



# GUIDELINE The Global Sustainability Leaders Index

Version 1.0 dated November 29th, 2017

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This document contains the underlying principles and regulations regarding the structure and the operating of the The Global Sustainability Leaders Index. Solactive AG shall make every effort to implement regulations. Solactive AG does not offer any explicit or tacit guarantee or assurance, neither pertaining to the results from the use of the Index nor the Index value at any certain point in time nor in any other respect. The Index is merely calculated and published by Solactive AG and it strives to the best of its ability to ensure the correctness of the calculation. There is no obligation for Solactive AG – 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 AG is no recommendation for capital investment and does not contain any assurance or opinion of Solactive AG regarding a possible investment in a financial instrument based on this Index.



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# Introduction

This document is to be used as a guideline with regard to the composition, calculation and management of the Index. Any changes made to the guideline are initiated by the Committee specified in section 1.6. The Index is calculated and published by Solactive AG. The name "Solactive" is copyrighted.

# **1 Index specifications**

*The Global Sustainability Leaders Index* (*"The Global Sustainability Leaders Index", the "Index"*) is an Index developed by Sustainalytics, and is calculated and distributed by Solactive AG.

The Global Sustainability Leaders Index (GSLI) is a stock index composed of the top 100 representative group of companies that were selected on the basis of their environmental, social and corporate governance (ESG) performance. Including UN Global Compact Signatories and excluding companies involved in tobacco, the Index does not look at ESG performance in isolation of basic financial health. Rather it marries corporate performance on ESG issues with a consistent base-line profitability.

The Index is a calculated as a Price Return [PR], a Gross Total Return [GTR], and a Net Total Return [NTR] index. No withholding tax rate is applied to regular (reinvested in the Gross Total Return Index) and special cash distributions (reinvested into Price Return Index and Gross Total Return Index).

The Index is published in U.S. Dollar [USD].

# 1.1 Short name and ISIN

The Index is distributed under the following identifiers:

Name	Characteristic	ISIN	WKN	Reuters	Bloomberg
The Global Sustainability Leaders Index (PR)	Price Return	DE000SLA5A81	SLA5A8	.GSLIPR	GSLIPR Index
The Global Sustainability Leaders Index (GTR)	Gross Total Return	DE000SLA5A99	SLA5A9	.GSLIGTR	GSLIGTR Index
The Global Sustainability Leaders Index (NTR)	Net Total Return	DE000SLA5BA0	SLA5BA	.GSLINTR	GSLINTR Index

#### **1.2 Initial value**

The Index is based on 100 at the close of trading on the start date, October 1st, 2012.



### 1.3 Distribution

The Index is published via the price marketing services of Boerse Stuttgart AG and is distributed to all affiliated vendors. Each vendor decides on an individual basis as to whether he will distribute/display the Index via his information systems.

#### 1.4 Prices and calculation frequency

The price of the Index is calculated on each Business Day based on the prices on the respective Exchanges on which the Index Components are listed. The most recent prices of all Index Components are used. Prices of Index Components not listed in the Index Currency are translated using spot foreign exchange rates quoted by Reuters. Should there be no current price available on Reuters, the most recent price or the Trading Price on Reuters for the preceding Trading Day is used in the calculation. The daily Index Closing Level is calculated using Reuters/WMCO closing spot rates as at 4pm London time.

The Index is calculated every Business Day from 9:00am to 10:30pm, CET. In the event that data cannot be provided to Reuters or to the pricing services of Boerse Stuttgart AG the Index cannot be distributed.

#### 1.5 Weighting

The weight of each index member is determined as a part of the selection process and thus described in Section 2.1.

#### 1.6 Decision-making bodies

A Committee composed of staff from Solactive AG is responsible for decisions regarding the composition of the Index as well as any amendments to the rules (in this document referred to as the "Committee" or the "Index Committee"). The future composition of the Index is determined by the Committee on the Selection Days according to the procedure outlined in 2.1 of this document. The Committee shall also decide about the future composition of the Index if any Extraordinary Events should occur, and the implementation of any necessary adjustments.

Members of the Committee can recommend changes to the guideline and submit them to the Committee for approval.

#### 1.7 Publication

All specifications and information relevant for calculating the Index are made available on the http://www.solactive.de web page and sub-pages.

#### 1.8 Historical data

Historical data will be maintained from the launch of the Index on December 11th, 2017.



### 1.9 Licensing

Licences to use the Index as the underlying value for derivative instruments are issued to stock exchanges, banks, financial services providers and investment houses by Sustainalytics.

# 2 Composition of the Index

#### 2.1 Selection of the Index Components

The initial composition of the Index as well as any ongoing adjustment is based on the following rules:

On the Selection Days, Solactive AG defines the Index Universe according to the rules outlined in Section 4. The selection of the 100 index constituents as well as the determination of their weights proceeds according to the following steps:

- 1. All securities in the Index Universe are ranked according to their ESG Score in descending order. To avoid any doubt, the security with the highest rank has the highest ESG Score.
- 2. The initial value of the auxiliary variable is set as Multiplier = 1.
- 3. For each stock *i* from Sector *s* and Region *r* in the Index Universe (starting with the best ranked stock from step 1 and moving down the list):
  - (i) Count all securities in the Index Universe with a positive constrained weight of stock *i* in Sector *s* within Region *r*, *ConstrainedWt*<sub>*i*,*s*,*r*</sub>. If the number of securities

a. is greater than 100 the variable Multiplier = Multiplier - 0.0001

b. is smaller than 100 the variable *Multiplier* = *Multiplier* + 0.0001

When the procedure starts with security i=1, this number will be set = 1

(ii) The remaining allocation,  $RemAlloc_{i,s,r}$ , for stock *i* belonging to Sector *s* within Region *r* is given by:

$$RemAlloc_{i,s,r} = (TotalWt_{s,r}^{Benchmark} - \sum_{j}^{i-1} ConstrainedWt_{j,s,r})$$

where:

 $TotalWt_{s,r}^{Benchmark}$  = Total allocation in Sector *s* within Region *r* in the Benchmark.

*ConstrainedWt*<sub>*i,s,r*</sub> = Constrained weight of stock *i* in Sector *s* within Region *r* 

(iii) If  $RemAlloc_{i,s,r}$  determined in 3.(ii) is greater than zero, the constrained weight of stock *i* in Sector *s* within Region *r*, *ConstrainedWt*<sub>*i*,*s*,*r*</sub>, is calculated as follows:



	$ConstrainedWt_{i,s,r} = \min\left(8\%, \frac{MktCapRatio_i}{Multiplier}, ADVWtCap_i\right)$
where:	
MktCapRatio <sub>i</sub>	$=\frac{MktCap_i}{\sum_{i=1}^n MktCap_i}$
MktCap <sub>i</sub>	= Free Float Market Cap of security <i>i</i> .
n	= indicates the stock with the lowest rank from step 1.
ADVWtCap <sub>i</sub>	$= \frac{ADV_i \times 8\% \times 5}{2,000,000,000}$
ADV <sub>i</sub>	= Average Daily Value traded of stock $i$ over the 3 months prior to and including the
	Selection Day.

- (iv) If  $RemAlloc_{i,s,r}$  determined in 3.(ii) is smaller or equal to zero the constrained weight of stock *i* in Sector *s* within Region *r*, *ConstrainedWt*<sub>*i*,*s*,*r*</sub> = 0.
- (v) Steps 3.(i) 3.(iv) are repeated until there are exactly 100 stocks with constrained weight,  $ConstrainedWt_{i,s,r}$  greater than 0.
- 4. The Adjusted Weight of stock i,  $AdjWt_i$ , is calculated by the following formula:

$$AdjWt_{i} = \min\left(8\%, ADVWtCap_{i}, \frac{ConstrainedWt_{i} \times TotalWt_{s,r}^{Benchmark}}{\sum_{i}^{100}ConstrainedWt_{i,s,r}}\right)$$

where:

 $\sum_{i=1}^{100} ConstrainedWt_{i,s,r} = \text{The sum of all constrained weights of stocks assigned to the same Sector s within Region r.}$ 

5. The Final Weight of stock *i*,  $FinalWt_i$ , is determined as follows:

$$FinalWt_{i} = \min\left(10\%, 1.5 \times ADVWtCap_{i}, \frac{AdjWt_{i} \times TotalWt_{r}^{Benchmark}}{\sum_{i}^{100} AdjWt_{i,r}}\right)$$

where:

 $TotalWt_r^{Benchmark}$ = Total allocation in Region r in the Benchmark (across all sectors s) $\sum_i^{100} AdjWt_{i,r}$ = The sum of all Adjusted Weights of stocks assigned to the same Region r (across all sectors s).

6. In the case where the sum of  $FinalWt_i$  over all 100 remaining securities does not add up to 100%, the Final Index Weight, IndexWt\_i, of each security *i* is rescaled as follows:

 $IndexWt_{i} = min\left(10\%, 1.5 \times ADVWtCap_{i}, \frac{FinalWt_{i} * \left[\sum_{i}^{100} FinalWt_{i,r}^{UNCAPPED} + (TotalWt_{r}^{Benchmark} - \sum_{i}^{100} FinalWt_{i,r})\right]}{\sum_{i}^{100} FinalWt_{i,r}^{UNCAPPED}}\right)$ 

where:

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\sum_{i}^{100} FinalW t_{i,r}^{UNCAPPED} = The sum of all Final Weights which have not been capped, i.e. with a weight unequal to 10% or <math>1.5 \times ADVWtCap_i,
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- 7. In the case where the sum of  $IndexWt_i$  over all 100 remaining securities does not add up to 100%, the Final Index Weight, IndexWt<sub>i</sub>, of each security *i* is rescaled again as follows:
  - (i) If the difference between the sum of  $IndexWt_i$  and 100% is greater than 0.5%, this difference will be invested in a interest-free cash position until the next Adjustment Date.
  - (ii) If the difference between the sum of  $IndexWt_i$  and 100% is smaller or equal to 0.5%, this difference is redistributed proportionally across all 100 index members.
- 8. Finally, Emerging Markets Securities are replaced by an available American Depositary Receipt or Depositary Receipt (hereafter abbreviated generically by ADR) if:

 $1.5 \times ADVWtCap_i^{ADR} > IndexWt_i$ 

where:

$ADVWtCap_i^{ADR}$	$=\frac{ADV_i^{ADR} \times 8\% \times 5}{2,000,000,000}$
$ADV_i^{ADR}$	= Average Daily Value traded of the ADR over the 3 months prior to and including the
	Selection Day

#### 2.2 Ordinary adjustment

The composition of the Index is ordinarily reviewed once a year on the 5<sup>th</sup> last calendar in September. The composition of the Index is adjusted on the Adjustment Day.

The Index is rebalanced annually over a five-day period to ensure that rebalance transactions stay below the Average Daily Trading Volumes. Beginning on the Adjustment Day, and continuing until the fourth Common Business Day following the Adjustment Day, the weights of the constituents of the index on the n-th day are set as follows:

$$Weight_i(t_0 + n - 1) = Weight_i(t_0 - 1) + \frac{n * (Weight_i^* - Weight_i(t_0 - 1))}{D}, 0 < n \le 5$$

Where:

t <sub>0</sub>	= First Adjustment Day
$W eight_i(t)$	= Weight of Company i at time t
$W eight_i^*$	= Target Weight of company i after the rebalance
n	= n-th day of the rebalancing period

# D

#### = Total Rebalancing Days (=5)

The first adjustment will be made in in October 2018 based on the Trading Prices of the Index Components on the Adjustment Day.

Additionally, the weight of each security is reset to the weight determined on the preceding Selection Day (described in Section 2.1) on the Weight Reset Dates.

Solactive AG shall publish any changes made to the Index composition on the Selection Day and consequently with sufficient notice before the Adjustment Day.

#### 2.3 Extraordinary adjustment

An extraordinary adjustment, if applicable, is triggered and applied in compliance with the rules set forth in the Solactive Guideline for Extraordinary Corporate Actions.



# **3** Calculation of the Index

# 3.1 Index formula

The Index is an index whose value on a Business Day is equivalent to the sum over all Index Components of the products of (a) the Number of Shares of the Index Component and (b) the price of the Index Component at the respective Exchange.

As a formula:

$$Index_t = \sum_{i=1}^n x_{i,t} * p_{i,t}$$

With:

x <sub>i,t</sub>	= Number of Shares of the Index Component i on Trading Day t
$p_{i,t}$	= Price of Index Component i on Trading Day t in Index Currency

#### 3.2 Accuracy

The value of the Index will be rounded to two decimal places.

Trading Prices will be rounded to six decimal places.

#### 3.3 Adjustments

Indices need to be adjusted for systematic changes in prices once these become effective. This requires the new Number of Shares of the affected Index Component to be calculated on an ex-ante basis.

The Index is adjusted for distributions, capital increases, rights issues, splits, par value conversions and capital reductions.

This procedure ensures that the first ex quote can be properly reflected in the calculation of the Index. This ex-ante procedure assumes the general acceptance of the Index calculation formula as well as open access to the parameter values used. The calculation parameters are provided by Solactive AG.

Any delay in calculating the new Number of Shares of an Index Component would create problems. Therefore, the procedure described above is the most appropriate.

#### 3.4 Dividends and other distributions

Regular Cash Distributions and Special distributions are included in the Gross Return and Net Return indices (Only Special Distributions are included in the Price Return indices). They cause an adjustment of the Number of Shares of the corresponding Index Component. The new Number of Shares is calculated as follows:

$$x_{i,t} = x_{i,t-1} * \frac{p_{i,t-1}}{p_{i,t-1} - D_{i,t}}$$

With:

 $x_{i,t}$ = Number of Shares of the Index Component i on Trading Day t $D_{i,t}$ = Payment on Trading Day t multiplied by the Dividend Correction Factor of the respective country.

#### 3.5 Corporate actions

#### 3.5.1 Principles

Following the announcement by a company included in the Index of the terms and conditions of a corporate action the Index Calculator determines whether such corporate action has a dilution, concentration or other effect on the price of the Index Component.

If this should be the case the Index Calculator shall make the necessary adjustments to the affected Index Component and/or the formula for calculating the Index and/or to other terms and conditions of this document that he deems appropriate in order to take into account the dilution, concentration or other effect and shall determine the date on which this adjustment shall come into effect.

Amongst other things the Index Calculator can take into account the adjustment made by an Affiliated Exchange as a result of the corporate action with regard to option and futures contracts on the respective share traded on this Affiliated Exchange.

#### 3.5.2 Capital increases

In the case of capital increases (from the company's own resources or through cash contributions) the new Numbers of Shares are calculated as follows:

$$x_{i,t} = x_{i,t-1} * \frac{p_{i,t-1}}{p_{i,t-1} - rB_{i,t-1}}$$
 with:  $rB_{i,t-1} = \frac{p_{i,t-1} - B - N}{BV + 1}$ 

With:

x <sub>i,t</sub>	= Number of Shares of Index Component i on the day of the distribution
$x_{i,t-1}$	= Number of Shares of Index Component i on the day prior to the distribution
$p_{i,t-1}$	= Closing price on the day prior to ex date
$rB_{i,t-1}$	= Calculated value of rights issue
В	= Price of rights issue
Ν	= Dividend disadvantage
BV	= Subscription ratio

B = 0 if capital is increased from the company's own resources.

The last dividend paid or the announced dividend proposal is applied as the dividend disadvantage.

### 3.5.3 Capital reductions

In the case of capital reductions, the new Number of Shares is determined as follows:

$$x_{i,t} = x_{i,t-1} * \frac{1}{H_{i,t}}$$

With:

$H_{i,t}$	= Reduction ratio of the company on day t
x <sub>i,t</sub>	= Number of Shares of the affected Index Component on the day of the distribution
$x_{i,t-1}$	= Number of Shares of the affected Index Component on the day prior to the distribution

#### 3.5.4 Share splits and par value conversions

In the case of share splits and par value conversions it is assumed that the prices change in ratio to the number of shares or to the par values. The new Number of Shares is calculated as follows:

$$x_{i,t} = x_{i,t-1} * \frac{N_{i,t-1}}{N_{i,t}}$$

With:

$N_{i,t-1}$	= Former par value of security class i (or new number of shares)
N <sub>i,t</sub>	= New par value of security class i (or former number of shares)
$x_{i,t}$	= Number of Shares of the affected Index Component on the day of the distribution

 $x_{i,t-1}$  = Number of Shares of the affected Index Component on the day prior to the distribution

# **3.6 Miscellaneous**

#### **3.6.1 Recalculation**

Solactive AG makes the greatest possible efforts to accurately calculate and maintain its indices. However, the occurrence of errors in the index determination process cannot be ruled out. In such cases Solactive AG adheres to its publicly available Correction Policy.

### 3.6.2 Market Disruption

In periods of market stress Solactive AG calculates its indices following predefined and exhaustive arrangements set out in its publicly available Disruption Policy.



#### 4. Definitions

**"Index Universe":** Sustainalytics or any other appropriately appointed successor in this function provides on an annual basis, a Starting Universe consisting of publicly listed companies or their parent company that are Global Compact Signatories, fall within the research universe of Sustainalytics, not involved in tobacco and are not in significant breach of Global Compact principles. Solactive AG then obtains the Index Universe in respect of a Selection Day by retaining all securities from the Starting Universe which fulfill the following conditions:

- 1. Company is public.
- 2. Average Daily Value traded over the 3 months (ADV) prior to and including the Selection Day of at least USD 10 million.
- 3. Free Float Market Capitalisation of at least USD 500 million.
- 4. The Average over the last three reported annual Earnings Before Interest and Taxes (EBIT) figures must be positive. For all securities, which are assigned to the Sector "Finance" EBIT is replaced by Earnings Before Taxes (EBT).
- 5. Sustainalytics ESG Score is greater than Median ESG score of all companies assigned to the same Sector. The Median is calculated excluding the securities, that do not fulfill the criteria outlined in step 3.
- 6. Sustainalytics ESG Score is greater than Median ESG score of all companies assigned to the same Region. The Median is calculated excluding the securities, that do not fulfill the criteria outlined in step 3.

"Index Component" is each share currently included in the Index.

"Number of Shares" is in respect of an Index Component and any given Business Day the number or fraction of shares included in the Index. It is calculated for any Index Component as the ratio of (A) the Percentage Weight of an Index Component multiplied by the Index value and (B) its Trading Price.

"Percentage Weight" of an Index Component is the ratio of its Trading Price multiplied by its Number of Shares divided by the Index value.

"Sector" is provided by FactSet under the field "FG\_FACTSET\_ECONOMY"

"Region" is Asia/Pacific, Europe, United States and Canada, Africa/Middle East, Latin America/Caribbean

"Average Daily Value Traded (ADV)" means, in respect of a Share, the sum of Daily Trading Volumes over a specified period divided by the number of Exchange Trading Days that fall in the specified period.

**"Emerging Markets Securities"** are defined as securities which are denominated in any other than the following currencies: Australian Dollar, Canadian Dollar, Swiss Franc, Euro, UK Pound Sterling, Japanese Yen, New Zealand Dollar, Norwegian Krone, Swedish Krona, Hong Kong Dollar, Singapore Dollar, US Dollar, Israeli New Shekel , Danish Krone.

The **"Benchmark"** is a portfolio of stocks assembled and compiled by Solactive AG consisting of stocks that fulfill the following criteria:

1. Domiciled in a country classified under Developed Markets or Emerging Markets according to the <u>Solactive</u> <u>country classification system</u>.

2. Average Daily Value traded over the 3 months (ADV) prior to and including the Selection Day of at least USD 1.5 million.

The total Allocations of the benchmark within regions and sectors within regions are then calculated for each stock based on its respective market capitalisation.

**"Dividend Correction Factor"** is calculated as 1 minus the applicable withholding tax rate and/or other applicable tax rate currently prevalent in the respective country.

In particular an "Extraordinary Event" is

- a Merger
- a Takeover bid
- a delisting
- the Nationalisation of a company
- Insolvency.
- Significant breach of UN Global Compact Principles

The Trading Price for this Index Component on the day the event came into effect is the last available market price for this Index Component quoted on the Exchange on the day the event came into effect (or, if a market price is not available for the day the event came into effect, the last available market price quoted on the Exchange on a day specified as appropriate by the Index Calculator), as determined by the Index Calculator, and this price is used as the Trading Price of the particular Index Component until the end of the day on which the composition of the Index is next set.

In the event of the Insolvency of an issuer of an Index Component the Index Component shall remain in the Index until the next Adjustment Day. As long as a market price for the affected Index Component is available on a Business Day, this shall be applied as the Trading Price for this Index Component on the relevant Business Day, as determined in each case by the Index Calculator. If a market price is not available on a Business Day the Trading Price for this Index Component is set to zero. The Committee may also decide to eliminate the respective Index Component at an earlier point in time prior to the next Adjustment Day. The procedure in this case is identical to an elimination due to and Extraordinary Event.

An Index Component is **"delisted"** if the Exchange announces pursuant to the Exchange regulations that the listing of, the trading in or the issuing of public quotes on the Index Component at the Exchange has ceased immediately or will cease at a later date, for whatever reason (provided delisting is not because of a Merger or a Takeover bid), and the Index Component is not immediately listed, traded or quoted again on an exchange, trading or listing system, acceptable to the Index Calculator,

**"Insolvency"** occurs with regard to an Index Component if (A) all shares of the respective issuer must be transferred to a trustee, liquidator, insolvency administrator or a similar public officer as result of a voluntary or compulsory liquidation, insolvency or winding-up proceedings or comparable proceedings affecting the issuer of the Index Components or (B) the holders of the shares of this issuer are legally enjoined from transferring the shares.

A **"Takeover bid"** is a bid to acquire, an exchange offer or any other offer or act of a legal person that results in the related legal person acquiring as part of an exchange or otherwise more than 10% and less than 100% of the voting shares in circulation from the issuer of the Index Component or the right to acquire these shares, as determined by the Index Calculator based on notices submitted to public or self-regulatory authorities or other information considered by the Index Calculator to be relevant.

With regard to an Index Component a "Merger" is

- (i) a change in the security class or a conversion of this share class that results in a transfer or an ultimate definite obligation to transfer all the shares in circulation to another legal person,
- (ii) a merger (either by acquisition or through forming a new structure) or a binding obligation on the part of the issuer to exchange shares with another legal person (except in a merger or share exchange under which the issuer of this Index Component is the acquiring or remaining company and which does not involve a change in security class or a conversion of all the shares in circulation),



- (iii) a takeover offer, exchange offer, other offer or another act of a legal person for the purposes of acquiring or otherwise obtaining from the issuer 100% of the shares issued that entails a transfer or the irrevocable obligation to transfer all shares (with the exception of shares which are held and controlled by the legal person), or
- (iv) a merger (either by acquisition or through forming a new structure) or a binding obligation on the part of the issuer of the share or its subsidiaries to exchange shares with another legal person, whereby the issuer of the share is the acquiring or remaining company and it does not involve a change in the class or a conversion of the all shares issued, but the shares in circulation directly prior to such an event (except for shares held and controlled by the legal person) represent in total less than 50% of the shares in circulation directly subsequent to such an event.

The "Merger Date" is the date on which a Merger is concluded or the date specified by the Index Calculator if such a date cannot be determined under the law applicable to the Merger.

"Nationalisation" is a process whereby all shares or the majority of the assets of the issuer of the shares are nationalised or are expropriated or otherwise must be transferred to public bodies, authorities or institutions.

"Significant breach of UN Global Compact Principles" is defined as level five (very high) ESG-risk which is considered non-compliant with the global compact principles.

"Exchange" is, in respect of Index and every Index Component, the respective primary exchange where the Index Component has its primary listing. The Committee may decide to declare a different stock exchange the "Exchange" for trading reasons, even if the company is only listed there via a Stock Substitute.

"Stock Substitute" includes in particular American Depository Receipts (ADR) and Global Depository Receipts (GDR).

With regard to an Index component (subject to the provisions given above under "Extraordinary Events") the "Trading Price" in respect of a Trading Day is the closing price on this Trading Day determined in accordance with the Exchange regulations. If the Exchange has no closing price for an Index Component, the Index Calculator shall determine the Trading Price and the time of the quote for the share in question in a manner that appears reasonable to him.

A "Trading Day" is in relation to the Index or an Index Component a Trading Day on the Exchange (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 normal Exchange closing time. The Index Calculator is responsible to determine whether a certain day is a Trading Day with regard to the Index or an Index Component or in any other connection relating to this document.

A "Business Day" is every weekday other than Saturday or Sunday on which the New York Stock Exchange is scheduled to be open for its regular trading session.

A "Common Business Day" is a Business Day on which the Exchanges for all stocks, which are included in the Index as of the immediately preceding Rebalancing Day or which are to be added to the index on the subsequent Rebalancing Days, are scheduled to be open.

"Rebalancing Days" are the five consecutive Common Business Days starting on the Adjustment Day.

The "Index Calculator" is Solactive AG or any other appropriately appointed successor in this function.

The "Index Currency" is USD.



**"Market Capitalisation"** is with regard to each of the shares in the Index Universe on a Selection Day or Adjustment Day the value published as the Market Capitalization for this day. As at the date of this document Market Capitalization is defined as the value of a company calculated by multiplying the number of shares outstanding of the company by its share price.

**"Free Float Market Capitalization"** is with regard to each of the shares in the Index Universe on a Selection Day or Adjustment Day calculated as the security's number of shares available to the public multiplied by the security's share price

"Adjustment Day" is the first Common Business Day in October.

"Selection Day" is the 5<sup>th</sup> last Business Day before the Adjustment Day.

"Weight Reset Day" is the first Common Business Day in January, April, and July.

An "Affiliated Exchange" is with regard to an Index Component an exchange, a trading or quotation system on which options and futures contracts on the Index Component in question are traded, as specified by the Index Calculator.

#### A "Market Disruption Event" occurs if

1. one of the following events occurs or exists on a Trading Day prior to the opening quotation time for an Index Component:

A) trading is suspended or restricted (due to price movements that exceed the limits allowed by the Exchange or an Affiliated Exchange, or for other reasons):

- 1.1. across the whole Exchange; or
- 1.2. in options or futures contracts on or with regard to an Index Component or an Index Component that is quoted on an Affiliated Exchange; or
- 1.3. on an Exchange or in a trading or quotation system (as determined by the Index Calculator) in which an Index Component is listed or quoted; or

B) an event that (in the assessment of the Index Calculator) generally disrupts and affects the opportunities of market participants to execute on the Exchange transactions in respect of a share included in the Index or to determine market values for a share included in the Index or to execute on an Affiliated Exchange transaction with regard to options and futures contracts on these shares or to determine market values for such options or futures contracts; or

2. trading on the Exchange or an Affiliated Exchange is ceased prior to the usual closing time (as defined below), unless the early cessation of trading is announced by the Exchange or Affiliated Exchange on this Trading Day at least one hour before

(aa) the actual closing time for normal trading on the Exchange or Affiliated Exchange on the Trading Day in question or, if earlier.

(bb) the closing time (if given) of the Exchange or Affiliated Exchange for the execution of orders at the time the quote is given.

"Normal exchange closing time" is the time at which the Exchange or an Affiliated Exchange is normally closed on working days without taking into account after-hours trading or other trading activities carried out outside the normal trading hours; or

3. a general moratorium is imposed on banking transactions in the country in which the Exchange is resident if the above-mentioned events are material in the assessment of the Index Calculator, whereby the Index Calculator makes his decision based on those circumstances that he considers reasonable and appropriate.



# **5** Appendix

### 5.1 Contact data

#### Information regarding the Index concept

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### 5.2 Calculation of the Index – change in calculation method

The application by the Index Calculator of the method described in this document is final and binding. The Index Calculator 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, financial or tax reasons may require changes to be made to this method. The Index Calculator may also make changes to the terms and conditions of the Index and the method applied to calculate the Index, which he 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 Calculator is not obliged to provide information on any such modifications or changes. Despite the modifications and changes the Index Calculator will take the appropriate steps to ensure a calculation method is applied that is consistent with the method described above.

