

S&P Paris-Aligned Climate Select Indices *Methodology*

August 2022

Table of Contents

Introduction	3
Index Objective	3
Highlights	3
Climate-Related Data	4
Supporting Documents	4
Eligibility Criteria	5
Index Universe	5
Eligibility Factors	5
Index Exclusions	5
Exclusions Based on Business Activities	5
Exclusions Based on Sustainalytics' Global Standards Screening	6
Exclusions Based on Revenue Thresholds in Fossil Fuel Operations and Power Generation	6
Controversies Screening	7
Multiple Classes of Stock	7
Index Construction	8
Constituent Selection	8
Constituent Weightings	10
Index Calculations	10
Index Maintenance	11
Rebalancing	11
Additions and Deletions	11
Ongoing Maintenance	11
Corporate Actions	11
Currency of Calculation and Additional Index Return Series	12
Base Dates and History Availability	12
Index Data	13
Calculation Return Types	13
Index Governance	14
Index Committee	14
Index Policy	15
Announcements	15
Pro-forma Files	15

	Holiday Schedule	15
	Rebalancing	15
	Unexpected Exchange Closures	15
	Recalculation Policy	15
	Contact Information	15
Index Dissemination		16
	Tickers	16
	Index Data	16
	Website	16
Appendix I		17
	GICS Sub-Industry Climate Impact	17
	GICS Sub-Industry Climate Impact Designations	17
Appendix II		20
	Indices in this Methodology Employing Backward Data Assumption	20
	Backward Data Assumption	20
	Designated Datasets Subject to Backward Data Assumption	20
	Exclusions Based on Missing Coverage	20
	Historical Coverage Assessment per Designated Dataset	20
Appendix III		22
	Indices in this Methodology with Historical Back-Test Rule Deviations	22
Appendix IV		23
	Index Anchor Date of Decarbonization Trajectory	23
Appendix V		24
	EU Required ESG Disclosures	24
Disclaimer		27
	Performance Disclosure/Back-Tested Data	27
	Intellectual Property Notices/Disclaimer	28

Introduction

Index Objective

The S&P Paris-Aligned Climate Select Index Series measures the equal weighted performance of a targeted number of eligible equity securities, drawn from an underlying index, that are selected from some of the largest float-adjusted market capitalization (FMC) companies to be collectively compatible with a 1.5°C global warming climate scenario¹ at the index level. The indices apply exclusions based on companies' involvement in specific business activities, violations of the principles of the United Nations' Global Compact (UNGC), and involvement in relevant ESG controversies, as defined in *Eligibility Criteria*.

Highlights

The indices aim to meet the minimum standards for EU Paris-aligned Benchmarks (EU PABs) under Regulation (EU) 2019/2089 amending Regulation (EU) 2016/1011². The law proposes the definitions of minimum standards for the methodology of any 'EU Paris-Aligned' benchmark indices that would be aligned with the objectives of the Paris Agreement³, and addresses the risk of greenwashing.

Should a material change to the methodology be required as a consequence of any change made by the EU to the minimum standards for EU PABs, S&P Dow Jones Indices will issue an announcement before the change is implemented (and in these circumstances, S&P Dow Jones Indices would not conduct a formal consultation). For clarity, any other methodology change will follow S&P Dow Jones Indices' standard processes, which may include a consultation.

The index has the following key features:

- companies are selected based on FMC;
- reduced overall greenhouse gas (GHG, expressed in CO₂ equivalents) emissions intensity compared to its respective underlying parent index by at least 50%;
- minimum self-decarbonization rate of GHG emissions intensity in accordance with the trajectory implied by the Intergovernmental Panel on Climate Change's (IPCC) most ambitious 1.5°C scenario, equating to at least 7% GHG intensity reduction on average per annum;
- exposure to sectors with high impact on climate change at least equivalent to its underlying index (to mitigate greenwashing).

All indices in the series feature the exclusion of companies from the underlying parent index with:

- involvement in specific business activities
- non-compliant United Nations Global Compact (UNGC) principle violations
- involvement in relevant ESG controversies
- revenues from coal, oil, or natural gas exploration or processing activities exceed defined thresholds, and electricity generation companies that exceed a stated revenues threshold.

¹ A climate scenario of 1.5°C above preindustrial levels has been deemed important by the IPCC: Masson-Delmotte, V., Zhai, P., Pörtner, H. O., Roberts, D., Skea, J., Shukla, P. R. Waterfield, T. (2018). Global warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C. IPCC, available at <https://www.ipcc.ch/sr15/>.

² Pursuant to Articles 19(a)(2) and 19(b)(1) of Regulation (EU) 2019/2089, Commission Delegated Regulation (EU) 2020/1818 lays down the minimum standards for EU CTBs and EU PABs <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32020R1818>.

³ UNFCCC. (2015). The Paris Agreement: <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>.

Climate-Related Data

S&P Trucost Limited (Trucost) Data Used: GHG Emissions and Sector Revenues.

For information on Trucost's methodology, please refer [here](#).

Supporting Documents

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

Supporting Document	URL
S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology	Equity Indices Policies & Practices
S&P Dow Jones Indices' Index Mathematics Methodology	Index Mathematics Methodology
S&P Dow Jones Indices' Float Adjustment Methodology	Float Adjustment Methodology
S&P Dow Jones Indices' Global Industry Classification Standard (GICS) Methodology	GICS Methodology

The methodology is 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.

The Benchmark Administrator for the indices under this methodology is S&P DJI Netherlands B.V.

Eligibility Criteria

Index Universe

At each rebalancing reference date, the following indices are constructed from an Eligible Universe consisting of the constituents of an underlying index, as defined below:

S&P Paris-Aligned Climate Index Series	Underlying Index
S&P Eurozone 50 Paris-Aligned Climate Select Index	S&P Eurozone LargeCap

For information on an underlying index, please refer to the respective index methodology, available at www.spglobal/spdji.com.

Eligibility Factors

Companies in a respective underlying index must satisfy the following to be eligible for index inclusion:

Listing.

- be EUR-denominated.

Liquidity.

- have at least a three-month Median Daily Value Traded (MDVT) of EUR €10 million.

Carbon Emissions Coverage.

- Have GHG Emissions data, as provided by S&P Trucost Limited (“Trucost”)⁴

Index Exclusions

At each rebalancing reference date, companies are excluded from the eligible universe as described below:

- Exclusions Based on Business Activities
- UNGC Principle Violation
- Fossil Fuel Operations and Power Generation
- Controversies Screening

Exclusions Based on Business Activities

As of each rebalancing reference date, companies with the following specific business activities are excluded from the eligible universe:

Sustainalytics Product Involvement	Sustainalytics Category of Involvement and Description	Sustainalytics Involvement Proxy	S&P DJI Level of Involvement Threshold	S&P DJI Significant Ownership Threshold
Controversial Weapons	Tailor Made and Essential: The company is involved in the core weapon system, or components/services of the core weapon system that are considered tailor-made and essential for the lethal use of the weapon.	NA	>0%	≥25%

⁴ The data should include all Scope 1, Scope 2, and Scope 3 (upstream and downstream) emissions.

Sustainalytics Product Involvement	Sustainalytics Category of Involvement and Description	Sustainalytics Involvement Proxy	S&P DJI Level of Involvement Threshold	S&P DJI Significant Ownership Threshold
Tobacco	Production: The company manufactures tobacco products.	Revenue	>0%	≥25%
	Related Products/Services: The company supplies tobacco-related products/services.		≥5%	≥25%
	Retail: The company derives revenues from the distribution and/or retail sale of tobacco products.		≥5%	≥25%

Level of Involvement refers to the company's direct exposure to such products, while Significant Ownership indicates where the company has indirect involvement via some specified level of ownership of a subsidiary company with involvement.

These exclusions use business involvement datasets from Sustainalytics. Companies not covered by Sustainalytics are excluded from index inclusion.

Please refer to <http://www.sustainalytics.com/> for more information.

Exclusions Based on Sustainalytics' Global Standards Screening

Sustainalytics' Global Standards Screening (GSS) provides an assessment of a company's impact on stakeholders and the extent to which a company causes, contributes, or is linked to violations of international norms and standards. The basis of the GSS assessments is the United Nations (UN) Global Compact Principles. Information regarding related standards is also provided in the screening, including the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, as well as their underlying conventions. Sustainalytics classifies companies into the following three statuses:

- **Non-Compliant.** Classification given to companies that do not act in accordance with the UNGC principles and its associated standards, conventions, and treaties.
- **Watchlist.** Classification given to companies that are at risk of violating one or more principles, for which all dimensions for Non-Compliant status could not be established or confirmed.
- **Compliant.** Classification given to companies that act in accordance with the UNGC principles and its associated standards, conventions and treaties.

As of each rebalancing reference date, companies classified as Non-Compliant, according to Sustainalytics, are ineligible for index inclusion. Companies not covered by Sustainalytics are excluded from index inclusion.

Please refer to <http://www.sustainalytics.com/> for more information.

Exclusions Based on Revenue Thresholds in Fossil Fuel Operations and Power Generation

As of each rebalancing reference date, companies considered for the PAB indices are excluded from the eligible universe if the sum of their revenues derived from the relevant Trucost sectors breach the following revenue thresholds:

Exclusion Type	Trucost Revenue Sectors	Revenue Threshold
Coal Exploration or Processing	Bituminous Coal and Lignite Surface Mining Bituminous Coal Underground Mining All Other Petroleum and Coal Products Manufacturing Pipeline Transportation	≥ 1%

Exclusion Type	Trucost Revenue Sectors	Revenue Threshold
Oil Exploration or Processing	All Other Petroleum and Coal Products Manufacturing Crude Petroleum and Natural Gas Extraction Drilling Oil and Gas Wells Support Activities for Oil and Gas Operations Petroleum Lubricating Oil and Grease Manufacturing Mining and Oil and Gas Field Machinery Manufacturing Tar Sands Extraction Petroleum Refineries Petrochemical Manufacturing Pipeline Transportation	≥ 10%
Natural Gas Exploration or Processing	Crude Petroleum and Natural Gas Extraction Drilling Oil and Gas Wells Support Activities for Oil and Gas Operations Mining and Oil and Gas Field Machinery Manufacturing Natural Gas Liquid Extraction Natural Gas Distribution Industrial Gas Manufacturing Pipeline Transportation	≥ 50%
Power Generation	Coal Power Generation Petroleum Power Generation Natural Gas Power Generation Biomass Power Generation	≥ 50%
Coal Exploration or Processing or Coal Power Generation	Bituminous Coal and Lignite Surface Mining Bituminous Coal Underground Mining All Other Petroleum and Coal Products Manufacturing Pipeline Transportation Coal Power Generation	≥ 25%

These exclusions use a sector revenues dataset from Trucost.

Controversies Screening

Companies are monitored by RepRisk, a leading provider of business intelligence on environmental, social, and governance risks.⁵ RepRisk analyzes companies for related controversies, including a range of issues such as economic crime and corruption, fraud, illegal commercial practices, human rights issues, labor disputes, workplace safety, catastrophic accidents, and environmental disasters. Using this data, each company is assigned a Two Year Peak RepRisk (RRI) Indicator (RRI Indicator). A company is defined as a risk if the RRI Indicator is equal to or above 60.

As of each rebalancing reference date, any company defined as a risk will be ineligible for selection for at least two years from the first date its RRI is equal to or above 60 and will remain ineligible until its Peak RRI value drops below 60.

S&P DJI assesses controversies data only at each quarterly rebalancing.

For more information on RepRisk, please refer to www.reprisk.com.

Multiple Classes of Stock

Each company is represented once by the Designated Listing. For more information regarding the treatment of multiple share classes, please refer to Approach B within the Multiple Share Classes section of the S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

⁵ For history prior to 01/03/2022, controversies screening was not applied.

Index Construction

Constituent Selection

Target Count: The target number of constituents for each index, selected from the underlying index, are:

Index	Target Count
S&P Eurozone 50 Paris-Aligned Climate Select Index	50

Carbon Intensity Target. Carbon intensity targets are used in the index selection process. The Carbon Intensity (CI) of company i , as of the rebalancing reference date t , is defined by:

$$CI_{i,t} = \frac{GHG1_i + GHG2_i + GHG3_i}{EVIC_{i,t}}$$

where:

- $GHG1_i$ = Scope 1 GHG emissions in tCO₂e for the company i
- $GHG2_i$ = Scope 2 GHG emissions in tCO₂e for the company i
- $GHG3_i$ = Scope 3 (upstream and downstream) GHG emissions⁶ in tCO₂e for the company i
- $EVIC_{i,t}$ = enterprise value including cash of the company i as at the rebalance reference date, t

The Weighted Average Carbon Intensity of an index is defined by:

$$WACI = \sum w_{i,t} \times \frac{GHG1_i + GHG2_i + GHG3_i}{EVIC_{i,t}}$$

where:

- $w_{i,t}$ = weight of the company i in the index as of the rebalancing reference date t

This metric is calculated using the GHG emissions dataset provided by Trucost.

At each rebalancing date, each index's WACI must conform to the following two requirements:

- Be 50% lower than the underlying index's weighted-average carbon intensity⁷ for PAB indices – these are the *'Relative WACI Targets'*
- Be self-decarbonized to at least the level defined by its decarbonization trajectory target for the current rebalancing date, which is calculated using a 7% annual reduction rate (adjusted for EVIC inflation) from the Index Anchor Date⁸ – the *'Decarbonization Trajectory WACI Target'*.⁹

⁶ Scope 3 GHG emissions have been included in the calculation of Carbon Intensity since the 'Anchor Date' of the indices. Prior to the 'Anchor Date' of the indices, carbon intensity has been calculated using only scope 1 and scope 2 GHG. Please see Appendix III for details on the 'Anchor Date' of the indices.

⁷ Defined as *'Underlying WACI'*.

⁸ The 'Index Anchor Date' is the date of the reference index composition and base carbon intensity calculation used to determine the index's decarbonization trajectory. It is the rebalancing reference date for the most recent index rebalancing prior to the index's launch date. Please see Appendix III for details on the 'Anchor Date' of the indices.

⁹ For more information on how the indices' decarbonization trajectories are calculated, please refer to Section 3.4 of the *S&P Paris-Aligned & Climate Transition (PACT™) Index Family Benchmark Statement*, available [here](#).

Relative WACI Target	Decarbonization Trajectory WACI Target
$\leq \text{UnderlyingWACI} \times 50\% \times \text{Buffer}^* \text{ (PAB)}$	$\leq \text{AnchorWACI}^{**} \times \frac{(1-7\%)^{(q/4)}}{1+Inf} \times \text{Buffer}^*$ where: q = number of quarterly rebalancings since index launch Inf = Enterprise Value Including Cash (EVIC) growth of the underlying index since index Anchor Date.

* The buffer is a constant, set at 95%.

** The 'AnchorWACI' is defined as, and imposed to be, the *UnderlyingWACI* x 50% at the Index Anchor Date for PAB indices.

To ensure that the WACI of the indices satisfies both constraints, the 'TargetWACI' is defined as the minimum between the Relative WACI Target and the Decarbonization Trajectory WACI Target.

Constituent Selection Calculation Process. At each rebalancing, the target number of constituents are selected from the eligible constituents of the underlying universe by the following steps:

- 1) Classify the constituents in the underlying index are assigned a status of 'High' or 'Low Climate Impact' based on their GICS Sub-Industry Group (See Appendix I).
- 2) Calculate the total weight of the constituents of the underlying index that belong to High Climate Impact Sectors (*HIW*):

$$\text{UniverseHIW} = \sum \text{weight}_i * \text{Climate Impact}_i \begin{cases} \text{High} & 1 \\ \text{Low} & 0 \end{cases}$$

where:

UniverseHIW = The total weight of constituents in the underlying index designated as belonging to a High Climate Impact Sector.

weight_i = The index weight of constituent *i* in the underlying index.

Climate Impact_i = The climate impact designation of constituent *i*.

- 3) Calculate the count of constituents with a High Climate Impact designation the index will target in its selection process that belong to the High Impact Target (*HIT*):

$$\text{HIT} = \text{roundup}(\text{UniverseHIW} * \text{TargetCount})$$

where: *TargetCount* = The target count of the index, as specified in the *Target Count* section.

- 4) Select the *HIT* count by selecting companies, ranked by FMC, among the eligible companies with "High Climate Impact" designation.
- 5) Select the rest of the of the constituents until the target count is reached by including the largest FMC constituents from the eligible companies not selected in step 4 (irrespective of their impact sector classification).
- 6) Calculate the weighted average carbon intensity of the selected constituents ('*SelectedWACI*').

If *SelectedWACI* > *TargetWACI*, drop the stock with the largest CI among the selected stocks, then repeat steps 4, 5, and 6 until the *SelectedWACI* ≤ *TargetWACI*. The process repeats iteratively until *SelectedWACI* ≤ *TargetWACI*.

If *SelectedWACI* ≤ *TargetWACI*, the stocks selected in step 5 become the constituents of each respective index.

- 7) If in step 6, after excluding the stock with the largest CI, the number of eligible stocks drops below the Target Count, the Target Count for this rebalancing is decreased by one and the process resets and starts again from step 3. The process repeats iteratively until the constraints in step 6 are satisfied, provided the Target Count remains greater than or equal to the Minimum Count in the table below. If, after the minimum count is reached, the constraints still cannot be satisfied, no further relaxations will take place and the TargetWACI constraint will not be met.

Index	Minimum Count
S&P Eurozone 50 Paris-Aligned Climate Select Index	30

Constituent Weightings

At each rebalancing, constituents are equal weighted.

Index Calculations

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

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

Index Maintenance

Rebalancing

The indices rebalance quarterly, using a five-day multi-day rebalancing process that begins after the close of the last business day of March, June, September, and December. The rebalancing reference date is the last trading day of the prior month.

As part of the rebalancing process, constituent stock weights are updated. Weights calculated as a result of the reference date data are implemented in the indices using closing prices seven business days prior to the rebalancing effective date. Since index shares are assigned based on prices prior to the rebalancing, the actual weight of each stock at the rebalancing will differ from these weights due to market movements.

For information on the Multi-Day Rebalancing process, please refer S&P Dow Jones Indices' Index Mathematics Methodology.¹⁰

Additions and Deletions

Additions. Except for spin-offs, no stocks are added to the indices between rebalance dates. Spinoffs are added to all indices where the parent security is a constituent at a zero price at the market close of the day before the ex-date (with no divisor adjustment) and are removed after at least one day of regular way trading (with a divisor adjustment).

Deletions. If a stock is dropped from an underlying index, it is also removed from the respective S&P Paris-Aligned Climate Select Index simultaneously. Between rebalancings, a stock can be deleted from an index due to corporate events such as mergers, takeovers, delistings, suspensions, spin-offs/demergers, or bankruptcies.

Ongoing Maintenance

Index constituents are drawn from the underlying index or component indices. Specific changes to index constituents, such as share changes, Investable Weight Factor (IWF) changes, dividend distributions, and price adjustments, follow the policies of the underlying index.

For more information on Share Updates, Float Adjustment, and IWFs, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology and S&P Dow Jones Indices' Float Adjustment Methodology.

The indices are reviewed on an ongoing basis to account for corporate events such as mergers, takeovers, delistings, suspensions, spin-offs/demergers, or bankruptcies. Changes to index composition and related weight adjustments are made as soon as they are effective. These changes are typically announced prior to the implementation date.

Corporate Actions

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

¹⁰ The multi-day rebalancing process was not applied in the index history prior to the launch date of the indices. Prior to that date the index reconstituted on a single day after the close of the last business day of March, June, September, and December.

Currency of Calculation and Additional Index Return Series

The indices calculate in euros and U.S. dollars.

WM/Refinitiv foreign exchange rates are taken daily at 04:00 PM London Time and used in the end-of-day calculation of the indices. These mid-market fixings are calculated by The WM Company based on Refinitiv data and appear on Refinitiv pages WMRA.

In addition to the indices detailed in this methodology, additional return series versions of the indices may be available, including, but not limited to the following: currency, currency hedged, decrement, fair value, inverse, leveraged, and risk control versions. For a list of available indices, please refer to the [S&P DJI Methodology & Regulatory Status Database](#).

For information on various index calculations, please refer to S&P Dow Jones Indices' Index Mathematics Methodology.

For the inputs necessary to calculate certain types of indices, including decrement, dynamic hedged, fair value, and risk control indices, please refer to the Parameters documents available at www.spglobal/spdji.com.

Base Dates and History Availability

Index history availability, base dates, and base values are shown in the table below.

Index	Launch Date	First Value Date	Base Date	Base Value
S&P Eurozone 50 Paris-Aligned Climate Select Index	03/28/2022	12/31/2010	12/31/2010	1000

Index Data

Calculation Return Types

S&P Dow Jones Indices calculates multiple return types which vary based on the treatment of regular cash dividends. The classification of regular cash dividends is determined by S&P Dow Jones Indices.

- Price Return (PR) versions are calculated without adjustments for regular cash dividends.
- Gross Total Return (TR) versions reinvest regular cash dividends at the close on the ex-date without consideration for withholding taxes.
- Net Total Return (NTR) versions, if available, reinvest regular cash dividends at the close on the ex-date after the deduction of applicable withholding taxes.

In the event there are no regular cash dividends on the ex-date, the daily performance of all three indices will be identical.

For a complete list of indices available, please refer to the daily index levels file (".SDL").

For more information on the classification of regular versus special cash dividends as well as the tax rates used in the calculation of net return, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

For more information on the calculation of return types, please refer to S&P Dow Jones Indices' Index Mathematics Methodology.

Index Governance

Index Committee

An S&P Dow Jones Indices Index Committee maintains the indices. The Index Committee meets regularly. At each meeting, the Index Committee reviews pending corporate actions that may affect index constituents, statistics comparing the composition of the index to the market, companies that are being considered as candidates for addition to the index, and any significant market events. In addition, the Index Committee may revise index policy covering rules for selecting companies, treatment of dividends, share counts or other matters.

S&P Dow Jones Indices considers information about changes to its indices and related matters to be potentially market moving and material. Therefore, all Index Committee discussions are confidential.

S&P Dow Jones Indices' Index Committees reserve the right to make exceptions when applying the methodology if the need arises. In any scenario where the treatment differs from the general rules stated in this document or supplemental documents, clients will receive sufficient notice, whenever possible.

In addition to the daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews the methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, S&P Dow Jones Indices may publish a consultation inviting comments from external parties.

For information on Quality Assurance and Internal Reviews of Methodology, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Index Policy

Announcements

All index constituents are evaluated daily for data needed to calculate index levels and returns. All events affecting the daily index calculation are typically announced in advance via the Index Corporate Events report (.SDE), delivered daily to all clients. Any unusual treatment of a corporate action or short notice of an event may be communicated via email to clients.

Press releases are posted on our Web site, www.spglobal/spdji.com, and are released to major news services.

Pro-forma Files

In addition to the corporate events file (.SDE), S&P Dow Jones Indices provides constituent pro-forma files each time the indices rebalance. The pro-forma file is typically provided daily in advance of the rebalancing date and contains all constituents as well as their corresponding weights and index shares effective for the upcoming rebalancing.

Please visit www.spglobal/spdji.com for a complete schedule of rebalancing timelines and pro-forma delivery times.

Holiday Schedule

The indices calculate daily, throughout the calendar year. The only days an index is not calculated are on days when all exchanges where an index's constituents are listed are officially closed or if WM/Refinitiv exchange rates services are not published.

A complete holiday schedule for the year is available at www.spglobal/spdji.com.

Rebalancing

The Index Committee may change the date of a given rebalancing for reasons including market holidays occurring on or around the scheduled rebalancing date. Any such change will be announced with proper advance notice where possible.

Unexpected Exchange Closures

For information on Unexpected Exchange Closures, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Recalculation Policy

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

For information on Calculations and Pricing Disruptions, Expert Judgment and Data Hierarchy, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Contact Information

For any questions regarding an index, please contact: index_services@spglobal.com.

Index Dissemination

Index levels are available through S&P Dow Jones Indices' Web site at www.spglobal/spdji.com, major quote vendors (see codes below), numerous investment-oriented Web sites, and various print and electronic media.

Tickers

The table below lists headline indices covered by this document. All versions of the below indices that may exist are also covered by this document. Please refer to the [S&P DJI Methodology & Regulatory Status Database](#) for a complete list of indices covered by this document.

Index	Return Type	Bloomberg	RIC
S&P Eurozone 50 Paris-Aligned Climate Select Index (EUR)	Price Return	SPEZPSEP	.SPEZPSEP
	Total Return	SPEZPSET	.SPEZPSET
	Net Total Return	SPEZPSEN	.SPEZPSEN

Index Data

Daily constituent and index level data are available via subscription.

For product information, please contact S&P Dow Jones Indices, www.spglobal/spdji.com/contact-us.

Website

For further information, please refer to S&P Dow Jones Indices' Web site at www.spglobal/spdji.com.

Appendix I

GICS Sub-Industry Climate Impact

The 'High Climate Impact' concept was introduced in the EU Technical Expert Group on Sustainable Finance's 2019 'TEG Final Report on Climate Benchmarks and Benchmarks' ESG Disclosures'¹¹ ('TEG Final Report') as the 'High Climate Impact Sectors' concept: Sectors of the economy that are key to the low-carbon transition. The TEG Final Report defines these as the following nine (of a total of 21) NACE Sections:

- Agriculture, Forestry and Fishing
- Mining and Quarrying
- Manufacturing
- Electricity, Gas, Steam and Air Conditioning Supply
- Water Supply; Sewerage, Waste Management and Remediation Activities
- Construction
- Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles
- Transportation and Storage
- Real Estate Activities.

NACE sections are a statistical classification of economic activities used within the European community and are the subject of legislation at the EU level, which imposes the use of the classification uniformly within all the Member States.¹² For the purposes of this methodology, all NACE sections not assigned as 'High Climate Impact' are deemed 'Low Climate Impact'¹³.

EU Climate Transition Benchmarks ('EU CTBs') are required to ensure their exposure to High Climate Impact Sectors are at least as high as the level in their underlying index. The index achieves this at the index-level via its weighting approach, as explained in Constituent Weighting, facilitated by assigning each constituent a climate impact designation ('High' or 'Low'), based on GICS Sub-Industry, as shown in the table below. This is conducted by using a NACE-to-GICS mapping.¹⁴

GICS Sub-Industry Climate Impact Designations

GICS Sub-Industry	GICS Code	Climate Impact	GICS Sub-Industry	GICS Code	Climate Impact
Oil & Gas Drilling	10101010	High	Food Distributors	30101020	High
Oil & Gas Equipment & Services	10101020	High	Food Retail	30101030	High
Integrated Oil & Gas	10102010	High	Hypermarkets & Super Centers	30101040	High
Oil & Gas Exploration & Production	10102020	High	Brewers	30201010	High

¹¹ The EU Technical Expert Group on Sustainable Finance. (2019). TEG Final Report on Climate Benchmarks and Benchmarks' ESG Disclosures, available at https://ec.europa.eu/info/files/190930-sustainable-finance-teg-final-report-climate-benchmarks-and-disclosures_en

¹² Eurostat (2008). NACE Rev.2; Statistical classification of economic activities in the European Community. Available via: <https://ec.europa.eu/eurostat/documents/3859598/5902521/KS-RA-07-015-EN.PDF>.

¹³ 'Low Climate Impact' companies referred to elsewhere in this methodology as 'non-High Climate Impact' companies.

¹⁴ S&P & MSCI in The EU Technical Expert Group on Sustainable Finance. (2019). Handbook of Climate Transition Benchmarks, Paris-Aligned Benchmarks and Benchmarks' ESG Disclosures, available at https://ec.europa.eu/info/sites/default/files/business_economy_euro/banking_and_finance/documents/192020-sustainable-finance-teg-benchmarks-handbook_en_0.pdf

GICS Sub-Industry	GICS Code	Climate Impact	GICS Sub-Industry	GICS Code	Climate Impact
Oil & Gas Refining & Marketing	10102030	High	Distillers & Vintners	30201020	High
Oil & Gas Storage & Transportation	10102040	High	Soft Drinks	30201030	High
Coal & Consumable Fuels	10102050	High	Agricultural Products	30202010	High
Commodity Chemicals	15101010	High	Packaged Foods & Meats	30202030	High
Diversified Chemicals	15101020	High	Tobacco	30203010	High
Fertilizers & Agricultural Chemicals	15101030	High	Household Products	30301010	High
Industrial Gases	15101040	High	Personal Products	30302010	High
Specialty Chemicals	15101050	High	Health Care Equipment	35101010	High
Construction Materials	15102010	High	Health Care Supplies	35101020	High
Metal & Glass Containers	15103010	High	Health Care Distributors	35102010	High
Paper Packaging	15103020	High	Health Care Services	35102015	Low
Aluminum	15104010	High	Health Care Facilities	35102020	Low
Diversified Metals & Mining	15104020	High	Managed Health Care	35102030	Low
Copper	15104025	High	Health Care Technology	35103010	Low
Gold	15104030	High	Biotechnology	35201010	Low
Precious Metals & Minerals	15104040	High	Pharmaceuticals	35202010	High
Silver	15104045	High	Life Sciences Tools & Services	35203010	High
Steel	15104050	High	Diversified Banks	40101010	Low
Forest Products	15105010	High	Regional Banks	40101015	Low
Paper Products	15105020	High	Thriffs & Mortgage Finance	40102010	Low
Aerospace & Defense	20101010	High	Other Diversified Financial Services	40201020	Low
Building Products	20102010	High	Multi-Sector Holdings	40201030	Low
Construction & Engineering	20103010	High	Specialized Finance	40201040	Low
Electrical Components & Equipment	20104010	High	Consumer Finance	40202010	Low
Heavy Electrical Equipment	20104020	High	Asset Management & Custody Banks	40203010	Low
Industrial Conglomerates	20105010	Low	Investment Banking & Brokerage	40203020	Low
Construction Machinery & Heavy Trucks	20106010	High	Diversified Capital Markets	40203030	Low
Agricultural & Farm Machinery	20106015	High	Financial Exchanges & Data	40203040	Low
Industrial Machinery	20106020	High	Mortgage REITs	40204010	Low
Trading Companies & Distributors	20107010	High	Insurance Brokers	40301010	Low
Commercial Printing	20201010	High	Life & Health Insurance	40301020	Low
Environmental & Facilities Services	20201050	High	Multi-line Insurance	40301030	Low
Office Services & Supplies	20201060	High	Property & Casualty Insurance	40301040	Low
Diversified Support Services	20201070	Low	Reinsurance	40301050	Low
Security & Alarm Services	20201080	Low	IT Consulting & Other Services	45102010	Low
Human Resource & Employment Services	20202010	Low	Data Processing & Outsourced Services	45102020	Low
Research & Consulting Services	20202020	Low	Internet Services & Infrastructure	45102030	Low
Air Freight & Logistics	20301010	High	Application Software	45103010	Low
Airlines	20302010	High	Systems Software	45103020	Low
Marine	20303010	High	Communications Equipment	45201020	High
Railroads	20304010	High	Technology Hardware, Storage & Peripherals	45202030	High
Trucking	20304020	High	Electronic Equipment & Instruments	45203010	High
Airport Services	20305010	High	Electronic Components	45203015	High
Highways & Railtracks	20305020	High	Electronic Manufacturing Services	45203020	High
Marine Ports & Services	20305030	High	Technology Distributors	45203030	High
Auto Parts & Equipment	25101010	High	Semiconductor Equipment	45301010	High
Tires & Rubber	25101020	High	Semiconductors	45301020	High
Automobile Manufacturers	25102010	High	Alternative Carriers	50101010	Low
Motorcycle Manufacturers	25102020	High	Integrated Telecommunication Services	50101020	Low
Consumer Electronics	25201010	High	Wireless Telecommunication Services	50102010	Low

GICS Sub-Industry	GICS Code	Climate Impact	GICS Sub-Industry	GICS Code	Climate Impact
Home Furnishings	25201020	High	Advertising	50201010	Low
Homebuilding	25201030	High	Broadcasting	50201020	Low
Household Appliances	25201040	High	Cable & Satellite	50201030	Low
Housewares & Specialties	25201050	High	Publishing	50201040	Low
Leisure Products	25202010	High	Movies & Entertainment	50202010	Low
Apparel, Accessories & Luxury Goods	25203010	High	Interactive Home Entertainment	50202020	Low
Footwear	25203020	High	Interactive Media & Services	50203010	Low
Textiles	25203030	High	Electric Utilities	55101010	High
Casinos & Gaming	25301010	Low	Gas Utilities	55102010	High
Hotels, Resorts & Cruise Lines	25301020	Low	Multi-Utilities	55103010	High
Leisure Facilities	25301030	Low	Water Utilities	55104010	High
Restaurants	25301040	Low	Independent Power Producers & Energy Traders	55105010	High
Education Services	25302010	Low	Renewable Electricity	55105020	High
Specialized Consumer Services	25302020	Low	Diversified REITs	60101010	High
Distributors	25501010	High	Industrial REITs	60101020	High
Internet & Direct Marketing Retail	25502020	High	Hotel & Resort REITs	60101030	High
Department Stores	25503010	High	Office REITs	60101040	High
General Merchandise Stores	25503020	High	Health Care REITs	60101050	High
Apparel Retail	25504010	High	Residential REITs	60101060	High
Computer & Electronics Retail	25504020	High	Retail REITs	60101070	High
Home Improvement Retail	25504030	High	Specialized REITs	60101080	High
Specialty Stores	25504040	High	Diversified Real Estate Activities	60102010	High
Automotive Retail	25504050	High	Real Estate Operating Companies	60102020	High
Homefurnishing Retail	25504060	High	Real Estate Development	60102030	High
Drug Retail	30101010	High	Real Estate Services	60102040	High

Appendix II

Indices in this Methodology Employing Backward Data Assumption

S&P Eurozone 50 Paris-Aligned Climate Select Index

Backward Data Assumption

The index employs a “Backward Data Assumption” method for some datapoints used in the derivation of historical index membership prior to the Live Data Effective Date (defined below). The “Backward Data Assumption” method involves applying the earliest available actual live data point for an index constituent to all prior, historical instances of that constituent in the index universe.

Backward Data Assumption affects only the historical, hypothetical constituents of any index back-test. Only actual live data is ever used in live index rebalancings and in the historical rebalancing calculation of an index after its Live Data Effective Date.

For more information on S&P DJI’s principles and processes for using Backward Data Assumption, please refer to the [FAQ](#).

Designated Datasets Subject to Backward Data Assumption

The Backward Data Assumption within the historical back-test, with respect to the indices identified above, applies only to designated datasets and associated time horizons as defined below. For each designated dataset, all historical rebalancing events prior to the Live Data Reference Date listed below are subject to use of the Backward Data Assumption.

Data Provider	Designated Dataset	Live Data Reference Date	Live Data Effective Date
Sustainalytics	Business Activity Exclusions	02/28/2020	04/01/2020

The Live Data Reference Date refers to the first rebalancing reference date from which only actual live data is used.

The Live Data Effective Date refers to the first date from which index constituents are determined solely on actual live data for each respective dataset.

Exclusions Based on Missing Coverage

This index excludes companies based on missing coverage with respect to the designated datasets above. However, for rebalancing dates prior to each respective Live Data Reference Date, the eligibility of companies is determined based on the coverage after applying the Backward Data Assumption and is not dictated by actual live data coverage.

Historical Coverage Assessment per Designated Dataset

Sustainalytics Business Activity Exclusions Coverage (with respect to underlying index universe):

S&P Eurozone 50 Paris-Aligned Climate Select Indices:

Rebalancing Date	Underlying Index Stock Count	Point-in-Time Data		After Using the Data Assumption	
		Stock Count	Index Weight	Stock Count	Index Weight
2010	120	0	0.0%	118	99.9%
2011	125	0	0.0%	124	99.9%
2012	119	0	0.0%	117	99.9%

Rebalancing Date	Underlying Index Stock Count	Point-in-Time Data		After Using the Data Assumption	
		Stock Count	Index Weight	Stock Count	Index Weight
2013	132	119	96.7%	130	99.8%
2014	143	136	97.2%	142	99.9%
2015	151	145	99.7%	151	100.0%
2016	154	151	99.7%	154	100.0%
2017	148	147	99.8%	148	100.0%
2018	153	152	99.8%	153	100.0%
2019	137	136	99.9%	137	100.0%
2020	136	135	99.9%	n/a	n/a
2021	135	135	100.0%	n/a	n/a

Coverage for each Sustainability Category of Involvement may differ due to the initiation of coverage for each sub-dataset. Actual live data coverage for each sub-dataset is therefore zero before its respective Coverage Initiation Date provided below:

Sustainability Category of Involvement	Coverage Initiation Date
Controversial Weapons: Tailor-made and Essential	12/31/2012
Controversial Weapons: Significant ownership (Tailor-made and Essential)	12/31/2018
Tobacco: Production	12/31/2012
Tobacco: Related Products/Services	12/31/2012
Tobacco: Retail	12/31/2012
Tobacco: Significant ownership (production)	12/31/2018
Tobacco: Significant ownership (related products/services)	12/31/2018
Tobacco: Significant ownership (retail)	12/31/2018

Appendix III

Indices in this Methodology with Historical Back-Test Rule Deviations

S&P Eurozone 50 Paris-Aligned Climate Select Index. For history prior to 01/03/2022, controversies screening was not applied.

Appendix IV

Index Anchor Date of Decarbonization Trajectory

The index 'Anchor Date' is the date of the reference index composition and base carbon intensity calculation used to determine the index's decarbonization trajectory. It is the rebalancing reference date for the most recent index rebalancing prior to the index's launch date.

Prior to the index 'Anchor Date' rebalancing reference date for the first index is used to determine the index's decarbonization trajectory.

Index	First Value Date	Anchor Date	Launch Date
S&P Eurozone 50 Paris-Aligned Climate Select Index	01/01/2011	11/31/2021	03/28/2022

Appendix V

EU Required ESG Disclosures

EXPLANATION OF HOW ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY ¹⁵			
1.	Name of the benchmark administrator.	S&P DJI Netherlands B.V.	
2.	Underlying asset class of the ESG benchmark. ¹⁶	Equity	
3.	Name of the S&P Dow Jones Indices benchmark or family of benchmarks.	S&P Paris-Aligned & Climate Transition (PACT) Index Family Benchmark Statement	
4.	Do any of the indices maintained by this methodology take into account ESG factors?	Yes	
5.	If the response to (4) is “Yes,” the indices stated here take into account ESG factors.	For a list of the benchmarks within this family that take in account ESG factors, please refer to the S&P DJI Methodology & Regulatory Database .	
6.	Where the response to (4) is ‘Yes’, the section below lists those ESG factors that are taken into account by the ESG indices governed by the methodology, including those ESG factors listed in Annex II to Delegated Regulation (EU) 2020/1816.		
6.a	List of environmental factors considered	ESG Factor¹⁷	S&P DJI ESG Factor
		Greenhouse gas (GHG) intensity of the benchmark.	Transition Risk Constraints: <i>Weighted-average Carbon Intensity (WACI) Target; 7% Decarbonization Trajectory WACI Target.</i>
		Degree of exposure of the portfolio to the sectors listed in Sections A to H and Section L of Annex I to	Carbon Emissions Coverage.
		Transition Risk Constraints: <i>‘High Climate Impact’ designations.</i>	Comment
			Selection. For more information, please refer to the ‘ <i>Index Construction</i> ’ section of the methodology.
			Exclusion. For more information, please refer to the ‘ <i>Eligibility Criteria</i> ’ section of the methodology
			Selection. For more information, please refer to the ‘ <i>Index Construction</i> ’ section of the methodology.

¹⁵ The information contained in this Appendix is intended to meet the requirements of the European Union Commission Delegated Regulation (EU) 2020/1817 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the minimum content of the explanation of how environmental, social and governance factors are reflected in the benchmark methodology.

¹⁶ The ‘underlying assets’ are defined in European Union Commission Delegated Regulation (EU) 2020/1816 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published.

¹⁷ ‘ESG factors’ are defined in Annex II of European Union Commission Delegated Regulation (EU) 2020/1816 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published.

EXPLANATION OF HOW ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY ¹⁵			
	Regulation (EC) No 1893/2006 of the European Parliament and of the Council as a percentage of the total weight in the portfolio.		
	N/A	Fossil Fuel Operations and Power Generation	Exclusion. For more information, please refer to the 'Eligibility Criteria' section of the methodology.
	N/A	Controversies Screening	Exclusion. For more information, please refer to the 'Eligibility Criteria' section of the methodology.
6.b List of social factors considered.	International treaties and conventions, United Nations principles or, where applicable, national law used in order to determine what constitutes a 'controversial weapon'.	Business Activities: <i>Controversial Weapons</i>	Exclusion. For more information, please refer to the 'Eligibility Criteria' section of the methodology.
	Weighted average percentage of benchmark constituents in the controversial weapons sector.	Business Activities: <i>Controversial Weapons</i>	Exclusion. For more information, please refer to the 'Eligibility Criteria' section of the methodology.
	Weighted average percentage of benchmark constituents in the tobacco sector.	Business Activities: <i>Tobacco</i>	Exclusion. For more information, please refer to the 'Eligibility Criteria' section of the methodology.
	Number of benchmark constituents subject to social violations (absolute number and relative divided by all benchmark constituents), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law.	UNGC Non-Compliant Companies	Exclusion. For more information, please refer to the 'Eligibility Criteria' section of the methodology.
	N/A	Controversies Screening	Exclusion. For more information, please refer to the 'Eligibility Criteria' section of the methodology.
6.c List of governance factors considered.	N/A	Controversies Screening	Exclusion. For more information, please refer to the 'Eligibility Criteria' section of the methodology.
7.	Data and standards used.		
7.a	Data sources, verification, and quality of data.	<p>The datasets are defined as either:</p> <ul style="list-style-type: none"> - <u>Reported</u>: All data in the dataset are provided as disclosed by companies, or as stated in the public domain. - <u>Modeled</u>: All data are derived using a proprietary modelling process with only proxies used in the creation of the dataset. - <u>Reported and Modeled</u>: The dataset is either a mix of reported and modeled data or is derived by the vendor using reported data/information in a proprietary scoring or determination process. <p>The index methodology uses the following ESG datasets.</p>	

EXPLANATION OF HOW ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY¹⁵		
	Data Source.	Dataset.
	S&P Trucost Limited (a part of S&P Global) (external data source)	This methodology uses several datasets provided by S&P Trucost Limited: <ul style="list-style-type: none"> Greenhouse gas emissions and emissions disclosure dataset (Reported and Modeled) Trucost sector revenues dataset (Reported and Modeled) <p><i>For information on Trucost, please refer here.</i></p>
	RepRisk (external data source)	RepRisk Indicator ('RRI'): Two-year Peak RRI (Reported and Modeled) – RepRisk, a leading provider of business intelligence on environmental, social, and governance risks. RepRisk analyzes companies for related controversies, including a range of issues such as economic crime and corruption, fraud, illegal commercial practices, human rights issues, labor disputes, workplace safety, catastrophic accidents, and environmental disasters. Using this data, each company is assigned a Two Year Peak RepRisk (RRI) Indicator (RRI Indicator). <p><i>For more information about RepRisk's RRI, please refer to http://www.reprisk.com/.</i></p>
	Sustainalytics (external data source)	This methodology uses the following datasets provided by Sustainalytics, a global leader in sustainability research and analytics: <ul style="list-style-type: none"> Business Activities (Reported and Modeled) – Product involvement dataset Global Standards Screening (Reported and Modeled) <p><i>For more information, please refer to www.sustainalytics.com.</i></p>
7.b	Reference standards and index methodology.	Whilst there are no specific reference standards that apply to the data, where possible, S&P DJI uses international sustainability disclosure frameworks such as, SASB, GRI, UN Global Compact and the recommendations of the Financial Stability Board's Task Force for Climate-related Financial Disclosures as published in the 2017 Final Report.
	Appendix latest update:	03/28/2022
	Appendix first publication:	03/28/2022

Disclaimer

Performance Disclosure/Back-Tested Data

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

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

Information presented prior to an index's launch date is hypothetical back-tested performance, not actual performance, and is based on the index methodology in effect on the launch date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. Back-tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results.

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

Index returns shown do not represent the results of actual trading of investable assets/securities. S&P Dow Jones Indices maintains the index and calculates the index levels and performance shown or discussed but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the Index or investment funds that are intended to

track the performance of the Index. The imposition of these fees and charges would cause actual and back-tested performance of the securities/fund to be lower than the Index performance shown. As a simple example, if an index returned 10% on a US \$100,000 investment for a 12-month period (or US \$10,000) and an actual asset-based fee of 1.5% was imposed at the end of the period on the investment plus accrued interest (or US \$1,650), the net return would be 8.35% (or US \$8,350) for the year. Over a three-year period, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.10%, a total fee of US \$5,375, and a cumulative net return of 27.2% (or US \$27,200).

Intellectual Property Notices/Disclaimer

© 2022 S&P Dow Jones Indices. All rights reserved. S&P, S&P 500, S&P 500 LOW VOLATILITY INDEX, S&P 100, S&P COMPOSITE 1500, S&P 400, S&P MIDCAP 400, S&P 600, S&P SMALLCAP 600, S&P GIVI, GLOBAL TITANS, DIVIDEND ARISTOCRATS, S&P TARGET DATE INDICES, S&P PRISM, S&P STRIDE, GICS, SPIVA, SPDR and INDEXOLOGY are registered trademarks of S&P Global, Inc. ("S&P Global") or its affiliates. DOW JONES, DJ, DJIA, THE DOW and DOW JONES INDUSTRIAL AVERAGE are registered trademarks of Dow Jones Trademark Holdings LLC ("Dow Jones"). These trademarks together with others have been licensed to S&P Dow Jones Indices LLC. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. This document does not constitute an offer of services in jurisdictions where S&P Dow Jones Indices LLC, S&P Global, Dow Jones or their respective affiliates (collectively "S&P Dow Jones Indices") do not have the necessary licenses. Except for certain custom index calculation services, all information provided by S&P Dow Jones Indices is impersonal and not tailored to the needs of any person, entity or group of persons. S&P Dow Jones Indices receives compensation in connection with licensing its indices to third parties and providing custom calculation services. Past performance of an index is not an indication or guarantee of future results.

The indices to which this methodology relates are either EU Paris-aligned benchmarks or EU Climate Transition benchmarks. As such they are administered in accordance with specific obligations in order to meet the classification criteria of an EU Paris-aligned benchmark or an EU Climate Transition benchmark, as applicable. These obligations include the setting of a decarbonization trajectory for each EU Paris-aligned benchmark or EU Climate Transition benchmark. However, there is no guarantee that this trajectory will be met and where it is not disclosure will be made where required, in accordance with applicable law.

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

These materials have been prepared solely for informational purposes based upon information generally available to the public and from sources believed to be reliable. No content contained in these materials (including index data, ratings, credit-related analyses and data, research, valuations, model, software or

other application or output therefrom) or any part thereof (“Content”) may be modified, reverse-engineered, reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written permission of S&P Dow Jones Indices. The Content shall not be used for any unlawful or unauthorized purposes. S&P Dow Jones Indices and its third-party data providers and licensors (collectively “S&P Dow Jones Indices Parties”) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Dow Jones Indices Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON AN “AS IS” BASIS. S&P DOW JONES INDICES PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT’S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Dow Jones Indices Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

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

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

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