S&P Dow Jones Indices

A Division of S&P Global

S&P Korea Target Date Indices *Methodology*

May 2025

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Introduction

Index Objective

The S&P Korea Target Date Indices measure the performance of a set of weighted return indices, each aligned with specific target date years. The allocation to each component index is based on a pre-determined asset allocation glidepath. Each index is fully investable, with varying levels of exposure to equities and fixed income securities.

The indices use a fixed allocation between equity and fixed income securities until 20 years prior to the target date at which point the allocation de-risks from equity to fixed income gradually until reaching a pre-determined target weight at the target date. After the target date, the asset allocations hold constant between equity and fixed income components.

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' Fixed Income Policies & Practices Methodology	Fixed Income Policies & Practices
S&P Dow Jones Indices' Fixed Income Index Mathematics Methodology	Fixed Income Index Mathematics 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.

Index Construction

Index Composition

At each rebalancing, each target date index is a combination of component indices, listed in the table below:

Index	Asset Class	Component Indices
S&P 500 and Korea Target Date 2045 Index (KRW) TR	Equity	S&P 500 (KRW) TR (T-1) 3PM KST Rate
	Fixed Income	Markit iBoxx ALBI South Korea 1-3 Total Return Index
S&P 500 and Korea Target Date 2045 Index (KRW)	Equity	S&P 500 (KRW) (T-1) 3PM KST Rate
	Fixed Income	Markit iBoxx ALBI South Korea 1-3 Total Return Index
Dow Jones U.S. Dividend 100 and Korea Target Date 2045 Index	Equity	Dow Jones U.S. Dividend 100 Index (KRW) (T-1) 3PM KST Rate
	Fixed Income	Markit iBoxx ALBI South Korea 1-3 Total Return Index

For information on the underlying component indices, please refer to their respective index methodologies available at [www.spglobal.com/spdji/.](www.spglobal.com/spdji/)

Determining Component Index Weights

At each daily rebalancing from the index inception date until 20 years prior to the target date, the indices weight the equity component at 79% and the fixed income component at 21%.

From the 20 years prior to the target date through to the target date (the "Decumulation Period"), the index gradually reduces the equity component weight and gradually increases the fixed income component weight. The index shifts the weight allocation by the amount in the list below at the end of the first trading day of each year and then holds at that value at each daily rebalancing until the first trading day of the following year.

- First 15 years of the Decumulation Period: Adjust the equity weight by -1% annually, transitioning to fixed income.
- Last five years of the Decumulation Period: Adjust the equity weight by -5% annually, transitioning to fixed income.

In addition to the yearly shift in weights between equity and fixed income, the index continues to implement daily rebalancing to the designated weights throughout the year.

Index	Target Date	Weight Reduction Frequency	Rebalancing to Yearly Target Weights	Weights at Target Date
S&P 500 and Korea Target Date 2045 Index (KRW) TR	2045	Yearly	Daily	39% Equity / 61% Fixed Income
S&P 500 and Korea Target Date 2045 Index (KRW)				
Dow Jones U.S. Dividend 100 and Korea Target Date 2045 Index				

For more information on asset class allocation transitions as a function of time to the target date, please refer to Appendix A.

Index Calculations

The indices calculate by means of the weighted return methodology.

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

Index Maintenance

Rebalancing

The indices rebalance daily after the close of each index calculation day to the pre-determined fixed asset allocations.

Currency of Calculation and Additional Index Return Series

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 *S&P DJI Methodology & Regulatory Status Database*.

For information on the calculation of different 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/.

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 500 and Korea Target Date 2045 Index (KRW) TR[1]	12/17/2024	01/02/2013	01/02/2013	100
S&P 500 and Korea Target Date 2045 Index (KRW)[2]	05/27/2025	01/02/2013	01/02/2013	100
Dow Jones U.S. Dividend 100 and Korea Target Date 2045 Index TR[3]	12/17/2024	01/02/2013	01/02/2013	100

[1] For history prior to 03/10/2025, the underlying equity component was the S&P 500 (KRW) TR. Effective 03/10/2025, the underlying equity component is the S&P 500 (KRW) TR (T-1) 3PM KST Rate.

[2] For history prior to 03/10/2025, the underlying equity component was the S&P 500 (KRW). Effective 03/10/2025, the underlying equity component is the S&P 500 (KRW) (T-1) 3PM KST Rate.

[3] For history prior to 03/10/2025, the underlying equity component was the Dow Jones U.S. Dividend 100 Index (KRW). Effective 03/10/2025, the underlying equity component is the Dow Jones U.S. Dividend 100 Index (KRW) (T-1) 3PM KST Rate.

Index Governance

Index Committee

An S&P Dow Jones Indices' Index Committee maintains the index. All committee members are full-time professional members of S&P Dow Jones Indices’ staff. 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

Announcements of the daily index values are made after the market close each day.

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

Holiday Schedule

The indices calculate daily on all days when the Korea Exchange is open for trading.

A complete holiday schedule for the year is available on S&P Dow Jones Indices' Web site at www.spglobal.com/spdji/.

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.

Real-Time Calculation

Real-time, intra-day, index calculations are executed for certain indices, whenever any of their primary exchanges are open. 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 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 S&P DJI Methodology & Regulatory Status Database for a complete list of indices covered by this document.

Index	BBG	RIC
S&P 500 and Korea Target Date 2045 Index (KRW) TR	SPTTDF45	.SPTTDF45
S&P 500 and Korea Target Date 2045 Index (KRW)	SPPTDF45	.SPPTDF45
Dow Jones U.S. Dividend 100 and Korea Target Date 2045 Index (KRW)	DJDTD45C	.DJDTD45C

Index Data

Daily index levels and 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 – Asset Weight Transition

The below table details the asset class weight transitions during the decumulation period:

Years to Target Date	Equity Component Weight	Fixed Income Component Weight
20	79.00%	21.00%
19	78.00%	22.00%
18	77.00%	23.00%
17	76.00%	24.00%
16	75.00%	25.00%
15	74.00%	26.00%
14	73.00%	27.00%
13	72.00%	28.00%
12	71.00%	29.00%
11	70.00%	30.00%
10	69.00%	31.00%
9	68.00%	32.00%
8	67.00%	33.00%
7	66.00%	34.00%
6	65.00%	35.00%
5	64.00%	36.00%
4	59.00%	41.00%
3	54.00%	46.00%
2	49.00%	51.00%
1	44.00%	56.00%
0	39.00%	61.00%

Appendix B – Methodology Changes

Methodology Changes

Methodology changes since December 17, 2024, are as follows:

Change	Effective Date (After Close)	Methodology Previous	Methodology Updated
Real-Time Calculation: S&P 500 and Korea Target Date 2045 Index (KRW) TR and Dow Jones U.S. Dividend 100 and Korea Target Date 2045 Index	03/14/2025	The indices calculate at end-of-day (EOD).	The indices calculate both EOD and real-time.
Component Indices: S&P 500 and Korea Target Date 2045 Index (KRW) TR and Dow Jones U.S. Dividend 100 and Korea Target Date 2045 Index	03/10/2025	The underlying components are: • S&P 500 (KRW) TR • Dow Jones U.S. Dividend 100 Index (KRW)	The underlying components are: • S&P 500 (KRW) TR (T-1) 3PM KST Rate • Dow Jones U.S. Dividend 100 Index (KRW) (T-1) 3PM KST Rate
Index Name: Dow Jones U.S. Dividend 100 and Korea Target Date 2045 Index (KRW)	02/07/2025	The index name is Dow Jones U.S. Dividend 100 50% Daily Fixed Covered Call Index (KRW) PR/TR Hybrid.	The index name is Dow Jones U.S. Dividend 100 and Korea Target Date 2045 Index (KRW).

Change	Effective Date (After Close)	Methodology Previous	Methodology Updated
Determining Component Index Weights: S&P 500 and Korea Target Date 2045 Index (KRW) TR and Dow Jones U.S. Dividend 100 and Korea Target Date 2045 Index	02/07/2025	At each daily rebalancing from the index inception date until five years prior to the target date, the indices weight the equity component at 79% and the fixed income component at 21%. From the five years prior to the target date through to the target date (the “decumulation period”), the index gradually reduces the equity component weight and gradually increases the fixed income component weight. The index shifts the weight allocation by the amount in the table list below at the end of the first trading day of each month and then holds at that value until the first trading day of the following month.	At each daily rebalancing from the index inception date until twenty years prior to the target date, the indices weight the equity component at 79% and the fixed income component at 21%. From the following years prior to the target date through to the target date (the “decumulation period”), the index gradually reduces the equity component weight and gradually increases the fixed income component weight. The index shifts the weight allocation by the amount in the table list below at the end of the first trading day of each year and then holds at that value until the first trading day of the following year. • First 15 years from Decumulation Period: Adjust the equity weight by -1% annually, transitioning to fixed income. • Last 5 years from Decumulation Period: Adjust the equity weight by -5% annually, transitioning to fixed income. Additional to the yearly shift in weights between equity and fixed income, the index continues to implement daily rebalancing to the designated weights throughout the year.

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

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

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

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

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