's core mid-cap equity market. The eligible universe is drawn from the constituents of the S&P/NZX 50 Index, excluding those that are also constituents of the S&P/NZX 10 Index.

S&P/NZX SmallCap Index. The index is designed to measure the performance of New Zealand's smaller listed companies in the S&P/NZX All Index that sit outside of the S&P/NZX 50 Index.

S&P/NZX All Index. The index is considered the total market indicator for the New Zealand equity market. It comprises all eligible securities quoted on the NZX Main Board (NZSX). Constituents are not screened for market capitalization or liquidity.

S&P/NZX Emerging Opportunities Index. The index is designed to measure the performance of New Zealand's smaller companies in the S&P/NZX All Index that sit outside of the S&P/NZX 20 Index, screened by liquidity and total and float market capitalization.

Sector Indices

In June 2015, S&P Dow Jones Indices introduced a new series of sector indices based on the S&P/NZX All Index and the Global Industry Classification Standard (GICS®). The constituent securities for the sector indices are derived from the eligible pool of securities within the S&P/NZX All Index, which are then refined further through the GICS classification criteria.

For more information on GICS, please refer to S&P Dow Jones Indices' GICS Methodology.

S&P/NZX Real Estate Select Index. The index measures the performance of the largest and most liquid members of the S&P/NZX All Index classified under the GICS Real Estate Sector. The index is weighted by float-adjusted market capitalization, subject to a single stock cap of 17.5%. Should the index be comprised of five or less constituents, the constituent stock weight cap is increased to 25%.

Ex-REIT Indices

S&P/NZX 50 Ex-REIT Index. The index comprises the same constituents as the S&P/NZX 50 Index, but excludes companies that are classified as Equity Real Estate Investment Trusts (6010 – GICS Tier 2) or Mortgage Real Estate Investment Trusts (402040 – GICS Tier 3).

S&P/NZX 50 Portfolio Ex-REIT Index. The index comprises the same constituents as the S&P/NZX 50 Portfolio Index, but excludes companies that are classified as Equity Real Estate Investment Trusts (6010 – GICS Tier 2) or Mortgage Real Estate Investment Trusts (402040 – GICS Tier 3).

S&P/NZX All Ex-REIT Index. The index comprises the same constituents as the S&P/NZX All Index, but excludes companies that are classified as Equity Real Estate Investment Trusts (6010 – GICS Tier 2) or Mortgage Real Estate Investment Trusts (402040 – GICS Tier 3).

For more information on GICS, please refer to S&P Dow Jones Indices’ GICS Methodology.

Thematic Indices

S&P/NZX Morrison Index. The index measures the equal-weighted performance of the 10 largest infrastructure companies from the NZX Main Board (NZSX).

S&P/NZX Primary Sector Equity Index. The index includes all companies from the NZX Main Board (NZSX) that are engaged in the primary industries of agriculture, horticulture, viticulture, aquaculture, or forestry. The index is weighted by float-adjusted market capitalization, subject to a single stock cap of 15%.

S&P/NZX Primary Sector Equity Investable Index. The index comprises the same constituents as the S&P/NZX Primary Sector Equity Index, but only those that are investable to the general public (i.e., excludes co-operatives in which shares may only be traded by participants). The index is weighted by float-adjusted market capitalization, subject to a single stock cap of 15%.

Please refer to S&P Dow Jones Indices’ Index Mathematics Methodology for more detailed information on equal weight and capped weight index calculations.

Collaboration

In June 2015, pursuant to an agreement between S&P Dow Jones Indices and NZX Limited, the existing suite of NZX Indices was co-branded and S&P Dow Jones Indices assumed responsibility for calculating, maintaining, and licensing the indices. NZX continues to distribute and license the real-time and delayed index values via its data feed product.

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

Supporting Document	URL
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.

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Eligibility Criteria

Index Eligibility

Index constituents are drawn from the universe of ordinary equity stocks listed on the NZX Main Board.

Eligibility Factors

Listing. Only stocks listed on the NZX Main Board (NZSX) of the New Zealand Exchange are considered for inclusion in any of the S&P/NZX New Zealand Indices.

Both New Zealand Listed Issuers and Foreign Exempt Issuers are eligible for inclusion into all S&P/NZX Indices.

The index definition of New Zealand Listed Issuer and Foreign Exempt Issuer is detailed as:

- **New Zealand Listed Issuer.** The primary listing is the NZX.
- **Foreign Exempt Issuer.** The issuer has a secondary listing on the NZX and a primary listing on another exchange recognized by the NZX.

Eligible Securities. All common and equity preferred stocks (which are not of a fixed income nature) are eligible for inclusion in the indices.

Hybrid stocks such as convertible stocks, bonds, warrants, and preferred stocks that provide a guaranteed fixed return are not eligible. Closed and open-ended equity funds that invest in a portfolio of securities are not eligible for index inclusion (e.g., ETFs, listed investment companies, etc.). Securities with restrictions on ownership that prevent a broad range of investors from trading the securities (e.g., co-operatives) are also ineligible for the S&P/NZX New Zealand Indices, with the exception of the S&P/NZX Primary Sector Equity Index.

Companies that are currently the target of an acquisition are not eligible for inclusion or promotion within the S&P/NZX index hierarchy.

Market Capitalization. Market capitalization is a key criterion for stock selection in the S&P/NZX sized-based indices. Stocks are included if they are large enough to meet the minimum ranking requirements for the representative indices within the New Zealand market.

The market capitalization criterion for stock inclusion in the sized-based indices is based upon the daily average market capitalization of a security over the last six months. The stock's closing price history (last six months, adjusted for price-adjusting corporate actions), latest available shares on issue and the Investable Weight Factor (IWF) are the relevant variables for the calculation. The IWF is a variable that is primarily used to determine the available float of a security for NZX-listed securities.

To be eligible for inclusion in the S&P/NZX Emerging Opportunities Index, a stock must be included as a constituent in the S&P/NZX All Index, but not in the S&P/NZX 20. Stocks are subject to the below market capitalization screens:

Criteria	Eligible Non-Constituents (NZD)	Current Constituents (NZD)
3M Average Float Adjusted Capitalization Cap	1 billion	1.25 billion
3M Average Float Adjusted Capitalization Floor	100 million	75 million
3M Average Total Capitalization Cap	1.5 billion	2 billion

Quoted Shares Issued. When considering the index eligibility of securities for inclusion or promotion into the S&P/NZX New Zealand Indices, the number of index securities under consideration is based upon the latest available NZX quoted securities. For New Zealand listed securities this figure is purely based upon the latest available data from the NZX.

For Foreign Exempt listed issuers, the number of securities used to determine index eligibility is derived from the number of securities on the New Zealand register. This is determined by taking the most recent three-month average of securities held on the New Zealand register.

Investable Weight Factor (IWF). A stock's weight in an index is determined by its float-adjusted market capitalization. This is a function of current shares outstanding, the latest available stock price and the IWF. The IWF represents the float-adjusted portion of a stock's equity capital. Therefore, any strategic holdings that are classified as either corporate, private or government holdings reduce the IWF which, in turn, results in a reduction in the float-adjusted market capital.

Shares owned by founders, directors of the company, trusts, venture capitalists and other companies are also excluded. These are also deemed strategic holders, and are considered long-term holders of a stock's equity. Any strategic shareholdings that are greater than 5% of total issued shares are excluded from the relevant float.

The IWF for Foreign Exempt listed issuers in the S&P/NZX indices is typically set to 1. Where relevant information is available, an IWF may be derived to best reflect the proportion of shares held on the New Zealand register that are publicly available as float. Any derived IWF is applied at the Index Committee's discretion.

Please refer to S&P Dow Jones Indices' Float Adjustment Methodology for further details.

For more information regarding IWF updates, please see S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Liquidity. The following indices include a liquidity requirement designed to ensure only regularly traded stocks are eligible for index inclusion.

S&P/NZX 50 Index. Stocks must satisfy the following:

- **Relative Liquidity.** Have a relative liquidity greater than half of the market liquidity over the six months of the review period (current constituents greater than one third the market liquidity).
- **Absolute Liquidity.** Have an absolute liquidity of greater than 2.5% over the six months of the review period.

Any constituent that fails either liquidity measure for two, consecutive quarterly rebalancings becomes ineligible and is removed from the index.

$$\text{Relative Liquidity} = \frac{6 \text{ Month Median Value Traded}}{6 \text{ Month Average Float} - \text{Adjusted Market Capitalization}}$$

$$\text{Absolute Liquidity} = \frac{6 \text{ Month Total Value Traded}}{6 \text{ Month Average Float} - \text{Adjusted Market Capitalization}}$$

where:

Relative Liquidity is defined as security's Median Daily Value Traded (MDVT) on the NZX Main Board (NZSX) over the last six months, divided by its average daily float-adjusted market capitalization.

Absolute Liquidity is defined as a security's total value traded on the NZX Main Board over the last six months, divided by its average daily float-adjusted market capitalization.

6 Month Average Float-Adjusted Market Capitalization is the product of a company's float-adjusted shares and its six-month average closing price.

Market Liquidity is defined as the median value of the relative liquidities of all securities eligible for the S&P/NZX 50 Index which have a relative liquidity greater than zero.

A constituent stock excluded from the S&P/NZX 50 Index due to failing to satisfy the liquidity requirements, and any non-constituent stock that fails to satisfy the liquidity requirements when first evaluated for index inclusion, must satisfy the liquidity requirements for three, consecutive quarterly rebalancings before the stock is re-eligible for consideration for index inclusion.

All daily value traded measurements include both on market and off market trades reflected by the NZX.

For more information regarding on market and off market trades, please refer [here](#).

S&P/NZX 20 Index. Stocks must have an absolute liquidity of greater than 3.5% over the six months of the review period.

S&P/NZX Emerging Opportunities Index. Stocks must have a minimum six-month MDVT of NZD 35,000 (current constituents NZD 30,000).

Timing of Intra-Quarter Constituent Changes

Announcements to Market. Changes to index composition are generally made two-to-five business days in advance of index implementation of anticipated corporate events whenever practical, bearing in mind that the timing of such events is occasionally uncertain. Notification will be made outside of trading hours by way of an Index Announcement.

Intra-Quarter Additions. With the exception of spin-offs, an index addition between rebalancing dates is generally made only if a vacancy is created by an index deletion. This rule applies to the S&P/NZX 50 Index and all related indices that sit higher within the index hierarchy. Therefore, it is not applicable to the S&P/NZX SmallCap Index, S&P/NZX Emerging Opportunities Index, S&P/NZX Primary Sector Equity Indices, or the S&P/NZX All Index. Index additions are made according to market size and liquidity. The reference date used to determine the index replacement is determined on a case by case basis and taken closer to the time of the event that triggered the vacancy. An initial public offering (IPO) is added to the index only when an appropriate vacancy occurs and is subject to proven liquidity. An exception may be made for extraordinary large offerings where sizeable trading volumes justify index inclusion.

Intra-quarter additions are also made to the S&P/NZX Morrison Index if a vacancy is created and there is an eligible infrastructure company to replace it. When a company is added intra-quarter, it assumes the weight of the company it replaces.

Intra-Quarter Deletions. Deletions can occur between index rebalancing dates due to acquisitions, mergers and spin-offs or due to suspension or bankruptcies. The decision to remove a stock from the index will be made once there is sufficient evidence that the transaction will be completed. Stocks that are removed due to merger and acquisition (M&A) activity are removed from the index at the closing price of the security on the deletion date for cash-only offers. Otherwise, the best available price in the market is used.

Sector Indices Eligibility Criteria

The constituent securities for the sector indices are derived from the eligible pool of securities within the S&P/NZX All Index, which are then refined further through the GICS classification criteria.

S&P/NZX Real Estate Select Index. To qualify for inclusion in the index, a company must be a constituent of the S&P/NZX All Index, must be classified under the GICS Real Estate Sector and must meet the following size and liquidity thresholds:

- A minimum six-month float-adjusted market cap of NZD 300 million.
- Six-month average daily value traded (ADVT) of NZD 200,000.
- Existing constituents are removed if their six-month float-adjusted market cap falls below NZD 200 million or six-month ADVT falls below NZD 100,000 as of the rebalancing reference date.

Thematic Indices Eligibility Criteria

S&P/NZX Morrison Index. To qualify for inclusion in the index, a company must have revenue derived from the operation of infrastructure (as opposed to its construction). Infrastructure may include, but is not limited to: Telecommunications (e.g., carriers and network operators), Utilities (e.g., generation of electricity, transmission, and the distribution of electricity, gas, and water), Energy (e.g., oil and gas), Transportation (e.g., airports, seaports, road and rail freighting), Social (e.g., healthcare and nursing homes), Diversified (e.g., multiple sources of the above such as infrastructure investment vehicles). The liquidity requirements for the S&P/NZX 50 Index are also applied to the S&P/NZX Morrison Index.

S&P/NZX Primary Sector Equity Indices. To qualify for inclusion in these indices, companies should source a substantial proportion of their revenue from, or engage a substantial proportion of their business activities in, the primary sector. The primary sector is defined as:

- **Agriculture.** The cultivation of soil, crops, and livestock.
- **Horticulture.** The cultivation of fruits, vegetables, flowers, or ornamental plants.
- **Viticulture.** The cultivation of grapes.
- **Aquaculture.** The cultivation of marine or freshwater fish or shellfish.
- **Forestry.** The cultivation, maintenance, and development of forests.

Index Construction

Approaches

The S&P/NZX New Zealand Indices calculate using a base-weighted aggregate methodology, meaning the level of an index reflects the total market value of all the component stocks relative to a particular base period. The total market value of a company is determined by multiplying the price of its stock by the number of shares available after float (IWF) adjustment. An indexed number is used to represent the result of this calculation to make the value easier to work with and track over time. It is much easier to graph a chart based on indexed values than one based on actual market values.

Index Calculations

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

Please refer to S&P Dow Jones Indices' Index Mathematics Methodology for details on index level calculations.

Index Maintenance

Rebalancing

Except for the S&P/NZX Real Estate Select Index, the S&P/NZX New Zealand Indices rebalance quarterly in March, June, September, and December, effective after market close of the third Friday of the rebalancing month.

S&P/NZX Real Estate Select Index. The index rebalances semi-annually, effective after the market close of the third Friday in March and September.

Both market capitalization and liquidity are assessed using the previous six months' worth of data to determine index eligibility. For the S&P/NZX Emerging Opportunities Index, both float-adjusted market capitalization and total market capitalization are assessed using three months' worth of data while liquidity is assessed using six months' worth of data. The rebalancing reference date for data used is the second to last Friday of the month prior to the rebalance month. Rebalance announcements are made on the first Friday of March, June, September, and December.

Eligible stocks are considered for index inclusion based on their rank relative to the stated quota of securities for each index within the S&P/NZX hierarchy. Potential index additions and deletions must satisfy buffer requirements in terms of the rank of the stock relative to a given index. The buffers are established to limit the level of index turnover that may take place at each quarterly rebalancing, maximizing the efficiency and limiting the cost associated with holding the index portfolio.

Rank buffers are applied for addition and deletion in the S&P/NZX New Zealand Indices. If a non-constituent ranks higher than the buffer for a specific index at a quarterly review, it is added to the index. Similarly, if an index constituent fails the deletion buffer rule, then it is removed from the index.

Index	Rank Buffer for	
	Addition	Deletion
S&P/NZX 10 Index	7 th or higher	14 th or lower
S&P/NZX 20 Index	16 th or higher	24 th or lower
S&P/NZX 50 Index	44 th or higher	56 th or lower
S&P/NZX 50 Portfolio Index	44 th or higher	56 th or lower
S&P/NZX Morrison Index	7 th or higher	12 th or lower

An IPO may be considered for inclusion in the S&P/NZX 50 Index once it has at least 20 trading days' of data available at the quarterly review.

Share Updates. For all S&P/NZX New Zealand Indices, the share counts for all index constituents are updated quarterly and are rounded to the nearest thousand ('000).

For more information regarding share updates, please see S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Constituent Capping

Weight caps are applied to the constituents of the following indices at each quarterly rebalancing. The S&P/NZX Real Estate Select Index weight caps are applied at each semi-annual rebalancing.

Index	Constituent Stock Weight Cap
S&P/NZX 20 Index	15%
S&P/NZX 50 Portfolio Index	5%
S&P/NZX Real Estate Select Index	17.5%
S&P/NZX Primary Sector Equity Index	15%
S&P/NZX Primary Sector Equity Investable Index	15%

For the capped indices above, constituents' index shares are calculated using closing prices on the Wednesday prior to the second Friday of the rebalancing month as the reference price. Index shares are calculated and assigned to each stock to arrive at the weights determined on the reference date. Since index shares are assigned based on prices seven trading days prior to rebalancing, the actual weight of each stock at the rebalancing may differ from these weights due to market movements.

Should the S&P/NZX Real Estate Select Index be comprised of only five constituents, the constituent stock weight cap is increased to 25%. The weighting structure will be reviewed if there are four or fewer eligible constituents.

Corporate Actions

Index	Corporate Action Treatment
S&P/NZX 10 Index	For more information on Corporate Actions, please refer to the Market Capitalization Indices section of S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.
S&P/NZX 20 Index	
S&P/NZX 50 Index	
S&P/NZX 50 Ex-REIT Index	
S&P/NZX 50 Portfolio Index	
S&P/NZX 50 Portfolio Ex-REIT Index	
S&P/NZX All Index	
S&P/NZX All Ex-REIT Index	
S&P/NZX MidCap Index	
S&P/NZX SmallCap Index	
S&P/NZX Emerging Opportunities Index	
S&P/NZX Real Estate Select Index	
S&P/NZX Primary Sector Equity Index	
S&P/NZX Primary Sector Equity Investable Index	
S&P/NZX Morrison Index	For more information on Corporate Actions, please refer to the Equal Weighted Indices section of S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Spin-offs. The spun-off company is added to all the indices that the parent company is a constituent of at a zero price on the ex-date. If the spun-off company is deemed ineligible for continued inclusion in a given index on the basis of its float-adjusted market capitalization, then it is removed from the respective index after at least one day of regular way trading.

Index-Specific Spin-Off Treatment. Except for the S&P/NZX Morrison Index, spin-off treatment is detailed in the Market Capitalization Indices section of S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

For more information on spin-off treatment in the S&P/NZX Morrison Index, please refer to the Equal Weighted Indices section of S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Currency of Calculation and Additional Index Return Series

The indices calculate in New Zealand dollars.

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 more information on these types of indices, 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/.

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. Specifically for the S&P/NZX Indices, S&P Dow Jones Indices also calculates Gross with Imputation indices that reinvest the regular, as reported dividend on the ex-date, along with any associated Imputation Credits, as declared by the respective company.
- 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

The S&P/NZX Index Committee maintains the indices. The Index Committee is composed of full-time employees of S&P Dow Jones Indices and the NZX. 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 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.

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 are on days when the NZX is officially closed.

A complete holiday schedule for the year is available on the NZX Web site at www.nzx.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 is 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, intra-day, index calculations are executed for some price and gross return indices, with index values updated every five seconds as constituent prices change throughout the course of the day. 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.

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	RIC
S&P/NZX 10 Index	Price Return	NZSE10	.NZ10
	Gross Return	NZSE10G	.NZ10G
S&P/NZX 20 Index	Price Return	NZX20X ¹	.NZ20X
S&P/NZX 50 Index	Price Return	--	.NZ50C
	Gross Return	NZSE50FG	.NZ50
S&P/NZX 50 Ex-REIT Index	Price Return	SPN5ERNP	--
	Gross Return	SPN5ERNT	--
S&P/NZX 50 Portfolio Index	Price Return	NZSEPOFF	.NZC50C
	Gross Return	NZSEPOFG	.NZC50
S&P/NZX 50 Portfolio Ex-REIT Index	Price Return	SPNPERNP	--
	Gross Return	SPNPERNT	--
S&P/NZX All Index	Price Return	NZSE	.NZCI
	Gross Return	NZSEG	.NZGI
S&P/NZX All Ex-REIT Index	Price Return	SPNAERNP	--
	Gross Return	SPNAERNT	--
S&P/NZX MidCap Index	Price Return	NZSEMC	.NZMC
	Gross Return	NZSEMCG	.NZMGC
S&P/NZX SmallCap Index	Price Return	NZSESC	.NZSC
	Gross Return	NZSESCG	.NZSCG
S&P/NZX Emerging Opportunities Index	Price Return	SPNEONP	--
	Gross Return	SPNEONT	--
S&P/NZX Real Estate Select Index	Price Return	SPNRESP	--
	Gross Return	SPNREST	--
S&P/NZX Morrison Index	Price Return	MOR	.NZMOR
	Gross Return	MORGP	--
S&P/NZX Primary Sector Equity Index	Price Return	--	.NZFWPP
	Gross Return	--	.NZFWPPG
S&P/NZX Primary Sector Equity Investable Index	Price Return	--	.NZFWPI
	Gross Return	--	.NZFWPIG

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.

¹ For history prior to 10/29/2021 the index tickers were NZX20 and .NZX20.

Appendix A

Methodology Changes

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

Change	Effective Date (After Close)	Previous	Methodology Updated																																
Eligibility Factors: Listing	09/15/2023	<p>Eligibility for certain indices is determined by the class of listing taken up by the issuer:</p> <ul style="list-style-type: none"> New Zealand Listed Issuer. The primary listing is the NZX. Foreign Exempt Issuer. The issuer has a secondary listing on the NZX and a primary listing on another exchange recognized by the NZX. <p>Where a New Zealand Listed Issuer also has a primary listing on the ASX, it is considered a Dual Listed Issuer for S&P/NZX Index purposes.</p>	<p>Both New Zealand Listed Issuers and Foreign Exempt Issuers are eligible for inclusion into all S&P/NZX Indices.</p> <p>The index definition of New Zealand Listed Issuer and Foreign Exempt Issuer is detailed as:</p> <ul style="list-style-type: none"> New Zealand Listed Issuer. The primary listing is the NZX. Foreign Exempt Issuer. The issuer has a secondary listing on the NZX and a primary listing on another exchange recognized by the NZX. 																																
Eligibility Factors: Listing	09/15/2023	<p>The following table details each index's eligible markets and listings:</p> <table border="1"> <thead> <tr> <th>Index</th> <th>Eligible Listings</th> </tr> </thead> <tbody> <tr> <td>S&P/NZX 10 Index</td> <td>New Zealand listings only</td> </tr> <tr> <td>S&P/NZX 20 Index</td> <td></td> </tr> <tr> <td>S&P/NZX 50 Index</td> <td>Dual and Foreign Exempt listings are eligible</td> </tr> <tr> <td>S&P/NZX 50 Ex-REIT Index</td> <td></td> </tr> <tr> <td>S&P/NZX 50 Portfolio Index</td> <td></td> </tr> <tr> <td>S&P/NZX 50 Portfolio Ex-REIT Index</td> <td></td> </tr> <tr> <td>S&P/NZX All Index</td> <td></td> </tr> <tr> <td>S&P/NZX All Ex-REIT Index</td> <td></td> </tr> <tr> <td>S&P/NZX MicroCap Index</td> <td>New Zealand listings only</td> </tr> <tr> <td>S&P/NZX SmallCap Index</td> <td></td> </tr> <tr> <td>S&P/NZX Emerging CapPortfolios Index</td> <td></td> </tr> <tr> <td>S&P/NZX Real Estate Select Index</td> <td></td> </tr> <tr> <td>S&P/NZX Morrison Index</td> <td></td> </tr> <tr> <td>S&P/NZX Primary Sector Equity Index</td> <td>Dual and Foreign Exempt listings are eligible</td> </tr> <tr> <td>S&P/NZX Primary Sector Equity Investable Index</td> <td></td> </tr> </tbody> </table>	Index	Eligible Listings	S&P/NZX 10 Index	New Zealand listings only	S&P/NZX 20 Index		S&P/NZX 50 Index	Dual and Foreign Exempt listings are eligible	S&P/NZX 50 Ex-REIT Index		S&P/NZX 50 Portfolio Index		S&P/NZX 50 Portfolio Ex-REIT Index		S&P/NZX All Index		S&P/NZX All Ex-REIT Index		S&P/NZX MicroCap Index	New Zealand listings only	S&P/NZX SmallCap Index		S&P/NZX Emerging CapPortfolios Index		S&P/NZX Real Estate Select Index		S&P/NZX Morrison Index		S&P/NZX Primary Sector Equity Index	Dual and Foreign Exempt listings are eligible	S&P/NZX Primary Sector Equity Investable Index		--
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S&P/NZX Real Estate Select Index																																			
S&P/NZX Morrison Index																																			
S&P/NZX Primary Sector Equity Index	Dual and Foreign Exempt listings are eligible																																		
S&P/NZX Primary Sector Equity Investable Index																																			
Quoted Shares Issued	09/15/2023	<p>For Dual listed issuers, the number of securities used to determine index eligibility is derived by taking the total number of shares quoted and multiplying it by the proportion of the company's revenue that is generated in New Zealand. After initial index inclusion, the weighting basis of revenue generated in New Zealand is adjusted each year after the release of the company's latest annual results.</p>	--																																
Intra-Quarter Deletions	02/01/2023	<p>Stocks that are removed due to M&A activity are removed from the index at the cash offer price for cash-only offers.</p>	<p>Stocks that are removed due to M&A activity are removed from the index at the closing price of the security on the deletion date for cash-only offers.</p>																																
Rebalancing Reference Date and Announcement Date	12/02/2021	<p>The rebalancing reference date for data used is the last Friday of the month prior to the rebalance month in March, June, and December (second to last Friday of the month prior to the rebalance month in September).</p> <p>Rebalance announcements are made on the second Friday of March, June, and December (first Friday of September).</p>	<p>The rebalancing reference date for data used is the second to last Friday of the month prior to the rebalance month.</p> <p>Rebalance announcements are made on the first Friday of March, June, September, and December.</p>																																
Reference date	08/24/2018	<p>The reference date used for the six months' worth of trading data is the last Friday of the month prior to the rebalancing</p>	<p>Except for the September rebalancing, the reference date used for the six months' worth of trading data is the last Friday of the month prior to the rebalancing.</p>																																

Change	Effective Date (After Close)	Previous	Methodology Updated
			For the September rebalancing, the reference date used for the six months' worth of trading data is the second to last Friday of the month prior to the rebalancing.
Index name	04/20/2018	<ul style="list-style-type: none"> • S&P/NZX Farmers Weekly Primary Sector Equity Index • S&P/NZX Farmers Weekly Primary Sector Equity Investable Index 	<ul style="list-style-type: none"> • S&P/NZX Primary Sector Equity Index • S&P/NZX Primary Sector Equity Investable Index
Reference date	09/15/2017	The reference date for data used in the rebalancing was the last trading day of the month prior to the rebalancing month.	The reference date for data used in the rebalancing is the last Friday of the month prior to the rebalancing month.

Appendix B

ESG Disclosures

EXPLANATION OF HOW ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY²	
1.	Name of the benchmark administrator. S&P Dow Jones Indices LLC.
2.	Underlying asset class of the ESG benchmark.³ N/A
3.	Name of the S&P Dow Jones Indices benchmark or family of benchmarks. S&P DJI Equity Indices Benchmark Statement
4.	Do any of the indices maintained by this methodology take into account ESG factors? No
Appendix latest update: January 2021	
Appendix first publication: January 2021	

² The information contained in this Appendix is intended to meet the requirements of the European Union Commission Delegated Regulation (EU) 2020/1817 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the minimum content of the explanation of how environmental, social and governance factors are reflected in the benchmark methodology and the retained EU law in the UK [The Benchmarks (amendment and Transitional Provision) (EU Exit) Regulations 2019].

³ The 'underlying assets' are defined in European Union Commission Delegated Regulation (EU) 2020/1816 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published.

Disclaimer

Performance Disclosure/Back-Tested Data

Where applicable, S&P Dow Jones Indices and its index-related affiliates (“S&P DJI”) defines various dates to assist our clients by providing transparency. The First Value Date is the first day for which there is a calculated value (either live or back-tested) for a given index. The Base Date is the date at which the index is set to a fixed value for calculation purposes. The Launch Date designates the date when the values of an index are first considered live: index values provided for any date or time period prior to the index’s Launch Date are considered back-tested. S&P DJI defines the Launch Date as the date by which the values of an index are known to have been released to the public, for example via the company’s public website or its data feed to external parties. For Dow Jones-branded indices introduced prior to May 31, 2013, the Launch Date (which prior to May 31, 2013, was termed “Date of introduction”) is set at a date upon which no further changes were permitted to be made to the index methodology, but that may have been prior to the Index’s public release date.

Please refer to the methodology for the Index for more details about the index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations.

Information presented prior to an index’s launch date is hypothetical back-tested performance, not actual performance, and is based on the index methodology in effect on the launch date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. In addition, forks have not been factored into the back-test data with respect to the S&P Cryptocurrency Indices. For the S&P Cryptocurrency Top 5 & 10 Equal Weight Indices, the custody element of the methodology was not considered; the back-test history is based on the index constituents that meet the custody element as of the Launch Date. Also, the treatment of corporate actions in back-tested performance may differ from treatment for live indices due to limitations in replicating index management decisions. Back-tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results.

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

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

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