

GUIDELINE

Solactive France 20 Equal Weight Indices

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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 Indices. 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 Indices nor the Index value at any certain point in time nor in any other respect. The Indices are 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 Indices. The publication of the Indices 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 these Indices.

Introduction

This document is to be used as a guideline (the “Guideline”) with regard to the composition, calculation and management of the Solactive France 20 Equal Weight Indices (individually the “Index” and together the “Indices”). Any changes made to the Guideline are initiated by the Committee specified in Section 1.6. The Indices are 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 copyrighted.

1 Index Specifications

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

1.1 Short Name and ISIN

The Indices are published under the following identifiers:

Name	ISIN	Currency	Type	RIC	BBG ticker
Solactive France 20 Equal Weight GTR Index	DE000SLA6EW6	EUR	GTR*	.SOFRAN2G	
Solactive France 20 Equal Weight NTR 5% AR Index	DE000SLA6ER6	EUR	AR*	.SOFRAN20	SOFRAN20 Index
Solactive France 20 Equal Weight NTR Index	DE000SLA6ES4	EUR	NTR*	.SOFRAN2N	
Solactive France 20 Equal Weight PR Index	DE000SLA6EX4	EUR	PR*	.SOFRAN2P	

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

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 Indices are published on the website of the Index Administrator (www.solactive.com) and are, in addition, available via the price marketing services of Boerse Stuttgart GmbH and may be distributed to all affiliated vendors. Each vendor decides on an individual basis as to whether he will distribute/display the Indices via his information systems.

Any publication in relation to the Indices (e.g. notices, amendments to the Guideline) will be available on the website of the Index Administrator: <https://www.solactive.com/news/announcements/>.

1.4 Prices and Calculation Frequency

The Index level of the Indices 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 converted using the current Intercontinental Exchange (the "ICE") spot foreign exchange rate. Should there be no current price available for an Index Component, the most recent price or the Trading Price for the preceding Trading Day is used in the calculation.

The Indices are calculated on every Business Day. In the event that data cannot be provided to the pricing services of Boerse Stuttgart GmbH, the Indices cannot be distributed.

1.5 Weighting

On each Rebalancing Day each Index Component of the 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 Indices 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 Indices 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 the Indices 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 Indices 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 2018.

1.9 Licensing

Licences to use the Indices as the underlying value for derivative instruments are issued to stock exchanges, banks, financial service providers and investment houses by Solactive.

2 Composition of the Indices

2.1 Selection of the Index Components

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

On the Selection Days, Solactive defines the 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 Indices is reviewed on each Selection Day and necessary changes are announced. The composition of the Indices is rebalanced on each Rebalancing Day.

In order to downsize rebalance transactions the Indices are rebalanced over the Rebalance Period in accordance with the Equity Index Methodology, which is incorporated by reference and available on the Solactive website: <https://www.solactive.com/documents/equity-index-methodology/>.

On the Rebalancing Day changes of the composition of the indices are implemented and are based on the Trading Prices on the Rebalancing Day.

Solactive shall publish any changes made to the composition of the Indices on the Selection Day and consequently with sufficient notice before the Rebalancing Day.

2.3 Extraordinary Adjustment

If a company included in the Indices is affected by an Extraordinary Event an adjustment of the Indices may be necessary between two regular Rebalancing Days. 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 accordance with Sections 2.1.7 to 2.1.10 of 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 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 adjustments will be implemented on the effective day specified in the respective notice.

3 Calculation of the Indices

3.1 Index Formula

The index level of the AR index on a Business Day is equivalent to the products of (a) the level of the respective AR index on the immediately preceding Business Day, (b) the performance of the corresponding NTR index type (the respective “Base Index”) since the immediately preceding Business Day and (c) an adjustment factor of 5.00% p.a.

As a formula:

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

With

The index level of the PR, GTR and NTR index types (as specified in the table in Section 1.1 above) 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:

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

$Base\ Index_t$ = index level of the PR, GTR or NTR Index version on Trading Day 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 converted into the Index Currency

M = Management Fee of 5.0% p.a.

CD = number of calendar days after the previous Business Day

3.2 Accuracy

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

The Number of Shares of the Index Components will be rounded to six decimal places.

3.3 Adjustments

The 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 Indices are 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.

3.4 Dividends and other Distributions

Dividend payments and other regular and special cash distributions are included in the Indices 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 Administrator 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 Administrator 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 Administrator 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 Number of Shares is 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

$p_{i,t-1}$ = Trading Price of the Index Component i on the day prior to ex-date

$rB_{i,t-1}$ = calculated value of rights issue with $B=0$ if capital is increased from the company's own resources

B = price of rights issue

N = dividend disadvantage

BV = subscription ratio

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 i on the day of the distribution

$x_{i,t-1}$ = Number of Shares of the affected Index Component i 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 issued by the respective Index Component before and after the corporate event 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 number of shares issued by the Index Component post split)

$N_{i,t}$ = new par value of security class i (or number of shares issued by the Index Component pre split)

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

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

3.6 Miscellaneous

3.6.1 Recalculation

Solactive 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 adheres to its publicly available Correction Policy

3.6.2 Calculation of the Indices in the Event of a 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 Indices may be limited or impaired at times of illiquid or fragmented markets and market stress.

4. Definitions

“**Index Universe**” in respect of a Selection Day are companies that fulfill the following criteria:

- Listing in Euro on a regulated stock exchange (as stated on the Solactive Website: <https://www.solactive.com/documents/list-of-approved-regulated-stock-exchanges/>) 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 level of the Index 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 level of the Index.

“**Dividend Correction Factor**” is calculated as 1 minus the applicable withholding tax rate and/or other applicable tax rate as published on the Solactive Website (<https://www.solactive.com/documents/withholding-tax-rates-2020-09-14/>) 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.

In the event of the Insolvency of an issuer of an Index Component the Index Component shall remain in the Index until the next Rebalancing 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 Administrator. 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 Rebalancing 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 Administrator,

“**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 Administrator based on notices submitted to public or self-regulatory authorities or other information considered by the Index Administrator 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 Administrator 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.

“Stock Substitute” includes in particular American Depositary Receipts (ADR) and Global Depositary 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 Administrator shall determine the Trading Price and the time of the quote for the share in question in a manner that appears reasonable to him.

“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 Business 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 **“Index Currency”** is Euro.

"Business Day" is every weekday from Monday to Friday.

"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 as specified within the definition "Index Universe".

"Free Float Market Capitalization" is with regard to each of the companies in the Index Universe on a Selection Day the share class specific Free Float Market Capitalization for any share class that meets the criteria as outlined in chapter the definition "Index Universe".. 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. If that day is not a Trading Day the Rebalancing Day will be the immediately following Trading Day.

"Selection Day" is the Business Day 14 calendar days before the Rebalancing Day.

"Rebalance Period" is the period starting from (and including) the Rebalance Day until and (including) the immediately following 4 Trading Days. The entire Rebalance Period lasts for 5 Trading Days.

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 Administrator.

"Guideline" shall have the meaning as defined in Section "Introduction".

"Index" shall have the meaning as defined in Section "Introduction".

"Market Disruption Events" relate to all events causing a halt to regular pricing for any of the index components or the market in general.

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 Administrator) in which an Index Component is listed or quoted; or
 - B) an event that (in the assessment of the Index Administrator) 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 Administrator, whereby the Index Administrator makes his decision based on those circumstances that he considers reasonable and appropriate.

5 Appendix

5.1 Contact data

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5.2 Calculation of the Index – Change 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, 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, 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 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.