

S&P 500 Buyback Index *Methodology*

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Table of Contents

Introduction	2
Index Objective	2
Supporting Documents	2
Eligibility Criteria and Index Construction	3
Index Eligibility	3
Constituent Selection	3
Constituent Weightings	3
Index Calculations	3
Index Maintenance	4
Rebalancing	4
Currency, Currency Hedged, and Risk Control Indices	4
Base Dates and History Availability	4
Corporate Actions	5
Other Adjustments	5
Index Data	6
Calculation Return Types	6
Index Governance	7
Index Committee	7
Index Policy	8
Announcements	8
Pro-forma Files	8
Holiday Schedule	8
Rebalancing	8
Unexpected Exchange Closures	8
Recalculation Policy	8
Contact Information	9
Index Dissemination	10
Tickers	10
Index Data	10
Web site	10
Appendix – Methodology Changes	11
Disclaimer	12
S&P Dow Jones Indices: S&P 500 Buyback Index Methodology	1

Introduction

Index Objective

The S&P 500 Buyback Index measures the equal-weighted performance of 100 companies with the highest buyback ratio in the S&P 500®. The buyback ratio is calculated as the amount paid for common share buybacks divided by the total market capitalization of common shares at the beginning of the observation period.

For information on the S&P 500, please refer to the S&P U.S. Indices Methodology at www.spdji.com.

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

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

Eligibility Criteria and Index Construction

Index Eligibility

The index universe is the S&P 500.

Multiple Share Classes. 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 S&P Dow Jones Indices' Equity Indices Policies & Practices document.

Constituent Selection

The selection of index constituents is done as follows:

Assuming a three-month lagging period for the release of company reports at each reference date, the observation period for the calculation of the buyback ratio is defined as the 12-month (or four-quarter) period ending one quarter before the reference date. The buyback ratios of the S&P 500 constituents are calculated as the monetary amount of cash paid for common shares buyback during the observation period divided by the total market capitalization of common shares at the beginning of the observation period. If the stock is not listed at the beginning of the observation period, the total market capitalization from the first listing day will be used for this calculation. Constituents then are ranked in descending order based on the buyback ratio. The top 100 securities form the index.

Constituent Weightings

The selected companies are equally weighted.

Index Calculations

The index is calculated 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

Index rebalancings occur after the close on the third Friday of January, April, July, and October of each year. The rebalancing reference dates are after the close of the last business day of December, March, June and September, respectively.

The constituents' shares are calculated using closing prices on the second Friday of the rebalancing month as the reference price. Index shares are calculated and assigned to each stock to arrive at the weights determined on the reference date. Since index shares are assigned based on prices five business days prior to rebalancing, the actual weight of each stock at the rebalancing will differ from these weights due to market movements.

Additions. Except for major corporate actions, such as mergers and spin-offs, companies can only be added to the index during the quarterly rebalancings. For more information, please refer to the *Corporate Actions* section of *Index Maintenance*.

Deletions. Constituents removed from the S&P 500 are removed from the index simultaneously.

Currency, Currency Hedged, and Risk Control Indices

The index is calculated in U.S. dollars and Swedish kronor.

WM/Reuters foreign exchange rates are taken daily at 4:00 PM London Time and used in the calculation of the S&P 500 Buyback Index (SEK). These mid-market fixings are calculated by The WM Company based on Reuters data and appear on Reuters pages WMRA.

Additional currency, currency hedged, and risk control versions of the indices may be available. For a list of available currency, currency hedged, and risk control indices, please contact Client Services at index_services@spglobal.com.

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

Base Dates and History Availability

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

Index	Launch Date	First Value Date	Base Date	Base Value
S&P 500 Buyback Index (USD)	11/29/2012	01/21/1994	01/21/1994	1000
S&P 500 Buyback Index (USD) TR	11/29/2012	01/21/1994	01/21/1994	1000
S&P 500 Buyback Index (USD) NTR	11/29/2012	12/31/1998	12/31/1998	1000
S&P 500 Buyback Index (SEK)	06/24/2013	01/21/1994	01/21/1994	1000
S&P 500 Buyback Index (SEK) TR	06/24/2013	01/21/1994	01/21/1994	1000
S&P 500 Buyback Index (SEK) NTR	06/24/2013	12/31/1998	12/31/1998	1000

Corporate Actions

Corporate Action	Adjustment Made to the Index	Divisor Adjustment?
Spin-off	The spun-off company is added to the index at a zero price after the market close of the day before the ex-date (with no divisor adjustment). The spun-off company is then removed after at least one day of regular way trading. The weight of the dropped company is added to the parent company via an index share increase on the deletion effective date, resulting in no divisor change to the index. For further information on Spin-offs, please refer to the <i>Treatment of Spin-offs in S&P Dow Jones Indices' Equity Indices Policies & Practices</i> document.	
Rights Offering	The price is adjusted to the Price of the Parent Company minus (the Price of the Rights Offering/Rights Ratio). Index shares change so that the company's weight remains the same as its weight before the rights offering.	No
Stock Split	Index shares are multiplied by and the price is divided by the split factor.	No
Share Issuance or Share Repurchase	None. Actual shares outstanding of the company play no role in the daily index calculation.	No
Special Dividends	The price of the stock making the special dividend payment is reduced by the per share special dividend amount after the close of trading on the day before the dividend ex-date.	Yes
Delisting, acquisition or any other corporate action resulting in the deletion of the stock from the S&P 500.	The stock is dropped from the Index. This will cause the weights of the rest of the stocks in the index to change proportionately. Additions are made to the index only at the time of the quarterly rebalancing.	Yes

For more information on Corporate Actions, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices document.

Other Adjustments

In cases where there is no achievable market price for a stock being deleted, it can be removed at a zero or minimal price at the Index Committee's discretion, in recognition of the constraints faced by investors in trading bankrupt or suspended stocks.

Index Data

Calculation Return Types

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

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

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

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

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

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

Index Governance

Index Committee

The S&P 500 Buyback Index is maintained by the Americas Thematic and Strategy Indices Index Committee. All committee members are full-time professional members of S&P Dow Jones Indices' staff. The Committee meets monthly. At each meeting, the 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 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 document.

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.

Index methodology is constantly under review for best practices, and any changes are announced well ahead of time via the Web site and email to all clients.

For more information, please refer to the Announcements section of S&P Dow Jones Indices' Equity Indices Policies & Practices document.

Pro-forma Files

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

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

Holiday Schedule

The index is calculated daily, throughout the calendar year. The only days the index is not calculated are on days when all exchanges where the index constituents are listed are officially closed.

A complete holiday schedule for the year is available on S&P Dow Jones Indices' Web site at www.spdji.com.

Rebalancing

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

Unexpected Exchange Closures

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

Recalculation Policy

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

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

Contact Information

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

Index Dissemination

Index levels are available through S&P Dow Jones Indices' Web site at www.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 currency, currency hedged, risk control, and return type versions of the below indices that may exist are also covered by this document. Please contact index_services@spglobal.com for a complete list of indices covered by this document.

Index	Return Type	Bloomberg
S&P 500 Buyback Index (USD)	Price Return Total Return	SPBUYUP SPBUYUT
S&P 500 Buyback Index (SEK)	Price Return Total Return	SPBUYSP SPBUYST

Index Data

Daily constituent and index level data are available via subscription.

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

Web site

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

Appendix – Methodology Changes

Methodology changes since January 1, 2015 are as follows:

Change	Effective Date (After Close)	Previous	Methodology Updated
Multiple Share Classes	01/18/2019	Multiple share class lines are eligible for inclusion in the index provided they are constituents of the S&P 500. For those companies having multiple share class lines in the index, each share class line is assigned a percentage of the 1% target company weight that is proportional to its float-adjusted market cap as of the pricing reference date.	Each company is represented once by the Designated Listing.

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