

# INDEX GUIDELINE

*SOLACTIVE AGTECH AND FOOD INNOVATION V2 INDEX*

*Version 2.0*

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## TABLE OF CONTENTS

Introduction .....	3
1. Index Specifications .....	4
1.1. Scope of the Index .....	4
1.2. Identifiers and Publication .....	4
1.3. Initial Level of the Index .....	5
1.4. Prices and calculation frequency .....	5
1.5. Licensing.....	5
2. Index Selection .....	6
2.1. Index Universe Requirements.....	6
2.2. Selection of the Index Components .....	7
2.3. Weighting of the Index Components.....	9
3. Rebalance .....	10
3.1. Ordinary Rebalance .....	11
3.2. Extraordinary Rebalance .....	11
4. Calculation of the Index .....	12
4.1. Index formula .....	12
4.2. Accuracy .....	12
4.3. Adjustments.....	12
4.4. Corporate actions.....	13
4.5. Recalculation.....	14
4.6. Market Disruption.....	14
5. Miscellaneous .....	15
5.1. Discretion .....	15
5.2. Methodology Review.....	15
5.3. Changes in calculation method.....	15
5.4. Termination .....	16
5.5. Oversight .....	16
6. Definitions.....	17
Contact.....	18



## INTRODUCTION

This document (the "**GUIDELINE**") is to be used as a guideline with regard to the composition, calculation and maintenance of the Solactive AgTech and Food Innovation v2 Index (the "**INDEX**"). Any amendments to the rules made to the GUIDELINE are approved by the OVERSIGHT COMMITTEE specified in Section 5.5. The INDEX is owned, calculated, administered and published by Solactive AG ("**SOLACTIVE**") assuming the role as administrator (the "**INDEX ADMINISTRATOR**") under the Regulation (EU) 2016/1011 (the "**BENCHMARK REGULATION**" or "**BMR**"). The name "Solactive" is trademarked.

*The text uses defined terms which are formatted with "SMALL CAPS". Such Terms shall have the meaning assigned to them as specified in Section 6 (Definitions).*

**The GUIDELINE and the policies and methodology documents referenced herein contain the underlying principles and rules regarding the structure and operation of the INDEX. SOLACTIVE does not offer any explicit or tacit guarantee or assurance, neither pertaining to the results from the use of the INDEX nor the level of the INDEX at any certain point in time nor in any other respect. SOLACTIVE strives to the best of its ability to ensure the correctness of the calculation. There is no obligation for SOLACTIVE – irrespective of possible obligations to issuers – to advise third parties, including investors and/or financial intermediaries, of any errors in the INDEX. The publication of the INDEX by SOLACTIVE does not constitute a recommendation for capital investment and does not contain any assurance or opinion of SOLACTIVE regarding a possible investment in a financial instrument based on this INDEX.**



# 1. INDEX SPECIFICATIONS

## 1.1. SCOPE OF THE INDEX

Category	Description
Asset Class	Equity
Strategy	Representation of securities of companies that have business operations in Technologies for Agriculture and innovative Food Production and Distribution
Regional Allocation	Global Markets
Rebalancing Fee	-
Rebalancing Frequency	Semi-Annually

## 1.2. IDENTIFIERS AND PUBLICATION

The INDEX is published under the following identifiers:

Name	ISIN	Currency	Type	RIC	BBG ticker
Solactive AgTech and Food Innovation v2 Index PR	DE000SL0D1X0	USD	PR*	.SOKROP2P	-
Solactive AgTech and Food Innovation v2 Index	DE000SL0D1Y8	USD	NTR*	.SOLKROP2	SOLKROP2
Solactive AgTech and Food Innovation v2 Index GTR	DE000SL0D1Z5	USD	GTR*	.SOKROP2T	-

\*PR, NTR, GTR mean that the Index is calculated as price return, net total return, gross total return Index as described in the Equity Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>

The INDEX is published on the website of the INDEX ADMINISTRATOR ([www.solactive.com](http://www.solactive.com)) and is, in addition, available via the price marketing services of Boerse Stuttgart GmbH and may be distributed to all of its affiliated vendors. Each vendor decides on an individual basis as to whether it will distribute or display the INDEX via its information systems.

Any publication in relation to the INDEX (e.g. notices, amendments to the GUIDELINE) will be available at the website of the INDEX ADMINISTRATOR: <https://www.solactive.com/news/announcements/>.



### 1.3. INITIAL LEVEL OF THE INDEX

The initial level of the INDEX on the 24/09/2021, the START DATE, is 1000. Historical values from the 24/09/2021, the LIVE DATE, will be recorded in accordance with Article 8 of the BMR.

### 1.4. PRICES AND CALCULATION FREQUENCY

The level of the INDEX is calculated on each CALCULATION DAY from 1:00 a.m. to 10:50 p.m. CET based on the TRADING PRICES on the EXCHANGES on which the INDEX COMPONENTS are listed. TRADING PRICES of INDEX COMPONENTS not listed in the INDEX CURRENCY are converted using the current Intercontinental Exchange (ICE) spot foreign exchange rate. Should there be no current TRADING PRICE for an INDEX COMPONENT, the later of: (i) the most recent CLOSING PRICE; or (ii) the last available TRADING PRICE for the preceding TRADING DAY is used in the calculation.

In addition to the intraday calculation a closing level of the INDEX for each CALCULATION DAY is also calculated. This closing level is based on the CLOSING PRICES for the INDEX COMPONENTS on the respective EXCHANGES on which the INDEX COMPONENTS are listed. The CLOSING PRICES of INDEX COMPONENTS not listed in the INDEX CURRENCY are converted using the 04:00 p.m. London time WM Fixing quoted by Reuters. If there is no 04:00 p.m. London time WM Fixing for the relevant CALCULATION DAY, the last available 04:00 p.m. London time WM Fixing will be used for the closing level calculation.

### 1.5. LICENSING

Licenses to use the INDEX as the underlying value for financial instruments, investment funds and financial contracts may be issued to stock exchanges, banks, financial services providers and investment houses by SOLACTIVE.



## 2. INDEX SELECTION

On each SELECTION DAY, the INDEX ADMINISTRATOR will revise the composition of the INDEX.

In a first step, the INDEX ADMINISTRATOR determines the INDEX UNIVERSE in accordance with Section 2.1. The INDEX UNIVERSE comprises all those financial instruments which fulfill the INDEX UNIVERSE REQUIREMENTS (as specified in Section 2.1) and will constitute a starting pool from which the components of the INDEX will be selected. Based on this INDEX UNIVERSE, the new composition of the INDEX will be determined by applying the rules outlined in Section 2.2.

Each new INDEX COMPONENT will be assigned a weight as described in Section 2.3.

### 2.1. INDEX UNIVERSE REQUIREMENTS

The INDEX UNIVERSE is comprised of all financial instruments which fulfill the below requirements:

1. Primary listing in one of the countries that are part of the Developed Markets and Emerging Markets (excluding India) as defined by the Solactive Country Classification (<https://www.solactive.com/documents/>). China A-shares are eligible for inclusion provided they are available through the Stock Connect program.
2. SHARE CLASS MARKET CAPITALIZATION of at least USD 200,000,000 for companies that are not INDEX COMPONENTS on the respective SELECTION DAY and at least USD 160,000,000 for companies that are index components on the respective SELECTION DAY.
3. AVERAGE DAILY VALUE TRADED in the last six months of at least USD 2,000,000 for companies that are not INDEX COMPONENTS on the respective SELECTION DAY and at least USD 1,400,000 for companies that are index components on the respective SELECTION DAY.
4. FREE FLOAT percentage of total shares outstanding of at least 10% or a minimum FREE FLOAT MARKET CAPITALIZATION of USD 1,000,000,000.
5. To be considered for inclusion, IPOs with less than 6 calendar months of trading history as of the SELECTION DAY must have been listed at least 10 CALENDAR DAYS prior to the SELECTION DAY, in the case of SIGNIFICANT IPOs, and 3 calendar months prior to the SELECTION DAY, in the case of other IPOs.
6. Traded on 90% of the eligible TRADING DAYS for the 6 months preceding the SELECTION DAY, and 3 months in the case of IPOs. This requirement shall not apply to SIGNIFICANT IPOs.

(the "Index Universe Requirements").

The determination of the INDEX UNIVERSE is fully rule-based and the INDEX ADMINISTRATOR cannot make any discretionary decisions.



## 2.2. SELECTION OF THE INDEX COMPONENTS

Based on the INDEX UNIVERSE, the initial composition of the INDEX as well as any selection for an ordinary rebalance is determined on the SELECTION DAY in accordance with the following rules (the "**INDEX COMPONENT REQUIREMENTS**"):

The selection is done based on screening of publicly available information such as financial news, business profiles, and company publications using ARTIS®, SOLACTIVE'S proprietary natural language processing algorithm.

Using keywords that describe the two index themes, ARTIS® identifies companies that have or are expected to have significant exposure to the provision of products and/or services that contribute to the AgTech and Food Innovation industries. ARTIS analyses the products and/or services deemed to suit the two index themes separately.

Within both index themes, the algorithm then ranks the companies according to the frequency with which the company is referenced in relation to the specific keywords ("Index Score"). This may include companies involved in the following:

Relevant AgTech Activities:

1. Precision Agriculture: Technologies used to increase crop yields and reduce levels of traditional agricultural inputs (land, water, fertilizer, etc.) to grow crops more profitably/efficiently. Business activities include the development of Geographic Information System ("GIS") software and hardware for GIS-based agriculture, precision weed control technologies, soil and water sensors, weather tracking, and satellite imaging
2. Robotics/Automation: Technologies used to reduce labor and other farming inputs. Business activities include the development of farming drones and autonomous farm equipment for irrigation, soil management (agronomy), pollination, harvesting and processing (e.g. robotic-enabled harvesters)
3. Controlled Environment Agriculture ("CEA"): Technologies and systems that optimize plant and/or fish farming and use controlled environments to reduce the types and/or quantity of inputs required for farming. Business activities include vertical farming, hydroponics, aquaponics and aeroponics
4. Agricultural Biotechnology: Biological/genetic technologies used to enhance agricultural cultivation and yield. Business activities include the use of gene editing to develop crops with higher yield, less water requirements, greater insect resistance

Relevant Food Innovation Activities:

1. Protein & Dairy Alternatives: Products containing protein-rich ingredients sourced from plants, insects, fungi, or through tissue culture that replace conventional animal-based protein sources like meat and dairy. Business activities include the development of plant-based and/or food-technology (e.g. molecular based) alternative proteins and dairy



2. Food Waste Reduction: Technologies and/or systems designed to reduce food-waste in the supply chain. Business activities include the development of technology to track, monitor, and/or preserve food (e.g. blockchain-based food sourcing and tracking systems and software), as well as the development of products and services (e.g. marketplaces) that reduce food waste

Each company is then classified as follows according to the extent to which it generates revenues from relevant activities:

1. Pure-Play: Derives at least 50% of revenues from AgTech or Food Innovation Activities.
2. Pre-Revenue: Has primary business operations in AgTech or Food Innovation Activities but does not currently generate revenues.
3. Diversified: Derives revenues from AgTech or Food Innovation Activities but less than 50%.

The number of INDEX COMPONENTS differs for AgTech and Food Innovation and is determined as follows:

- AgTech: All companies classified as Pure-Play are included as INDEX COMPONENTS, up to a limit of 20 companies. If there are fewer than 15 companies classified as Pure-Play after all Pure-Plays have been included, Pre-Revenue companies are included until the INDEX reaches 15 INDEX COMPONENTS. If there are fewer than 15 INDEX COMPONENTS after all Pre-Revenue companies have been included, Diversified companies are included until the INDEX reaches 15 INDEX COMPONENTS. If fewer than 15 companies are identified that satisfy the above criteria, all eligible companies are selected and the INDEX consists of less than 15 AgTech INDEX COMPONENTS.
- Food Innovation: All companies classified as Pure-Play are included as INDEX COMPONENTS, up to a limit of 20 companies. If there are fewer than 15 companies classified as Pure-Play after all Pure-Plays have been included, Pre-Revenue companies are included until the INDEX reaches 15 INDEX COMPONENTS. If there are fewer than 15 INDEX COMPONENTS after all Pre-Revenue companies have been included, Diversified companies are included until the index reaches 15 INDEX COMPONENTS. If fewer than 15 companies are identified that satisfy the above criteria, all eligible companies are selected and the INDEX consists of less than 15 Food Innovation INDEX COMPONENTS.

In order to avoid excess turnover, the following buffer rules apply:

1. A Pure-Play company that is currently in the INDEX is only excluded if it does not have an Index Score anymore. A Pre-Revenue company that is currently in the INDEX is only excluded if it does not have an Index Score anymore, it no longer has primary business operations in AgTech or Food Innovation Activities, or if a Pure-Play company is added. A Diversified company that is currently in the INDEX is only excluded if it does not have an Index Score anymore, does not generate any revenues from AgTech or Food Innovation Activities, or if a Pure-Play or Pre-Revenue company is added.
2. If there are fewer than 15 AgTech or 15 Food Innovation Pure-Play Index Components, a new company is only added to the index if it is a Pure-Play Company, or if its Index Score ranks 10<sup>th</sup> or higher for AgTech or for Food Innovation and it is a Pre-Revenue or Diversified company. In this case, the last ranking Diversified company is removed if there is a Diversified Index Component, otherwise the last ranking Pre-Revenue Company is removed. If there are no Diversified Index





Components, a Diversified Company cannot be added to the index unless the index would fail to include 15 AgTech or 15 Food Innovation Index Components otherwise. If there are at least 15 but fewer than 20 AgTech or Food Innovation Pure-Play Index Components each, a new company is only added if it is a Pure-Play. If there are 20 or more AgTech or Food Innovation Pure-Play Index Components each, a new company is only added if it is a Pure Play and if its Index Score ranks 10<sup>th</sup> or higher for AgTech or for Food Innovation. In this case, the last ranking Pure-Play Index Component is removed.

The selection of the INDEX COMPONENTS is fully rule-based and the INDEX ADMINISTRATOR cannot make any discretionary decision.

## 2.3. WEIGHTING OF THE INDEX COMPONENTS

### 2.3.1. WEIGHTING OF THE INDEX COMPONENTS

On each SELECTION DAY each INDEX COMPONENT is assigned a weight according to FREE FLOAT MARKET CAPITALIZATION.

- 1) The maximum weight of an INDEX COMPONENT is 12%.
- 2) The minimum weight of an INDEX COMPONENT is 0.3%.
- 3) The aggregate weight of the INDEX COMPONENTS listed on a Russian stock exchange cannot exceed 15% of the index weight.
- 4) The aggregate weight of the INDEX COMPONENTS weighted above 4.5% is capped at 48%. The remaining companies are capped at 4.5%.
- 5) The aggregate weight of Pre-Revenue and Diversified companies cannot exceed 15% of the index weight, and the maximum weight of a Pre-Revenue or Diversified company is 4%.

The excess weight that results from implementing these constraints is redistributed proportionally in an iterative manner, such that none of the above constraints are breached.

If the total number of Pure-Play Companies falls below 15 and one of the weight constraints above is breached, the aggregate weight of Pre-Revenue and Diversified Companies will be increased in 1% steps until all other weighting constraints are not breached anymore, up to a limit of 18%.



## 2.3.2. REWEIGHTING OF THE INDEX COMPONENTS

On each REVIEW DAY the index is reweighted if at least one of the following two conditions is true:

- I. If the INDEX ADMINISTRATOR determines that the aggregate INDEX weight of the Diversified and Pre-Revenue INDEX COMPONENTS is greater than 20% on any REVIEW DAY, the aggregate INDEX weight of the Diversified and Pre-Revenue INDEX COMPONENTS is capped at 18%.

Here, the excess weight is redistributed proportionally from Diversified and Pre-Revenue INDEX COMPONENTS exceeding an index weight of 0.3%. If these INDEX COMPONENTS would drop below an index weight of 0.3% in the redistribution, they are floored at 0.3%.

If the aggregate INDEX weight of the Pure Play INDEX COMPONENTS weighted above 4.5% is below 48%, the excess weight is redistributed proportionally to the Pure Play INDEX COMPONENTS that are weighted below 12.0% up to a maximum of 12.0% for each company. Here, the final aggregate weight of the Pure Play INDEX COMPONENTS weighted above 4.5% is capped at 48%. The remaining companies are capped at 4.5%.

If the aggregate weight of the Pure Play INDEX COMPONENTS weighted above 4.5% is above 48%, the excess weight is redistributed proportionally to the Pure Play INDEX COMPONENTS that are weighted below 4.5% up to a maximum of 4.5% for each company.

- II. If the INDEX ADMINISTRATOR determines that the aggregate INDEX weight of INDEX COMPONENTS listed on a Russian stock exchange is greater than 15% on any REVIEW DAY, the aggregate INDEX weight of these INDEX COMPONENTS is capped at 15%.

Here, the excess weight is redistributed proportionally from INDEX COMPONENTS listed on a Russian stock exchange exceeding an index weight of 0.3%. If these INDEX COMPONENTS would drop below an index weight of 0.3% in the redistribution, they are floored at 0.3%.

If the aggregate INDEX weight of the Pure Play INDEX COMPONENTS weighted above 4.5% is below 48%, the excess weight is redistributed proportionally to the INDEX COMPONENTS not listed on a Russian stock exchange and weighted below 12.0% up to a maximum of 12.0% for each company. Here, the final aggregate weight of the Pure Play INDEX COMPONENTS weighted above 4.5% is capped at 48%. The remaining companies are capped at 4.5%.

If the aggregate weight of the Pure Play INDEX COMPONENTS weighted above 4.5% is above 48%, the excess weight is redistributed proportionally to the INDEX COMPONENTS not listed on a Russian stock exchange and weighted below 4.5% up to a maximum of 4.5% for each company.



## 3. REBALANCE

### 3.1. ORDINARY REBALANCE

In order to reflect the new selection of the INDEX COMPONENTS determined on the SELECTION DAY (in accordance with Section 2.1 and 2.2) the INDEX is adjusted on the REBALANCE DAY after CLOSE OF BUSINESS.

This is carried out by implementing the shares as determined on the FIXING DAY based on the weights calculated on the SELECTION DAY.

In addition, if the INDEX ADMINISTRATOR determines that the aggregate INDEX weight of Diversified and Pre-Revenue INDEX COMPONENTS is greater than 20% or that the aggregate INDEX weight of INDEX COMPONENTS listed on a Russian stock exchange is greater than 15% on any REVIEW DAY, then the index shall be reweighted on the ADJUSTMENT DAY that occurs immediately after such REVIEW DAY according to section 2.3.2 REWEIGHTING OF THE INDEX COMPONENTS.

For more information on the rebalance procedure please refer to the Equity Index Methodology, which is incorporated by reference and available on the Solactive website: <https://www.solactive.com/documents/equity-index-methodology/>.

SOLACTIVE will publish any changes made to the INDEX COMPONENTS with sufficient notice before the REBALANCE DAY on the SOLACTIVE webpage under the section "Error! Hyperlink reference not valid., which is available at <https://www.solactive.com/news/announcements/>

### 3.2. EXTRAORDINARY REBALANCE

The INDEX is not rebalanced extraordinarily.



## 4. CALCULATION OF THE INDEX

### 4.1. INDEX FORMULA

The INDEX is calculated as a price return, net total return and gross total return Index.

The calculation is performed according to the Equity Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>. The divisor index formula stipulates that the level of the INDEX changes based on the change of the prices of its INDEX COMPONENTS taking into account their weight in the INDEX and any currency conversion in case the price of an INDEX COMPONENT is quoted in a currency other than the INDEX CURRENCY.

Any dividends or other distributions are reinvested across the entire basket of INDEX COMPONENTS by means of a divisor at the opening of the effective date (the so-called ex-date) of the payment of such dividend or other distribution.

A more detailed description of the mechanics of the index calculation formula can be found in the Equity Index Methodology under Section 1.2.

### 4.2. ACCURACY

The level of the INDEX will be rounded to two decimal places. Divisors will be rounded to six decimal places. TRADING PRICES and foreign exchange rates will be rounded to six decimal places.

### 4.3. ADJUSTMENTS

Under certain circumstances, an adjustment of the INDEX may be necessary between two regular REBALANCE DAYS. Such adjustment has to be made if a corporate action (as specified in Section 4.4 below) in relation of an INDEX COMPONENT occurs. Such adjustment may have to be done in relation to an INDEX COMPONENT and/or may also affect the number of INDEX COMPONENTS and/or the weighting of certain INDEX COMPONENTS and will be made in compliance with the Solactive Equity Index Methodology, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>.

SOLACTIVE will announce the INDEX adjustment giving a notice period of at least two TRADING DAYS (with respect to the affected INDEX COMPONENT) on the SOLACTIVE website under the Section "Announcements", which is available at <https://www.solactive.com/news/announcements/>. The INDEX adjustments will be implemented on the effective day specified in the respective notice.



## 4.4. CORPORATE ACTIONS

As part of the INDEX maintenance SOLACTIVE will consider various events – also referred to as corporate actions – which result in an adjustment to the INDEX between two regular REBALANCE DAYS. Such events have a material impact on the price, weighting or overall integrity of INDEX COMPONENTS. Therefore, they need to be accounted for in the calculation of the INDEX. Corporate actions will be implemented from the cum-day to the ex-day of the corporate action, so that the adjustment to the INDEX coincides with the occurrence of the price effect of the respective corporate action.

Adjustments to the INDEX to account for corporate actions will be made in compliance with the Equity Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>. This document contains for each corporate action a brief definition and specifies the relevant adjustment to the INDEX variables.

While SOLACTIVE aims at creating and maintaining its methodology for treatment of corporate actions as generic and transparent as possible and in line with regulatory requirements, it retains the right in accordance with the Equity Index Methodology to deviate from these standard procedures in case of any unusual or complex corporate action or if such a deviation is made to preserve the comparability and representativeness of the INDEX over time.

SOLACTIVE considers following, but not conclusive, list of corporate actions as relevant for INDEX maintenance:

- > Cash Distributions (e.g. payment of a dividend)
- > Stock distributions (e.g. payment of a dividend in form of additional shares)
- > Stock distributions of another company (e.g. payment of a dividend in form of additional shares of another company (e.g. of a subsidiary))
- > Share splits (company's present shares are divided and therefore multiplied by a given factor)
- > Reverse splits (company's present shares are effectively merged)
- > Capital increases (such as issuing additional shares)
- > Share repurchases (a company offer its shareholders the option to sell their shares to a fixed price)
- > Spin-offs (the company splits its business activities into two or more entities and distributes new equity shares in the created entities to the shareholders of the former entity)
- > Mergers & Acquisitions (transaction in which the ownership of a company (or other business organizations) are transferred or consolidated with other entities, e.g. fusion of two or more separate companies into one entity)
- > Delistings (company's shares are no longer publicly traded at a stock exchange)
- > Nationalization of a company (effective control of a legal entity is taken over by a state)
- > Insolvency



## 4.5. RECALCULATION

SOLACTIVE makes the greatest possible efforts to accurately calculate and maintain its indices. However, errors in the determination process may occur from time to time for variety reasons (internal or external) and therefore, cannot be completely ruled out. SOLACTIVE endeavors to correct all errors that have been identified within a reasonable period of time. The understanding of “a reasonable period of time” as well as the general measures to be taken are generally depending on the underlying and is specified in the Solactive Correction Policy, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/correction-policy/>.

## 4.6. MARKET DISRUPTION

In periods of market stress SOLACTIVE calculates its indices following predefined and exhaustive arrangements as described in the Solactive Disruption Policy, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/disruption-policy/>. Such market stress can arise due to a variety of reasons, but generally results in inaccurate or delayed prices for one or more INDEX COMPONENTS. The determination of the INDEX may be limited or impaired at times of illiquid or fragmented markets and market stress.



## 5. MISCELLANEOUS

### 5.1. DISCRETION

Any discretion which may need to be exercised in relation to the determination of the INDEX (for example the determination of the INDEX UNIVERSE (if applicable), the selection of the INDEX COMPONENTS (if applicable) or any other relevant decisions in relation to the INDEX) shall be made in accordance with strict rules regarding the exercise of discretion or expert judgement.

### 5.2. METHODOLOGY REVIEW

The methodology of the INDEX is subject to regular review, at least annually. In case a need of a change of the methodology has been identified within such review (e.g. if the underlying market or economic reality has changed since the launch of the INDEX, i.e. if the present methodology is based on obsolete assumptions and factors and no longer reflects the reality as accurately, reliably and appropriately as before), such change will be made in accordance with the Solactive Methodology Policy, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/methodology-policy/>.

Such change in the methodology will be announced on the SOLACTIVE website under the Section "Error! Hyperlink reference not valid." which is available at <https://www.solactive.com/news/announcements/>. The date of the last amendment of this INDEX is contained in this GUIDELINE.

### 5.3. CHANGES IN CALCULATION METHOD

The application by the INDEX ADMINISTRATOR of the method described in this document is final and binding. The INDEX ADMINISTRATOR shall apply the method described above for the composition and calculation of the INDEX. However, it cannot be excluded that the market environment, supervisory, legal and financial or tax reasons may require changes to be made to this method. The INDEX ADMINISTRATOR may also make changes to the terms and conditions of the INDEX and the method applied to calculate the INDEX that it deems to be necessary and desirable in order to prevent obvious or demonstrable error or to remedy, correct or supplement incorrect terms and conditions. The INDEX ADMINISTRATOR is not obliged to provide information on any such modifications or changes. Despite the modifications and changes, the INDEX ADMINISTRATOR will take the appropriate steps to ensure a calculation method is applied that is consistent with the method described above.



## 5.4. TERMINATION

SOLACTIVE makes the greatest possible efforts to ensure the resilience and continued integrity of its indices over time. Where necessary, SOLACTIVE follows a clearly defined and transparent procedure to adapt Index methodologies to changing underlying markets (see Section 5.2 "Methodology Review") in order to maintain continued reliability and comparability of the indices. Nevertheless, if no other options are available the orderly cessation of the INDEX may be indicated. This is usually the case when the underlying market or economic reality, which an index is set to measure or to reflect, changes substantially and in a way not foreseeable at the time of inception of the index, the index rules, and particularly the selection criteria, can no longer be applied coherently or the index is no longer used as the underlying value for financial instruments, investment funds and financial contracts.

SOLACTIVE has established and maintains clear guidelines on how to identify situations in which the cessation of an index is unavoidable, how stakeholders are to be informed and consulted and the procedures to be followed for a termination or the transition to an alternative index. Details are specified in the Solactive Termination Policy, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/termination-policy/>.

## 5.5. OVERSIGHT

An oversight committee composed of staff from SOLACTIVE and its subsidiaries (the "**OVERSIGHT COMMITTEE**") is responsible for decisions regarding any amendments to the rules of the INDEX. Any such amendment, which may result in an amendment of the GUIDELINE, must be submitted to the OVERSIGHT COMMITTEE for prior approval and will be made in compliance with the Methodology Policy, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/methodology-policy/>.





## 6. DEFINITIONS

An IPO is considered to be a **"SIGNIFICANT IPO"** if its company level total market capitalization is greater than the company level total market capitalization of at least 50% of the on-going index constituents as of the previous Selection Day.

**"ADJUSTMENT DAY"** is the last BUSINESS DAY in February and August. If that day is not a TRADING DAY or CALCULATION DAY the ADJUSTMENT DAY will be the immediately following TRADING DAY.

**"AVERAGE DAILY VALUE TRADED"** means, in respect of an INDEX COMPONENT, the sum of DAILY VALUE TRADED over the specified period divided by the number of TRADING DAYS that fall in the specified period.

**"BENCHMARK REGULATION"** shall have the meaning as defined in Section "Introduction".

**"BMR"** shall have the meaning as defined in Section "Introduction".

**"BUSINESS DAY"** is every day from Monday to Friday.

**"CALCULATION DAY"** is every weekday from Monday to Friday. A day on which the New York Stock Exchange (NYSE) and/or the NASDAQ is not open for general business is not a CALCULATION DAY.

**"CALENDAR DAY"** is every day from Monday to Sunday.

**"CLOSE OF BUSINESS"** is the calculation time of the closing level of the INDEX as outlined in Section 1.4.

The **"CLOSING PRICE"** in respect of an INDEX COMPONENT and a TRADING DAY is a security's final regular-hours TRADING PRICE published by the EXCHANGE and determined in accordance with the EXCHANGE regulations. If the EXCHANGE has no or has not published a CLOSING PRICE in accordance with the EXCHANGE rules for an INDEX COMPONENT, the last TRADING PRICE will be used.

**"DAILY VALUE TRADED"** means, in respect of an INDEX COMPONENT and a TRADING DAY, the product of (i) the CLOSING PRICE of such INDEX COMPONENT and (ii) the volume traded (measured as a number of shares) of such INDEX COMPONENT on the EXCHANGE during such TRADING DAY.

**"EXCHANGE"** is with respect to the INDEX and every INDEX COMPONENT, the respective exchange where the INDEX COMPONENT has its listing as determined in accordance with the rules in Section 2.

The **"FREE FLOAT"** is with regard to each of the securities fulfilling the Index Component Requirements on a SELECTION DAY the share class-specific fraction of the total number of shares of such share class issued that are available for trading by market participants and not locked-in by long term holders, as sourced from data vendors.

The **"FREE FLOAT MARKET CAPITALIZATION"** is with regard to each of the securities fulfilling the Index Component Requirements on a SELECTION DAY the share class-specific free float market capitalization. It is calculated as the multiplication of the shares outstanding in FREE FLOAT (as sourced from data vendors) with the CLOSING PRICE of the share class as of the respective SELECTION DAY.

**"GUIDELINE"** shall have the meaning as defined in Section "Introduction".

**"INDEX"** shall have the meaning as defined in Section "Introduction".



“**INDEX ADMINISTRATOR**” shall have the meaning as defined in Section “Introduction”.

“**INDEX COMPONENT**” is each security reflected in the INDEX.

“**INDEX COMPONENT REQUIREMENTS**” shall have the meaning as defined in Section 2.2.

“**INDEX CURRENCY**” is the currency specified in the column “Currency” in the table in Section 1.2.

“**INDEX UNIVERSE REQUIREMENTS**” shall have the meaning as defined in Section 2.1.

“**INDEX UNIVERSE**” is the sum of all financial instruments which fulfill the INDEX UNIVERSE REQUIREMENTS.

“**LIVE DATE**” shall have the meaning as defined in Section 1.3.

“**OVERSIGHT COMMITTEE**” shall have the meaning as defined in Section 5.5.

“**REBALANCE DAY**” is the last BUSINESS DAY in May and November. If that day is not a TRADING DAY or CALCULATION DAY the REBALANCE DAY will be the immediately following TRADING DAY.

“**REVIEW DAY**” is 20 BUSINESS DAYS before the ADJUSTMENT DAY, disregarding any potential change of the ADJUSTMENT DAY. If that day is not a CALCULATION DAY, the REVIEW DAY will be the previous CALCULATION DAY.

“**SELECTION DAY**” is 20 BUSINESS DAYS before the REBALANCE DAY, disregarding any potential change of the REBALANCE DAY. If that day is not a CALCULATION DAY, the SELECTION DAY will be the previous CALCULATION DAY.

“**FIXING DAY**” is 10 BUSINESS DAYS before the REBALANCE DAY or ADJUSTMENT DAY, disregarding any potential change of the REBALANCE DAY OR ADJUSTMENT DAY. If that day is not a CALCULATION DAY, the FIXING DAY will be the previous CALCULATION DAY.

“**SOLACTIVE**” shall have the meaning as defined in Section “Introduction”.

“**START DATE**” shall have the meaning as defined in Section 1.3.

“**TRADING DAY**” is with respect to an INDEX COMPONENT included in the INDEX at the REBALANCE DAY and every INDEX COMPONENT included in the INDEX at the CALCULATION DAY immediately following the REBALANCE DAY (for clarification: this provision is intended to capture the TRADING DAYS for the securities to be included in the INDEX as new INDEX COMPONENTS with close of trading on the relevant EXCHANGE on the REBALANCE DAY) a day on which the relevant EXCHANGE is open for trading (or a day that would have been such a day if a market disruption had not occurred), excluding days on which trading may be ceased prior to the scheduled EXCHANGE closing time and days on which the EXCHANGE is open for a scheduled shortened period. The INDEX ADMINISTRATOR is ultimately responsible as to whether a certain day is a TRADING DAY.

The “**TRADING PRICE**” in respect of an INDEX COMPONENT and a TRADING DAY is the most recent published price at which the INDEX COMPONENT was traded on the respective EXCHANGE.

# CONTACT

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