

**S&P Dow Jones
Indices**

A Division of **S&P Global**

**iBoxx MSCI Scored &
Screened Tilted USD Asia
ex-Japan High Yield Capped
TCA Index Methodology**

November 2024

Table of Contents

| | |
|---|-----------|
| 1 iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA | 4 |
| 1.1 Publication of the Index | 4 |
| 2 Bond selection rules | 5 |
| 2.1 Eligible geographies | 5 |
| 2.1.1 Issuer domicile | 5 |
| 2.1.2 Defaulted countries/territories and sovereign debt rating | 5 |
| 2.1.3 Countries/territories on financial sanctions regimes | 6 |
| 2.2 Bond selection | 6 |
| 2.2.1 Issuer type | 6 |
| 2.2.2 Bond type | 6 |
| 2.2.3 Time to maturity | 7 |
| 2.2.4 Credit rating | 7 |
| 2.2.5 Amount Outstanding | 8 |
| 2.2.6 Minimum Issuer Notional | 8 |
| 2.2.7 International clearability | 8 |
| 2.2.8 US Executive Order 13959 sanctions | 9 |
| 2.2.9 Issuer cap | 9 |
| 2.3 ESG screens | 9 |
| 2.3.1 MSCI ESG Business Involvement Screening | 9 |
| 2.3.2 MSCI Climate Change Metrics | 10 |
| 2.3.3 MSCI ESG Ratings | 10 |
| 2.3.4 MSCI ESG Controversies | 10 |
| 2.3.5 ESG Tilt | 11 |
| 2.3.6 ESG Momentum | 11 |
| 3 Bond classification | 12 |
| 3.1 Corporates | 12 |
| 3.2 Additional classification | 13 |
| 4 Index calculation | 15 |
| 4.1 Static data | 15 |
| 4.2 Bond prices | 15 |
| 4.3 Rebalancing process | 15 |
| 4.3.1 Weekly Previews | 15 |

| | |
|--|-----------|
| 4.4 Index data | 15 |
| 4.5 Index calculus | 16 |
| 4.6 Treatment of the special intra-month events | 16 |
| 4.6.1 Index and analytics weights | 16 |
| 4.6.2 Funged bonds | 16 |
| 4.6.2.1 Parent and new tranche are both index constituents | 17 |
| 4.6.2.2 Parent is an index constituent, but the new tranche is not | 17 |
| 4.6.2.3 Parent is not an index constituent but the new tranche is | 17 |
| 4.6.3 Full redemptions: exercised calls, puts and buybacks | 17 |
| 4.6.4 Bonds trading flat of accrued | 17 |
| 4.6.5 Multi-coupon bonds | 17 |
| 4.6.6 Ex-dividend conventions | 18 |
| 4.6.7 Maturity extension | 18 |
| 4.6.7.1 Maturity extension for perpetuals & dated fixed-to-fixed bonds with a reset date | 18 |
| 4.6.7.2 Maturity extension for perpetual bonds without a reset date | 18 |
| 4.7 Index history | 19 |
| 4.8 Settlement conventions | 19 |
| 4.9 Calendar | 19 |
| 4.10 Data publication and access | 19 |
| 4.11 Index review | 19 |
| 5 Summary of key ESG factors | 21 |
| 6 Index Governance | 25 |
| 7 Changes to iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA | 26 |
| 8 Further information | 27 |
| Disclaimer | 28 |

1 iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA

The iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA is designed to reflect the performance of USD denominated sub-investment grade bonds issued by entities domiciled in the Asia ex-Japan region. The index is an integral part of the global iBoxx index families, which provide the marketplace with accurate and objective reference indices by which to assess the performance of bond markets and investments.

The index applies ESG filters to high yield bonds with remaining time to maturity of more than 1 year and an issuer notional of at least USD 400m to screen out issuers that breach ESG standards and product involvement screens on Thermal Coal, Adult Entertainment, Alcohol, Gambling, Tobacco, Controversial Weapons, Nuclear Weapons, Conventional Weapons, Civilian Firearms, Nuclear Power, Genetically Modified Organisms and Cannabis Recreational as captured by MSCI ESG Research. Issuers with notable controversies related to its operations and/or products with a severe social or environmental impact are also not eligible for the index. In addition, an ESG tilt and momentum factor is applied. The index has a 3% issuer cap and 50% sector cap, where excess weights are redistributed proportionately to the remaining bonds.

The bonds in the iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA must meet all the criteria described below as of the close of business three business days prior to the rebalancing date provided that the relevant bond data can be verified as of such date ("bond selection cut-off date"). The index is rebalanced on a monthly basis and is market-value weighted. The new index composition becomes effective on the first business day of the next month.

All iBoxx indices are priced based on multiple data inputs. The iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA uses multi-source prices as described in the *iBoxx Pricing Methodology* publicly available on <https://www.spglobal.com/spdji/en/> under *Methodology*.

This document covers the index selection rules and calculation methodology.

1.1 Publication of the Index

The index is calculated from Monday to Friday, including calendar month-end dates irrespective of holidays. The index is calculated on the basis of end-of-day prices on each trading day. If the indices are calculated on a day that is a non-business day, the prices from the previous trading day will be carried forward for index calculation together with the current accrued interest and coupon payment data. The approximate publication time for the Asian end-of-day is 7 pm HKT/SGT. Index data and bond price information is also available from the main information vendors. The Asian end-of-day indices are rebalanced using the Asian end-of-day prices from the last business day of the month.

The index calculation calendar conforms to the recommendations of the Securities Industry and Financial Markets Association (SIFMA):

- Pricing for domestic and global bonds takes place on each SIFMA recommended US trading day
- Pricing for Eurodollar bonds takes place on each SIFMA recommended UK trading day (additional holidays to the US calendar: Easter Monday, May Day, Summer Bank Holiday and Boxing Day)
- The indices are calculated on each SIFMA recommended US trading day and on the last calendar day of each month

2 Bond selection rules

The iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA captures USD-denominated sub-investment grade rated debt from issuers domiciled in the Asia ex-Japan region. Further, the selection criteria used to determine the index constituents broadly follow the below three categories:

- Eligible geographies
- Bond selection
- ESG screening

2.1 Eligible geographies

2.1.1 Issuer domicile

Only issuers from countries/territories belonging to the Asia ex-Japan region are eligible for the index.

As of 31 May 2021, the following countries/territories are represented in the index:

| Country / Territory | | |
|---|--|--|
| <ul style="list-style-type: none">• Cambodia• Indonesia• Mongolia• South Korea | <ul style="list-style-type: none">• Hong Kong SAR• Macao SAR• Philippines• Thailand | <ul style="list-style-type: none">• India• Mainland China• Singapore• Vietnam |

2.1.2 Defaulted countries/territories and sovereign debt rating

Issuers that are domiciled in countries/territories in default on their external debt or that do not have a long-term foreign debt rating from at least one of Fitch, Moody's Investors Service or S&P Global Ratings are excluded from the indices. A default is determined based on information from the rating agencies, either through rating reports or ratings of D or RD from Fitch, C or Ca from Moody's Investors Service and D or SD from S&P Global Ratings.

In addition, a country/territory is considered to be in default in case one of the 6 credit events as defined by ISDA occurs:

- Bankruptcy
- Obligation Acceleration
- Obligation Default
- Failure to pay
- Repudiation / Moratorium
- Restructuring

2.1.3 Countries/territories on financial sanctions regimes

Issuers which are domiciled in countries/territories that are on the financial sanctions' lists of the European Union or the US are excluded from the index, unless:

- Sanctions are applied to specific individuals only, or
- Funds, funding and financial transactions of the government and government-related entities are unaffected by the sanctions

When a country/territory is placed on the EU or the US sanctions lists, S&P DJI will assess the likely impact on international bondholders. S&P DJI may consult with the External Committee to review the applicability of specific sanctions. Any decision will be published and the index rules updated accordingly.

The information about the sanctions regime is compiled from:

- For the European Union from the Common Foreign & Security Policy at http://eeas.europa.eu/cfsp/sanctions/docs/measures_en.pdf
- For the US from the Office of Asset Control (OFAC) at <http://www.treas.gov/offices/enforcement/ofac/>

Based on current information, the following countries/territories are excluded from the index because of applicable sanctions:

- North Korea

2.2 Bond selection

The following selection criteria are used to determine the index constituents from the USD denominated bond universe.

2.2.1 Issuer type

Only bonds issued by corporate issuers are eligible for the index.

2.2.2 Bond type

General inclusion criteria:

- Bonds with known cash-flows are eligible for the index

In particular, the following bond types are eligible:

- Fixed coupon bonds
- Zero coupon bonds
- Callable and puttable bonds
- Step-ups and event-driven bonds such as rating-driven or registration-driven bonds
- Amortizing bonds and sinking funds with fixed sinking schedules
- Perpetuals and fixed-to-float bonds with a reset date at or after the first call date

The following bond types are specifically excluded:

- Floating Rate Notes
- AT1 contingent convertibles and preference share-style AT1s
- 144As and private placements
- Retail bonds

- Inflation and other index-linked bonds
- Structured notes
- Collateralized bonds and brady bonds
- Catastrophe bonds
- Payment-In-Kinds (PIKs)
- Optional and mandatory convertible bonds
- Perpetuals and fixed-to-float bonds with a reset date prior to the first call date
- Subordinated bank or insurance debt with non-regulatory conversion options before the first call date
- Bonds cum- or ex-warrant
- New bonds entering the index that have already been called prior to rebalancing
- Extended bonds as defined under section 'Maturity extension' in this document.

For retail bonds and private placements, publicly available information is not always conclusive and the classification of a bond as a retail bond or a private placement will be made at S&P DJI's discretion based on the information available at the time of determination. Any bond classified as retail or private placement is added to the list of excluded private placements and retail bonds. The list is published on <https://www.spglobal.com/spdji/en/> for future reference and to ensure decision's consistency.

In instances where a new bond type is not specifically excluded or included according to the published index rules, S&P DJI will analyse the features of such securities in line with the principles set out in 2.1 of this guide. S&P DJI may consult the specific Index Committees. Any decision as to the eligibility or ineligibility of a new bond type will be published and the index rules will be updated accordingly.

2.2.3 Time to maturity

All bonds must have a remaining time to maturity of at least one year at rebalancing. Newly issued bonds must meet the minimum initial time to maturity rule. The minimum initial time to maturity as measured from the first settlement date to the maturity date of the bond, must be 18 months or more. The time to maturity is calculated from the rebalancing date to the assumed workout date of the bond, by using the day count convention of the bond.

The workout date for a bond is determined based on the bond features as follows:

- For plain vanilla bonds, the expected workout date is the final maturity date
- For dated and undated callable financial hybrid capital bonds, the workout date is assumed to be the first call date
- For non-financial hybrid capital bonds with an interest rate reset, the workout date is assumed to be the first reset date
- For soft bullets, the expected workout date is determined using the first call date
- For sinking funds and amortizing bonds, the workout date is based on the average life

2.2.4 Credit rating

Rated and unrated bonds are eligible for the index.

Bonds with a rating downgrade to RD/SD will remain eligible until the second rebalancing after the downgrade. If such bonds have not been upgraded by T-3 of the second rebalance following the initial downgrade, they will be removed from the indices. This means RD/SD rated bonds remain eligible in the iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA for the first rebalancing after their downgrade to allow for sufficient time to complete a distressed debt exchange or change of terms (assuming they meet all other criteria).

For rated bonds, they must be rated high yield by one or more of the following three credit rating agencies to be considered for the index:

- Fitch Ratings
- Moody's Investor Service
- S&P Global Ratings

If a bond is rated by more than one of the above agencies, then the iBoxx rating is the average of the provided ratings. The rating is consolidated to the nearest rating grade. Rating notches are not used. For more information on how the average rating is determined, please refer to the *Markit iBoxx Rating Methodology* document available at <https://www.spglobal.com/spdji/en/> under *Methodology*.

Defaulted bonds are ineligible for the index. Bonds that are in default or that trade flat of accrued are removed from the index at the first rebalancing following the default/start of trading flat of accrued.

For senior debt, if a bond is not rated by any of the three credit rating agencies, the bond's issuer rating applies to the bond if available. Long-term foreign currency issuer ratings will be applied to bonds issued by foreign issuers and long-term local currency issuer ratings will be applied to bonds issued by domestic entities.

Unrated bonds are assigned an implied credit quality based on their yield spreads. The implied credit quality will be used to differentiate bonds into investment grade and high yield as well as to individual rating indices. The implied credit quality methodology is available in a separate document at <https://www.spglobal.com/spdji/en/> under *Methodology*.

Unrated bonds with an implied credit quality of BB or lower are eligible for the index.

2.2.5 Amount Outstanding

All eligible bonds must be denominated in USD and the minimum outstanding amount required is USD 250m.

In the case of 144A/RegS securities that are registered as global securities, the remaining amount of the 144A/RegS version and the registered version are recombined if the bond is not exchanged in full.

RegS bond tap issue amounts, regardless of fungibility status will be added to existing RegS versions to maintain consistency with the treatment of tap issues as reflected under existing 144A versions.

2.2.6 Minimum Issuer Notional

Bonds from issuers with a minimum aggregate issuer notional of USD 400m are eligible.

2.2.7 International clearability

Bonds need to be clearable via one of the following three clearing venues:

- Clearstream
- Euroclear
- Hong Kong CMU

2.2.8 US Executive Order 13959 sanctions

The index follows the Executive Order treatment of the iBoxx USD Asia ex-Japan (Restricted) indices, excluding bonds and/or issuers identified to be subject to the US Executive Order 13959 sanctions.

2.2.9 Issuer cap

Issuers and sectors are subject to a maximum weight of 3% and 50% respectively in the index on the index rebalance date. The excess weight is equally redistributed to the remaining bonds.

2.3 ESG screens

The iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA screens out the bonds based on the following criteria. Corporate issuers with incomplete MSCI ESG Research data coverage for the below screening criteria as of the bond selection cut-off date are excluded from the index.

For information on MSCI's ESG Ratings Methodology, please refer [here](#).

For information on MSCI's ESG Symbols and Definitions, please refer [here](#).

2.3.1 MSCI ESG Business Involvement Screening

Issuers with exposure to the following activities and at the following thresholds are excluded:

- *Adult Entertainment*
 - > derives 5% or more revenue from production of Adult Entertainment material, or;
 - > derives 15% or more revenue from Adult Entertainment material.
- *Alcohol*
 - > derives 5% or more revenue from production of Alcohol-related products, or;
 - > derives 15% or more revenue from Alcohol-related products.
- *Cannabis Recreational*
 - > produce and/or retail cannabis for recreational use.
- *Civilian Firearms*
 - > involved in production of civilian firearms, or;
 - > derives 5% or more revenue from civilian firearms.
- *Controversial Weapons*
 - > involved in production/ownership of chemical or biological weapons or related components, depleted uranium weapons, blinding lasers, non-detectable weapons, incendiary weapons, or;
 - > has industry tie to manufacturing of landmines, except those for safety purposes, or;
 - > has industry tie to cluster bombs.
- *Conventional Weapons*
 - > derives 5% or more revenue from production of Conventional Weapons, or;
 - > derives 15% or more revenue from weapons systems, components, and support systems and services.

- *Gambling*
 - > derives 5% or more revenue from ownership or operation of Gambling-related activities, or;
 - > derives 15% or more revenue from Gambling-related activities
- *Genetically Modified Organisms*
 - > derives 5% or more revenue from genetic engineering related business activities.
- *Nuclear Power*
 - > generates 5% or more of its total electricity from nuclear power, or;
 - > has 5% or more of installed capacity attributed to nuclear sources, or;
 - > derives 15% or more revenue from Nuclear Power-related activities.
- *Nuclear Weapons*
 - > manufactures nuclear warheads and/or whole nuclear missiles, or;
 - > manufactures components for nuclear-exclusive delivery platforms, or;
 - > provides auxiliary services related to nuclear weapons, or;
 - > manufactures components that were developed or are significantly modified for exclusive use in nuclear weapons, or;
 - > manufactures components that were not developed or not significantly modified for exclusive use in nuclear weapons but can be used in nuclear weapons, or;
 - > manufactures or assembles delivery platforms that were developed or significantly modified for the exclusive delivery of nuclear weapons, or;
 - > manufactures or assembles delivery platforms that were not developed or not significantly modified for the exclusive delivery of nuclear weapons but have the capability to deliver nuclear weapons.
- *Tobacco*
 - > involved in production of Tobacco products, or;
 - > derives 5% or more revenue from Tobacco products.

For information on MSCI Business Involvement Screening, please refer [here](#).

2.3.2 MSCI Climate Change Metrics

- Thermal coal
 - > derives 30% or more revenue (either reported or estimated) from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It excludes: revenue from metallurgical coal; coal mined for internal power generation (e.g. in the case of vertically integrated power producers); intra-company sales of mined thermal coal; and revenue from coal trading
 - > derives 30% or more revenue (either reported or estimated) from the thermal coal based power generation

2.3.3 MSCI ESG Ratings

- all issuers without ESG ratings or coverage are excluded

2.3.4 MSCI ESG Controversies

- Controversies score
 - > all companies that are involved in very serious controversies involving the environmental, social, or governance impact of their operations and/or products and services. In particular, companies with an MSCI ESG Controversies Score of 0 are excluded. MSCI ESG Controversies Scores are designed to assess controversies across three pillars (Environmental, Social and Governance). A company's overall score is determined by its worst controversy. For example, a company scoring

0 for a Governance-related controversy will have an MSCI ESG Controversies Score of 0 and be excluded from the Index. Please refer to MSCI ESG documentation for further information.

- UNGC Compliance
 - > all companies that are not in compliance with the United Nations Global Compact principles. Companies with an MSCI ESG rating of 'Fail' are excluded.

At rebalance, all MSCI ESG Research data used is as of the cut-off date (t-2). Corporate issuers that have incomplete MSCI ESG Research data coverage as of the bond selection cut-off date are excluded from the index.

2.3.5 ESG Tilt

An ESG rating tilt factor is applied on the weight of the underlying bonds according to the following table:

| ESG Rating | Rating Tilt Factor |
|---------------|--------------------|
| AAA | 1.50 |
| AA | 1.25 |
| A | 1.10 |
| BBB | 1 |
| BB | 1/1.10 |
| B | 1/1.25 |
| CCC and Below | 1/1.50 |

2.3.6 ESG Momentum

The following ESG ratings momentum factor is applied on the weight of the underlying bonds according to the following table.

| ESG Rating Momentum | Momentum Factor |
|---------------------|-----------------|
| Positive | 1.25 |
| Neutral | 1 |
| Negative | 0.8 |

A 12-month lookback period is used in the momentum strategy.

- If a bond's ESG rating has improved over the period, it is considered to be showing positive momentum
- If the bond's ESG rating stays the same over the period, it is considered neutral
- If a bond's ESG rating has dropped over the period, it is considered to be showing negative momentum
- If a bond does not have an ESG rating in the lookback window and gets assigned an ESG rating, it is considered neutral

3 Bond classification

All bonds are classified based on the principal activities of the issuer and the main sources of the cash flows used to pay coupons and redemptions. In addition, a bond's specific collateral type or legal provisions are evaluated. Hence, it is possible that bonds issued from different subsidiaries of the same issuer carry different classifications.

The issuer classification is reviewed regularly based on updated information received by S&P DJI, and status changes are included in the index at the next rebalancing if necessary.

Where the sector classification of a specific entity is not clear due to the diversified business of the entity, a decision is made at S&P DJI's discretion. S&P DJI assigns the classification according to its evaluation of the business risk presented in the security prospectus and annual reports, if available. S&P DJI also compares the classification to peers in the potential sectors. Membership lists including classification are published on the FTP server and in the *Indices* section of the webpage for registered users.

3.1 Corporates

Bonds issued by public or private corporations. Bonds secured by a 'floating charge' over some or all assets of the issuer are considered corporate bonds. Corporate bonds are further classified into Financials and Non-Financials bonds and then into their multiple-level economic sectors, according to the issuer's business scope. The category Guaranteed & Wrapped is added under Financials for corporate bonds whose timely coupon and/or principal payments are guaranteed by a non-affiliated insurer or through a letter of credit from a non-affiliated bank. Each bond in the index is assigned to one of the following sectors.

Table 1: Overview of Markit iBoxx Corporates Sectors

| | Economic Sector | Market Sector | Market Sub-Sector |
|----------------|--------------------|-----------------------------------|---|
| Financials | Core Financials | Banks | Banks |
| | | Insurance | Life Insurance |
| | | | Nonlife Insurance |
| | Financial Services | Financial Services | General Financial |
| | | | Equity Investment Instruments |
| | | | Nonequity Investment Instruments |
| | | Guaranteed & Wrapped | * |
| Real Estate | Real Estate | Real Estate Investment & Services | |
| | | Real Estate Investment Trusts | |
| Non-Financials | Energy | Oil & Gas | Oil & Gas Producers |
| | | | Oil Equipment / Services & Distribution |
| | | Renewable Energy | Renewable Energy |
| | Basic Materials | Chemicals | Chemicals |
| | | Basic Resources | Industrial Metals |

| | Economic Sector | Market Sector | Market Sub-Sector |
|--|----------------------------|-----------------------------|-----------------------------------|
| | | | Mining |
| | | | Forestry & Paper |
| | Industrials | Construction & Materials | Construction & Materials |
| | | Industrial Goods & Services | Aerospace & Defense |
| | | | Electronic & Electrical Equipment |
| | | | General Industrials |
| | | | Industrial Engineering |
| | | | Industrial Transportation |
| | | | Support Services |
| | | Consumer Goods | Automobiles & Parts |
| | Food & Beverage | | Beverages |
| | | | Food Producers |
| | Personal & Household Goods | | Household Goods |
| | | | Personal Goods |
| | | | Tobacco |
| | | | Leisure Goods |
| | Health Care | | Health Care |
| | | | Health Care Equipment & Services |
| | Consumer Services | Retail | Food & Drug Retailers |
| | | | General Retailers |
| | | Media | Media |
| | | Travel & Leisure | Travel & Leisure |
| | | Education | Academic & Educational Services |
| | Telecommunications | Telecommunications | Integrated Telecommunications |
| | | | Wireless Telecommunications |
| | Utilities | Utilities | Electricity |
| | | | Gas / Water & Multiutilities |
| | Technology | Technology | Software & IT Services |
| | | | Technology Hardware & Equipment |

3.2 Additional classification

Corporate debt is further classified into senior and subordinated debt. Bank senior debt structure additionally differentiates between Bail-in and Preferred bonds. The Bail-in classification captures

all senior notes which are subject to write-down or conversion into a subordinated instrument on the occurrence of a resolution event, as well as senior bank debt issued by bank holding companies.

Hybrid capital issued by banking and insurance institutions is further detailed into the respective tiers of subordination.

The market information on the tier of subordination for insurance capital is often less standardized and clear than the equivalent issues by banks. In these cases, the classification is based on the maturity, coupon payment and deferral provisions of the bond from the offering circulars of the bonds. The table below displays the seniority classification of debt issued by both financial and non-financial sectors.

Table 2: Overview of seniority levels

| Market Sector | Seniority Level 1 | Seniority Level 2 | Seniority Level 3 | |
|---------------|-------------------|-----------------------------|-------------------|-----------------------|
| Bank | SEN | Preferred | * | |
| | | Bail-in | * | |
| | SUB | T2 (post-Jan '13 issuances) | | T2 callable |
| | | | | T2 non-callable |
| | | T2 (pre-Jan '13 issuances) | | LT2 callable |
| | | | | LT2 non-callable |
| | | | | UT2 |
| | | T1 | | T1 step |
| | | | T1 non-step | |
| Insurance | SEN | * | * | |
| | SUB | T3 | * | |
| | | T2 dated | | T2 dated callable |
| | | | | T2 dated non-callable |
| | | T2 perpetual | * | |
| | | T1 | * | |
| Other sectors | SEN | * | * | |
| | SUB | Other | Hybrid** | |
| | | | Non-hybrid | |

** Bonds will be required to fulfil the following criteria to be considered hybrids:

- Subordinated
- Deferrable coupons
- First non-call period \geq 5 years
- Either perpetual or 'long-dated', where 'long-dated' is defined as $>$ 25 years of the time to maturity at issuance

4 Index calculation

4.1 Static data

Information used in the index calculation is sourced from offering circulars and checked against standard data providers.

4.2 Bond prices

For more details, please refer to the *iBoxx Pricing Methodology* document, available in the *Methodology* section of the webpage at <https://www.spglobal.com/spdji/en/>.

4.3 Rebalancing process

The index is rebalanced monthly on the last business day of the month. Any inclusion after the index cut-off day (t-3) will not be considered in the rebalancing process, but will become effective at the end of the following month. New bonds issued are taken into account if they are publicly known to settle until the last calendar day of the month, inclusive, and if their rating and amount outstanding has become known at least three trading days before the end of the month.

A preliminary membership list is published on 6th calendar day of the month (or the next business day in case of holiday/weekend).

Two business days before the end of each month, the rating and amount information for the constituents is updated and the list is adjusted for all rating and amount changes which are known to have taken place three business days before the end of the month which could also result in exclusion of the bond. However, if bonds which are part of broader USD indices become eligible into the index two business days prior to rebalancing because of rating and/or amount changes, will be included in the index.

Two business days before the end of the month the final index membership list for the following month is published at the close of business.

4.3.1 Weekly Previews

In addition to the regular monthly rebalancing, a preview list (including sector classification for new bonds) is published each Friday with predicted changes to the index constituents at the next rebalancing. The preview list includes the next month's index constituents based on information available on such Fridays. First weekly preview will be published on the Friday that is three business days after the previous month-end rebalance.

4.4 Index data

The calculation of the index is based on bid prices. New securities are included in the index at their respective ask prices when they enter the index family. If no price can be established for a particular security, the index continues to be calculated based on the last available price. This might be the case in periods of market stress, or disruption as well as in illiquid or fragmented markets. If the required inputs become impossible to obtain, S&P DJI may consult market participants prior to the next rebalancing date. Decisions are made publicly available on a timely basis and S&P DJI may refer back to previous cases.

The index is transaction cost adjusted.

The rebalancing takes place after close of market on the last trading day of a rebalancing month.

4.5 Index calculus

For specific index formulas please refer to the *iBoxx Bond Index Calculus* document available on <https://www.spglobal.com/spdji/en/> under *Methodology*.

4.6 Treatment of the special intra-month events

Data for the application of corporate actions in the index may not be fully or timely available at all times, e.g. the final call prices for make-whole calls or the actual pay-in-kind percentage for PIK-payment options. In such cases, S&P DJI will estimate the approximate value based on the available data at the time of calculation.

4.6.1 Index and analytics weights

The iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA is market-value-weighted, with the bond's amount outstanding as the weighting factor. The amount outstanding of a bond is only adjusted at the monthly rebalancing process at the end of each month. However, scheduled redemption payments for amortizing bonds and sinking funds are taken into account from the date they occur, as they have a significant influence on index return and analytical values. In addition, bonds that are fully redeemed intra-month are also taken into account immediately. Therefore, the indices are based on adjusted amount outstanding, derived from the amount issued and closely related to the amount outstanding of a bond. The concept is summarized below.

Definitions:

- *Amortizing bonds*: Bonds whose face value is redeemed according to a schedule at more than one redemption date. Interest payments are made on the basis of the remaining value of the bond.
- *Sinking funds*: Bonds, for which money is applied periodically to redeem part of the outstanding before maturity. At the redemption dates the appropriate amount of bonds may either be retired randomly from the outstanding bonds, or purchased on the open market and thus retired. Interest payments are made on the remaining outstanding bonds.
- *Fully redeemed bonds*: Bonds that are fully called or completely repurchased prior to or at the calculation date.

The amount issued of a bond does not change when coupons are paid and bonds are redeemed. However, additional tranches and unscheduled repurchases have to be taken into account to arrive at a suitable basis for index and analytics calculations. Therefore the adjusted amount outstanding is the common basis on which all calculations are based.

In addition, incoming bond prices are linked to the amount outstanding, rather than to the amount issued. This ensures a common basis (to the nominal value of 100), on which all bonds are priced and the indices are calculated.

4.6.2 Funged bonds

Bonds may be issued in several tranches. The different tranches are initially legally separate and therefore trade independently for a certain period. On and after the fudge date, the tranches will be combined into one bond, i.e. the parent tranche will contain the original security, as well as the additional notional(s) from the new tranche(s). After the fudge date, the prices for both the securities are the same, because they constitute one uniform bond. This is reflected in the indices as follows:

4.6.2.1 Parent and new tranche are both index constituents

- After the funged date, the price from the parent tranche is used for the funged tranche; no price for the funged bond
- Funged tranche leaves the index at the next rebalancing and parent amount outstanding increases accordingly

4.6.2.2 Parent is an index constituent, but the new tranche is not

- No special intra-month treatment necessary
- Parent amount outstanding increases at the next rebalancing

4.6.2.3 Parent is not an index constituent but the new tranche is

- No special intra-month treatment necessary
- Funged tranche leaves the index; parent tranche enters the index at the next rebalancing

4.6.3 Full redemptions: exercised calls, puts and buybacks

If a bond is fully redeemed intra-month, the bond effectively ceases to exist. In all calculations, the redeemed bond is treated as cash based on the last price, the call price or repurchase price, as applicable. The redemption factor, redemption and the redemption price are used to treat these events in the index and analytics calculation. In addition, the clean price of the bond is set to the redemption price, and the interest accrued until the redemption date is treated as an irregular coupon payment.

4.6.4 Bonds trading flat of accrued

If a bond is identified as trading flat of accrued, the accrued interest of the bond is set to 0 in the total return index calculation and is excluded from the calculation of all bond and index analytical values.

Bonds will be considered trading flat of accrued in any of the following situations:

- a bond has been assigned a default rating and/or
- issuer has announced a failure to pay a coupon and/or
- issuer has announced an intention not to make a payment on an upcoming coupon (grace period).

4.6.5 Multi-coupon bonds

Some bonds have pre-defined coupon changes that lead to a change in the annual coupon over the life of the bond. In all instances, the coupon change must be a fixed amount on top of a fixed coupon, i.e. floating coupon bonds are not eligible for the indices. The two main categories of bonds are step-up bonds and event-driven bonds.

- **Step-up bonds:** These are bonds with a pre-defined coupon schedule that cannot change during the life of the bond. The coupon schedule is used in all bond calculations.
- **Event-driven bonds:** These are bonds whose coupon may change upon occurrence (or non-occurrence) of pre-specified events, such as rating changes, e.g. rating-driven bonds, failure to register (register-driven bonds), or failure to complete a merger (merger-driven bonds). In the calculation of the indices and the analytics, the coupon schedule as of the calculation date is used. That is to say, any events occurring after the calculation date are ignored in the determination of the applicable coupon schedule. *Example of an event-driven bond:* A bond's rating changes on 31 December 2003 from A- to BBB+ and the coupon steps up from 6% to 6.25% from 1 March 2004 onward. The coupon dates are 1 October and 1 April each year. The correct coupon schedule for the

bond and index calculations is date dependent. The index calculation on 20 December 2003 uses the 6% coupon for the whole life of the bond, while the calculation on 31 January 2004 uses a 6% coupon for the current coupon period to 29 February 2004, and a 6.25% coupon for all later interest payments. The index calculation on 20 March uses a 6% coupon until 29 February, a 6.25% coupon for the remainder of the current coupon period and a 6.25% coupon for all future coupon payments. The index calculation after 1 April uses a 6.25% coupon.

4.6.6 Ex-dividend conventions

Some markets have ex-dividend conventions. Ex-dividend means that the next coupon is detached from the bond several days in advance of the coupon payment date. The date on which the next coupon is detached is the ex-dividend date and the period between the ex-dividend date and the coupon payment date is the ex-dividend period. If a bond is in the ex-dividend period, the next coupon payment will not be paid to a buyer of this bond, but will be paid to the original bond holder.

The indices and analytics calculations take ex-dividend conventions into account. During the ex-dividend period, the accrued interest of the bond is negative, while the next coupon payment is held separate in the variable coupon adjustment. If the bond enters the index during the ex-dividend period, then the next coupon payment and the coupon adjustment will not accrue to the index. However, if the bond was already in the index, the next coupon payment needs to be included in the total return calculations. This is controlled via the ex-dividend indicator which is 0 if the bond enters the index during the current ex-dividend period and 1 if not. The same treatment is also applied to all analytics calculation, i.e. the first cash flow is excluded from the calculations if the bond enters during the current ex-dividend period.

4.6.7 Maturity extension

4.6.7.1 Maturity extension for perpetuals & dated fixed-to-fixed bonds with a reset date

| Maturity | Coupon/Call structure | Workout Date at issuance | Updated Workout date if not called |
|-----------|-----------------------|--|--|
| Perpetual | Reset*/Callable | Assume first call date as workout date | Extend workout date until the end of the next reset date* |
| Dated | Reset/Callable | Assume reset date as workout date | Extend workout date until the end of the next reset date or final maturity date* |

*Assumes the bond terms allow for a redemption at the new assumed maturity date

4.6.7.2 Maturity extension for perpetual bonds without a reset date

| Maturity | Coupon/call structure | Workout date at issuance | Updated Workout date if not called |
|-----------|-----------------------|--|---|
| Perpetual | Fixed/ Callable | Assume first call date as workout date | Extend workout date until the assumed next call date - 5 years from first call date*. |

*Assumes the terms allow for a redemption at the new assumed maturity date.

4.7 Index history

The Index history starts on 31 December 2018. The index has a base value of 100 on that date.

4.8 Settlement conventions

All iBoxx indices calculate using the assumption of T+0 settlement days.

4.9 Calendar

S&P DJI publishes an index calculation calendar available on <https://www.spglobal.com/spdji/en/> under *iBoxx Indices Calendars*. This calendar provides an overview of the index calculation holidays of the iBoxx bond index families each year.

4.10 Data publication and access

The table below summarises the publication of iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA at <https://www.spglobal.com/spdji/en/> for registered users and on the FTP server.

Table 3: Frequency, File type and Access

| Frequency | File Type | Access |
|---|------------------------------|--|
| Daily | Underlying file – Bond level | FTP Server |
| | Indices file – Index level | FTP Server / website / Bloomberg for index levels only |
| 6th calendar day, Every Friday, T-4, T-3, & T-2 | Forwards file | FTP Server |
| Monthly | End of Month Components | FTP Server / website |

Below is a summary of the IDs for each publication channel:

| Index Name | Version | ISIN | BBG | RIC |
|---|---------|--------------|----------|-----------|
| iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA | TRI | GB00BL0B0R64 | IBXXUXJT | .IBXXUXJT |
| iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA | CPI | GB00BL0B0S71 | IBXXUXJP | .IBXXUXJP |

4.11 Index review

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.

5 Summary of key ESG factors

| Explanation of how ESG factors are reflected in the key elements of the benchmark methodology <i>The information contained in this Appendix is intended to meet the requirements of the European Union Commission Delegated Regulation (EU) 2020/1817 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the minimum content of the explanation of how environmental, social and governance factors are reflected in the benchmark methodology and the retained EU law in the UK [The Benchmarks (amendment and Transitional Provision) (EU Exit) Regulations 2019].</i> | |
|--|--|
| Item 1: Name of Benchmark Administrator | S&P Dow Jones Indices Limited |
| Item 2: Type of benchmark or family of benchmarks <i>The “type of benchmark” refers to the type of ‘underlying asset’, as selected from the list provided in Annex II to 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.</i> | Fixed income corporate benchmark |
| Item 3: Name of benchmark or family of benchmarks | iBoxx MSCI USD Asia ex-Japan High Yield Capped Index |
| Item 4: Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors? | Yes |
| Item 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 Dow Jones Indices Limited Benchmark Register . |
| Item 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. <i>*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.</i> | |
| Item 6a: List of Environmental factors considered | Exclusion driven by exposure to the following factors: <ul style="list-style-type: none"> ● Thermal coal See section 'MSCI ESG Research' of this guide for details |
| Item 6b: List of Social factors considered | Exclusion driven by exposure to the following factors: <ul style="list-style-type: none"> ● Controversial weapons ● Nuclear weapons ● Weapons ● Civilian firearms ● Tobacco ● Adult entertainment ● Alcohol ● Gambling ● Nuclear power ● Genetically modified organisms ● Cannabis recreational |

| | |
|--|--|
| | See section 'MSCI ESG Research' of this guide for details |
| Item 6c: List of Governance factors considered | Exclusion driven by exposure to the following factors: N/A |
| Item 6d: List of any other overall ESG factors | Exclusion driven by additional factors: <ul style="list-style-type: none"> • Overall ESG rating • Controversies score See section 'MSCI ESG Research' of this guide for details |
| Item 7: Data and standards used | |
| Item 7a(i): Source of input | Data is sourced externally from MSCI ESG Research LLC ("MSCI ESG Research") |
| Item 7a(ii): Data input | <p>MSCI ESG Research relies on a proprietary methodology informed by a range of data sources.</p> <p>a) Reported data</p> <ul style="list-style-type: none"> • Corporate documents: annual reports, proxy filings, environmental and social reports, securities filings, websites and Carbon Disclosure Project responses. <p>Externally sourced data</p> <ul style="list-style-type: none"> • Government data: central bank data, U.S. Toxic Release Inventory, Comprehensive Environmental Response and Liability Information System (CERCLIS), RCRA Hazardous Waste Data Management System, etc. We continue to assess the value of other, similar information sources, particularly for European companies. • Popular, trade, and academic journals: accessed through websites, subscriptions and searches of online databases. • News media: major news publications globally, including local-language sources across a range of markets. • Relevant organizations and professionals: reports from and interviews with trade groups, industry experts and nongovernmental organizations familiar with the companies' operations and any related controversies <p>b) Modelled data</p> <p>For climate-related metrics, when data is not disclosed by companies, MSCI ESG Research uses proprietary GHG emission estimation model (full methodology is available for MSCI ESG Research clients).</p> <p>c) Internally sourced data</p> <p>For international standards and global norms violations, MSCI ESG Research uses data reported via media sources and NGO reports. MSCI ESG Research's assessment of this data is informed by international standards and global norms definitions.</p> <p>For top level scores (ESG Ratings, Environmental, Social and Governance pillars), MSCI ESG Research estimates macro-level risk exposure for companies' based on the type and location of operations, distribution of products. Data sources used in the exposure calculations include, but not limited to:</p> <ul style="list-style-type: none"> • Comprehensive Environmental Data Archive (CEDA) • US Department of Energy; International Council on Clean Transportation • Lamont-Doherty Earth Observatory, Columbia University • Organization of Economic Co-Operation and Development (OECD) • Canadian Industrial Water Survey • University of New Hampshire's Water Systems Analysis Group (country data) • Hoekstra, A.Y. and Mekonnen, M.M. (2011) |

| | |
|---|---|
| | <ul style="list-style-type: none"> • Ecorisk • World Development Indicators (WDI) • Annual Change of Forest Resources – Food and Agriculture Organization (FAO) • World Wildlife Fund (WWF) • US EPA's Toxics Release Inventory (TRI) • Risk-Screening Environmental Indicators (RSEI) • US Bureau of Labor Statistics (BLS) • International Labour Organization (ILO) • US Occupational Health & Safety Administration (OSHA) • UK Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) • International Chemical Secretariat (ChemSec) Substitute It Now (SIN) List • International Monetary Fund (IMF) • World Health Organization (WHO) • UN Principles for Responsible Investments (UN PRI) • World Resource Institute (WRI) • Consultative Group to Assist the Poor (CGAP) • US Census Bureau Current Population Survey Supplement • World Bank Governance Indicators (WGI) • Transparency International (TI) • World Bank (WB) • SNL Financial • Thomson Financial |
| Item 7b: Verification and quality of data | <p>S&P DJI's Global Data Management Team holds the responsibility of data quality assurance and validation of third-party data sources, including all ESG datasets. This process involves regular reviews of new data received, and includes comparison with previous data, coverage and identifier checks as well as escalation of suspect data to data vendors. S&P DJI also hold regular feedback sessions with data partners and vendors to share any quality concerns and to remedy any issues that are observed during data validations performed by the Global Data Management Team. In addition, all users of third-party data perform their own review of data used in the maintenance of indices.</p> <p>MSCI ESG Research relies on multiple steps to review the quality of the analysis as well as the consistency of the methodology and the ratings signal. Four groups are responsible for quality review: Industry and Team Leads; the ESG Ratings Methodology Committee; the ESG Methodology Committee; and the Quality Review Committee.</p> <p>MSCI ESG Research is committed to robust and transparent communication with all issuers in our coverage universe. This commitment includes:</p> <ul style="list-style-type: none"> • A data review process that allows companies to comment on the accuracy of company data for all MSCI ESG Research reports. • Free access for issuers to published versions of all their MSCI ESG Research company reports. • Direct communication with a company concerning specific company ESG performance. • A timely response to company-initiated requests to discuss their MSCI ESG Research reports. |

| | |
|--|--|
| | <p>Companies are invited to participate in the data review process prior to the annual update of their ESG rating. At that time, companies have the opportunity to review and comment on the facts contained in their existing MSCI ESG Ratings report, as well as to provide MSCI's ESG Research team any additional ESG information, if they wish. In addition, MSCI ESG Research analysts may follow up directly with a company to clarify questions concerning ESG performance data.</p> <p>Due to publication schedules and the extent of the MSCI ESG Ratings coverage universe, companies normally receive the newly updated ratings data to review at their convenience at the time of rating publication. All published companies automatically receive the data review reports, as long as MSCI ESG Research has accurate contact information. We are committed to updating a company profile as required in a timely manner and will consider comments and feedback at any time. This process is also in accordance with the objective of frequently updating company reports with the latest available information as provided by companies. Please note that updates to ESG data will not necessarily result in changes to a company's ESG rating.</p> <p>Companies are monitored on a systematic and ongoing basis, including daily monitoring of controversies and governance events. New information is reflected in reports on a weekly basis and significant changes to scores trigger analyst review and re-rating.</p> <p>Companies also receive an in-depth review at least annually. For companies in the MSCI ACWI, annual ratings are updated with their industry peers. All other companies are updated within a 12-month timeframe of their previous rating assessment, typically with their industry peers.</p> |
| Item 7c: International reference standards | MSCI ESG Research does not explicitly mandate reporting along specific disclosure standards. Commonly utilized disclosure frameworks for data collected and used by MSCI ESG Research include GRI, SASB, UN Global Compact; and, for specific performance indicators, GHG Protocol, and applicable ISO standards. |
| Item 8a: Information updated on | 29 June 2021 |
| Item 8b: Reason for update | Index launch |

6 Index Governance

Index Committee

An S&P Dow Jones Indices Index Committee maintains the indices. All committee members are full-time professionals at S&P Dow Jones Indices. Meetings are held regularly. The Index Committee oversees the management of the indices, including determinations of intra-rebalancing changes, maintenance and inclusion policies, and other matters affecting the maintenance and calculation of the indices.

In fulfilling its responsibilities, the Index Committee has full and complete discretion to (i) amend, apply, or exempt the application of index rules and policies as circumstances may require and (ii) add, remove, or by-pass any bond in determining the composition of an index.

The Index Committee may rely on any information or documentation submitted to it or gathered by it that the Index Committee believes to be accurate. The Index Committee reserves the right to reinterpret publicly available information and to make changes to the indices based on a new interpretation of that information at its sole discretion. All Index Committee discussions are confidential.

The Index Committee is separate from and independent of other analytical groups at S&P Global. In particular, the Index Committee has no access to or influence on decisions by S&P Global Ratings analysts.

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 more information on index governance policies, please refer [here](#).

7 Changes to iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA

| | |
|-------------|--|
| 30 Sep 2023 | <ul style="list-style-type: none"> Update to the ESG rating tilt factor and ESG ratings momentum factor |
| 30 Jun 2023 | <p>Annual Index Review 2022</p> <ul style="list-style-type: none"> Introduction of 'Maturity extension' section Index eligibility of bonds with extended workout dates Creation of 'Renewable Energy Sector' within the 'Corporates' classification Distressed Debt Exchanges – Rule Update |
| 31 Oct 2022 | <ul style="list-style-type: none"> Clarification added to MSCI ESG Controversies section |
| 31 Jul 2022 | <ul style="list-style-type: none"> Monthly forward start date updated from 10th calendar day to 6th calendar day |
| 31 Aug 2022 | <ul style="list-style-type: none"> Transaction Cost Adjustment methodology and index name |
| 30 Jun 2022 | <ul style="list-style-type: none"> MSCI ESG Research data cut-off (t-2) applied |
| 20 Oct 2021 | <ul style="list-style-type: none"> Update of data publication and access section |
| 30 Jun 2021 | <ul style="list-style-type: none"> Launch of iBoxx MSCI Scored & Screened Tilted USD Asia ex-Japan High Yield Capped TCA |

8 Further information

Client support

For client support please contact index_services@spglobal.com.

Formal complaints

Formal complaints should be emailed to spdji_compliance@spglobal.com.

Please note: spdji_compliance@spglobal.com should only be used to log formal complaints.

General index inquiries

For general index inquiries, please contact index_services@spglobal.com.

Disclaimer

Performance Disclosure/Back-Tested Data

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

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

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

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

represent the results of actual trading of investable assets/securities. S&P DJI maintains the index and calculates the index levels and performance shown or discussed but does not manage any assets.

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).

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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 DJI 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 DJI makes no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. S&P DJI is not an investment advisor, commodity trading advisor, fiduciary, "promoter" (as defined in the Investment Company Act of 1940, as amended) or "expert" as enumerated within 15 U.S.C. § 77k(a), and S&P DJI 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. S&P DJI is not a tax advisor. Inclusion of a security, commodity, crypto currency, or other asset within an index is not a recommendation by S&P DJI to buy, sell, or hold such security, commodity, crypto currency, or other asset, nor is it considered to be investment or trading advice.

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