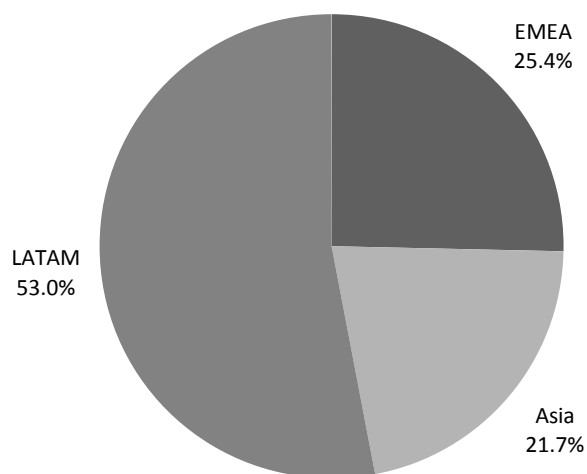


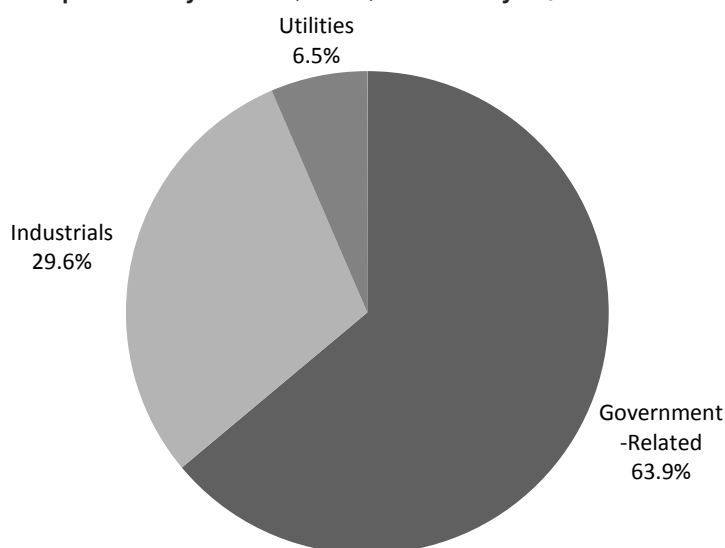
# Emerging Markets USD Credit Select Index

The Bloomberg Barclays Emerging Markets (EM) USD Credit Select Bond Index is a hard currency debt benchmark that includes investment grade US dollar-denominated quasi-sovereign and corporate debt issued by select EM countries and issuers. Country classification as Emerging Markets is rules-based and reviewed annually using World Bank income group and International Monetary Fund (IMF) country classifications. The index includes securities with at least 8 years remaining to maturity. The index limits each country's exposure to a maximum of 15% and redistributes the excess market value index-wide on a pro-rata basis. This index was launched in July 2018, with index history backfilled to March 2013.

Composition by Region (MV%) - as of July 31, 2018



Composition by Sector (MV%) - as of July 31, 2018



## Rules for Inclusion

|                              |   |
|------------------------------|---|
| <b>Currency</b>              | Principal and coupon must be denominated in USD.  |
| <b>Sector</b>                | <ul style="list-style-type: none"> <li>Hard currency debt from agency (government owned and government sponsored entities), local authority and corporate issuers are eligible.</li> <li>Under the index classification schema, an issuer is classified as government-related (as opposed to corporate) if it is more than 50% government owned, carries a government guarantee or is government sponsored.</li> <li>For EM hard currency indices, Bloomberg defines quasi-sovereigns as any non-sovereign government-related issuer inclusive of both government-related agency and local authority debt.</li> <li>Additionally, the following sectors are excluded: Aerospace/ Defense, Diversified Manufacturing, Banking, Industrial Other, Retailers, Midstream, Government Guarantee, Other REITS, Independent, and Railroads.</li> </ul> |
| <b>Amount Outstanding</b>    | At the security level, USD 500mn minimum par amount outstanding.  |
| <b>EM Country Definition</b> | <p>Bloomberg uses a fixed list of emerging market countries that is reviewed annually to define country eligibility in dedicated EM hard currency, local currency, and inflation-linked benchmarks. Criteria for inclusion in the EM country list are rules-based and include:</p> <ul style="list-style-type: none"> <li>Countries that meet one of the following two criteria: World Bank Income group classifications of <i>low/middle income</i> OR International Monetary Fund (IMF) classification as a <i>non-advanced</i> country.</li> </ul>   |

## Rules for Inclusion

|                            |   |
|----------------------------|---|
|                            | <ul style="list-style-type: none"> <li>Additional countries that bond investors classify as EM due to factors such as investability concerns, the presence of capital controls, and/or geographic considerations may also be included on the list and are also reviewed on an annual basis. As of April 2014, 4 additional markets are included in the Bloomberg EM country list: Czech Republic, Israel, South Korea, and Taiwan.</li> </ul> |
| <b>Country Eligibility</b> | <p>Based on the Bloomberg EM country definition, the EM USD Credit Select Index includes debt from issuers from any of the following EM countries as of July 2018:</p> <ul style="list-style-type: none"> <li>Asia: Indonesia, Philippines</li> <li>EMEA: Qatar, Russia, S. Africa, Saudi Arabia, Turkey</li> <li>LATAM: Brazil, Colombia, Mexico, Peru</li> </ul>  |
| <b>Ticker Eligibility</b>  | <p>In addition to the above mentioned eligible countries, the following tickers are also eligible for the index as of July 2018: RILIN, PETMK, ENAPCL, CDEL, CMPCCI, TAQAUH, INTPET.</p>  |
| <b>Issue Rating</b>        | <p>Securities must be rated investment grade (Baa3/BBB-/BBB- or higher) by at least one of these three credit rating agencies: Moody's, S&amp;P, or Fitch.</p>  |
| <b>Maturity</b>            | <ul style="list-style-type: none"> <li>At least eight years until final maturity, regardless of optionality.</li> <li>Bonds that convert from fixed to floating rate, including fixed-to-float perpetual, will exit the index one year prior to conversion to floating rate. Fixed-rate perpetual are not included.</li> </ul>  |
| <b>Coupon</b>              | <p>Fixed and floating-rate coupon structures are permitted.</p>   |
| <b>Security Type</b>       | <p>Brady bonds, Eurobonds, globals, loans, and local issues are permitted. Warrants and Sukuk are excluded.</p>   |
| <b>Placement Type</b>      | <p>SEC registered and 144A/Reg S bonds are eligible.</p>  |
| <b>Market of Issue</b>     | <p>Publicly issued in the global and local markets.</p>   |

## Rebalancing Rules

|                                    |   |
|------------------------------------|---|
| <b>Country Capping Methodology</b> | <p>All countries that exceed 15% of the market value of the uncapped EM USD Credit Select Index are limited at 15%. The excess market value over the 15% cap will be redistributed on a pro rata basis to all countries' bonds in the index that are under the 15% cap. The process is repeated until no country exceeds the 15% limit. For example, a country that represents 16% of the uncapped index will have 1% of the index's market value redistributed to each bond from all countries under the 15% cap on a pro rata basis. The 15% country cap is applied each month as the index is rebalanced.</p>                            |
| <b>Frequency</b>                   | <p>For each index, Bloomberg maintains two universes of securities: the Returns (Backward) and the Projected (Forward) Universes. The composition of the Returns Universe is rebalanced at each month-end and represents the fixed set of bonds on which index returns are calculated. The Projected Universe is a forward-looking projection that changes daily to reflect issues dropping out of and entering the index but is not used for return calculations. On the last business day of the month (the rebalancing date), the composition of the latest Projected Universe becomes the Returns Universe for the following month.</p> |
| <b>Index Changes</b>               | <p>During the month, indicative changes to securities (credit rating change, sector reclassification, amount outstanding changes, corporate actions, and ticker changes) are reflected daily in the Projected and Returns Universe of the index. These changes may cause bonds to enter or fall out of the Projected Universe of the index on a daily basis, but will affect the composition of the Returns Universe at month-end only, when the index is next rebalanced.</p>  |
| <b>Reinvestment of Cash Flows</b>  | <p>Intra-month cash flows from interest and principal payments contribute to monthly index returns but are not reinvested at a short-term reinvestment rate between rebalance dates. At each rebalancing, cash is effectively reinvested into the Returns Universe for the following month so that index results over two or more months reflect monthly compounding.</p>   |

## Rebalancing Rules

|                   |   |
|-------------------|---|
| <b>New Issues</b> | Qualifying securities issued, but not necessarily settled on or before the month-end rebalancing date, qualify for inclusion in the following month's index if the required security reference information and pricing are readily available. |
|-------------------|---|

## Pricing and Related Issues

|                                |  |
|--------------------------------|--|
| <b>Sources &amp; Frequency</b> | All index-eligible bonds are priced on a daily basis by Bloomberg's evaluated pricing service, BVAL.   |
| <b>Pricing Quotes</b>          | Bonds are quoted as a percentage of par.   |
| <b>Timing</b>                  | 3pm (New York time) each day. On early market closes, prices will be taken as of 1pm unless otherwise noted. If the last business day of the month is a public holiday in the US, prices from the previous business day are used.                    |
| <b>Bid or Offer Side</b>       | Bonds in the index are priced on the bid side.   |
| <b>Settlement Assumptions</b>  | T+1 calendar day settlement basis. At month-end, settlement is assumed to be the first day of the following month, even if the last business day is not the last day of the month, to allow for one full month of accrued interest to be calculated. |
| <b>Verification</b>            | Daily price moves for each security are analyzed by the index pricing team. Index users may also challenge price levels, which are then reviewed and updated as needed.  |
| <b>Calendar</b>                | The EM USD Credit Select Index follows the US bond market holiday schedule.  |

## Monthly Returns in USD, 2013-2018 (%)

|             | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug   | Sep   | Oct   | Nov   | Dec   | YTD   |
|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <b>2013</b> | –     | –     | –0.74 | 2.79  | –4.45 | –5.84 | 0.38  | –3.38 | 3.04  | 3.31  | –2.08 | 0.43  | –6.79 |
| <b>2014</b> | 0.34  | 3.36  | 0.73  | 0.97  | 4.45  | 0.29  | –0.10 | 2.70  | –2.37 | 1.85  | –0.58 | –3.09 | 8.61  |
| <b>2015</b> | 0.70  | 2.17  | 0.56  | 1.84  | –0.44 | –3.29 | –0.20 | –3.40 | –2.97 | 4.47  | –1.83 | –3.08 | –5.67 |
| <b>2016</b> | –1.25 | 3.05  | 6.97  | 3.84  | –0.85 | 5.09  | 3.26  | 2.36  | –0.90 | –0.83 | –4.95 | 2.24  | 18.87 |
| <b>2017</b> | 2.04  | 3.29  | 0.35  | 1.21  | 1.57  | –0.10 | 1.95  | 2.26  | 0.18  | 1.16  | 0.80  | 0.75  | 16.54 |
| <b>2018</b> | 0.35  | –2.89 | –0.50 | –1.58 | –0.94 | –0.32 | 2.35  | –     | –     | –     | –     | –     | –3.56 |

## Accessing Index Data

|   |  |
|---|--|
| <b>Bloomberg Professional® service</b>                      | <p>Bloomberg benchmarks are the global standard for capital markets investors.</p> <ul style="list-style-type: none"> <li>• INDEX&lt;Go&gt; – The Bloomberg Indices landing page is a dashboard for index-related information on the terminal. Find daily and monthly index returns for key indices from each index family as well as index publications including methodologies, factsheets, monthly reports, updates and alerts.</li> <li>• IN&lt;Go&gt; – The Bloomberg Index Browser displays the latest performance results and statistics for the indices as well as history. IN presents the indices that make up Bloomberg's global, multi-asset class index families into a hierarchical view, facilitating navigation and comparisons. The "My Indices" tab allows a user to focus on a set of favorite indices.</li> <li>• PORT&lt;Go&gt; – Bloomberg's Portfolio &amp; Risk Analytics solution includes tools to analyze the risk, return, and current structure of indices. Analyze the performance of a portfolio versus a benchmark or use models for performance attribution, tracking error analysis, value-at-risk, scenario analysis, and optimization.</li> <li>• DES&lt;Go&gt; – The index description page provides transparency into an individual index including membership information, aggregated characteristics and returns, and historical performance.</li> </ul> |
| <b>Bloomberg Indices Website (www.bloombergindices.com)</b> | <p>The index website makes available limited index information including:</p> <ul style="list-style-type: none"> <li>• Index methodology and factsheets</li> <li>• Current performance numbers for select indices</li> </ul>   |
| <b>Data Distribution</b>                                    | <p>Index subscribers may choose to receive index data in files. Files may include:</p> <ul style="list-style-type: none"> <li>• Index level and/or constituent level returns and characteristics for any indices</li> <li>• Automatic delivery of files via email or SFTP following the completion of the index production process after market close</li> <li>• Clients may receive standard files or may customize file contents</li> <li>• Index data is also available via authorized redistributors</li> </ul>  |

## Bloomberg Total Return Index Value Tickers: EM USD Credit Select and Related Indices

| Ticker (USD Unhedged) | Index                              | Ticker (USD Unhedged) | Index                                 |
|-----------------------|------------------------------------|-----------------------|---------------------------------------|
| I34081US              | EM USD Credit Select               | I12876US              | EM USD Agencies and Local Authorities |
| EMUSTRUU              | EM USD Aggregate                   | BEHSTRUU              | EM Hard Currency Aggregate            |
| BEHGTRUU              | EM USD Aggregate: Investment Grade | BUCQTRUU              | EM USD Corp + Quasi-Sovereign         |
| BSEKTRUU              | EM USD Corporate                   | LEMITRUU              | EM USD Sovereign                      |

Total Return Index Values are available in other currencies and on a hedged basis. Attributes such as yield and duration, are also available. Please refer to Accessing Bloomberg Barclays Index Data Using Bloomberg Tickers for a full list of tickers and attributes that are available.

## Index Licensing

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- |   |                                   |                                |
|---|-----------------------------------|--------------------------------|
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| • Exchange Traded Notes (ETNs)              | • Index-Linked Insurance Products | • Mutual Funds                 |
| • OTC Derivative Products                   | • Custom Index Solutions          |                                |

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