

**S&P Dow Jones  
Indices**

A Division of **S&P Global**

# **S&P U.S. Indices** *Methodology*

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# Introduction

## Index Objective

The S&P U.S. Indices are a family of equity indices designed to measure the market performance of U.S. stocks trading on U.S. exchanges. The family is composed of a wide range of indices based on size, sector, and style. The indices are weighted by float-adjusted market capitalization. In addition, equal weighted and capped market capitalization weighted indices are also available as detailed below.

## Highlights and Index Family

### *Float-Adjusted Market Capitalization Weighted Indices:*

**S&P Total Market Index.** The index is a broad market index and includes all eligible U.S. common equities.

**S&P 500.** The index measures the performance of the large-cap segment of the market. Considered to be a proxy of the U.S. equity market, the index is composed of 500 constituent companies.

**S&P MidCap 400.** The index measures the performance of the mid-cap segment of the market. The index is composed of 400 constituent companies.

**S&P SmallCap 600.** The index measures the performance of the small-cap segment of the market. The index is composed of 600 constituent companies.

**S&P Composite Indices.** The indices include the S&P Composite 1500, S&P Composite 900, and S&P Composite 1000. The S&P Composite 1500 is a combination of the S&P 500, S&P MidCap 400, and S&P SmallCap 600 and measures the performance of all three market size segments. The S&P Composite 900 is a combination of the S&P 500 and S&P MidCap 400 and measures the performance of the mid- and large-cap market size segments. The S&P Composite 1000 is a combination of the S&P MidCap 400 and S&P SmallCap 600 and measures the performance of the mid- and small-cap market size segments.

**S&P 500 Top 50.** The index measures the performance of 50 of the largest companies in the S&P 500, based on float-adjusted market capitalization.

**S&P 100.** The index measures the performance of 100 companies selected from the S&P 500. To be included, the companies should be among the larger and more stable companies in the S&P 500, and must have listed options. Sector balance is considered in the selection of companies for the S&P 100. This index is widely used for derivatives, and is the index underlying the OEX options.

**S&P Composite 1500 / S&P TMI (Spliced as of EOD Dec-18-2015) Index.** The index is a replica of the S&P Total Market Index and follows the S&P Total Market Index methodology with the exception that for index history prior to December 18, 2015, the index was a replica of the S&P Composite 1500 and followed that index's methodology.

**S&P Completion Index.** The index is a sub-index of the S&P Total Market Index and measures the performance of all constituents in the S&P Total Market Index that are not also constituents of the S&P 500.

**S&P 500 Ex-Sector Indices.** The indices measure the performance of all companies in the S&P 500, excluding those companies in one or more defined sector. Company classifications are based on the Global Industry Classification Standard (GICS®).

**INDUSTRIALS.** The index measures the performance of all companies in the S&P 500, excluding those belonging to the Financials sector, Real Estate sector, Utilities sector or Transportation industry group. Company classifications are based on the Global Industry Classification Standard (GICS®).

**S&P 500 Communication Services & Information Technology Index.** The index<sup>1</sup> measures the performance of companies in the S&P 500 classified as part of the Communication Services and Information Technology sectors. Company classifications are based on the Global Industry Classification Standard (GICS®).

*For more information on GICS, please refer to the GICS methodology document.*

**Equal Weight Indices:**

**S&P Equal Weight U.S. Indices.** The indices include the S&P 100 Equal Weight Index, S&P 500 Equal Weight Index, S&P 500 Equal Weight Sector Indices, S&P MidCap 400 Equal Weight Index and S&P SmallCap 600 Equal Weight Index. Index composition for these indices is the same as that of their respective underlying index (i.e. the S&P 100, S&P 500, S&P MidCap 400 and S&P SmallCap 600). Each company is equally weighted rather than weighted by float-adjusted market capitalization. For the S&P 500 Equal Weight Sector Indices, index constituents are drawn from the S&P 500 and selected for index inclusion based on their classification under the Global Industry Classification Standard (GICS®).

**Capped Market Capitalization Weighted Indices:**

**S&P Capped Market Capitalization Weighted U.S. Indices.** The indices include the Select Sector Indices, S&P Select Sector Capped 20% Indices, S&P 500 Capped 35/20 Indices, S&P MidCap 400 Capped Sector Indices, and S&P SmallCap 600 Capped Sector Indices. Index constituents are drawn from their respective underlying index (i.e. the S&P 500, S&P MidCap 400 or S&P SmallCap 600) and selected for index inclusion based on their classification under the Global Industry Classification Standard (GICS®). Instead of weighting by float-adjusted market capitalization, the indices employ a capped market capitalization weighting scheme and specific capping methodology.

**Supporting Documents**

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

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

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

<sup>1</sup> S&P Dow Jones has created back calculated history for the index based on the securities in the headline S&P 500 that would have hypothetically been classified as GICS Code 50 and 45 under this new structure effective September 24, 2018.

# Eligibility Criteria

Securities must meet the following eligibility factors to be considered eligible for index consideration:

## Eligibility Factors

**Domicile.** Only common stocks of U.S. companies are eligible. For index purposes, a U.S. company has the following characteristics:

1. Files 10-K annual reports.
2. The U.S. portion of fixed assets and revenues constitutes a plurality of the total, but need not exceed 50%. When these factors are in conflict, assets determine plurality. Revenue determines plurality when there is incomplete asset information.
3. The primary listing must be on an eligible U.S. exchange as described under *Exchange Listing* below.

If criteria #2 is not met or is ambiguous, S&P Dow Jones Indices may still deem it a U.S. company for index purposes if its primary listing, headquarters and incorporation are all in the U.S. and/or a “domicile of convenience” (see *Appendix A*).

In situations where the only factor suggesting that a company is not a U.S. company is its tax registration in a “domicile of convenience” or another location chosen for tax-related reasons, S&P Dow Jones Indices normally determines that the company is still a U.S. company.

The final determination of domicile eligibility is made by the Index Committee which can consider other factors including, but not limited to, operational headquarters location, ownership information, location of officers, directors and employees, investor perception and other factors deemed to be relevant.

**Exchange Listing.** A primary listing on one of the following U.S. exchanges is required:

- NYSE
- NYSE Arca
- NYSE American
- NASDAQ Global Select Market
- NASDAQ Select Market
- NASDAQ Capital Market
- Investors Exchange (IEX)
- Cboe BZX
- Cboe BYX
- Cboe EDGA
- Cboe EDGX

Ineligible exchanges include:

- OTC Bulletin Board
- Pink Sheets

**Organizational Structure and Share type.** The issuing company must have the following organizational structure and share type:

- Corporations (including equity and mortgage REITs)
- Common stock (i.e. shares)

Ineligible organizational structures and share types include:

- Business development companies (BDCs)
- Limited partnerships (LPs)
- Master limited partnerships (MLPs)
- Limited liability companies (LLCs)
- Closed-end funds
- ETFs
- ETNs
- Royalty trusts
- Special purpose acquisition companies (SPAC)
- Preferred stock
- Convertible preferred stock
- Unit trusts
- Equity warrants
- Convertible bonds
- Investment trusts
- Rights
- American Depositary Receipts (ADRs)

**Tracking Stocks and Multiple Share Classes.** Eligibility is index dependent:

- **S&P Total Market Index.** Tracking stocks and companies with multiple share class structures are eligible.
- **S&P Composite 1500.** Tracking stocks and companies with multiple share class structures are **not** eligible for the S&P Composite 1500 and its component indices. All existing S&P Composite 1500 constituent companies with multiple share class structures are grandfathered in and will remain in the S&P Composite 1500.

Companies are considered to have multiple share class structures (and are therefore ineligible for the S&P Composite 1500) if they have more than one class of common stock on their balance sheet. This includes companies with listed and unlisted share class lines, so called “Up-C” organizational structured companies, so called “UP-REIT” organizational structured companies and companies where all multiple share classes have equal voting rights. Only common shares are considered when determining whether a company has a multiple share class structure. Preferred shares are not considered in the multiple share class structure determination.

Non-S&P Composite 1500 companies with multiple share class structures that acquire S&P Composite 1500 constituents are not eligible for inclusion in the S&P Composite 1500. If an S&P Composite 1500 constituent reorganizes into a multiple share class structure, that company will be reviewed for continued inclusion in the S&P Composite 1500 at the discretion of the Index Committee.

*Please refer to S&P Dow Jones Indices’ Equity Indices Policies & Practices document for more information on Multiple Share Classes.*

**Market Capitalization.** Eligibility differs depending on the index:

- **S&P Total Market Index.** There is no minimum market capitalization requirement for index eligibility.
- **S&P Composite 1500.** Unadjusted company market capitalization of US\$ 6.1 billion or more for the S&P 500, US\$ 1.6 billion to US\$ 6.8 billion for the S&P MidCap 400, and US\$ 450 million to US\$ 2.1 billion for the S&P SmallCap 600 are required. These ranges are reviewed from time to time to assure consistency with market conditions.

**Liquidity.** Eligibility differs depending on the index:

- **S&P Total Market Index.** Using composite pricing and volume, the ratio of annual dollar value traded (defined as average closing price over the period multiplied by historical volume) to float-adjusted market capitalization should be at least 0.10.

- **S&P Composite 1500.** Using composite pricing and volume, the ratio of annual dollar value traded (defined as average closing price over the period multiplied by historical volume) to float-adjusted market capitalization should be at least 1.00, and the stock should trade a minimum of 250,000 shares in each of the six months leading up to the evaluation date.

**Investable Weight Factor (IWF).** Eligibility differs depending on the index:

- **S&P Total Market Index.** An IWF of at least 0.10 is required.
- **S&P Composite 1500.** An IWF of at least 0.50 is required.

*Please refer to S&P Dow Jones Indices' Float Adjustment Methodology more information on IWFs.*

**Financial Viability.** Eligibility differs depending on the index:

- **S&P Total Market Index.** There is no financial viability requirement for index eligibility.
- **S&P Composite 1500.** The sum of the most recent four consecutive quarters' Generally Accepted Accounting Principles (GAAP) earnings (net income excluding discontinued operations) should be positive as should the most recent quarter. For equity real estate investment trusts (REITs), financial viability is based on GAAP earnings and/or Funds From Operations (FFO), if reported. FFO is a measure commonly used in equity REIT analysis.

**Initial Public Offerings (IPOs).** Eligibility differs depending on the index:

- **S&P Total Market Index.** Eligible IPOs are added to the index at the next rebalancing, subject to the reference date.
- **S&P Composite 1500.** IPOs should be traded on an eligible exchange for at least 12 months before being considered for addition to an index. Spin-offs or in-specie distributions from existing constituents are not required to have 12 months of trading prior to their inclusion in the S&P Composite 1500.

**Rule Exceptions.** Exceptions to the above criteria include:

- **Non-S&P Composite 1500 Companies that Acquire S&P Composite 1500 Index Constituents.** Non-S&P Composite 1500 companies that acquire S&P Composite 1500 index constituents, but do not fully meet the financial viability or IWF criteria, may still be added to an S&P Composite 1500 index at the discretion of the Index Committee if the Committee determines that the addition could minimize turnover and enhance the representativeness of the index as a market benchmark
- **S&P Composite 1500 Migrations.** Current S&P Composite 1500 constituents can be migrated from one S&P Composite 1500 component index (i.e. S&P 500, S&P MidCap 400, or S&P SmallCap 600) to another without meeting the financial viability, public float and/or liquidity eligibility criteria if the Index Committee decides that such a move will enhance the representativeness of the index as a market benchmark.
- **Spin-offs from Current S&P Composite 1500 Index Constituents.** Companies that are spun-off from current S&P Composite 1500 constituents do not need to meet the outside addition criteria, but they should be considered U.S. domiciled for index purposes. For spin-offs, index membership eligibility is determined using when-issued prices, if available. At the discretion of the Index Committee, a spin-off company may be retained in the parent stock's index if the Committee determines it has a total market capitalization representative of the parent index. If the spin-off company's estimated market capitalization is below the minimum defined in the outside addition criteria but there are other constituent companies in the parent index that have a significantly lower total market capitalization than the spin-off company, the Committee may decide to retain the spin-off company in the parent index. Prior to their spin-off, these companies were part of the parent index and keeping them in the S&P Composite 1500 and the parent index, where appropriate, helps the Index Committee meet the objective of minimizing turnover when possible.

- **Berkshire Hathaway Inc.** Due to turnover and liquidity concerns, S&P 100 & 500 constituent Berkshire Hathaway Inc. (NYSE:BRK.B) is an exception to the Multiple Share Classes rules as detailed in *S&P Dow Jones Indices' Equity Indices Policies & Practices* document. S&P Dow Jones Indices will continue to consolidate the share count for this company under the B share class line.

S&P Dow Jones Indices believes turnover in index membership should be avoided when possible. At times a stock may appear to temporarily violate one or more of the addition criteria. However, the addition criteria are for addition to an index, not for continued membership. As a result, an index constituent that appears to violate criteria for addition to that index is not deleted unless ongoing conditions warrant an index change. When a stock is removed from an index, S&P Dow Jones Indices explains the basis for the removal.

# Index Construction

## S&P Total Market Index

**Index Construction.** At each rebalancing, all securities that meet the criteria as set forth in *Eligibility Criteria* are selected and form the index:

**Weighting.** The index is weighted by float-adjusted market capitalization.

## S&P 500, S&P MidCap 400 and S&P SmallCap 600

**Index Universe.** The index universe consists of all securities that meet the eligibility criteria for these indices as detailed in *Eligibility Criteria*.

**Constituent Selection.** Constituent selection is at the discretion of the Index Committee and is based on the eligibility criteria. The indices have a fixed constituent company count of 500, 400, and 600, respectively. Sector balance, as measured by a comparison of each GICS sector's weight in an index with its weight in the S&P Total Market Index, in the relevant market capitalization range, is also considered in the selection of companies for the indices.

**Weighting.** Each index is weighted by float-adjusted market capitalization.

## S&P Composite Indices

**Index Construction.** Each index is constructed by combining the respective underlying indices as follows:

- **S&P Composite 1500.** The index is a combination of the S&P 500, S&P MidCap 400, and S&P SmallCap 600.
- **S&P Composite 900.** The index is a combination of the S&P 500 and S&P MidCap 400.
- **S&P Composite 1000.** The index is a combination of the S&P MidCap 400 and S&P SmallCap 600.

**Weighting.** Each index is weighted by float-adjusted market capitalization.

## S&P 500 Top 50

**Index Universe.** Index constituents are drawn from the S&P 500.

**Constituent Selection.** At each annual reconstitution, the top 50 companies in the S&P 500, based on float-adjusted market capitalization, are selected for index inclusion. A buffer rule is applied to the constituent selection process at each rebalancing in order to reduce turnover:

1. All companies ranked in the top 45 by float-adjusted market capitalization are automatically selected for index inclusion.
2. Next, any current constituent companies remaining within the top 55 are re-selected for index inclusion, in order by rank, until the 50 company target count has been reached.
3. If the target count still has not been reached, the highest ranking non-constituents are selected until 50 companies are included.

**Weighting.** The index is weighted by float-adjusted market capitalization.

## **S&P 100**

**Index Universe.** Index constituents are drawn from the S&P 500.

**Constituent Selection.** Constituent selection is at the discretion of the Index Committee. Generally, the largest and most stable companies in the S&P 500 that have listed options are selected for index inclusion. Sector balance is also considered in the selection of companies for the S&P 100.

**Weighting.** The index is weighted by float-adjusted market capitalization.

## **S&P Composite 1500 / S&P TMI (Spliced as of EOD Dec-18-2015) Index**

**Index Construction.** The index is a spliced version of two indices. Prior to December 18, 2015, the index was a replica of the S&P Composite 1500 and followed that index's methodology. Effective December 18, 2015, the index became a replica of the S&P Total Market Index (TMI) and follows the S&P TMI methodology.

**Weighting.** The index is weighted by float-adjusted market capitalization.

## **S&P Completion Index**

**Index Universe.** Index constituents are drawn from the S&P Total Market Index.

**Constituent Selection.** All constituents of the S&P Total Market Index excluding constituents of the S&P 500 are selected and form the index.

**Weighting.** The index is weighted by float-adjusted market capitalization.

## **S&P 500 Ex-Sector Indices**

**Index Universe.** Index constituents are drawn from the S&P 500.

**Constituent Selection.** All companies in the S&P 500 are classified based on the Global Industry Classification Standard (GICS®). All companies in the S&P 500 that are classified in the defined excluded sector(s) are removed. The remaining constituents of the S&P 500 are then selected and form the ex-sector index.

**Weighting.** Each index is weighted by float-adjusted market capitalization.

## **INDUSTRIALS**

**Index Universe.** Index constituents are drawn from the S&P 500.

**Constituent Selection.** All companies in the S&P 500 are classified based on the Global Industry Classification Standard (GICS®). All companies in the S&P 500 that are classified in the Financials, Real Estate, and Utilities sectors, as well as those classified in the Transportation industry group are excluded. The remaining constituents of the S&P 500 are then selected and form the index.

**Weighting.** The index is weighted by float-adjusted market capitalization.

## S&P Equal Weight U.S. Indices

**Index Construction.** Each index is an equal weighted version of an underlying index as detailed in the table below. Index composition is the same as the underlying index. Constituent changes are incorporated in the S&P Equal U.S. Index, as and when they are made in the underlying index.

| S&P Equal Weight U.S. Index         | Underlying Index |
|-------------------------------------|------------------|
| S&P 100 Equal Weight Index          | S&P 100          |
| S&P 500 Equal Weight Index          | S&P 500          |
| S&P MidCap 400 Equal Weight Index   | S&P MidCap 400   |
| S&P SmallCap 600 Equal Weight Index | S&P SmallCap 600 |

When a company is added to an index in the middle of the quarter, it takes the weight of the company that it replaced. The one exception is when a company is removed from an index at a price of \$0.00. In such a case, the company's replacement is added to the index at the weight using the previous day's closing value, or the most immediate prior business day that the deleted company was not valued at \$0.00.

**S&P 500 Equal Weight Sector Indices.** Companies in the S&P 500 are classified based on the Global Industry Classification Standard (GICS®). Each index is made up of all stocks in the GICS sector unless otherwise noted in the table below.

| S&P 500 Equal Weight Sector Index                                   | GICS Sector Classification            |
|---|---------------------------------------|
| S&P 500 Equal Weight Consumer Discretionary Index                   | Consumer Discretionary (GICS Code 25) |
| S&P 500 Equal Weight Consumer Staples Index                         | Consumer Staples (GICS Code 30)       |
| S&P 500 Equal Weight Energy Index                                   | Energy (GICS Code 10)                 |
| S&P 500 Equal Weight Financials Index                               | Financials (GICS Code 40)             |
| S&P 500 Equal Weight Health Care Index                              | Health Care (GICS Code 35)            |
| S&P 500 Equal Weight Industrials Index                              | Industrials (GICS Code 20)            |
| S&P 500 Equal Weight Information Technology Index                   | Information Technology (GICS Code 45) |
| S&P 500 Equal Weight Materials Index                                | Materials (GICS Code 15)              |
| S&P 500 Equal Weight Real Estate Index                              | Real Estate (GICS Code 60)            |
| S&P 500 Equal Weight Communication Services Index                   | Communication Services (GICS Code 50) |
| S&P 500 Equal Weight Utilities Index                                | Utilities (GICS Code 55)              |
| S&P 500 Equal Weight Utilities Plus Index                           | Utilities (GICS Code 55)              |
| S&P 500 Equal Weight Communication Services Plus Index <sup>2</sup> | Communication Services (GICS Code 50) |

Index composition is the same as the relevant GICS sector of the S&P 500. Constituent changes are incorporated in the S&P Equal Weight Sector Indices, as and when they are made in the relevant GICS sector of the S&P 500, with the exception of S&P 500 Equal Weight Plus Indices which may also contain supplementary stocks. The company maintains its modified index shares if it is moved to a new S&P 500 Equal Weight Sector Index upon reclassification. This results in a divisor adjustment to both the S&P 500 Equal Weight Sector Index the company is leaving and the S&P 500 Equal Weight Sector Index the company is joining.

At the quarterly rebalancing, in the event that fewer than 22 companies are selected for the S&P 500 Equal Weight Plus Indices, the index will be supplemented with the largest company based on Float Market Cap in the S&P MidCap 400 within the eligible GICS Sector until the 22 company minimum is reached. If intra-quarter additions to the S&P 500 in the eligible GICS Sector result in the index reaching

<sup>2</sup> S&P Dow Jones Indices has created back calculated history for the index based on the securities in the headline S&P 500 that would have hypothetically been classified as GICS Code 50 under this new structure effective September 24, 2018.

the required minimum count, the supplementary companies will remain in the index until the next quarterly rebalance at which point they will be reviewed.

In the event that supplementary stocks are required and at least one supplementary stock is a current constituent, a buffer is applied at the quarterly rebalance such that a supplementary stock being added must have an FMC greater than 1.2 times (or 20% higher than) the supplementary stock it is replacing. This buffer is evaluated on each supplementary stock addition relative to the current supplementary stock it is replacing. For example, the largest non-index supplementary stock by FMC is evaluated against the smallest supplementary index constituent, the second largest non-index supplementary stock is evaluated against the second smallest supplementary index constituent, etc. This process is repeated until no supplementary additions exceed the buffer.

**Weighting.** At each quarterly rebalancing, the indices are reset to equal weight.

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

## Select Sector Indices

**Index Construction.** Companies in the S&P 500 are classified based on the Global Industry Classification Standard (GICS®). Each index is made up of all stocks in the GICS sector unless otherwise noted in the table below.

| Select Sector Index                        | GICS Sector Classification                          |
|--|---|
| Communication Services Select Sector Index | Communications Services (GICS Code 50) <sup>3</sup> |
| Consumer Discretionary Select Sector Index | Consumer Discretionary (GICS Code 25)               |
| Consumer Staples Select Sector Index       | Consumer Staples (GICS Code 30)                     |
| Energy Select Sector Index                 | Energy (GICS Code 10)                               |
| Financial Select Sector Index              | Financials (GICS Code 40)                           |
| Health Care Select Sector Index            | Health Care (GICS Code 35)                          |
| Industrials Select Sector Index            | Industrials (GICS Code 20)                          |
| Materials Select Sector Index              | Materials (GICS Code 15)                            |
| Real Estate Select Sector Index            | Real Estate (GICS Code 60)                          |
| Technology Select Sector Index             | Information Technology (GICS Code 45)               |
| Utilities Select Sector Index              | Utilities (GICS Code 55)                            |

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

Please note that any intra-quarter addition will be added to the relevant Select Sector Index with an AWF of 1.

**Weighting.** Each index is capped market capitalization weighted. For capping purposes, the indices are rebalanced quarterly after the close of business on the third Friday of March, June, September and December using the following procedures:

1. The rebalancing reference date is the second Friday of March, June, September and December.
2. With prices reflected on the rebalancing reference date, and membership, shares outstanding and IWFs as of the rebalancing effective date, each company is weighted by float-adjusted market capitalization. Modifications are made as defined below.
3. If any company has a weight greater than 24%, the company's float-adjusted market capitalization weight is capped at 23%, which allows for a 2% buffer. This buffer is meant to ensure that no company exceeds 25% as of the quarter-end diversification requirement date.
4. All excess weight is proportionally redistributed to all uncapped companies within the relevant index.
5. After this redistribution, if the float-adjusted market capitalization weight of any other company then breaches 23%, the process is repeated iteratively until no company breaches the 23% weight cap.
6. The sum of the companies with weights greater than 4.8% cannot exceed 50% of the total index weight. These caps are set to allow for a buffer below the 5% limit.
7. If the rule in step 6 is breached, all companies are ranked in descending order of their float-adjusted market capitalization weights. The first company that causes the 50% limit to be breached has its weight reduced to 4.5%.
8. This excess weight is proportionally redistributed to all companies with weights below 4.5%. This is repeated iteratively until step 6 is satisfied.
9. Index share amounts are assigned to each constituent to arrive at the weights calculated above. Since index shares are assigned based on prices one week prior to rebalancing, the actual

<sup>3</sup> S&P Dow Jones Indices has created back calculated history for the Communication Services Select Sector Index based on the securities in the headline S&P 500 that would have hypothetically been classified as GICS Code 50 under this new structure effective September 24, 2018.

weight of each constituent at the rebalancing differs somewhat from these weights due to market movements.

10. If necessary, the reweighting process may take place more than once prior to the close on the last business day of March, June, September or December to ensure the Select Sector Indices conform to all diversification requirements.

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

At times, companies may be represented in the Select Sector Indices by multiple share class lines. Maximum weight capping is based on company float-adjusted market capitalization, with the weight of multiple class companies allocated proportionally to each share class line based on its float-adjusted market capitalization as of the rebalancing reference date. If no capping is required, both share classes remain in the index at their natural float-adjusted market capitalization.

## S&P Select Sector Capped 20% Indices

**Index Construction.** Companies in the S&P 500 are classified based on the GICS. Each index is made up of all stocks in the respective GICS sector unless otherwise noted in the table below.

| S&P Select Sector Capped 20% Index                        | GICS Sector Classification                          |
|---|---|
| S&P Select Sector Capped 20% Communication Services Index | Communications Services (GICS Code 50) <sup>4</sup> |
| S&P Select Sector Capped 20% Consumer Discretionary Index | Consumer Discretionary (GICS Code 25)               |
| S&P Select Sector Capped 20% Consumer Staples Index       | Consumer Staples (GICS Code 30)                     |
| S&P Select Sector Capped 20% Energy Index                 | Energy (GICS Code 10)                               |
| S&P Select Sector Capped 20% Financials Index             | Financials (GICS Code 40)                           |
| S&P Select Sector Capped 20% Health Care Index            | Health Care (GICS Code 35)                          |
| S&P Select Sector Capped 20% Industrials Index            | Industrials (GICS Code 20)                          |
| S&P Select Sector Capped 20% Materials Index              | Materials (GICS Code 15)                            |
| S&P Select Sector Capped 20% Real Estate Index            | Real Estate (GICS Code 60)                          |
| S&P Select Sector Capped 20% Technology Index             | Information Technology (GICS Code 45)               |
| S&P Select Sector Capped 20% Utilities Index              | Utilities (GICS Code 55)                            |

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

Please note that any intra-quarter addition will be added to the relevant S&P Select Sector Capped 20% Index with the largest AWF currently represented in that index.

**Weighting.** Each index is capped market capitalization weighted. For reweighting purposes, the indices are rebalanced quarterly after the close of business on the third Friday of March, June, September, and December using the following procedures:

1. The rebalancing reference date is the second Friday of March, June, September, and December.
2. With prices reflected on the rebalancing reference date, and membership, shares outstanding and IWFs as of the rebalancing effective date, each company is weighted by float-adjusted market capitalization.
3. If any company has a weight greater than 19%, that company has its weight capped at 19%. The cap is set to 19% to allow for a 1% buffer. As the reference date is one week prior to the actual rebalancing, this buffer is in place to minimize the possibility of any company exceeding 20% on the actual rebalancing date.
4. All excess weight is proportionally redistributed to all uncapped companies within the relevant S&P Select Sector Capped 20% Index.
5. After this redistribution, if the weight of any other company then breaches 19%, the process is repeated iteratively until no companies breach the 19% weight cap.
6. Index share amounts are assigned to each constituent to arrive at the weights calculated above. Since index shares are assigned based on prices one week prior to rebalancing, the actual weight of each constituent at the rebalancing differs somewhat from these weights due to market movements.

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

At times, companies may be represented in the S&P Select Sector Capped 20% Indices by multiple share class lines. Maximum weight capping is based on company float-adjusted market capitalization, with the weight of multiple class companies allocated proportionally to each share class line based on its float-adjusted market capitalization as of the rebalancing reference date. If no capping is required, both share classes remain in the index at their natural float-adjusted market capitalization.

<sup>4</sup> S&P Dow Jones Indices has created back calculated history for the S&P Select Sector Capped 20% Communication Services Index based on the securities in the headline S&P 500 that would have hypothetically been classified as GICS Code 50 under this new structure effective September 24, 2018.

## S&P Select Sector Daily Capped 25/20 Indices

**Index Construction.** Companies in the S&P 500 are classified based on GICS. Each index is made up of all stocks in the respective GICS sector unless otherwise noted in the table below.

| S&P Select Sector Daily Capped 25/20 Index                                     | GICS Classification                    |
|--|--|
| S&P Communication Services Select Sector Daily Capped 25/20 Index <sup>5</sup> | Communications Services (GICS Code 50) |
| S&P Consumer Discretionary Select Sector Daily Capped 25/20 Index              | Consumer Discretionary (GICS Code 25)  |
| S&P Consumer Staples Select Sector Daily Capped 25/20 Index                    | Consumer Staples (GICS Code 30)        |
| S&P Energy Select Sector Daily Capped 25/20 Index                              | Energy (GICS Code 10)                  |
| S&P Financials Select Sector Daily Capped 25/20 Index                          | Financials (GICS Code 40)              |
| S&P Health Care Select Sector Daily Capped 25/20 Index                         | Health Care (GICS Code 35)             |
| S&P Industrials Select Sector Daily Capped 25/20 Index                         | Industrials (GICS Code 20)             |
| S&P Materials Select Sector Daily Capped 25/20 Index                           | Materials (GICS Code 15)               |
| S&P Real Estate Select Sector Daily Capped 25/20 Index                         | Real Estate (GICS Code 60)             |
| S&P Technology Select Sector Daily Capped 25/20 Index                          | Information Technology (GICS Code 45)  |
| S&P Utilities Select Sector Daily Capped 25/20 Index                           | Utilities (GICS Code 55)               |

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

Index composition is the same as the relevant GICS sector of the S&P 500. Constituent changes are incorporated in the S&P Select Sector Daily Capped 25/20 Indices as and when they are made in the relevant GICS sector of the S&P 500. Please note any addition not coinciding with a reweighting effective date will be added to the relevant Select Sector Daily Capped 25/20 Index with an AWF of 1.

**Weighting.** Each index is capped market capitalization weighted. For capping purposes, the indices are rebalanced quarterly after the close of business on the third Friday of March, June, September, and December. Indices are also reviewed daily based on each company's capped market capitalization weight. Daily capping is only performed when either the largest index weight exceeds 25% or the second largest index weight exceeds 20%. The reference date for quarterly capping is the second Friday of March, June, September, and December with changes effective after the close of the following Friday. When daily capping is necessary, the changes are announced after the close of the business day on which the daily weight caps are exceeded, with the reference date after the close of that same business day, and changes are effective after the close of the next trading day. While capping is reviewed daily, the index may be capped on a less frequent basis. Both the quarterly and daily capping process are performed according to the following procedures:

1. With prices reflected on the rebalancing reference date, and membership, shares outstanding, and IWFs as of the rebalancing effective date, each company is weighted by float-adjusted market capitalization (FMC). Modifications are made as defined below.
2. If the company with the largest weight exceeds 23%, the company's FMC weight is capped at 23%, which allows for a 2% buffer.
3. All excess weight is proportionally redistributed to all remaining uncapped companies within the relevant index.
4. If the company with the second largest weight exceeds 19%, the company's FMC weight is capped at 19%, which allows for a 1% buffer.
5. All excess weight is proportionally redistributed to all remaining uncapped companies within the relevant index.

<sup>5</sup> S&P Dow Jones Indices has created back calculated history for the S&P Communication Services Select Sector Daily Capped 25/20 Index based on the securities in the headline S&P 500 that would have hypothetically been classified as GICS Code 50 under this new structure effective September 24, 2018.

6. After this redistribution, steps 2 through 5 are repeated iteratively until the weight of the largest company does not exceed 23% and the weight of the second largest company does not exceed 19%.
7. The sum of the companies with weights greater than 4.8% cannot exceed 50% of the total index weight.
8. If the rule in step 7 is breached, all companies are ranked in descending order of their FMC weights. The first company's weight that breaches the 50% limit is reduced to 4.5%.
9. This excess weight is proportionally redistributed to all companies with weights below 4.5%. This is repeated iteratively until step 7 is satisfied.
10. Index share amounts are assigned to each constituent to arrive at the weights calculated above. Since index shares are assigned based on prices on the reference date, the actual weight of each constituent at the rebalancing differs somewhat from these weights due to market movements.

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

At times, companies may be represented in the S&P Select Sector Daily Capped 25/20 Indices by multiple share class lines. Maximum weight capping is based on company FMC, with the weight of multiple class companies allocated proportionally to each share class line based on its FMC as of the rebalancing reference date. If no capping is required, both share classes remain in the index at their natural FMC.

## S&P 500 Capped 35/20 Indices

**Index Construction.** Companies in the S&P 500 are classified based on the Global Industry Classification Standard (GICS®). Each index is made up of all stocks in the relevant GICS classification unless otherwise noted in the table below.

| S&P 500 Capped 35/20 Index   | GICS Classification  |
|--|--|
| S&P 500 Capped 35/20 Communication Services Index                  | Communications Services (GICS Code 50) <sup>6</sup>  |
| S&P 500 Capped 35/20 Consumer Discretionary Index                  | Consumer Discretionary (GICS Code 25)  |
| S&P 500 Capped 35/20 Consumer Staples Index                        | Consumer Staples (GICS Code 30)  |
| S&P 500 Capped 35/20 Energy Index                                  | Energy (GICS Code 10)  |
| S&P 500 Capped 35/20 Financials Index                              | Financials (GICS Code 40)  |
| S&P 500 Capped 35/20 Health Care Index                             | Health Care (GICS Code 35)   |
| S&P 500 Capped 35/20 Industrials Index                             | Industrials (GICS Code 20)   |
| S&P 500 Capped 35/20 Information Technology Index                  | Information Technology (GICS Code 45)  |
| S&P 500 Capped 35/20 Materials Index                               | Materials (GICS Code 15)   |
| S&P 500 Capped 35/20 Real Estate Index                             | Real Estate (GICS Code 60)   |
| S&P 500 Capped 35/20 Utilities Index                               | Utilities (GICS Code 55)   |
| S&P 500 Capped 35/20 Utilities & Telecommunication Services Index  | Utilities (GICS Code 55)<br>Telecommunication Services (GICS Code 5010)  |
| S&P 500 Capped 35/20 Banks and Diversified Financials Select Index | Regional Banks (Code: 40101015)<br>Diversified Banks (Code: 40101010)<br>Asset Management & Custody Banks (Code: 40203010)<br>Consumer Finance (Code: 40202010)<br>Investment Banking & Brokerage (Code: 40203020) |

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

Index composition is the same as the relevant GICS sector of the S&P 500. Constituent changes are incorporated in the S&P 500 Capped 35/20 Indices as and when they are made in the relevant GICS sector of the S&P 500. Please note any addition not coinciding with a reweighting effective date will be added to the relevant S&P 500 Capped 35/20 Index with the largest AWF currently represented in that index.

**Weighting.** Each index is capped market capitalization weighted. For capping purposes, the indices are rebalanced quarterly after the close of business on the third Friday of March, June, September, and December. Indices are also reviewed on the 2<sup>nd</sup> Friday of all other months based on each company's capped market capitalization weight. Monthly capping is only performed when either the largest index weight exceeds 35% or the second largest index weight exceeds 20%. The reference date for capping is the second Friday of the reweighting month and changes are effective after the close of the following Friday using prices as of the reweighting reference date, and membership, shares outstanding, and IWFs as of the reweighting effective date. The reference date is the second Friday of each reweighting month. While capping is reviewed monthly, the index may be capped on a less frequent basis. Both the quarterly and monthly capping are performed for each index, as necessary, based on the scenarios in the table below.

<sup>6</sup> S&P Dow Jones Indices has created back calculated history for the S&P 500 Capped 35/20 Communication Services Index based on the securities in the headline S&P 500 that would have hypothetically been classified as GICS Code 50 under this new structure effective September 24, 2018.

| Scenario   | Steps   |
|--|---|
| 1. At least one company in the index has a float-adjusted market capitalization weight exceeding 33%.            | <ol style="list-style-type: none"> <li>1. The company with the largest weight is capped at 33%. All excess weight is proportionally redistributed to the remaining uncapped companies in the index.</li> <li>2. If the weight of any remaining uncapped company exceeds 19%, its weight is capped at 19% and the excess weight is proportionally redistributed to all remaining uncapped companies.</li> <li>3. Step 2 is repeated until the weight of all uncapped companies does not exceed 19%.</li> </ol> |
| 2. The weight of more than one company exceeds 19%, but the company with the largest weight does not exceed 33%. | <ol style="list-style-type: none"> <li>1. The company with the largest weight is capped at its float-adjusted market capitalization weight.</li> <li>2. If the weight of any remaining uncapped company exceeds 19%, its weight is capped at 19% and the excess weight is proportionally redistributed to all remaining uncapped companies in the index.</li> <li>3. Step 2 is repeated until the weight of all uncapped companies does not exceed 19%.</li> </ol>  |

In each of the above scenarios, index share amounts are assigned to each constituent to arrive at the target weights. Since index shares are assigned based on prices one week prior to rebalancing, the actual weight of each constituent at the rebalancing may differ from the target weights due to price movements.

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

At times, companies may be represented in the S&P 500 Capped 35/20 Indices by multiple share class lines. Maximum weight capping is based on company float-adjusted market capitalization, with the weight of multiple class companies allocated proportionally to each share class line based on its float-adjusted market capitalization as of the rebalancing reference date. If no capping is required, both share classes remain in the index at their natural float-adjusted market capitalization.

## S&P MidCap 400 Capped Sector Indices

**Index Construction.** Companies in the S&P MidCap 400 are classified based on the Global Industry Classification Standard (GICS®). Each index is made up of all stocks in the GICS sector unless otherwise noted in the table below.

| S&P MidCap 400 Capped Sector Index   | GICS Sector Classification  |
|--|---|
| S&P MidCap 400 Capped Consumer Discretionary (Sector) Index                          | Consumer Discretionary (GICS Code 25)                             |
| S&P MidCap 400 Capped Consumer Staples (Sector) Index                                | Consumer Staples (GICS Code 30)                                   |
| S&P MidCap 400 Capped Energy (Sector) Index  | Energy (GICS Code 10)   |
| S&P MidCap 400 Capped Financials (Sector) Index                                      | Financials (GICS Code 40)   |
| S&P MidCap 400 Capped Financials & Real Estate (Sector) Index                        | Financials (GICS Code 40)<br>Real Estate (GICS Code 60)           |
| S&P MidCap 400 Capped Health Care (Sector) Index                                     | Health Care (GICS Code 35)  |
| S&P MidCap 400 Capped Industrials (Sector) Index                                     | Industrials (GICS Code 20)  |
| S&P MidCap 400 Capped Information Technology (Sector) Index                          | Information Technology (GICS Code 45)                             |
| S&P MidCap 400 Capped Materials (Sector) Index                                       | Materials (GICS Code 15)  |
| S&P MidCap 400 Capped Real Estate (Sector) Index                                     | Real Estate (GICS Code 60)  |
| S&P MidCap 400 Capped Utilities & Communication Services (Sector) Index <sup>7</sup> | Utilities (GICS Code 55)<br>Communication Services (GICS Code 50) |

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

Please note that any intra-quarter addition will be added to the relevant S&P MidCap 400 Capped Sector Index with the largest AWF currently represented in that index.

If the largest AWF in the index is not shared by multiple index constituents, the new addition will be added to the index with index shares that are commensurate with the index shares of the stock in a hypothetical rebalancing using the closing prices on the date the addition is announced. In such cases of commensurate weighting, the index shares for all current constituents will remain constant.

**Weighting.** Each index is capped market capitalization weighted. For reweighting purposes, the indices are rebalanced quarterly after the close of business on the third Friday of March, June, September, and December using the following procedures:

1. The rebalancing reference date is the second Friday of March, June, September and December.
2. With prices reflected on the rebalancing reference date, and membership, shares outstanding and IWFs as of the rebalancing effective date, each company is weighted by float-adjusted market capitalization.
3. If any company has a weight greater than 22.5%, that company has its weight capped at 22.5%. The cap is set to allow for a buffer below a 25% limit.
4. All excess weight is proportionally redistributed to all uncapped companies within the relevant index.

<sup>7</sup> Please note this is a slight modification from the official GICS Sectors in that this sub-set of indices combines the Utilities and Communication Services Sectors into one.

5. After this redistribution, if the weight of any other company then breaches 22.5%, the process is repeated iteratively until no company breaches the 22.5% weight cap.
6. The sum of the companies with weight greater than 4.5% cannot exceed 45% of the total weight. These caps are set to allow for a buffer below 5% and 50% limits, respectively.
7. If the rule in step 6 is breached, all the companies are ranked in descending order of their weights and the company with the lowest weight that causes the 45% limit to be breached is identified. The weight of this company is, then, reduced either until the rule in step 6 is satisfied or it reaches 4.5%.
8. This excess weight is proportionally redistributed to all companies with weights below 4.5%. Any stock that receives weight cannot breach the 4.5% cap. This process is repeated iteratively until step 6 is satisfied or until all stocks are greater than or equal to 4.5%. If the rule in step 6 is still breached and all stocks are greater than or equal to 4.5%, the company with the lowest weight that causes the 45% limit to be breached is identified. The weight of this company is, then, reduced either until the rule in step 6 is satisfied or it reaches 4.5%.
9. This excess weight is proportionally redistributed to all companies with weights greater than 4.5%. Any stock that receives weight cannot breach the 22.5% stock cap. This process is repeated iteratively until step 6 is satisfied.
10. Index share amounts are assigned to each constituent to arrive at the weights calculated above. Since index shares are assigned based on prices one week prior to rebalancing, the actual weight of each constituent at the rebalancing differs somewhat from these weights due to market movements.

At times, an index's company count may require the capping rules to be relaxed. Please refer to the table below for an overview of the process followed, when necessary. Each subsequent row is a relaxation of the previous row's weight caps.

| Number of Constituents | Single Company Weight Cap <sup>8</sup> | Threshold for Aggregate Company Weight Capping <sup>9</sup> | Aggregate Company Weight Cap <sup>9</sup> |
|------------------------|--|---|---|
| 12-14                  | 25.0%                                  | 5.0%  | 50%                                       |
| 11                     | 27.5%                                  | 5.5%  | 55%                                       |
| 9-10                   | 30.0%                                  | 6.0%  | 60%                                       |
| 8                      | 32.5%                                  | 6.5%  | 65%                                       |
| 7                      | 35.0%                                  | 7.0%  | 70%                                       |
| 6                      | 37.5%                                  | 7.5%  | 75%                                       |
| 5                      | 40.0%                                  | 8.0%  | 80%                                       |
| 4                      | 42.5%                                  | 8.5%  | 85%                                       |
| 3                      | 50.0%                                  | 9.5%  | 95%                                       |

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

At times, companies may be represented in the S&P MidCap 400 Capped Sector Indices by multiple share class lines. Maximum weight capping is based on company float-adjusted market capitalization, with the weight of multiple class companies allocated proportionally to each share class line based on its float-adjusted market capitalization as of the rebalancing reference date. If no capping is required, both share classes remain in the index at their natural float-adjusted market capitalization.

<sup>8</sup> Individual companies are capped at the single company weight cap.

<sup>9</sup> The sum of all companies with weights exceeding the threshold for aggregate company weight capping are capped at the aggregate company weight cap.

## S&P SmallCap 600 Capped Sector Indices

**Index Construction.** Companies in the S&P SmallCap 600 are classified based on the Global Industry Classification Standard (GICS®). Each index is made up of all stocks in the GICS sector unless otherwise noted in the table below.

| S&P SmallCap 600 Capped Sector Index  | GICS Sector Classification  |
|---|---|
| S&P SmallCap 600 Capped Consumer Discretionary (Sector) Index                           | Consumer Discretionary (GICS Code 25)                             |
| S&P SmallCap 600 Capped Consumer Staples (Sector) Index                                 | Consumer Staples (GICS Code 30)                                   |
| S&P SmallCap 600 Capped Energy (Sector) Index   | Energy (GICS Code 10)   |
| S&P SmallCap 600 Capped Financials (Sector) Index                                       | Financials (GICS Code 40)   |
| S&P SmallCap 600 Capped Financials & Real Estate (Sector) Index                         | Financials (GICS Code 40)<br>Real Estate (GICS Code 60)           |
| S&P SmallCap 600 Capped Health Care (Sector) Index                                      | Health Care (GICS Code 35)  |
| S&P SmallCap 600 Capped Industrials (Sector) Index                                      | Industrials (GICS Code 20)  |
| S&P SmallCap 600 Capped Information Technology (Sector) Index                           | Information Technology (GICS Code 45)                             |
| S&P SmallCap 600 Capped Materials (Sector) Index  | Materials (GICS Code 15)  |
| S&P SmallCap 600 Capped Real Estate (Sector) Index                                      | Real Estate (GICS Code 60)  |
| S&P SmallCap 600 Capped Utilities & Communication Services (Sector) Index <sup>10</sup> | Utilities (GICS Code 55)<br>Communication Services (GICS Code 50) |

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

Please note that any intra-quarter addition will be added to the relevant S&P SmallCap 600 Capped Sector Index with the largest AWF currently represented in that index.

If the largest AWF in the index is not shared by multiple index constituents, the new addition will be added to the index with index shares that are commensurate with the index shares of the stock in a hypothetical rebalancing using the closing prices on the date the addition is announced. In such cases of commensurate weighting, the index shares for all current constituents will remain constant.

**Weighting.** Each index is capped market capitalization weighted. For reweighting purposes, the indices are rebalanced quarterly after the close of business on the third Friday of March, June, September, and December using the following procedures:

1. The rebalancing reference date is the second Friday of March, June, September and December.
2. With prices reflected on the rebalancing reference date, and membership, shares outstanding and IWFs as of the rebalancing effective date, each company is weighted by float-adjusted market capitalization.
3. If any company has a weight greater than 22.5%, that company has its weight capped at 22.5%. The cap is set to allow for a buffer below a 25% limit.
4. All excess weight is proportionally redistributed to all uncapped companies within the relevant index.

<sup>10</sup> Please note this is a slight modification from the official GICS Sectors in that this sub-set of indices combines the Utilities and Communication Services Sectors into one.

5. After this redistribution, if the weight of any other company then breaches 22.5%, the process is repeated iteratively until no company breaches the 22.5% weight cap.
6. The sum of the companies with weight greater than 4.5% cannot exceed 45% of the total weight. These caps are set to allow for a buffer below 5% and 50% limits, respectively.
7. If the rule in step 6 is breached, all the companies are ranked in descending order of their weights and the company with the lowest weight that causes the 45% limit to be breached is identified. The weight of this company is, then, reduced either until the rule in step 6 is satisfied or it reaches 4.5%.
8. This excess weight is proportionally redistributed to all companies with weights below 4.5%. Any stock that receives weight cannot breach the 4.5% cap. This process is repeated iteratively until step 6 is satisfied or until all stocks are greater than or equal to 4.5%. If the rule in step 6 is still breached and all stocks are greater than or equal to 4.5%, the company with the lowest weight that causes the 45% limit to be breached is identified. The weight of this company is, then, reduced either until the rule in step 6 is satisfied or it reaches 4.5%.
9. This excess weight is proportionally redistributed to all companies with weights greater than 4.5%. Any stock that receives weight cannot breach the 22.5% stock cap. This process is repeated iteratively until step 6 is satisfied.
10. Index share amounts are assigned to each constituent to arrive at the weights calculated above. Since index shares are assigned based on prices one week prior to rebalancing, the actual weight of each constituent at the rebalancing differs somewhat from these weights due to market movements.

At times, an index's company count may require the capping rules to be relaxed. Please refer to the table below for an overview of the process followed, when necessary. Each subsequent row is a relaxation of the previous row's weight caps.

| Number of Constituents | Single Company Weight Cap <sup>11</sup> | Threshold for Aggregate Company Weight Capping <sup>12</sup> | Aggregate Company Weight Cap <sup>12</sup> |
|------------------------|---|--|--|
| 12-14                  | 25.0%                                   | 5.0%   | 50%  |
| 11                     | 27.5%                                   | 5.5%   | 55%  |
| 9-10                   | 30.0%                                   | 6.0%   | 60%  |
| 8                      | 32.5%                                   | 6.5%   | 65%  |
| 7                      | 35.0%                                   | 7.0%   | 70%  |
| 6                      | 37.5%                                   | 7.5%   | 75%  |
| 5                      | 40.0%                                   | 8.0%   | 80%  |
| 4                      | 42.5%                                   | 8.5%   | 85%  |
| 3                      | 50.0%                                   | 9.5%   | 95%  |

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

At times, companies may be represented in the S&P SmallCap 600 Capped Sector Indices by multiple share class lines. Maximum weight capping is based on company float-adjusted market capitalization, with the weight of multiple class companies allocated proportionally to each share class line based on its float-adjusted market capitalization as of the rebalancing reference date. If no capping is required, both share classes remain in the index at their natural float-adjusted market capitalization.

<sup>11</sup> Individual companies are capped at the single company weight cap.

<sup>12</sup> The sum of all companies with weights exceeding the threshold for aggregate company weight capping are capped at the aggregate company weight cap.

# Index Calculations

## **Approaches**

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

*Please refer to the Capitalization Weighted Indices section, Equal Weighted Indices section, and Capped Market Capitalization Weighted Indices sections in S&P Dow Jones Indices' Index Mathematics Methodology for more information on the index calculation methodology for float-adjusted market capitalization weighted indices, equal weighted indices, and capped market capitalization weighted indices, respectively.*

## **Shares Outstanding**

The shares counted for index calculation are shares outstanding, and are essentially "basic shares" as defined by The Financial Accounting Standards Board (FASB) in Generally Accepted Accounting Principles (GAAP). This count is float-adjusted to reflect only available shares.

*For float adjustment methodology, please see S&P Dow Jones Indices' Float Adjustment Methodology.*

# Index Maintenance

## Timing of Changes

**S&P Total Market Index.** The index is reconstituted annually, after the close of the third Friday in September, using a reference date of five weeks prior to the rebalancing effective date.

- **Quarterly Update.** Share counts are updated quarterly and reflected in the index weights. In addition, Initial Public Offerings (IPOs), new listings on eligible exchanges, and issues moving from Pink Sheets or Bulletin Board or emerging from Bankruptcy Status are added to the S&P Total Market Index at the next quarterly update, effective after the close of the third Friday of March, June, September, and December, if all eligibility requirements are met. The reference date for inclusion is five weeks prior to the effective date.

**S&P 1500 Composite Indices.** Changes to index composition are made on an as-needed basis. There is no scheduled reconstitution. Rather, changes in response to corporate actions and market developments can be made at any time. Constituent changes are typically announced one to five days before they are scheduled to be implemented. Announcements are available to the public via our Web site, [www.spdji.com](http://www.spdji.com), before or at the same time they are available to clients or the affected companies.

**S&P Completion Index.** A company is immediately added to the S&P Completion Index if it is dropped from the S&P 500 for a reason other than acquisition, delisting from a major exchange, change in domicile or bankruptcy. Likewise, all companies added to the S&P 500 are immediately removed from the S&P Completion Index.

**S&P 500 Top 50.** The index is reconstituted annually, after the close of the third Friday in June, using a reference date of the last business day of May. Share counts are updated quarterly and reflected in the index weights, in line with S&P 500 share counts. Constituents that are dropped from the S&P 500 are concurrently dropped from the index and are not replaced until the next annual reconstitution.

**S&P Equal Weight U.S. Indices.** The indices are rebalanced after the market close on the third Friday of the quarter-ending month with weights set to  $1/N$  for each company in the index where  $N$  equals the number of companies in the index at rebalancing. At each quarterly rebalancing, companies are equally-weighted using closing prices as of the second Friday of the last month of quarter as the reference price. For those companies having multiple share class lines in the index, each share class line is assigned a weight that is proportional to its float-adjusted market capitalization as of the second Friday pricing reference date. Since index shares are assigned based on prices one week prior to the rebalancing, the actual weight of each company at the rebalancing differs from the target equal weights due to market movements.

**S&P Capped Market Cap Weighted U.S. Indices.** The indices are rebalanced for reweighting purposes quarterly after the close of business on the third Friday of March, June, September, and December. The rebalancing reference date is the second Friday of March, June, September and December respectively.

**Sector Index Reclassifications.** A sector index constituent may move from one GICS sub-index to another when a GICS reclassification is made. For any sector index, the company is deleted from the relevant GICS index and added to the other at the time this reclassification occurs for the underlying index.

## Deletions

Deletions occur as follows:

- A company is deleted from the index if it is involved in a merger, acquisition, or significant restructuring such that it no longer meets the eligibility criteria:
  - A company delisted as a result of a merger, acquisition or other corporate action is removed at a time announced by S&P Dow Jones Indices, normally at the close of the last day of trading or expiration of a tender offer. Constituents that are halted from trading may be kept in the index until trading resumes, at the discretion of the Index Committee. If a stock is moved to the pink sheets or the bulletin board, the stock is removed. Index changes are announced with one to five days' advance notice.
- A company that substantially violates one or more of the eligibility criteria may be deleted at the Index Committee's discretion.

Any company that is removed from an S&P Composite 1500 index (including discretionary and bankruptcy/exchange delistings) must wait a minimum of one year from its index removal date before being reconsidered as a replacement candidate.

## Share and IWF Updates

For information on standard treatment of share and IWF updates, please refer to *S&P Dow Jones Indices' Equity Indices Policies & Practices* document. Exceptions to standard treatment for the S&P U.S. Indices are detailed below:

- **5% Rule. S&P Composite 1500** constituent share changes resulting from public offerings (also known as follow-on offerings or secondary offerings) that equal 5% or more of the total shares outstanding are eligible for next day implementation if they satisfy the following conditions:
  - Must be underwritten.
  - Must have a publicly available prospectus or prospectus summary filed with the SEC.
  - Must have a publicly available confirmation from an official source that the offering has been completed.

Block trades and spot secondaries must meet the above criteria in order to be eligible for next day implementation.

Next day implementation will include a review of the company's IWF using the latest publicly available ownership data. Any change in the IWF of at least five percentage points resulting from the review is implemented with the share update.

A public offering of existing shares by selling shareholders of at least 5% of total shares outstanding that meets the above criteria results in an immediate IWF review for that security using the latest publicly available ownership data. Any change in the IWF of at least five percentage points resulting from the review is eligible for next day implementation. If updated ownership information is not made available in a timely fashion, any resulting IWF change is made in a future weekly share change announcement. Any 5% or more total share change that involves a concurrent combination of new company shares and existing shares offered by selling shareholders are also eligible for next day implementation treatment. Any concurrent share repurchase or share issuance by the affected company, even if less than 5%, will also be included in the treatment as long the selling shareholder's stake equals at least 5% of the total shares of the company.

Shares sold as part of a forward sale agreement are not eligible for next day implementation as these shares are not included in the company's share count until full settlement of the agreement. Share updates resulting from the settlement of forward sale agreements are updated in a future weekly or quarterly share rebalance announcement.

**Non-S&P Composite 1500** constituent share changes related to public offerings of at least 5% are implemented weekly.

For non-1500 companies, public offerings of existing shares by selling shareholders of at least 5% of total shares outstanding are eligible for weekly implementation if all information is available in a timely fashion. Any concurrent share repurchase or share issuance by the affected company, even if less than 5%, will also be included in the treatment as long the selling shareholder's stake equals at least 5% of the total shares of the company.

- **Share/IWF Freeze.** A share/IWF freeze period is implemented during each quarterly rebalancing. The freeze period begins after the market close on the Tuesday preceding the second Friday of each rebalancing month (i.e. March, June, September, and December) and ends after the market close on the third Friday of the rebalancing month. During the share/IWF freeze period, shares and IWFs are not changed except for certain corporate action events (such as merger activity, stock splits, rights offerings). Share/IWF changes for S&P Composite 1500 constituents resulting from secondary public offerings that would otherwise be eligible for next day implementation are instead collected during the freeze period and added to the weekly share change announcement on the third Friday of the rebalancing month for implementation the following Friday night. There is no weekly share change announcement on the first and second Fridays of a rebalancing month.
- **Outside Additions to the S&P Composite 1500.** If a company is added to the S&P 500, S&P MidCap 400 or S&P SmallCap 600, it's IWF and shares outstanding are subject to review at the discretion of the Index Committee.

### Corporate Actions

*For information on corporate actions, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices document.*

### Other Adjustments

In cases where there is no achievable market price for a stock being deleted, it can be removed at a zero or minimal price at the Index Committee's discretion.

### Currency, Currency Hedged, and Risk Control Indices

The indices are calculated in U.S. dollars. In addition, the S&P 500 JPY (TTM) is calculated in Japanese Yen using TTM (Telegraphic Transfer Midrate) foreign exchange rates from the Bank of Tokyo Mitsubishi. Index values are published the day following the calculation date using TTM rates of T+1.

Additional currency, currency hedged, and risk control versions of the indices may be available. For a list of available currency, currency hedged, and risk control indices, please contact Client Services at [index\\_services@spglobal.com](mailto:index_services@spglobal.com).

*For more information on currency, currency hedged, and risk control indices, please refer to S&P Dow Jones Indices' Index Mathematics Methodology.*

## 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 Total Market Index  | 03/27/2006  | 12/31/2004       | 05/31/2005 | 1200       |
| S&P Completion Index  | 03/27/2006  | 12/31/2004       | 05/31/2005 | 1200       |
| S&P 500   | 03/04/1957  | 01/03/1928       | 1941-1943  | 10         |
| S&P MidCap 400  | 06/19/1991  | 07/01/1991       | 06/28/1991 | 100        |
| S&P SmallCap 600  | 10/28/1994  | 12/30/2004       | 12/31/1993 | 100        |
| S&P 900   | 06/19/1991  | 07/01/1991       | 06/30/1995 | 1000       |
| S&P 1000  | 10/28/1994  | 12/30/2004       | 12/30/1994 | 1000       |
| S&P Composite 1500  | 05/18/1995  | 12/30/2004       | 12/30/1994 | 100        |
| S&P 500 Equal Weight Index  | 01/08/2003  | 12/29/1989       | 12/29/1989 | 353.4      |
| S&P 500 Equal Weight Communication Services Plus Index            | 08/06/2018  | 12/17/1999       | 12/17/1999 | 100        |
| S&P 500 Equal Weight Consumer Discretionary Index                 | 06/20/2006  | 12/29/1989       | 12/29/1989 | 353.4      |
| S&P 500 Equal Weight Consumer Staples Index                       | 06/20/2006  | 12/29/1989       | 12/29/1989 | 353.4      |
| S&P 500 Equal Weight Energy Index                                 | 06/20/2006  | 12/29/1989       | 12/29/1989 | 353.4      |
| S&P 500 Equal Weight Financials Index                             | 06/20/2006  | 12/29/1989       | 12/29/1989 | 353.4      |
| S&P 500 Equal Weight Health Care Index                            | 06/20/2006  | 12/29/1989       | 12/29/1989 | 353.4      |
| S&P 500 Equal Weight Industrials Index                            | 06/20/2006  | 12/29/1989       | 12/29/1989 | 353.4      |
| S&P 500 Equal Weight Information Technology Index                 | 06/20/2006  | 12/29/1989       | 12/29/1989 | 353.4      |
| S&P 500 Equal Weight Materials Index                              | 06/20/2006  | 12/29/1989       | 12/29/1989 | 353.4      |
| S&P 500 Equal Weight Real Estate Index                            | 06/08/2015  | 03/18/2005       | 03/18/2005 | 1000       |
| S&P 500 Equal Weight Communication Services Index                 | 06/20/2006  | 12/29/1989       | 12/29/1989 | 353.4      |
| S&P 500 Equal Weight Utilities Index                              | 06/20/2006  | 12/29/1989       | 12/29/1989 | 353.4      |
| S&P 500 Equal Weight Utilities Plus Index                         | 06/20/2006  | 12/29/1989       | 12/29/1989 | 100        |
| S&P MidCap 400 Equal Weight Index                                 | 08/23/2010  | 07/01/1991       | 07/01/1991 | 100        |
| S&P SmallCap 600 Equal Weight Index                               | 08/23/2010  | 12/30/1994       | 12/30/1994 | 100        |
| S&P 100 Equal Weight Index  | 08/25/2009  | 12/29/2000       | 12/29/2000 | 1000       |
| S&P 500 Top 50  | 11/30/2015  | 06/30/2005       | 06/30/2005 | 1000       |
| S&P Select Sector Capped 20% Indices <sup>A</sup>                 | 11/30/2009  | 12/17/1999       | 12/17/1999 | 100        |
| S&P Communication Services Select Sector Daily Capped 25/20 Index | 07/23/2018  | 12/17/1999       | 12/17/1999 | 100        |
| S&P 500 Capped 35/20 Sector Indices                               | 07/06/2016  | 12/17/1999       | 12/17/1999 | 100        |
| S&P 500 Capped 35/20 Communication Services Index                 | 04/30/2018  | 12/21/2007       | 12/21/2007 | 100        |
| S&P MidCap 400 Capped Sector Indices                              | 02/22/2016  | 12/30/1994       | 12/30/1994 | 100        |
| S&P SmallCap 600 Capped Sector Indices                            | 03/08/2010  | 12/30/1994       | 12/30/1994 | 100        |
| S&P 900 Banks (Industry) 7/4 Capped Index (USD)                   | 03/02/2018  | 12/16/2011       | 12/16/2011 | 100        |
| S&P 500 Communication Services & Information Technology Index     | 09/19/2018  | 12/29/2017       | 12/29/2017 | 100        |

<sup>A</sup> The S&P Select Sector Capped 20% Real Estate Index launched 09/19/2016, and has a base date of 09/19/2003 with a base value of 100. The S&P Select Sector Capped 20% Communication Services Index launched 06/25/2018, and has a base date of 12/21/2007 with a base value of 100.

**Select Sector Indices.** Launch dates and launch values for the indices are shown in the following table.

| Index (Price Return)                 | Launch Date             | Launch Value |
|--------------------------------------|-------------------------|--------------|
| Consumer Discretionary Select Sector | 12/16/1998 <sup>A</sup> | 245.12       |
| Communication Services Select Sector | 04/30/2018              | 234.41       |
| Consumer Staples Select Sector       | 12/16/1998 <sup>A</sup> | 260.64       |
| Energy Select Sector                 | 12/16/1998 <sup>A</sup> | 235.88       |
| Financial Select Sector              | 12/16/1998 <sup>A</sup> | 220.20       |
| Health Care Select Sector            | 12/16/1998 <sup>A</sup> | 239.74       |
| Industrials Select Sector            | 12/16/1998 <sup>A</sup> | 226.56       |
| Materials Select Sector              | 12/16/1998 <sup>A</sup> | 207.17       |
| Real Estate Select Sector            | 08/17/2015 <sup>B</sup> | 146.86       |
| Technology Select Sector             | 12/16/1998 <sup>A</sup> | 300.86       |
| Utilities Select Sector              | 12/16/1998 <sup>A</sup> | 290.60       |

<sup>A</sup> S&P Dow Jones Indices initiated calculation of the Select Sector Indices as of January 28, 2011. Prior to that date, the indices were calculated by affiliates of the New York Stock Exchange. The total return versions were launch on 1/28/2011 with a launch value of 1000.

<sup>B</sup> The total return version was launched on 08/17/2015 with a launch value of 163.96.

# 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 document.*

*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 U.S. Indices are maintained by the U.S. Index Committee, with the exception of the S&P 500 Top 50, which is maintained by the Americas Thematic and Strategy Index Committee. All committee members are full-time professional members of S&P Dow Jones Indices' staff. The committee meets monthly. 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 its daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews this 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 document.*

# Index Policy

## **Announcements**

Announcements of additions and deletions for the S&P 500, S&P MidCap 400, and S&P SmallCap 600 are made at 05:15 PM Eastern Time. Press releases are posted on our Web site, [www.spdji.com](http://www.spdji.com), and are released to major news services.

## **Holiday Schedule**

The S&P U.S. Indices are calculated when the U.S. equity markets are open. The S&P 500 JPY (TTM) is calculated when the Japanese 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 document.

## **Recalculation Policy**

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

## **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 document.*

## **Contact Information**

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

# Index Dissemination

Index levels are available through S&P Dow Jones Indices' Web site at [www.spdji.com](http://www.spdji.com), major quote vendors (see codes below), numerous investment-oriented Web sites, and various print and electronic media. S&P Dow Jones Indices' Web site also provides an archive of recent index announcements and press releases, as well as a monthly release giving total returns for S&P Dow Jones Indices' headline indices.

## Tickers

The table below lists headline indices covered by this document. All currency, currency hedged, risk control, and return type versions of the below indices that may exist are also covered by this document. Please contact [index\\_services@spglobal.com](mailto:index_services@spglobal.com) for a complete list of indices covered by this document.

| Index  | Bloomberg | Reuters    |
|--|-----------|------------|
| S&P 500  | SPX       | .SPX       |
| S&P MidCap 400   | MID       | .MID       |
| S&P SmallCap 600   | SML       | .SML       |
| S&P Composite 1500   | SPR       | .SPSUP     |
| S&P 900  | SPLGMID   | .SPLGMID   |
| S&P 1000   | SPK       | .SPMIDSM   |
| S&P 100 (OEX)  | OEX       | .OEX       |
| S&P 500 Equal Weight Index                                 | SPW       | .SPXEW     |
| S&P 500 Equal Weight Index TR                              | SPXEWTR   | .EWTRGSPC  |
| S&P 500 Equal Weight Index NTR                             | SPXEWNTR  | .SPXEWNTR  |
| S&P 500 Equal Weight Communication Services Plus Index     | SPXEW4UP  | --         |
| S&P 500 Equal Weight Communication Services Plus Index TR  | SPXEW4UT  | --         |
| S&P 500 Equal Weight Communication Services Plus Index NTR | SPXEW4UN  | --         |
| S&P 500 Equal Weight Consumer Discretionary Index          | S25       | .SPXEW25   |
| S&P 500 Equal Weight Consumer Discretionary Index TR       | SPXEWCD   | .SPXEW25TR |
| S&P 500 Equal Weight Consumer Staples Index                | S30       | .SPXEW30   |
| S&P 500 Equal Weight Consumer Staples Index TR             | SPXEWCS   | .SPXEW30TR |
| S&P 500 Equal Weight Energy Index                          | S10       | .SPXEW10   |
| S&P 500 Equal Weight Energy Index TR                       | SPXEWEN   | .SPXEW10TR |
| S&P 500 Equal Weight Financials Index                      | S40       | .SPXEW40   |
| S&P 500 Equal Weight Financials Index TR                   | SPXEWFN   | .SPXEW40TR |
| S&P 500 Equal Weight Health Care Index                     | S35       | .SPXEW35   |
| S&P 500 Equal Weight Health Care Index TR                  | SPXEWHC   | .SPXEW35TR |
| S&P 500 Equal Weight Industrials Index                     | S20       | .SPXEW20   |
| S&P 500 Equal Weight Industrials Index TR                  | SPXEWIN   | .SPXEW20TR |
| S&P 500 Equal Weight Information Technology Index          | S45       | .SPXEW45   |
| S&P 500 Equal Weight Information Technology Index TR       | SPXEWIT   | .SPXEW45TR |
| S&P 500 Equal Weight Materials Index                       | S15       | .SPXEW15   |
| S&P 500 Equal Weight Materials Index TR                    | SPXEWMA   | .SPXEW20TR |
| S&P 500 Equal Weight Real Estate Index                     | SPXEREUP  | .SPXEREUP  |
| S&P 500 Equal Weight Real Estate Index TR                  | SPXEREUT  | .SPXEREUT  |
| S&P 500 Equal Weight Communication Services Index          | S50       | .SPXEW50   |
| S&P 500 Equal Weight Communication Services Index TR       | SPXEWTS   | .SPXEW50TR |
| S&P 500 Equal Weight Utilities Index                       | S55       | .SPXEW55   |
| S&P 500 Equal Weight Utilities Index TR                    | SPXEWUT   | .SPXEW55TR |
| S&P 500 Equal Weight Utilities Plus Index                  | SPXEWPC   | .SPXEWPC   |
| S&P 500 Equal Weight Utilities Plus Index TR               | SPXEWCTR  | .SPXEWCTR  |
| S&P MidCap 400 Equal Weight Index                          | MIDEWI    | .MIDEWI    |
| S&P SmallCap 600 Equal Weight Index                        | SMLEWI    | .SMLEWI    |
| S&P 100 Equal Weight Index                                 | SPOEXEUP  | .SPOEXEUP  |
| S&P Total Market Index                                     | SPTMI     | .SPTMI     |
| S&P Completion Index                                       | SPCMI     | .SPCMI     |

| Index   | Bloomberg | Reuters   |
|---|-----------|-----------|
| Communication Services Select Sector TR                           | IXCTR     | .IXCTR    |
| Communication Services Select Sector NTR                          | IXCNTR    | .IXCNTR   |
| Consumer Discretionary Select Sector Index                        | IXY       | .IXY      |
| Consumer Staples Select Sector Index                              | IXR       | .IXR      |
| Energy Select Sector Index  | IXE       | .IXE      |
| Financial Select Sector Index                                     | IXM       | .IXM      |
| Health Care Select Sector Index                                   | IXV       | .IXV      |
| Industrial Select Sector Index                                    | IXI       | .IXI2     |
| Materials Select Sector Index                                     | IXB       | .IXB2     |
| Real Estate Select Sector Index                                   | IXRE      | .IXRE     |
| Technology Select Sector Index                                    | IXT       | .IXT      |
| Utilities Select Sector Index                                     | IXU       | .IXU      |
| S&P 500 Ex-Communication Services TR <sup>13</sup>                | SPXXCMUT  | .SPXXCMUT |
| S&P 500 Ex-Communication Services NTR <sup>13</sup>               | SPXXCMUN  | .SPXXCMUN |
| S&P 500 Ex-Consumer Discretionary                                 | SPXXCDP   | --        |
| S&P 500 Ex-Consumer Discretionary TR                              | SPXXCDT   | --        |
| S&P 500 Ex-Consumer Staples                                       | SPXXCSP   | --        |
| S&P 500 Ex-Consumer Staples TR                                    | SPXXCST   | --        |
| S&P 500 Ex-Energy   | SPXXEGP   | --        |
| S&P 500 Ex-Energy TR  | SPXXEGT   | --        |
| S&P 500 Ex-Financials   | SPXXFISP  | --        |
| S&P 500 Ex-Financials TR  | SPXXFIST  | --        |
| S&P 500 Ex-Financials & Real Estate                               | SPXXFINP  | --        |
| S&P 500 Ex-Financials & Real Estate TR                            | SPXXFINT  | --        |
| S&P 500 Ex-Health Care  | SPXXHCP   | --        |
| S&P 500 Ex-Health Care TR   | SPXXHCT   | --        |
| S&P 500 Ex-Industrials  | SPXXINDP  | --        |
| S&P 500 Ex-Industrials TR   | SPXXINDT  | --        |
| S&P 500 Ex-Information Technology TR <sup>13</sup>                | SPXXTSUT  | .SPXXTSUT |
| S&P 500 Ex-Information Technology NTR <sup>13</sup>               | SPXXTSUN  | .SPXXTSUN |
| S&P 500 Ex-Information Technology & Communication Services        | SPXXTTSP  | --        |
| S&P 500 Ex-Information Technology & Communication Services TR     | SPXXTTST  | --        |
| S&P 500 Ex-Materials  | SPXXMP    | --        |
| S&P 500 Ex-Materials TR   | SPXXMT    | --        |
| S&P 500 Ex-Real Estate  | SPXXRETP  | --        |
| S&P 500 Ex-Real Estate TR   | SPXXRETT  | --        |
| S&P 500 Ex-Utilities  | SPXXUTIP  | --        |
| S&P 500 Ex-Utilities TR   | SPXXUTIT  | --        |
| S&P 500 Capped 35/20 Communication Services Index NTR             | SPSVCN    | .SPSVCN   |
| S&P 900 Banks (Industry) 7/4 Capped Index (USD) TR                | SP9BKCUT  | .SP9BKCUT |
| S&P 900 Banks (Industry) 7/4 Capped Index (USD) NTR               | SP9BKCUN  | .SP9BKCUN |
| S&P 500 Communication Services & Information Technology Index     | SPX450UP  | --        |
| S&P 500 Communication Services & Information Technology Index TR  | SPX450UT  | --        |
| S&P 500 Communication Services & Information Technology Index NTR | SPX450UN  | --        |

## Index Alert

Complete data for index replication (including share counts, tickers and data on index levels and returns) are available through S&P Dow Jones Indices' fee-based service, *SPICE* ([www.spice-indices.com](http://www.spice-indices.com)).

## 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).

<sup>13</sup> S&P Dow Jones Indices has created back calculated history for the S&P 500 Ex-Communication Services and S&P 500 Ex-Information Technology indices based on the securities in the headline S&P 500 that would have hypothetically been classified under the GICS structure effective September 24, 2018.

# Appendix A

## **Domiciles of Convenience**

- Bermuda
- Channel Islands (as in British Channel)
- Gibraltar
- Islands in the Caribbean: Anguilla, Antigua and Barbuda, Aruba, Bahamas, Barbados, British Virgin Islands, Cayman Islands, Curacao, Dominica, the Dominican Republic, Grenada, Haiti, Jamaica, Montserrat, Navassa Island, Puerto Rico, St. Barthlemy, St. Kitts and Nevis, St. Lucia, St. Martin, St. Vincent and Grenadines, Trinidad and Tobago, Turks and Caicos, the Virgin Islands
- Isle of Man
- Luxembourg
- Liberia
- Panama

# Appendix B

## Historical Market Capitalization Guidelines

Market capitalization guidelines since July 18, 2007 for the component indices of the S&P Composite 1500 are as follows:

| Effective Date<br>(After Close) | Market Capitalization Guidelines (US\$) |                                |                                |
|---------------------------------|---|--------------------------------|--------------------------------|
|                                 | S&P 500                                 | S&P MidCap 400                 | S&P SmallCap 600               |
| 03/10/2017                      | At least \$6.1 billion                  | \$1.6 billion to \$6.8 billion | \$450 million to \$2.1 billion |
| 07/16/2014                      | At least \$5.3 billion                  | \$1.4 billion to \$5.9 billion | \$400 million to \$1.8 billion |
| 06/19/2013                      | At least \$4.6 billion                  | \$1.2 billion to \$5.1 billion | \$350 million to \$1.6 billion |
| 02/16/2011                      | At least \$4.0 billion                  | \$1.0 billion to \$4.4 billion | \$300 million to \$1.4 billion |
| 12/09/2009                      | At least \$3.5 billion                  | \$850 million to \$3.8 billion | \$250 million to \$1.2 billion |
| 12/18/2008                      | At least \$3.0 billion                  | \$750 million to \$3.3 billion | \$200 million to \$1.0 billion |
| 09/25/2008                      | At least \$4.0 billion                  | \$1.0 billion to \$4.5 billion | \$250 million to \$1.5 billion |
| 07/18/2007                      | At least \$5.0 billion                  | \$1.5 billion to \$5.5 billion | \$300 million to \$2.0 billion |

# Appendix C

## S&P 900 Banks (Industry) 7/4 Capped Index (USD)

**Index Objective.** The index measures the performance of the constituents of the underlying index classified as part of two GICS Banks industries, defined below.

**Underlying Index.** S&P 900.

**Index Eligibility.** Constituents of the underlying index classified as part of the following GICS sub-industries are eligible:

- Diversified Banks (Code: 40101010)
- Regional Banks (Code: 40101015)

**Index Construction.** See Index Eligibility.

**Additions.** Companies added to the underlying index with an eligible GICS code or current constituents of the underlying index whose GICS code changes to that of an eligible sub-industry are added to the index simultaneously. Any addition is added at the lesser of 4% index weight or commensurate with the weight of the stock in a hypothetical rebalancing. Index shares of the addition are determined based on closing prices as of the addition announcement date. The index shares for all current constituents will remain constant.

**Deletions.** Constituents removed from the underlying index or whose GICS code changes to an ineligible sub-industry are removed from the index simultaneously.

**Constituent Weightings.** The index is weighted by float-adjusted market capitalization, subject to weight caps, if necessary. The individual weights of the largest five index companies are each capped at a maximum 7% index weight. Then, the remaining companies are each capped at a maximum 4% index weight. Weight is redistributed proportionally across all uncapped components.

Maximum weight capping is based on company float-adjusted market capitalization, with the weight of multiple class companies allocated proportionally to each share class line based on its float-adjusted market capitalization as of the rebalancing reference date. If no capping is required, both share classes remain in the index at their natural float-adjusted market capitalization.

**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 document.

**Rebalancing.** The index is rebalanced on a quarterly basis, effective after the close on the third Friday of March, June, September, and December. The reference date is the second Friday of each rebalancing month. Prices used in the weighting process are as of the reference date, while membership, shares outstanding, and IWFs are as of the rebalancing effective date.

**Index Maintenance.** All index adjustments and corporate action treatments follow the underlying index.

# Appendix D

## Methodology Changes

Methodology changes since January 1, 2015 are as follows:

| Change   | Effective Date<br>(After Close) | Methodology   |   |
|--|---------------------------------|---|---|
|  |                                 | Previous  | Updated   |
| Index Eligibility:<br>S&P 500 Capped 35/20 Utilities & Telecommunication Services Index  | 09/24/2018                      | Companies in the S&P 500 classified as Utilities (GICS Code 55) and Telecommunication Services (GICS Code 50).  | Companies in the S&P 500 classified as Utilities sector (GICS Code 55) and Telecommunication Services industry group (GICS Code 5010).  |
| Index Name:<br>1. S&P 500 Equal Weight Telecommunications Index<br>2. S&P MidCap 400 Capped Utilities & Telecom Services Index<br>3. S&P SmallCap 600 Capped Utilities & Telecom Services (Sector) Index | 09/24/2018                      | The index names were:<br>1. S&P 500 Equal Weight Telecommunications Index<br>2. S&P MidCap 400 Capped Utilities & Telecom Services Index<br>3. S&P SmallCap 600 Capped Utilities & Telecom Services (Sector) Index  | The index names are:<br>1. S&P 500 Equal Weight Communication Services Index<br>2. S&P MidCap 400 Capped Utilities & Communication Services Index<br>3. S&P SmallCap 600 Capped Utilities & Communication Services (Sector) Index   |
| Index Name/Eligibility:<br>S&P 500 Equal Weight Utilities & Telecommunications Index   | 09/24/2018                      | Companies in the S&P 500 classified as Utilities (GICS Code 55) and Telecommunication Services (GICS Code 50).  | The index name is the S&P 500 Equal Weight Utilities Plus Index and contains companies in the S&P 500 classified as Utilities (GICS Code 55) with a 22 company minimum count.   |
| Index Eligibility:<br>S&P Select Sector Capped 20% Technology Index  | 09/24/2018                      | Companies in the S&P 500 classified as Information Technology (GICS Code 45) and Telecommunication Services (GICS Code 50).   | Companies in the S&P 500 classified as Information Technology (GICS Code 45).   |
| Index Eligibility:<br>Technology Select Sector Index   | 09/24/2018                      | Companies in the S&P 500 classified as Information Technology (GICS Code 45) and Telecommunication Services (GICS Code 50).   | Companies in the S&P 500 classified as Information Technology (GICS Code 45).   |
| Spin-off Market Cap Eligibility:<br>S&P Composite 1500   | 06/30/2018                      | A spin-off company must have an estimated market capitalization that meets the minimum market capitalization addition criteria for the index to which it is being added.  | If the spin-off company's estimated market capitalization is below the minimum defined in the outside addition criteria but there are other constituent companies in the parent index that have a significantly lower total market capitalization than the spin-off company, the Committee may decide to retain the spin-off company in the parent index. |
| Rebalancing Schedule:<br>S&P 500 Capped 35/20 Indices  | 06/25/2018                      | For reweighting purposes, the indices are rebalanced quarterly after the close of business on the third Friday of March, June, September, and December.   | For reweighting purposes, the indices are rebalanced monthly after the close of business on the third Friday of the month.  |
| Rebalancing schedule and capping frequency for Select Sector Indices   | 03/08/2018                      | The indices are rebalanced quarterly after the close on the second to last business day of March, June, September and December.<br><br>Capping is only performed when a company's modified market capitalization weight breaches the maximum allowable limits in the index methodology using closing prices from two business days prior to the last business day of the rebalancing month. | The indices are rebalanced quarterly after the close on the third Friday of March, June, September and December.<br><br>At each rebalancing, capping is performed using closing prices from the second Friday of the rebalancing month.   |
| Capping buffer for Select Sector Indices   | 03/08/2018                      | As part of the capping process, all companies are ranked in descending order of their float-adjusted market capitalization weights. The first company that causes the 50% limit to be breached has its weight reduced to 4.6%.  | As part of the capping process, all companies are ranked in descending order of their float-adjusted market capitalization weights. The first company that causes the 50% limit to be breached has its weight reduced to 4.5%.  |
| Excess weight distribution for Select Sector Indices   | 03/08/2018                      | All excess weight is equally redistributed to all uncapped companies within the relevant Select Sector Index.   | All excess weight is proportionally redistributed to all uncapped companies within the relevant Select Sector Index.  |
| Merger related IWF change  | 01/19/2018                      | Any merger related IWF change resulting in an IWF of 0.96 or greater is rounded up to 1.00 on the merger effective date.  | A merger related IWF change that results in an IWF of 0.96 or greater is rounded up to 1.00 at the next annual IWF review.  |
| Exclusion of companies with multiple share class structures from the S&P Composite 1500 and its component indices  | 07/31/2017                      | Companies with multiple share class structures are eligible for inclusion in the S&P Composite 1500 and its component indices.  | Companies with multiple share class structures are not eligible for inclusion in the S&P Composite 1500 and its component indices. Existing constituents with multiple share class structures are grandfathered in.   |

| Change  | Effective Date<br>(After Close) | Methodology   |   |
|---|---------------------------------|---|---|
|   |                                 | Previous  | Updated   |
| Migrations among S&P Composite 1500 component indices   | 07/31/2017                      | --  | Current S&P Composite 1500 constituents can be migrated from one S&P Composite 1500 component index (i.e. S&P 500, S&P MidCap 400, or S&P SmallCap 600) to another without meeting the financial viability, public float and/or liquidity eligibility criteria if the Index Committee decides that such a move will enhance the representativeness of the index as a market benchmark.<br>Companies that are spun-off from current S&P Composite 1500 constituents do not need to meet the outside addition criteria. |
| Waiting period for index addition to the S&P Composite 1500 of previously deleted companies   | 07/31/2017                      | --  | Any company that is removed from an S&P Composite 1500 index (including discretionary and bankruptcy/exchange delistings) must wait a minimum of one year from its index removal date before being reconsidered as a replacement candidate.   |
| Elimination of the Corporate Governance Structure criterion from the Domicile criteria  | 07/31/2017                      | For index purposes, a U.S. company must have a corporate governance structure consistent with U.S. practice.  | --  |
| Primary listing for S&P Composite 1500 index eligibility  | 07/31/2017                      | Eligible securities include all U.S. common equities listed on NYSE, NYSE Arca, NYSE American (formerly NYSE MKT), NASDAQ Global Select Market, NASDAQ Select Market, NASDAQ Capital Market, Bats BZX, Bats BYX, Bats EDGA, and Bats EDGX exchanges.  | Eligible securities include all U.S. common equities listed on NYSE, NYSE Arca, NYSE American, NASDAQ Global Select Market, NASDAQ Select Market, NASDAQ Capital Market, Bats BZX, Bats BYX, Bats EDGA, Bats EDGX, and IEX exchanges.   |
| Market capitalization thresholds for the for the following indices:<br>1. S&P 500<br>2. S&P MidCap 400<br>3. S&P SmallCap 600   | 03/10/2017                      | 1. S&P 500: At least US\$ 5.3 billion.<br>2. S&P MidCap 400: US\$ 1.4 billion to US\$ 5.9 billion.<br>3. S&P SmallCap 600: US\$ 400 million to US\$ 1.8 billion.  | 1. S&P 500: At least US\$ 6.1 billion.<br>2. S&P MidCap 400: US\$ 1.6 billion to US\$ 6.8 billion.<br>3. S&P SmallCap 600: US\$ 450 million to US\$ 2.1 billion.  |
| IPO seasoning   | 03/10/2017                      | Initial public offerings should be seasoned for six to 12 months before being considered for addition to an index.  | Initial public offerings should be traded on an eligible exchange for at least 12 months before being considered for addition to an index.  |
| Index composition for the following indices:<br>1. INDUSTRIALS<br>2. Real Estate Select Sector Index<br>3. S&P Select Sector Capped 20% Real Estate Index<br>4. S&P 500 Capped 35/20 Real Estate Index<br>5. S&P 500 Equal Weight Real Estate Index<br>6. S&P MidCap 400 Capped Financials & Real Estate (sector) Index<br>7. S&P SmallCap 600 Capped Financials & Real Estate (sector) Index | 09/16/2016                      | 1. The index consists of all companies in the S&P 500, excluding those belonging to the Financials sector, Utilities sector or Transportation industry group.<br>2. GICS Real Estate Industry Group excluding Mortgage REITs.<br>3. GICS Real Estate Industry Group excluding Mortgage REITs.<br>4. GICS Real Estate Industry Group excluding Mortgage REITs.<br>5. GICS Real Estate Industry Group excluding Mortgage REITs.<br>6. GICS Financials Sector.<br>7. GICS Financials Sector. | 1. The index consists of all companies in the S&P 500, excluding those belonging to the Financials sector, Real Estate sector, Utilities sector or Transportation industry group.<br>2. GICS Real Estate Sector.<br>3. GICS Real Estate Sector.<br>4. GICS Real Estate Sector.<br>5. GICS Real Estate Sector.<br>6. GICS Financials Sector & GICS Real Estate Sector.<br>7. GICS Financials Sector & GICS Real Estate Sector.   |
| Index names for the following indices:<br>1. S&P MidCap 400 Capped Financials (sector) Index<br>2. S&P SmallCap 600 Capped Financials (sector) Index<br>3. S&P 500 Ex-Financials<br>4. S&P 500 Ex-Financials TR   | 09/16/2016                      | 1. S&P MidCap 400 Capped Financials (sector) Index<br>2. S&P SmallCap 600 Capped Financials (sector) Index<br>3. S&P 500 Ex-Financials<br>4. S&P 500 Ex-Financials TR   | 1. S&P MidCap 400 Capped Financials & Real Estate (sector) Index<br>2. S&P SmallCap 600 Capped Financials & Real Estate (sector) Index<br>3. S&P 500 Ex-Financials & Real Estate<br>4. S&P 500 Ex-Financials & Real Estate TR   |
| S&P Total Market Index rebalancing reference date   | 09/16/2016                      | The rebalancing reference date is the last trading day of the month prior to the rebalancing effective date.  | The rebalancing reference date is five weeks prior to the rebalancing effective date.   |
| Eligibility of tracking stocks  | 07/29/2016                      | Tracking stocks are ineligible for the S&P U.S. Indices.  | Tracking stocks are eligible for the S&P Total Market Index, but are ineligible for the S&P Composite 1500 and its component indices.   |
| Share/IWF freeze period   | 07/29/2016                      | A share freeze is implemented the week leading up to the rebalancing effective date.  | A share/IWF freeze period is implemented during each quarterly rebalancing. The freeze period begins after the market close on the Tuesday preceding the second Friday of each rebalancing month (i.e. March, June, September, and December) and ends after the market close on the third Friday of the rebalancing month.  |

| <b>Change</b>  | <b>Effective Date<br/>(After Close)</b> | <b>Previous</b>  | <b>Methodology<br/>Updated</b>   |
|--|---|--|--|
| Treatment of voluntary exchange offers, Dutch auctions & tender offers               | 07/29/2016                              | Changes in a company's total shares outstanding of 5% or more due to exchange offers, Dutch auctions & tender offers are made as soon as reasonably possible.  | Changes in a company's total shares outstanding of 5% or more due to voluntary exchange offers, Dutch auctions & tender offers are made weekly.  |
| Primary listing for S&P Composite 1500 index eligibility                             | 06/17/2016                              | Eligible securities include all U.S. common equities listed on NYSE, NYSE Arca, NYSE MKT, NASDAQ Global Select Market, NASDAQ Select Market and NASDAQ Capital Market.   | Eligible securities include all U.S. common equities listed on NYSE, NYSE Arca, NYSE MKT, NASDAQ Global Select Market, NASDAQ Select Market, NASDAQ Capital Market, Bats BZX, Bats BYX, Bats EDGA, and Bats EDGX exchanges.  |
| Clarification of the capping rules for the S&P SmallCap 600 Capped Sector Indices    | 03/21/2016                              | In the event an index count falls to a level that renders the general capping rules unworkable, S&P Dow Jones Indices may relax the 4.5%/45% rule.   | S&P Dow Jones has provided a detailed process for capping in the event an index count falls to a level that renders the general capping rules unworkable.  |
| Rules regarding multiple share class lines   | 09/18/2015                              | Companies that have more than one class of common stock outstanding are represented only once in an index. The stock price is based on one class, and the share count is based on the total shares outstanding of all classes. | There will no longer be consolidated lines in the S&P Float Market Cap (FMC) indices. Instead, all multiple share class companies that have listed share class lines will be adjusted for shares and float such that each share class line will only represent that line's shares and float. All multiple share class companies that have an unlisted class line will also be adjusted.                        |
| Clarification for recognizing next day secondary offerings in the S&P Composite 1500 | 01/21/2015                              | --   | All public offerings (also known as follow-on offerings) eligible for next day share implementation must be underwritten, must have a publicly available prospectus or prospectus summary filed with the SEC, and must include a public confirmation that the offering has been completed. Block trades and spot secondaries must meet the above criteria in order to be eligible for next day implementation. |

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