BSE INDEX SERVICES PVT. LTD.

A wholly owned subsidiary of BSE

BSE 100 ESG Index
Methodology

January 2026

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Introduction

BSE Index Services Pvt. Ltd. (formerly Asia Index Pvt. Ltd.) is a 100% subsidiary of BSE India Ltd, Asia's oldest stock exchange and home to the iconic SENSEX index - a leading indicator of Indian equity market performance. We construct, calculate, maintain and disseminate indices which are used by clients around the world for benchmarking, running passive products and for other data related requirements.

Index Objectives, Highlights, and Index Family

The BSE family of indices measures the performance of BSE listed companies across various sizes, industries, themes, and strategies. Each index is designed to represent a certain segment of the Indian equities market.

For information on the BSE 100, please refer to the BSE Indices Methodology available at www.bseindices.com
The indices use ESG Scores to select constituents. ESG and controversy scores are provided by Stakeholders Empowerment Services (SES). For more information, please visit SES ESG | ESG Rating Provider

ESG Scores

The companies are evaluated based on the Policy disclosures and three main factors viz Environmental, Social and Governance. These scores are categorized into eight grades:

- A+ 90 to 100 score
- A 80 to 89.99 score
- B+ 70 to 79.99 score
- B 60 to 69.99 score
- B- 50 to 59.99 score
- C+ 40 to 49.99 score
- C 20 to 39.99 score
- D 0 to 19.99 score

The companies are assessed annually by SES based on Business Responsibility & Sustainability Reports, but also on key disclosure requirement of Sustainability Reports and/or Integrated Reports (GRI/ IIRC), TCFD, etc. Additionally, companies are monitored on an ongoing basis for any controversy pertaining to ESG.

The constituents of BSE 100 index are eligible to be the part of the index, provided they have an ESG score at the time of review.

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
BISPL Equity Index Policy	BISPL Equity Index Policy
BISPL Index Mathematics Methodology	BISPL Index Mathematics Methodology
BISPL Indices' Float Adjustment Methodology	BISPL Indices Float Adjustment Methodology

This methodology was created by BSE Index Services Pvt. Ltd. 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 BSE Index Services Pvt. Ltd. so that the index continues to achieve its objective.

Eligibility Criteria and Index Construction

Index Universe

At each annual rebalancing, the index is constructed from the constituents of the rebalanced BSE 100.

Constituent Selection at Reconstitution

Select index constituents as follows:

1. Stocks forming part of the rebalanced BSE 100 index. Stocks that do not form part of BSE 100 index at the time of review are excluded.
2. Companies without coverage are excluded.
3. Companies with 'ESG score' lesser than 60, which are categorized as B-, C+, C and D grades shall be excluded.
4. Companies with controversy score less than 75 shall be excluded.

Apart from the scheduled review, additional ad-hoc reconstitution in the index will be initiated, and no replacement (inclusion) will be made in case of:

- the index constituent/s cease to form part of BSE 100 due to suspension, delisting or scheme of arrangement
- If controversy score of an index constituent falls below 75

Constituent Weighting

Index constituents are FMC weighted.

Index Calculations

The index is calculated by means of the divisor methodology used in all BSE Index Services Pvt. Ltd.'s equity indices.

For more information on the index calculation methodology, please refer to the Market Capitalization Weighted Indices section of BISPL Index Mathematics Methodology.

Index Maintenance

Rebalancing

The index rebalances annually, effective at the open of Monday following the third Friday in December. The rebalancing reference date is the last trading day of October. The reference universe for the index is the composition of the underlying index at the open of the upcoming rebalancing effective date.

Quarterly Eligibility Review

Index constituents are reviewed quarterly based on controversy scores. Companies determined to be ineligible are removed from the index, at the open of the Monday following the third Friday of March, June, September, and December. The reference date for this review is the last business day of January, April, July and October.

Shares Outstanding

The share count used as inputs in the weighting model are common shares outstanding. This count is float-adjusted to reflect only shares available to the general market. Specific share counts and float factors are calculated by BSE Index Services Pvt. Ltd.

For float adjustment methodology, please refer to BISPL Indices' Float Adjustment Methodology.

Share Updates. Changes in shares outstanding of less than 5% are accumulated and made quarterly at the open of the Monday following the third Friday of March, June, September, and December. Changes in shares outstanding of 5% or more are made as soon as reasonably possible after the data has been verified.

For more information, please refer to BISPL Equity Index Policy.

Float Adjustment. Investable Weight Factors (IWFs), which define the available float for a company, are reviewed on a quarterly basis and are implemented at the open of the Monday following the third Friday of March, June, September & December. Changes to a company's IWF of five percentage points or more (for example from 0.80 to 0.85) are made as soon as reasonably possible after the data has been verified.

Foreign investment limits are not applied while calculating the IWF for BSE index constituents.

For more details on float adjustment and Investable Weight Factors, please refer to BISPL Indices' Float Adjustment Methodology.

Additions and Deletions

Additions. No stocks are added to the index between annual rebalancing.

Deletions. Between annual rebalancing, a company can be deleted from the index due to events such as mergers, takeovers, delistings, group changes, suspensions, surveillance objections, graded surveillance measure objections, spin-offs/demergers or bankruptcies.

Index constituents removed from the index's underlying universe are also deleted from the index on the same effective date.

Ongoing Maintenance

The index is also reviewed on an ongoing basis to account for events such as mergers, takeovers, delistings, group changes, suspensions, surveillance objections, graded surveillance measure objections, spin-offs/demergers or bankruptcies. Changes to index composition and related weight adjustments are made as soon as they are effective. These changes are typically announced one to five business days prior to the implementation date.

Graded Surveillance Measure (GSM)

On a monthly basis, companies added to the GSM list are dropped from the indices. The effective date of the drop is at the open of the Tuesday following the first Monday of each month. The reference date for the GSM list data is the third Friday of the previous month.

Any company dropped due to inclusion on the GSM list must remain off the list for six consecutive months prior to the rebalancing reference date to be reconsidered for index inclusion.

Regulatory Review

In addition to the index construction and constituent weighting rules, the index is checked for consistency with the four Securities and Exchange Board of India ("SEBI") norms on a quarterly basis.[1] If the norms are found not to have been adhered to during the period under review, the index committee, at its discretion and on a case-by-case basis, will take appropriate measures to ensure compliance with the SEBI norms. Any changes resulting from the regulatory review will take effect at the open of the Monday following the third Friday of March, June, September, and December.

Corporate Actions

The index follows the corporate action treatment for an FMC weighted index. The following table details the most common corporate actions and index treatment for the BSE Indices employing an FMC weighting scheme.

Corporate Action	Adjustment to Index	Divisor Adjustment?
Spin Off	In general, the parent company is dropped from the index. However, if information regarding price adjustment is available, the parent company may remain in the index with an adjusted price, at the discretion of the Index Committee.	Yes
Rights Offering	The rights price is adjusted and index shares will be increased as per the Rights Ratio.	Yes
Stock Dividend (Bonus), Stock split, Reverse Stock Split	Index shares are multiplied by, and price is divided by, the split factor.	No
Change in Shares (new issue, repurchase, warrant conversion etc.)	Index shares and weights will change as per the corporate action.	Yes
Special Dividend	Price of stock making special dividend is reduced by the per share special dividend amount after the close of trading on the day before the dividend ex-date.	Yes
Constituent Change	No intraday rebalancing.	No

[1] For details on the four SEBI norms, please refer to SEBI circular no: SEBI/HO/IMD/DF3/CIR/P/2019/011, available at https://www.sebi.gov.in/legal/circulars/jan-2019/portfolio-concentration-norms-for-equity-exchange-traded-funds-etfs-and-index-funds_41588.html.

Corporate Action	Adjustment to Index	Divisor Adjustment?
	Deletions due to delisting, acquisition or any other corporate event resulting in the deletion of the stock from the index causes the weights of the rest of the stocks in the index to change.	Yes
	Stocks that are reclassified into Z group between rebalancings are removed from the index as soon as practicable.	Yes

For more information on Corporate Actions, please refer to the Market Capitalization Indices section of BISPL Equity Index Policy.

Currency of Calculation and Additional Index Return Series

The index calculates in Indian rupees.

For information on the calculation of different types of indices, please refer to BISPL Index Mathematics Methodology.

Base Date

Index history availability, base date, and base value are shown in the table below.

Index	Launch Date	First Value Date	Base Date	Base Value
BSE 100 ESG Index[2]	10/26/2017	04/30/2014	04/30/2014	100

[2] Index history prior to Mar 24, 2025, is based on S&P Global ESG Scores and its associated methodology

Index Data

Calculation Return Types

BSE Index Services Pvt. Ltd. calculates multiple return types which vary based on the treatment of regular cash dividends. The classification of regular cash dividends is determined by BSE Index Services Pvt. Ltd.

- 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.

In the event there are no regular cash dividends on the ex-date, the daily performance of the above two 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, please refer to BISPL Equity Index Policy.

For more information on the calculation of return types, please refer to BISPL Index Mathematics Methodology.

Index Governance

Index Oversight Committee

The BSE Index Services Pvt. Ltd.'s Index Oversight Committee oversees the index. The Index Oversight Committee meets quarterly. At each meeting, the Index Oversight Committee reviews pending corporate actions that may affect index constituents, statistics comparing the composition of the index to the market, companies that are being considered as candidates for addition to the index, and any significant market events. In addition, the Index Oversight Committee may revise index policy covering rules for selecting companies, treatment of dividends, share counts or other matters.

BSE Index Services Pvt. Ltd. considers information about changes to its indices and related matters to be potentially market moving and material. Therefore, all Index Oversight Committee discussions are confidential.

BSE Index Services Pvt. Ltd.'s Index Oversight Committee reserves 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 its daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Oversight Committee reviews this methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, BSE Index Services Pvt. Ltd. may publish a consultation inviting comments from external parties.

For information on Quality Assurance and Internal Reviews of Methodology, please refer to BISPL Equity Index Policy.

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.

Pro-forma Files

In addition to the corporate events file (.SDE), BSE Index Services Pvt. Ltd. provides constituent pro-forma files each time the indices rebalance. The pro-forma file is typically provided daily days 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.bseindices.com for a complete schedule of rebalancing timelines and pro-forma delivery times.

Holiday Schedule

The index is calculated on all business days when the BSE is open.

A complete holiday schedule for the year is available on the BSE Ltd. Web site at https://www.bseindia.com.

Special Trading Sessions. The indices will be calculated on special trading sessions as declared by the BSE Ltd. Some examples include, but are not limited to, special trading sessions on Saturday and Mahurat trading. BSE Index Services Pvt. Ltd. will issue a notice to inform market participants regarding such special trading sessions.

If the special trading session falls on the Saturday following the third Friday of any rebalancing month, the new portfolio will be effective at the discretion of the Index Committee. BSE Index Services Pvt. Ltd. will issue a notice to inform market participants detailing when the new portfolio will become effective.

Rebalancing

The Index Oversight 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 BISPL Equity Index Policy.

Recalculation Policy

For information on the recalculation policy, please refer to BISPL Equity Index Policy.

For information on Calculations and Pricing Disruptions, Expert Judgment and Data Hierarchy, please refer to BISPL Equity Index Policy.

Contact Information

For any questions regarding an index, please contact: bseindex@bseindia.com

Index Dissemination

Index levels are available through BSE Ltd. Web site at *www.bseindia.com*, BSE Index Services Pvt. Ltd.'s Web site at *www.bseindices.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 versions of the below indices that may exist are also covered by this document.

Index	Return Type	Bloomberg
BSE 100 ESG Index	Price Return	ESG100
BSE 100 ESG Index	Total Return	ESG100T
BSE 100 ESG Index (USD)	Price Return	BS1EDU
BSE 100 ESG Index (USD)	Total Return	BS1EDUT

Index Data

Daily constituent and index level data are available via subscription.

For product information, please contact BSE Index Services Pvt. Ltd., www.bseindices.com/contact-us

Web site

For further information, please refer to BSE Index Services Pvt. Ltd.'s website at www.bseindices.com

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