

GUIDELINE

Solactive France 20 Equal Weight NTR 5% AR Index

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This document contains the underlying principles and regulations regarding the structure and the operating of the Solactive France 20 Equal Weight NTR 5% AR 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.

Introduction

This document is to be used as a guideline with regard to the composition, calculation and management of the Solactive France 20 Equal Weight NTR 5% AR Index. Any changes made to the guideline are initiated by the Committee specified in section 1.6. Solactive France 20 Equal Weight NTR 5% AR Index is calculated and published by Solactive AG. The name “Solactive” is copyrighted.

1 Index specifications

The Solactive France 20 Equal Weight NTR 5% AR Index (“Index”) is an Index of Solactive and is calculated and distributed by this provider.

The index tracks the performance of the 20 largest companies incorporated in France or with a primary listing in France in terms of Free Float Market Capitalization.

The Index is a net total return index minus a 5% decrement per annum.

The Index is calculated and published in Euro.

1.1 Short name and ISIN

The Solactive France 20 Equal Weight NTR 5% AR Index is distributed under ISIN **DE000SLA6ER6**; the WKN is **SLA6ER**. The Index is published in Reuters under the code <**.SOFRAN20**> and in Bloomberg under the code <**SOFRAN20 Index**>.

1.2 Initial value

The Index is calculated live since August 31st 2018. Historic values are available since August 3rd 2005. The index is based on 1000 at the close of trading on the base date, August 3rd 2005.

1.3 Distribution

The Solactive France 20 Equal Weight NTR 5% AR 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 Solactive France 20 Equal Weight NTR 5% AR Index via his information systems.

1.4 Prices and calculation frequency

The index level of the Solactive France 20 Equal Weight NTR 5% AR 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.

The Index is calculated on every Business Day. 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

On each Adjustment Day each Index Component of the Solactive France 20 Equal Weight NTR 5% AR Index is weighted equally.

1.6 Decision-making bodies

A Committee composed of staff from Solactive is responsible for decisions regarding the composition of the Solactive France 20 Equal Weight NTR 5% AR 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 Day according to the procedure outlined in 2.1 of this document. The Committee shall also decide about the future composition of 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.com> web page and sub-pages.

1.8 Historical data

Historical data will be maintained from the launch of the Index on August 31st 2016.

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 Solactive.

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 defines the Solactive France 20 Equal Weight NTR 5% AR Index Universe, a selection pool that encompasses all stocks which meet the criteria as explained in section 4 of this document.

Remaining companies are ranked in terms of Free Float Market Capitalization and the largest 20 companies are selected.

2.2 Ordinary adjustment

The composition of the Solactive France 20 Equal Weight NTR 5% AR Index is reviewed on each Selection Day and necessary changes are announced. The composition of the Index is rebalanced on each Adjustment Day.

The first adjustment date is on November 2018 based on the Trading Prices of the Index Components on the Adjustment Day.

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 Solactive France 20 Equal Weight NTR 5% AR Index is an index whose value on any week day is equivalent to the sum overall 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:

$$Index_t = Index_{t-1} * \frac{Base\ Index_t}{Base\ Index_{t-1}} * (1 - M * \frac{CD}{360})$$

With

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

$x_{i,t}$ = 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

M = Management Fee of 5.0% p.a.

CD = Number of calendar days after the previous calculation day

3.2 Accuracy

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

The Number of Shares of the Index Components 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 Solactive France 20 Equal Weight NTR 5% AR Index is adjusted for regular cash distributions, special cash 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.

3.4 Dividends and other distributions

Dividend payments and other regular and special cash distributions are included in the Index and 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:

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

With:

$x_{i,t}$ = 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

B = Price of rights issue

N = 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

$x_{i,t}$ = 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

3.5.4 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)

$N_{i,t}$ = 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](#).

3.7.2 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

“Solactive France 20 Equal Weight NTR 5% AR Index Universe” in respect of a Selection Day are companies that fulfill the following criteria:

- Listing in Euro on a regulated stock exchange in the form of shares tradable for foreign investors without restrictions and country of incorporation in France
- country of incorporation in France or with a primary listing in France
- Minimum average daily value traded of 10 million Euro over the last 6 months

“Index Component” is each share currently included in the Index.

“Index Administrator” is Solactive AG.

“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.

“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.

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 ultimately responsible as to 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.

The **“Index Currency”** is Euro.

“Business Day” means any day where the main Exchanges are open for trading.

“Free Float Market Capitalization” is with regard to each of the companies in the Solactive France 20 Equal Weight NTR 5% AR Index on a Selection Day the share class specific Free Float Market Capitalization for any share class that meets the criteria as outlined in chapter 4. It is calculated as the multiplication of the Shares Outstanding in Free Float (as sourced from data vendors) multiplied with the closing price of the share class as of the respective Selection Day.

“Rebalancing Day” is each first Wednesday in February, May, August and November.

“Selection Day” is the Business Day 14 calendar Days before the Rebalancing Day.

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.

5 Appendix

5.1 Contact data

Information regarding the Solactive France 20 Equal Weight NTR 5% AR 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.