

S&P 500 Capped 35/20 Indices Constituent Weightings Methodology Update

NEW YORK, JULY 16, 2024: S&P Dow Jones Indices (“S&P DJI”) announces changes to the S&P 500 Capped 35/20 Indices constituent weighting process. The table below details the changes.

Change	Methodology	
	Previous	Updated
Constituent Weightings	<p>Scenario 1 - If at least one company in the index has an FMC weight exceeding 33%:</p> <ol style="list-style-type: none"> The company with the largest weight is capped at 33%. All excess weight is proportionally redistributed to the remaining uncapped companies in the index. 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. Step 2 is repeated until the weight of all uncapped companies does not exceed 19%. 	<p>Scenario 1 - If at least one company in the index has an FMC weight exceeding 31.5%:</p> <ol style="list-style-type: none"> Cap the company with the largest weight at 31.5%. Proportionally redistribute all excess weight to the remaining uncapped companies in the index. If the weight of any remaining uncapped company exceeds 18%, cap the company’s weight at 18% and proportionally redistribute the excess weight to all remaining uncapped companies. Repeat Step 2 until the weight of all uncapped companies does not exceed 18%.
	<p>Scenario 2 - If the weight of more than one company exceeds 19%, but the company with the largest weight does not exceed 33%.</p> <ol style="list-style-type: none"> The company with the largest weight is capped at its FMC weight. 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. Step 2 is repeated until the weight of all uncapped companies does not exceed 19%. 	<p>Scenario 2 - If the weight of more than one company exceeds 18%, but the company with the largest weight does not exceed 31.5%:</p> <ol style="list-style-type: none"> Cap the company with the largest weight at the company’s FMC weight. If the weight of any remaining uncapped company exceeds 18%, cap the company’s weight at 18% and proportionally redistribute the excess weight to all remaining uncapped companies in the index. Repeat Step 2 until the weight of all uncapped companies does not exceed 18%.

The monthly capping trigger remains the same and only occurs when either the largest index weight exceeds 35% or the second largest index weight exceeds 20%.

IMPLEMENTATION TIMING

These changes will be implemented in conjunction with the monthly October 2024 capping, effective prior to the open of **Monday, October 21, 2024**. These changes will first be visible to clients in pro-forma files beginning on **Friday, October 11, 2024**.

IMPACTED INDICES

INDEX NAME	INDEX CODE
S&P 500 Capped 35/20 Consumer Discretionary Index	SPSVCDP
S&P 500 Capped 35/20 Consumer Staples Index	SPSVCSP
S&P 500 Capped 35/20 Health Care Index	SPSVHCP
S&P 500 Capped 35/20 Energy Index	SPSVEP
S&P 500 Capped 35/20 Financials Index	SPSVFP
S&P 500 Capped 35/20 Industrials Index	SPSVIP
S&P 500 Capped 35/20 Materials Index	SPSVMP
S&P 500 Capped 35/20 Information Technology Index	SPSVITP
S&P 500 Capped 35/20 Utilities & Telecommunication Index	SPSVUTP
S&P 500 Capped 35/20 Utilities Index	SPSVULP
S&P 500 Capped 35/20 Real Estate Index	SPSVREP
S&P 500 Capped 35/20 Banks and Diversified Financials Select Index	SPSVFSP
S&P 500 Capped 35/20 Communication Services Index	SPSVCP

For more information about S&P Dow Jones Indices, please visit www.spglobal.com/spdji.

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