



# CHANGES TO BENCHMARK METHODOLOGY AND CESSATION POLICY

February 2024

## 1. Background

Invesco Indexing LLC (“Invesco Indexing”) periodically reviews each Index and its accompanying methodology in an effort to ensure the Index continues to accurately represent that portion of the market originally intended and deliver the outcomes one would expect from the Index’s exposures.

This policy is intended to describe the procedures for the internal review of the methodologies, changes to the methodologies and procedures performed when the Index administered is ceasing publication.

## 2. Internal Review

Invesco Indexing periodically, at least annually, reviews each Index and its accompanying methodology, in addition to periodic rebalancing in an effort to ensure the Index continues to accurately represent that portion of the market originally intended and delivers the outcomes one would expect from the Index’s exposures.

Additional reviews may be conducted during extreme market events, such as ongoing insufficient underlying market liquidity, insufficient input data or after significant market events that significantly impact the benchmark.

The results of the review, including any analysis performed and recommendation for any changes will be presented in the “Index Review Meeting” to the Index Review Team (“IRT”). This meeting is held between members of Invesco Indexing involved in the provision of benchmarks and is intended to represent a challenge to the review performed.

### 2.1 Changes to Benchmark Methodology

When a change to the index is proposed, the IRT will assess whether the change is material or not. A change should be considered material if it would lead to a change in the Description section of the index methodology document or in the likelihood that the index will achieve the objective stated in that Description. Index changes that do not affect the methodology document or that are included in the methodology document but have a limited effect on index holdings, represent an update to existing index methodology principles, or are for clarification and/or cosmetic purposes only are considered non-material. The Index Oversight Committee (“IOC”) is responsible for overseeing any changes to the benchmark methodology and is able to request Invesco Indexing to consult on such changes.

#### 2.1.1 Non-material Changes

When changes are not material, a notification will be provided on the Invesco Indexing website, [www.invescoindexing.com](http://www.invescoindexing.com). For non-material changes, Invesco Indexing may, at its own discretion and on its own timeline, choose to consult publicly with index stakeholders. Non-material changes will not be subject to review by the IOC. Once the change has been implemented, the methodology will be updated and made available on the Invesco Indexing website.

#### 2.1.2 Material Changes

When a material change to the methodology is required, Invesco Indexing will consult publicly with stakeholders - such as clients of the Index - with a proposal regarding specific Index methodology changes, stating the key elements impacted, the rationale behind the changes, a clear timeframe for feedback on the consultation and when the change is expected to be made. Whenever possible, best efforts will be made to offer a consultation period of no less than thirty (30) days. Following the period of consultation, the proposal will be published on the Invesco Indexing website ([www.invescoindexing.com](http://www.invescoindexing.com)) and distributed where necessary. Invesco Indexing will solicit stakeholder feedback and may conduct further research specific to these updates as appropriate.

Any stakeholder feedback submitted to [indexsupport@invesco.com](mailto:indexsupport@invesco.com) and Invesco Indexing's responses will be made accessible upon request unless confidentiality has been requested by the author of comments.

The proposed material change will be reviewed by the IOC to ensure proper adherence to the governing policy and proper notice and consultation periods are observed.

Any finalized updates will be announced at the completion of the consultation. This announcement will state whether the change(s) as proposed will be incorporated in the Index as well as the effective date of the change(s). Any material change(s) proposed will be posted on the Invesco Indexing website for a period of at least ten (10) days in advance of the effective date of a material change.

## 2.2 Cessation

When the IRT considers that an Index no longer represents the market or economic reality it was originally intended to measure, or when Invesco Indexing wishes to cease publication, Invesco Indexing may propose ceasing publication of the Index. The process for ceasing the Index generally will follow the process above for a material change to a methodology, including a minimum thirty (30) day consultation period followed by a ten (10) day notice period, but include the following modifications.

When there are assets invested in a portfolio based on the Index, the public consultation also may consider if there is an alternative Index (or Indexes) that could be proposed as a substitute and indicate why such Index would be a suitable alternative. However, Invesco Indexing is under no obligation to provide such an alternative, and index users are encouraged to seek substitutes that best suit their individual needs.

When there are no assets invested in a portfolio based on the Index, Invesco Indexing will simply inform the IOC of their intention to cease publication of the Index and the timeline for doing so.

## 3. Review

This Policy shall be reviewed on a periodic basis, no less frequently than annually by Invesco Indexing. In addition, the IOC is reviewing and approving procedures for cessation of the benchmark at least annually.

Legal Owner: Invesco Indexing, LLC.

Date of Review	Summary of Changes	Date of Approval
3/14/23	Update review date	4/2/23
02/21/2024	Addition of notice period to change to methodology and cessation; approval by IOC	02/21/2024