



VettaFi FACTOR Indices Methodology

- VettaFi US Large/Mid-Cap Quality Index VFPQ
- VettaFi US Large/Mid-Cap Quality Growth Index VFQG
- VettaFi US Large/Mid-Cap Quality Low Volatility Index VFQLV
- VettaFi US Large/Mid-Cap Quality Dividend Index VFQD

Table of Contents

- Introduction 3
 - Index Objective 3
 - Index Family & Highlights 3
 - Dates 3
 - Supporting Documents 3
- Eligibility Criteria and Index Construction 4
 - Universe 4
 - Eligibility Criteria 4
- Index Construction 4
 - Applicable Factors 4
 - Selection and Weightings 4
- Index Maintenance 5
 - Rebalancing 5
 - Corporate Actions 5
 - Base Date and History Availability 5
- Index Calculation 5
- Index Governance 6
- Index Policies 6
- Contact Information 6
- Appendix 7
- Modifications 7
- Disclaimer 7

Introduction

Index Objective

The VettaFi US Large/Mid-Cap Quality Index measures the performance of US companies that exhibit the highest quality scores.

The VettaFi US Large/Mid-Cap Quality Growth Index measures the performance of US companies that exhibit the highest quality-growth multi factor composite scores.

The VettaFi US Large/Mid-Cap Quality Low Volatility Index measures the performance of US companies that exhibit the highest quality-low volatility multi factor composite scores. Sector constraints are based on universe sector weight and sector inverse volatility weights.

The VettaFi US Large/Mid-Cap Quality Dividend Index measures the performance of US companies that exhibit the highest quality-dividend multi factor composite scores.

The indices are subject to sector, security weight and turnover constraints.

Index Family & Highlights

The quality factor is a common factor for security selection within the index family. The VettaFi US Large/Mid-Cap Quality Index only uses the quality factor for selection, whereas the VettaFi US Large/Mid-Cap Quality Growth, VettaFi US Large/Mid-Cap Quality Low Volatility, and VettaFi US Large/Mid-Cap Quality Dividend indexes also employ respectively growth, low volatility, and dividend factors in their multi-factor approaches.

Dates

Cut off Dates: Last business day of May and November.

Reconstitution Dates: Indexes reconstituted semi-annually on the third Friday of June and December.

Weight Date: Six business days prior to rebalance effective date.

Rebalance Dates: Indexes are rebalanced semi-annually on the third Friday of June and December.

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.

The list of the main supplemental documents for this methodology can be found in the Methodologies and Governance tabs on the [Index Resources](#) page as follows:

Supporting Documents
Index Maintenance Policy
Index Governance
Index Policies
Methodology Policies

Glossary
Index Change and Consultation Policy
VettaFi Factor Scores
VettaFi Generic Factor Algorithm Weighting Methodology Rulebook

Eligibility Criteria and Index Construction

Universe

Index	Index Universe ¹
VettaFi US Large/Mid-Cap Quality Index	VettaFi US Equity Large/Mid-Cap 1000 Index
VettaFi US Large/Mid-Cap Quality Growth Index	VettaFi US Equity Large/Mid-Cap 1000 Index
VettaFi US Large/Mid-Cap Low Volatility Index	VettaFi US Equity Large/Mid-Cap 1000 Index
VettaFi Quality US Large/Mid-Cap Dividend Index	VettaFi US Equity Large/Mid-Cap 1000 Index

Eligibility Criteria

At each semi-annual rebalancing, a company must satisfy the following requirements, as of the rebalancing reference date, to be eligible for index inclusion:

- Have ICE sector other than Quasi Government.

Index Construction

Applicable Factors

Index	Factors
VettaFi US Large/Mid-Cap Quality Index	Quality
VettaFi US Large/Mid-Cap Quality Growth Index	Quality, Growth
VettaFi US Large/Mid-Cap Quality Low Volatility Index	Quality, Volatility
VettaFi Quality US Large/Mid-Cap Dividend Index	Quality, Dividends

Selection and Weightings

Constituents are selected based on factor ranking to meet sector minimum and maximum weights and 100% portfolio weight. In initial construction minimum sector weights are achieved by selecting top

¹ As of Rebalance/Reconstitution date.

ranked securities, targeting their maximum weights. Constituent maximum weights are a function of a global maximum and a multiple of their weight in the underlying universe. After initial construction, current constituents are automatically included if they maintain a minimum score ranking. Once current sectors have been adjusted to meet sector weight constraints, the highest ranked securities are adjusted or added to bring portfolio weight to 100%.

Sector weight ranges are based on the sector weights of the underlying universe. The US Large/Mid-Cap Quality Low Volatility Index sector weight range is based on an average of the underlying universe sector weights and sector weights based on inverse volatility.

For more details on factors and scores, please refer to “VettaFi Factor Scores” document.

For more details on selection and weighting, please refer to the “VettaFi Generic Factor Algorithm Weighting Methodology Rulebook”. Index parameter values are listed in the appendix.

Index Maintenance

Rebalancing

The Indexes are rebalanced on the “Rebalance Date” and additionally reconstituted on the “Reconstitution Date”. Pricing used in share weights used for reconstitutions are as of the “Weight Date”. Share weights for the rebalanced Indexes are computed as of the “Weight Date”. Changes to the Indexes related to the rebalances are as of the “Rebalance Date”. Additions are only made on reconstitution dates.

Corporate Actions

Please refer to the Index Maintenance Policy document for information on Corporate Action processing.

Base Date and History Availability

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

Index	Price Index	Base Date	Base Value	Total Return Index	Base Date	Base Value
VettaFi US Large/Mid-Cap Quality Index	VFPQP	12/17/99	1000	VFPQT	12/17/99	1000
VettaFi US Large/Mid-Cap Quality Growth Index	VFQGP	12/17/99	1000	VFQGT	12/17/99	1000
VettaFi US Large/Mid-Cap Quality Low Volatility Index	VFQLVP	12/17/99	1000	VFQLVT	12/17/99	1000
VettaFi US Large/Mid-Cap Quality Dividend Index	VFQDP	12/17/99	1000	VFQDT	12/17/99	1000

Index Calculation

Please refer to the Index Maintenance Policy document for information on index calculations.

Index Governance

The index is governed and managed by a VettaFi Index Committee for the purpose of meeting the goals of the index. For more information, please refer to the Index Governance document.

Index Policies

Please refer to the Index Policies document for information regarding Announcements, Holiday Schedules, Unexpected Exchange Closures, and Recalculation Policy.

Contact Information

For any questions regarding an index, please contact: index.production@VettaFi.com

Appendix

Top Level Composite Score:

Top level composite score is used for constituent selection process.

VettaFi US Large/Mid-Cap Quality Index: The composite score consists of the quality factor.

VettaFi US Large/Mid-Cap Quality Growth Index: The composite score consists of quality and growth factors.

VettaFi US Large/Mid-Cap Quality Low Volatility Index: The composite score consists of quality and low volatility factors.

VettaFi US Large/Mid-Cap Quality Dividend Index: The composite score consists of quality and dividend factors.

Parameter Values:

Index	Drop bottom %	Max Multiple	Max Stock Weight %	Max Sector Variance %
VettaFi US Large/Mid-Cap Quality Index	40	5	7	10
VettaFi US Large/Mid-Cap Quality Growth Index	60	3	7	10
VettaFi US Large/Mid-Cap Quality Low Volatility Index	40	5	7	5
VettaFi US Large/Mid-Cap Quality Dividend Index	65	5	7	10

Modifications

Methodology Updates and Changes

Date	Version	Previous	New
Sep 2024	1.1.0		Added VettaFi Quality Dividend Index Minor edits

Disclaimer

The Indices are proprietary to VettaFi. No use or publication may be made of an Index, or any of its provisions or values, without the prior written consent of VettaFi. VettaFi is not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. In no event shall VettaFi be liable to any party for any direct, indirect, incidental, exemplary, compensatory,

punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content.