

INDEX GUIDELINE

Solactive Stay at Home Online Select Series 2 12% VT Index

VERSION 1.0

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INTRODUCTION

This document (the "**GUIDELINE**") is to be used as a guideline with regard to the composition, calculation and maintenance of Solactive Stay at Home Online Select Series 2 12% VT Index (the "**INDEX**"). Any amendments to the rules made to the Guideline are approved by the Index Committee specified in Section 4.5. The **INDEX** is owned by Solactive AG ("**INDEX OWNER**"). The Index is calculated, administered and published by Solactive AG ("**SOLACTIVE**") assuming the role as index 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 5 (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

The Solactive Stay at Home Online Select Series 2 12% VT Index (the "**INDEX**") is a USD (the "**INDEX CURRENCY**") denominated index.

The INDEX takes a variable exposure to the UNDERLYING INDEX with the aim to achieve an annualized volatility of less than or equal to 12%. The INDEX therefore notionally invests in the UNDERLYING INDEX in excess of a hypothetical money market position at the 3-month USD Libor rate (as published on Refinitiv under the RIC USD3MFSR=, Bloomberg US0003M Index). The INDEX allows a maximal leverage of 100%.

1.2. IDENTIFIERS AND PUBLICATION

The INDEX is published under the following identifiers:

Name	ISIN	Currency	Type	RIC	BBG ticker
Solactive Stay at Home Online Select Series 2 12% VT Index	DE000SLOB2J9	USD	ER*	.SOLA2ION	SOLA2ION Index

*ER means that the Index is calculated as excess return index

The INDEX is published 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. In the event that data cannot be provided to the price marketing services of Boerse Stuttgart GmbH, the INDEX cannot be published.

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 15th January 2014 (the "**START DATE**") is 1000. Historical values from the 11th February 2021 (the "**LAUNCH DATE**") will be recorded in accordance with Article 8 of the BMR. Levels of the INDEX published for a period prior to the LAUNCH DATE have been back-tested.



1.4. PRICES AND CALCULATION FREQUENCY

The level of the INDEX is calculated on each INDEX BUSINESS DAY from 8:00 a.m. to 10:52 p.m. CET based on the TRADING PRICES of the INDEX COMPONENT, which are calculated and distributed by SOLACTIVE. 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 the INDEX COMPONENT, the later of: (i) the most recent CLOSING PRICE; or (ii) the last available TRADING PRICE for the preceding INDEX BUSINESS DAY is used in the calculation.

In addition to the intraday calculation a closing level of the INDEX for each INDEX BUSINESS DAY is also calculated. This closing level is based on the CLOSING PRICE for the INDEX COMPONENT as calculated by SOLACTIVE. The CLOSING PRICES of INDEX COMPONENTS not listed in the INDEX CURRENCY are converted using the 4pm London time WM Fixing quoted by Reuters. If there is no 4pm London time WM Fixing for the relevant INDEX BUSINESS DAY, the last available 4pm 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

2.1. INDEX CONSTITUENTS

The INDEX consists of the following two UNDERLYING COMPONENTS, which are also referred to as "INDEX COMPONENTS":

Component	Name	Currency	RIC	BBG Ticker
1	Solactive Stay at Home Online Select Equity Series 2 Index	USD	.SOLA2IEN	
2	3-month USD Libor rate	USD	USD3MFSR=	US0003M Index



3. CALCULATION OF THE INDEX

3.1. INDEX FORMULA

The Index Level for any INDEX BUSINESS DAY is determined in accordance with the following formula:

$$V_t = V_{t-1} \times \left[1 + w_{t-1} \times \left(\frac{A_t}{A_{t-1}} - \frac{MM_t}{MM_{t-1}} \right) - ID * DCF(t-1, t) \right]$$

$$w_t = \min \left(MaxWeight, \frac{Volatility Target}{RefVol_t} \right)$$

Where:

Subscript (t) refers to the given INDEX BUSINESS DAY.

Subscript $(t-1)$ refers to the INDEX BUSINESS DAY immediately preceding INDEX BUSINESS DAY (t) .

V_{date} is the Strategy Value on calendar date $(date)$;

A_{date} is the Asset Value on calendar date $(date)$;

MM_{date} is the Money Market Value on calendar date $(date)$;

ID Index Deduction Rate, i.e. 3% per annum;

$DCF(t-1, t)$ means the Day Count Fraction Actual/360 determined in respect of the period from and including INDEX BUSINESS DAY $(t-1)$ to and excluding INDEX BUSINESS DAY t .

Specific parameters:

Asset = UNDERLYING INDEX (which is displayed under <https://www.solactive.com/indices/?se=1&index=DE000SLOCSG9>)

MaxWeight = 100%

Volatility Target = 12%

$RefVol_t = \text{Max}(Vol20d_{(t-2)}, Vol60d_{(t-2)})$



$$Vol20d_{(t)} = \sqrt{\frac{252}{5 \times 20} \times \sum_{i=0}^{19} \left(r_{t-i} - \frac{1}{20} \times \sum_{j=0}^{19} r_{t-j} \right)^2}$$

$$Vol60d_{(t)} = \sqrt{\frac{252}{5 \times 60} \times \sum_{i=0}^{59} \left(r_{t-i} - \frac{1}{60} \times \sum_{j=0}^{59} r_{t-j} \right)^2}$$

With $r_t = \ln\left(\frac{A_t}{A_{t-5}}\right)$

Money Market (excess return over \$3m Libor):

$$MM_t = MM_{Rt} \times \text{Max}\left(0, 1 + R_{Rt} \times DCF_c(Rt, t)\right)$$

$$MM_{(0)} = 100$$

Where:

MM_{Rt} means the Index Value on the US Dollar 3 Month ICE Libor Interest Rate ["USD3MFSR=", Bloomberg US0003M Index"] CASH BUSINESS DAY (Rt);

Rt means the CASH BUSINESS DAY immediately preceding the CASH BUSINESS DAY(t);

R_{Rt} means the latest available US Dollar 3 Month ICE Libor Interest Rate for the US Dollar 3 Month ICE Libor Interest Rate ["USD3MFSR=", Bloomberg US0003M Index"] as of the CASH BUSINESS DAY(Rt) ;

$DCF_c(Rt, t)$ means the Day Count Fraction Actual/360 determined in respect of the period from and including the Cash Business Day (Rt) immediately preceding such CASH BUSINESS DAY (t) to and excluding such CASH BUSINESS DAY (t);

3.2. ACCURACY

The Index Level will be rounded to 2 decimal places.

3.3. RECALCULATION

SOLACTIVE makes the greatest possible efforts to accurately calculate and maintain its indices. However, errors in the index 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/>.

3.4. 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.

4. MISCELLANEOUS

4.1. 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.

4.2. METHODOLOGY REVIEW

The methodology of the INDEX is subject to regular review. 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 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 webpage under the section "Announcement", which is available at <https://www.solactive.com/news/announcements/>. The date of the last amendment of this INDEX is contained in this GUIDELINE.



4.3. 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.

4.4. 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 4.2 "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/>.

4.5. 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/>.



5. DEFINITIONS

This section contains defined terms used throughout this GUIDELINE document.

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

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

“**CASH BUSINESS DAY**” is any weekday that London Stock Exchange is open for trading.

“**CLOSING PRICE**” in respect of an INDEX COMPONENT and an INDEX BUSINESS DAY is a security's final regular-hours price as calculated by SOLACTIVE.

“**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 the UNDERLYING COMPONENT listed in Section 2.1.

“**INDEX BUSINESS DAY**” is any weekday that Toronto, New York and London Stock Exchanges are all open for trading, if one exchange has a holiday, the INDEX will also not be calculated.

“**INDEX CURRENCY**” is USD.

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

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

“**OVERSIGHT COMMITTEE**” shall have the meaning as defined in Section 4.5.

“**PUBLICATION DAY**” is each INDEX BUSINESS DAY.

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

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

“**TARGET VOLATILITY**” is 12%.

“**TRADING PRICE**” in respect of an INDEX COMPONENT and an INDEX BUSINESS DAY is the most recent price as calculated by SOLACTIVE.

“**UNDERLYING COMPONENTS**” are the components listed in Section 2.1, also known as the INDEX COMPONENT.

“**UNDERLYING INDEX**” is Solactive Stay at Home Online Select Equity Series 2 Index.

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