VettaFi

Index Rules and Methodology

Index Name[1]	Ticker
VettaFi US Equity 3000 Growth Index	SNR3KG
VettaFi US Equity Mid/Small-Cap Growth Index	SNRMSG
VettaFi US Equity Small-Cap Growth Index	SNR2KG
VettaFi US Equity Large/Mid-Cap Growth Index	SNR1KG
VettaFi US Equity Mid-Cap 800 Growth Index	SNRM8G
VettaFi US Equity Mid-Cap 500 Growth Index	SNRM5G
VettaFi US Equity Large-Cap 500 Growth Index	SNR500G
VettaFi US Equity Large-Cap 200 Growth Index	SNRL2G
VettaFi US Equity 3000 Value Index	SNR3KV
VettaFi US Equity Mid/Small-Cap Value Index	SNRMSV
VettaFi US Equity Small-Cap Value Index	SNR2KV
VettaFi US Equity Large/Mid-Cap Value Index	SNR1KV
VettaFi US Equity Mid-Cap 800 Value Index	SNRM8V
VettaFi US Equity Mid-Cap 500 Value Index	SNRM5V
VettaFi US Equity Large-Cap 500 Value Index	SNR500V
VettaFi US Equity Large-Cap 200 Value Index	SNRL2V
S-Network US Equity Large/Mid-Cap Growth Index	SN1000G
S-Network US Equity Aggressive Growth Index	SN100AG
S-Network US Equity Large/Mid-Cap Value Index	SN1000V
S-Network US Equity Deep Value Index	SN100DV
S-Network US Equity Mid-Cap Aggressive Growth Index	SNM50AG

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[1] "VettaFi US Equity…" indexes were formally known as for "S-Network US Equity WR…" indexes (see appendix).

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Introduction

Index Objective

The S-Network US Style Indexes and the VettaFi US Style Indexes are families of indexes designed to measure the performance of portfolios exposed to a Growth or Value Style.

VettaFi Style Indexes are subsets of corresponding VettaFi indexes that do not exclude REITS and S-Network Style indexes are subsets of corresponding S-Network indexes that exclude REITs.

Constituents in these indexes are selected and weighted to strengthen their exposure to their desired style.

Highlights:

Growth/Value Indexes:

The indexes are style-modified float-adjusted cap weighted portfolios that maintain a broad representation of their parent indices and whose constituents maintain characteristics associated with their style.

Concentrated Growth/Value Indexes:

The indexes are equal weighted portfolios that select the parent constituents that most strongly represent their style.

Dates

Snapshot Dates: The starting universe is updated semi-annually based on data as of the last business days of May and November.

Reconstitution Dates: Close of trading on the third Fridays of the last month of each semi-annual period (Jun and Dec).

Record Dates: Share weights will be based on prices as of the close of trading on the day before the second Friday of the rebalancing month.

Rebalance Dates: Close of trading on the third Fridays of the last month of each quarter (Mar, Jun, Sep, and Dec.)

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

Index Construction

Universe

S-Network Value/Growth Indexes and their Universes:

Index[2]	Style	Universe	Universe Description (US Stocks)	Universe Count	Index Count
VettaFi US Equity 3000 Growth Index (SNR3KG)	Growth	SNR3000	3000 largest	3000	2100
VettaFi US Equity Mid/Small-Cap Growth Index (SNRMSG)	Growth	SNR2500	501 - 3000 largest	2500	1750
VettaFi US Equity Small-Cap Growth Index (SNR2KG)	Growth	SNR2000	1001 - 3000 largest	2000	1400
VettaFi US Equity Large/Mid-Cap Growth Index (SNR1KG)	Growth	SNR1000	1000 largest	1000	700
VettaFi US Equity Mid-Cap 800 Growth Index (SNRM8G)	Growth	SNR800	201 - 1000 largest	800	560
VettaFi US Equity Mid-Cap 500 Growth Index (SNRM5G)	Growth	SNRM500	501 - 1000 largest	500	350
VettaFi US Equity Large-Cap 500 Growth Index (SNR500G)	Growth	SNR500	500 largest	500	350

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[2] VettaFi Style Indexes are derived from Universes that do not exclude REITS and S-Network Style Indexes are derived from Universes that exclude REITs.

VettaFi US Equity Large-Cap 200 Growth Index (SNRL2G)	Growth	SNR200	200 largest	200	140
VettaFi US Equity 3000 Value Index (SNR3KV)	Value	SNR3000	3000 largest	3000	2100
VettaFi US Equity Mid/Small-Cap Value Index (SNRMSV)	Value	SNR2500	501 - 3000 largest	2500	1750
VettaFi US Equity Small-Cap Value Index (SNR2KV)	Value	SNR2000	1001 - 3000 largest	2000	1400
VettaFi US Equity Large/Mid-Cap Value Index (SNR1KV)	Value	SNR1000	1000 largest	1000	700
VettaFi US Equity Mid-Cap 800 Value Index (SNRM8V)	Value	SNR800	201 - 1000 largest	800	560
VettaFi US Equity Mid-Cap 500 Value Index (SNRM5V)	Value	SNRM500	501 - 1000 largest	500	350
VettaFi US Equity Large-Cap 500 Value Index (SNR500V)	Value	SNR500	500 largest	500	350
VettaFi US Equity Large-Cap 200 Value Index (SNRL2V)	Value	SNR200	200 largest	200	140
S-Network US Equity Large/Mid-Cap Growth Index (SN1000G)	Growth	SN1000	1000 largest	1000	700
S-Network US Equity Aggressive Growth Index (SN100AG)	Growth	SN1000	1000 largest	1000	100
S-Network US Equity Large/Mid-Cap Value Index (SN1000V)	Value	SN1000	1000 largest	1000	700
S-Network US Equity Deep Value Index (SN100DV)	Value	SN1000	1000 largest	1000	100
S-Network US Equity Mid-Cap Aggressive Growth Index (SNM50AG)	Growth	Top 70% of SNM500 by net growth scores	Universe equivalent to SNR500G but based on SNM500	350	50

Style Ratings

Growth and value ratings are determined for each of the constituents of the base benchmark.

Growth ratings incorporate the following five fundamental factors:

1. Future short-term growth in earnings per share (FSGE)
2. 3-year historical growth in earnings per share (HGE)
3. 3-year historical growth in sales per share (HGS)
4. Investment-to-assets (INV)
5. 3-year historical growth in return on assets (ROA)

Value ratings incorporate the following four fundamental factors:

1. Book to price (BP)
2. Historical earnings to price (HEP)
3. Dividend to price (DP)
4. Sales to price (SP)

Each style factor is winsorized at the 2nd and 98th percentiles. Z-scores for each factor are then calculated for each winsorized growth factor. Composite growth and value gross scores are calculated using the following formulations:

Gross Growth Score = 2/3 G1 + 1/3 G2, where:

$$G1 = 1/2 \text{ zFSGE} + 1/3 \text{ zINV} + 1/6 \text{ zROA}$$
$$G2 = 2/3 \text{ zHGS} + 1/3 \text{ zHGE}$$

Gross Value Score = 2/3 V1 + 1/3 V2, where:

$$V1 = 2/3 \text{ zHEP} + 1/3 \text{ zBP}$$

$$V2 = 2/3 \text{ zSP} + 1/3 \text{ zDP}$$

Style ratings are the result of the net score calculations below:

Growth Style Rating = Gross Growth Score - Gross Value Score

Value Style Rating   = Gross Value Score - Gross Growth Score

Selection – Style Benchmarks

Style ratings are based on the "Snapshot Dates."

Growth/Value Indexes:

Seventy percent of the parent indexes constituents with the highest Growth/Value Ratings are selected for inclusion.

Concentrated Growth/Value Indexes:

The 100 stocks from the parent indexes with the highest Growth/Value Ratings are selected for inclusion subject to a sector count cap of twice the percentage points of that sector's weight in the index universe.

Select Concentrated Growth/Value Indexes:

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1- Select top 100 by Net growth score a) whose price is under 1000, b) have a positive and available FCF/Debt ratio, and c) that do not cause the sector weights to be more than 2 times the sector weights in its Universe.
2- Select the top 50 from the top 100 selected above by largest FCF/Debt ratio.

Weighting – Style Benchmarks

Growth/Value Indexes:

1. The stocks contained in each index universe are percentile ranked based on their Growth/Value Ratings.

2. The thirty percent of universe stocks with the highest Growth/Value Ratings are weighted based on their full float-adjusted market capitalization.

3. The float-adjusted market capitalizations of the next forty percent of universe stocks are modified by their percentile ranks for weighting purposes. (e.g., 70th percentile stock will be accorded 70% of its float market capitalization for weighting purposes; 68th percentile stock would be accorded 68%; etc.)

4. The bottom 30% of the percentile ranked universe stocks receive no weighting as they are not included in the index.

5. These stocks are then weighted based on their style-modified float-adjusted market capitalization.

Concentrated Growth/Value Indexes:

Stocks in these benchmarks are equally weighted.

Select Concentrated Growth/Value Indexes:

Stocks in these benchmarks are equally weighted.

Rebalancing and Reconstitution

The Indexes are rebalanced on the "Rebalance Dates" and additionally reconstituted om the "Reconstitution Dates".

Data used for reconstitutions are as of the "Snapshot Dates" .

Share weights for the rebalanced Indexes are computed as of the Record Date.

Changes to the Indexes related to the rebalances are as of the "Rebalance Dates" .

Index Maintenance

Please refer to the Index Maintenance Policy document for information on Corporate Actions, Data Sourcing, Pricing, Financial distress, Index Dissemination, and Data Correction Policy.

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.

Index Information

Index	Price Index	Base Date	Base Value	Total Return Index	Base Date	Base Value
VettaFi US Equity 3000 Growth Index	SNR3KG	6/17/2005	1000	SNR3KGT	########	1000
VettaFi US Equity Mid/Small-Cap Growth Index	SNRMSG	6/17/2005	1000	SNRMSGT	########	1000
VettaFi US Equity Small-Cap Growth Index	SNR2KG	6/17/2005	1000	SNR2KGT	########	1000
VettaFi US Equity Large/Mid-Cap Growth Index	SNR1KG	6/17/2005	1000	SNR1KGT	########	1000
VettaFi US Equity Mid-Cap 800 Growth Index	SNRM8G	6/17/2005	1000	SNRM8GT	########	1000
VettaFi US Equity Mid-Cap 500 Growth Index	SNRM5G	6/17/2005	1000	SNRM5GT	########	1000
VettaFi US Equity Large-Cap 500 Growth Index	SNR500G	6/17/2005	1000	SNR500GT	########	1000
VettaFi US Equity Large-Cap 200 Growth Index	SNRL2G	6/17/2005	1000	SNRL2GT	########	1000
VettaFi US Equity 3000 Value Index	SNR3KV	6/17/2005	1000	SNR3KVT	########	1000
VettaFi US Equity Mid/Small-Cap Value Index	SNRMSV	6/17/2005	1000	SNRMSVT	########	1000
VettaFi US Equity Small-Cap Value Index	SNR2KV	6/17/2005	1000	SNR2KVT	########	1000
VettaFi US Equity Large/Mid-Cap Value Index	SNR1KV	6/17/2005	1000	SNR1KVT	########	1000
VettaFi US Equity Mid-Cap 800 Value Index	SNRM8V	6/17/2005	1000	SNRM8VT	########	1000
VettaFi US Equity Mid-Cap 500 Value Index	SNRM5V	6/17/2005	1000	SNRM5VT	########	1000
VettaFi US Equity Large-Cap 500 Value Index	SNR500V	6/17/2005	1000	SNR500VT	########	1000
VettaFi US Equity Large-Cap 200 Value Index	SNRL2V	6/17/2005	1000	SNRL2VT	########	1000
S-Network US Equity Large/Mid-Cap Growth Index	SN1000G	6/17/2005	1000	SN1000GT	########	1000
S-Network US Equity Aggressive Growth Index	SN100AG	6/17/2005	1000	SN100AGT	########	1000
S-Network US Equity Large/Mid-Cap Value Index	SN1000V	6/17/2005	1000	SN1000VT	########	1000
S-Network US Equity Deep Value Index	SN100DV	6/17/2005	1000	SN100DVT	########	1000

S-Network US Equity Mid-Cap Aggressive Growth Index	SNM50AG	6/17/2005	1000	SNM50AGT	########	1000

Appendix A – Name Changes

Prior to June 2023 indexes with name "VettaFi US Equity…" were known as "S-Network US Equity WR …" . Only the name has changed while tickers and history for the indexes remain the same.

New Name	Previous Name	Ticker
VettaFi US Equity 3000 Growth Index	S-Network US Equity WR 3000 Growth Index	SNR3KG
VettaFi US Equity Mid/Small-Cap Growth Index	S-Network US Equity WR Mid/Small-Cap Growth Index	SNRMSG
VettaFi US Equity Small-Cap Growth Index	S-Network US Equity WR Small-Cap Growth Index	SNR2KG
VettaFi US Equity Large/Mid-Cap Growth Index	S-Network US Equity WR Large/Mid-Cap Growth Index	SNR1KG
VettaFi US Equity Mid-Cap 800 Growth Index	S-Network US Equity WR Mid-Cap 800 Growth Index	SNRM8G
VettaFi US Equity Mid-Cap 500 Growth Index	S-Network US Equity WR Mid-Cap 500 Growth Index	SNRM5G
VettaFi US Equity Large-Cap 500 Growth Index	S-Network US Equity WR Large-Cap 500 Growth Index	SNR500G
VettaFi US Equity Large-Cap 200 Growth Index	S-Network US Equity WR Large-Cap 200 Growth Index	SNRL2G
VettaFi US Equity 3000 Value Index	S-Network US Equity WR 3000 Value Index	SNR3KV
VettaFi US Equity Mid/Small-Cap Value Index	S-Network US Equity WR Mid/Small-Cap Value Index	SNRMSV
VettaFi US Equity Small-Cap Value Index	S-Network US Equity WR Small-Cap Value Index	SNR2KV
VettaFi US Equity Large/Mid-Cap Value Index	S-Network US Equity WR Large/Mid-Cap Value Index	SNR1KV
VettaFi US Equity Mid-Cap 800 Value Index	S-Network US Equity WR Mid-Cap 800 Value Index	SNRM8V
VettaFi US Equity Mid-Cap 500 Value Index	S-Network US Equity WR Mid-Cap 500 Value Index	SNRM5V
VettaFi US Equity Large-Cap 500 Value Index	S-Network US Equity WR Large-Cap 500 Value Index	SNR500V
VettaFi US Equity Large-Cap 200 Value Index	S-Network US Equity WR Large-Cap 200 Value Index	SNRL2V

Contact Information

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