

**S&P Commodities Indices
Policies & Practices
*Methodology***

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Introduction

The purpose of this document is to provide clients with more transparency into our commodities indices by documenting Committee level policies and practices.

Index Policy

Announcements

S&P Dow Jones Indices notifies clients either via email or, in certain instances, via Index Announcements, which are also posted on our Web site, www.spdji.com.

Announcement Type	Notification	Frequency
Annual Weights	First week of November	Annual
New option months and option strikes for the S&P GSCI Covered Call Select Index and the S&P GSCI Crude Oil Covered Call Index	One day (data required from day prior to the roll period)	Monthly (as applicable)
Policy or methodology change	At least two weeks' notice	As needed
Product Enhancements	Five-to-seven business days	As needed
Rebalancing and Index Holiday Calendars	December for the following year	Annual (updated as needed)

Calculations and Pricing Disruptions

If an exchange opens for trading but experiences a failure or interruption of real-time prices for one or more commodity contracts, the most recent trade price (or previous settlement if the commodity did not begin trading) is used for real time calculations for the affected commodity. If the interruption is not resolved before the market close and the relevant exchange publishes a list of official settlement prices, those prices are used to calculate the closing value of the indices. If settlement prices are not available, the market disruption rules outlined in the index methodology are applied.

In extreme circumstances, S&P Dow Jones Indices may decide to delay index adjustments or not publish an index.

Market Disruption Events & Holidays During Roll Period

On any commodity index business day, the occurrence of either of the following circumstances will result in an adjustment of the designated roll weights during the designated roll period according to the procedure set forth in this section:

- An exchange holiday occurs during a designated commodity index business day.
- The applicable daily contract reference price of any such contract expiration within the index on such commodity index business day is a limit price.

If either of the above events occur, the portion of the roll that would otherwise have taken place on that commodity index business day will take place on the next designated commodity index business day whereby none of the circumstances identified take place.

Negative Values of Inverse & Leveraged Indices

Under extreme market conditions the calculation of certain indices may result in index levels below zero. If this occurs, the index committee may set the close index level to be zero, decide not to calculate the index the following business day and rebase the index to its original base value. An email announcement will be sent to clients after the market close on the day the closing index level is set to zero. Real time indices may continue to calculate until the market close.

Expert Judgment

Expert Judgment specifically and exclusively refers to S&P Dow Jones Indices' exercise of discretion with respect to its use of data in determining an index. Examples of Expert Judgment include weighting adjustments and price anomaly resolutions. Other areas of discretion, such as methodology changes, are not, for the purposes of this document, considered Expert Judgment.

Data Hierarchy

Data used for the indices governed by this methodology may only include completed transaction data.

Contact Information

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

Exchange Price Delays & Late Announcement of WM Rates

Exchange Settlement Prices Delay

In instances where futures exchanges or vendors do not publish settlement prices at the usual time there will be a delay in posting our end-of-day files and clients will be notified.

In situations when there is an amended settlement price, S&P Dow Jones Indices recalculates and reposts all affected files. ***Please refer to the Error Correction Policy section of this document.***

Late Announcement of WM Rates

If we receive a correction or late update to WM rates, then our policy is as follows:

- If we receive an update in WM rates prior to 4:15 PM US Eastern time, we use the corrected/updated rates, recalculate and repost files. If an update to rates comes through after 4:15 PM US Eastern, then we do not use the updated rates.
- We use the same rate across all asset classes (equity indices, commodities indices, fixed income indices, any other asset class covered by S&P Dow Jones Indices).

Error Correction

Error Correction Policy for S&P Dow Jones Indices' Commodities Indices

This section addresses our reposting guidelines due to late announcements or other errors.

Types of Errors:

1. Settlement prices are amended
2. Missed index methodology event (deviation from what is stated in the methodology document)

Type of Error	Treatment in S&P Dow Jones Indices' Commodities Indices
Amended Settlement Price	<ul style="list-style-type: none">• Amended settlement prices due to vendor errors are always corrected. Indices are recalculated and files are reposted.• Amended settlement prices due to exchange updates are always corrected and reposted irrespective of when S&P Dow Jones Indices receives the new information.
Deviation from treatment stated in the Index Methodology	Errors identified prior to the next day open are corrected and the indices are reposted. Other errors are reviewed by the Index Committee, which is responsible for determining what actions should be taken.

- Errors due to S&P Dow Jones Indices' mistakes (data entry, methodology misapplication, etc.) are reviewed by the Index Committee. The decision as to whether indices should be recalculated and reposted is the responsibility of the Committee.
- Clients are notified of files being reposted.
- Clients are informed when the Index Committee decides not to recalculate or restate an index.

Unexpected Exchange Closures

Full Day Exchange Closure

If an exchange fails to open due to unforeseen circumstances, such as natural disasters, inclement weather, outages, or other events, the index uses the prior day's settlement prices.

Partial Day or Early Exchange Closure

In situations where an exchange is forced to close early due to unforeseen events, such as computer or electric power failures, weather conditions or other events, S&P Dow Jones Indices calculates the settlement price of the indices based on (1) the settlement prices published by the exchange, or (2) if no settlement price is available, the Index Committee determines the course of action and notifies clients accordingly.

Rebalancing

Rebalancing of S&P Dow Jones Indices' Commodities Indices takes place over a period of time. If an exchange is fully or partially closed on one or more days during this rebalancing period and we are unable to obtain official settlement prices, the Index Committee will review the situation on a case-by-case basis and the appropriate treatment will be announced to clients.

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.

Index Governance

Index Committee

Indices are maintained by an Index Committee. Most committees are comprised of full-time professional members of S&P Dow Jones Indices' staff, with the exception of some co-branded indices, which may include committee members from external companies or exchanges. Please refer to individual index methodology documents for information on index committees with external index committee members. At each meeting, the Index Committee may review pending corporate actions that may affect index constituents, statistics comparing the composition of the indices to the market, companies that are being considered as candidates for addition to an index, and any significant market events. In addition, the Index Committee may revise index policy covering rules for selecting companies, treatment of dividends, share counts, or other matters.

Questions of interpretation or possible exceptions to rules are considered by the Index Committee responsible for the indices in question.

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 in the treatment if the need arises. In any scenario where the treatment differs from the general rules stated in this document, clients will receive sufficient notice, whenever possible.

Index Advisory Panel

S&P Dow Jones Indices has established an Index Advisory Panel to assist it in connection with the operation of the S&P GSCI and other branded commodities indices. The Panel meets on an annual basis and at other times at the request of the Index Committee. The principal purpose of the Panel is to advise the Index Committee with respect to, among other things, the calculation of the S&P GSCI and other branded commodities indices, the effectiveness of S&P Dow Jones Indices' Commodities Indices as a measure of commodity futures market performance and the need for changes in the composition or methodology of S&P Dow Jones Indices' Commodities Indices. The Panel acts solely in an advisory and consultative capacity; the Index Committee makes all decisions with respect to the composition, calculation and operation of S&P Dow Jones Indices' Commodities Indices. The Index Advisory Panel representatives include employees of S&P Dow Jones Indices and clients of S&P Dow Jones Indices. Also, certain of the members of the Panel may be affiliated with entities which, from time to time, may have investments linked to the S&P GSCI or other S&P Dow Jones Indices' Commodities Indices, either through transactions in the contracts included in the S&P GSCI and other S&P Dow Jones Indices' Commodities Indices, futures contracts or derivative products linked to S&P Dow Jones Indices' Commodities Indices.

Quality Assurance

S&P Dow Jones Indices maintains quality assurance processes and procedures for the calculation and maintenance of its indices that include a regularly scheduled meeting to review incidents or errors, if any, that occurred during the previous week and identify causes, determine repetitive issues and evaluate whether any long term changes are necessary (e.g. a change in process). Incidents and errors are tracked through S&P Dow Jones Indices' internal system and significant matters are escalated, requiring, at times, an ad hoc meeting of the same group.

Internal Reviews of Methodology

Annual Review Process. In addition to its daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews each index methodology to ensure the indices continue to achieve the stated objectives, and that the data and

methodology remain effective. The annual review process includes the gathering of information on the appropriateness, representativeness, and effectiveness of the index methodology from colleagues responsible for commercializing the indices. In the case that an index methodology is reviewed off cycle from the annual review, the Index Committee reserves the right to cancel the annual review if the requested review covers all the relevant issues.

Communication with Stakeholders and Consultations. S&P Dow Jones Indices communicates and consults with stakeholders through various channels using press releases, index announcements, emails and the distribution of data files. In addition, S&P Dow Jones Indices has a designated client service team available to respond to inquiries.

When a material change to an index methodology is considered, S&P Dow Jones Indices publishes a consultation inviting comments from external parties. A material change alters the index objective or changes the methodology in a way that affects the likelihood that the index will achieve its objective. Examples of methodology changes that could impact the index objective include altering rules determining the index universe, the selection of its constituents, or the weighting of its constituents. Consultations are posted on the Web site at www.spdji.com, and feedback is accepted only during the posted timeframe. Under normal circumstances, the consultation period is open for a minimum of 30 days from publication. In instances where a material change is deemed to be time sensitive, S&P Dow Jones Indices may determine that a shorter consultation period is required. Time sensitive changes are those that may require consideration or implementation within a shorter timeframe, and where the full consultation time period is not possible. Prior to the Index Committee's final review, S&P Dow Jones Indices will consider the issues and may request clarifications from respondents as part of that review. All feedback from consultations is reviewed and considered before a final decision is made by the Index Committee. Any changes to an index methodology are announced on the Web site.

Occasionally, S&P Dow Jones Indices may hold face-to-face meetings, conference calls, or hold meetings such as Advisory Panels.

Complaints Procedure. For any inquiry, comment, or complaint regarding the indices governed by this methodology, a Client Services Form can be found at <http://us.spindices.com/feedback/client-services>.

Expert Judgment

S&P Dow Jones Indices' Index Committees may exercise Expert Judgment when the situation calls for the interpretation of data in calculating and maintaining an S&P Dow Jones Indices' Index. S&P Dow Jones Indices maintains internal records of the use of Expert Judgment and the rationale for any such use. Expert Judgment specifically and exclusively refers to S&P Dow Jones Indices' exercise of discretion with respect to its use of data in determining an index in the following context: Expert Judgment includes extrapolating data from prior or related transactions, adjusting data for factors that might influence the quality of data such as market events or impairment of a buyer or seller's credit quality, or weighing firm bids or offers greater than a particular concluded transaction. Other areas of discretion, such as methodology changes, are not, for the purposes of this document, considered Expert Judgment.

Discretion

S&P Dow Jones Indices' Index Committees may apply discretion to make decisions that differ from the index methodology in certain circumstances, including to avoid unnecessary turnover, excessive index changes or adjustments, or possible market disruption.

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