

# **GUIDELINE**

## **CIBC Canadian Large-Cap ESG Index**

Version 2.0 dated June 03rd, 2021

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## **Introduction**

This document is to be used as a guideline with regard to the composition, calculation, and management of the CIBC Canadian Large-Cap ESG Index. Any changes made to the guideline are initiated by the Committee specified in section 1.5. The CIBC Canadian Large-Cap ESG Index is calculated and published by the Index Calculator.

## **1 Index Specifications**

The CIBC Canadian Large-Cap ESG Index (the “Index”) is comprised of a float-adjusted market-capitalization weighted portfolio of equity securities of companies in the Solactive Canada Large Cap Index. The Index is based on the ESG research and rating conducted by Vigeo Eiris, a subsidiary of Moody’s. Securities within the index are weighted based on the relative ESG performance within their industry sector. The Index is rebalanced quarterly.

The adjusted return index (CIBC Canadian Large-Cap ESG Index 3% AR) aims to track the performance of the total return index adjusted for a synthetic dividend of 3% per annum.

The Index is calculated and distributed by the Index Calculator.

The Index is calculated and published in CAD.

### **1.1 Short Name and ISIN**

The total return version of the Index is distributed under ISIN DE000SL0C093; the WKN is SL0C09. The Index is published in Reuters under the code .CIBCCET and in Bloomberg under the ticker CIBCCET Index.

The price return version of the Index is distributed under ISIN DE000SL0C085; the WKN is SL0C08. The Index is published in Reuters under the code .CIBCCEP and in Bloomberg under the ticker CIBCCEP Index.

The adjusted return version of the Index is distributed under ISIN DE000SL0CY93; the WKN is SL0CY9. The Index is published in Reuters under the code .CIBCCEA3 and in Bloomberg under the ticker CIBCCEA3 Index.

### **1.2 Initial Value**

The Index is calculated since June 4, 2021. Backtested data for the total return and price return versions are available since January 16, 2017, where the index is based on with a value of 1000. Backtest data for the adjusted return version is available since April 3, 2018, where the index is based on with a value of 981.01.

### **1.3 Index Data and Dissemination**

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 the vendor will distribute/display the Index via the vendor’s information systems.

The Index Calculator is responsible for gathering the data for the Index. On each Trading Day, the Index Calculator will record the closing price of each Index Components from the Toronto Stock Exchange. From the base data obtained, the Index Calculator will calculate the price return and the total return on each Trading Day for the Index. Index levels will not be calculated for any day that is not a Trading Day.

Index levels will be made available no later than 6:00 pm Toronto time on each Trading Day to investors on Reuters (RIC Codes: .CIBCCET & .CIBCCEP & .CIBCCEA3) and the webpage administered by the

Index Calculator; each a “Publication Site”. Publication of index values on a Publication Site other than Reuters may be delayed until 6:00 am on the next Trading Day. If the Toronto Stock Exchange amends the closing price of a share in the Index subsequent to publication or if there is an error in any previous publication of Index values, the Index Calculator will make available the amended values as soon as practicable.

Given the rules-based nature of the Index, the Index Calculator is bound to follow the Index Methodology in calculating the Index. The Index Calculator should be contacted in case of disputes over published closing levels. Where the published Index prices are determined to be inaccurate, the Index Calculator shall as soon as practicable publish the correct prices on each Publication Site. If the dispute is not resolved satisfactorily within two Trading Days, the Index Calculator and the disputing party shall refer such matter to the index advisory committee of the Index Sponsor (the “Index Advisory Committee”). The determination of the Index Advisory Committee shall be final.

#### **1.4 Prices and Calculation Frequency**

The value 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.

The Index is calculated once every Business Day at 4:50pm, EST. In the event that data cannot be provided to Reuters or to the pricing services of Boerse Stuttgart AG the Index cannot be distributed.

Any incorrect calculation is adjusted on a retrospective basis.

#### **1.5 Governance**

The Index is subject to the oversight of CIBC’s Index Advisory Committee. The Index Methodology may not be amended without the approval of the Index Advisory Committee.

#### **1.6 Publication**

All specific and information relevant for calculating the Index are made available on the webpage of the Index Calculator (<http://www.solactive.com>)

#### **1.7 Licensing**

Licenses, if any, to use the Index as the underlying value/index for index funds, ETFs, or derivative instruments are issued to stock exchanges, banks, financial services providers, and investment houses by CIBC World Markets Inc.

## 2 Composition of the Index

### 2.1 Index Universe

On Rescreening Dates, the “Index Universe” consists of all current members of the Solactive Canada Large Cap Index including real estate investment trusts (REITs).

The Index Universe will exclude any shares where, in the determination of the Index Calculation Agent, there is a reasonable expectation that there may be a material reduction in the liquidity of a share in the period ending on the last Ordinary Adjustment Date following the next Rescreening Date (i.e., the last Ordinary Adjustment Date on which the share would exit the Index) as a consequence of an impending corporate action, regulatory action, delisting or other material event affecting a share (“Qualifying Shares”).

### 2.2 Ordinary Adjustment

The Index Universe is divided into 11 industry sectors listed below based on the Sector Classification rules outlined in the definitions section.

#### Sector Classification

Basic Materials	Communications	Consumer Products	Consumer Services
Energy	Finance	Healthcare	Industrials
REITs	Technology	Utilities	

On Rescreening Dates, all members of the Index Universe are assessed from an ESG perspective using the Vigeo Eiris Overall ESG Score. If the Vigeo Eiris Overall ESG Score is unavailable for a company for the current year then prior year’s number is used. If prior year’s number is still unavailable, then the score from 2 years ago is used.

All members of the Solactive Canada Large Cap Index are eligible for inclusion into the Index portfolio, and the Index targets sector neutrality relative the Index Universe based on the Sector Classification described above.

Individual stock weights within sectors are determined as follows:

1. Based on the Vigeo Eiris Overall ESG Score, calculate a modified ESG z-score for each company = (company ESG score – sector average ESG score) / standard deviation of ESG scores in the Index Universe
2. Calculate weight adjustment for each stock
  - If modified ESG z-score  $\geq 0$ , weight adjustment score =  $1 + \text{modified ESG z-score}$
  - If modified ESG z-score  $< 0$ , weight adjustment score =  $1 / (1 - \text{modified ESG z-score})$
3. Calculate interim stock weight = stock weight in the Index Universe \* weight adjustment score
4. Calculate final stock weight = Index Universe sector weight \* interim stock weight / sum of interim stock weights for the sector

### 3 Calculation of the Index

#### 3.1 Index formula

The Index Value on a Business Day at the relevant time is calculated in accordance with the following formula:

$$Index_t = \sum_{i=1}^n \frac{(x_{i,t} \times p_{i,t} \times f_{i,t})}{D_t}$$

With:

- $x_{i,t}$  = Number of Index Shares of the Index Component  $i$  on Trading Day  $t$
- $p_{i,t}$  = Price of Index Component  $i$  on Trading Day  $t$
- $f_{i,t}$  = Foreign exchange rate to convert the Price of Index Component  $i$  on Trading Day  $t$  into the Index Currency
- $D_t$  = Divisor on Trading Day  $t$

The initial Divisor on the Start Date is calculated according to the following formula:

$$D_t = \frac{\sum_{i=1}^n (p_{i,t} \times f_{i,t} \times x_{i,t})}{100}$$

After the close of trading on each Adjustment Day  $t$ , the new Divisor is calculated as follows:

$$D_{t+1} = \frac{\sum_{i=1}^n (p_{i,t} \times f_{i,t} \times x_{i,t+1})}{Index_t}$$

This Divisor is valid starting the immediately following Business Day.

#### 3.2 Adjusted Return Index Formula

The INDEX is calculated as an adjusted return Index according to the following formula:

$$Index_t = Index_{t-1} * \left( \frac{UI_t}{UI_{t-1}} - AF * \frac{DC_{t,t-1}}{360} \right)$$

Where:

$Index_t$ : The level of the INDEX as of CALCULATION DAY  $t$

$Index_{t-1}$ : The level of the INDEX as of CALCULATION DAY  $t-1$

$UI_t$ : The level of the UNDERLYING INDEX as of CALCULATION DAY  $t$

$UI_{t-1}$ : The level of the UNDERLYING INDEX as of CALCULATION DAY  $t-1$

$AF$ : The adjustment factor of 3% per annum

$DC_{t,t-1}$ : The number of calendar days between CALCULATION DAY  $t$  (including) and CALCULATION DAY  $t-1$  (excluding)

### 3.2 Accuracy

The value of the Index will be rounded to 2 decimal places.

Trading Prices and foreign exchange rates will be rounded to six decimal places.

Divisors 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 Index Shares of the affected Index Component and the Divisor to be calculated on an ex-ante basis.

Following the Committee's decision, the Index is adjusted for distributions, capital increases and stock splits.

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 the Index Calculator.

### 3.4 Dividends and other distributions

Dividend payments and other distributions are included in the total return version of the Index. Only special dividends are included in the price return version of the Index. They cause an adjustment of the Divisor. The new Divisor is calculated as follows:

$$D_{t+1} = D_t \times \frac{\sum_{i=1}^n (p_{i,t} \times f_{i,t} \times x_{i,t}) - (x_{i,t} \times y_{i,t} \times g_{i,t})}{\sum_{i=1}^n (p_{i,t} \times f_{i,t} \times x_{i,t})}$$

With:

$x_{i,t}$  = Number of Index Shares of the Index Component  $i$  on Trading Day  $t$

$y_{i,t}$  = Distribution of Index Component  $i$  with ex-date  $t + 1$  multiplied by the Dividend Correction Factor

$p_{i,t}$  = Price of Index Component  $i$  on Trading Day  $t$

$f_{i,t}$  = Foreign exchange rate to convert the Price of Index Component  $i$  on Trading Day  $t$  into the Index Currency

$g_{i,t}$  = Foreign exchange rate to convert the amount of the distribution of Index Component  $i$  on Trading Day  $t$  into the Index Currency

$D_t$  = Divisor on Trading Day  $t$

$D_{t+1}$  = Divisor on Trading Day  $t + 1$

### 3.5 Corporate actions

#### 3.5.1 Principles

Following the announcement by an issuer of Index Components of the terms and conditions of a corporate action, the Index Calculator determines whether such corporate action has a dilutive, concentrative or similar effect on the price of the respective Index Component.

If this should be the case, the Index Calculator shall make the necessary adjustments that are deemed appropriate in order to take into account the dilutive, concentrative or similar 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 with ex-date  $t + 1$ , the Index is adjusted as follows:

$$x_{i,t+1} = x_{i,t} \times \frac{1 + B}{1}$$

With:

- $x_{i,t}$  = Number of Index Shares of the Index Component  $i$  on Trading Day  $t$
- $x_{i,t+1}$  = Number of Index Shares of the Index Component  $i$  on Trading Day  $t + 1$
- $B$  = Shares received for every share held

$$p_{i,t+1} = \frac{p_{i,t} + s \times B}{1 + B}$$

With:

- $p_{i,t}$  = Price of Index Component  $i$  on Trading Day  $t$
- $p_{i,t+1}$  = Hypothetical price of Index Component  $i$  on Trading Day  $t + 1$
- $s$  = Subscription Price in the Index Component currency
- $B$  = Shares received for every share held

$$D_{t+1} = D_t * \frac{\sum_{i=1}^n (p_{i,t} \times f_{i,t} \times x_{i,t}) + \sum_{i=1}^n [(x_{i,t+1} \times p_{i,t+1} \times f_{i,t}) - (x_{i,t} \times p_{i,t} \times f_{i,t})]}{\sum_{i=1}^n (p_{i,t} \times f_{i,t} \times x_{i,t})}$$

With:

- $x_{i,t}$  = Number of Index Shares of the Index Component  $i$  on Trading Day  $t$
- $x_{i,t+1}$  = Number of Index Shares of the Index Component  $i$  on Trading Day  $t + 1$
- $p_{i,t}$  = Price of Index Component  $i$  on Trading Day  $t$
- $p_{i,t+1}$  = Hypothetical price of Index Component  $i$  on Trading Day  $t + 1$
- $f_{i,t}$  = Foreign exchange rate to convert the Price of Index Component  $i$  on Trading Day  $t$  into the Index Currency
- $D_t$  = Divisor on Trading Day  $t$
- $D_{t+1}$  = Divisor on Trading Day  $t + 1$

### 3.5.3 Share splits

In the case of share splits with ex-date on Trading Day  $t + 1$ , it is assumed that the prices change in ratio of the terms of the split. The new Number of Index Shares is calculated as follows:

$$x_{i,t+1} = x_{i,t} \times B$$

With:

- $x_{i,t}$  = Number of Index Shares of the affected Index Component on Trading Day  $t$
- $x_{i,t+1}$  = Number of Index Shares of the affected Index Component on Trading Day  $t + 1$
- $B$  = Shares after the share split for every share held before the split

### 3.5.4 Stock distributions

In the case of stock distributions with ex-date on Trading Day  $t + 1$ , it is assumed that the prices change according to the terms of the distribution. The new Number of Index Shares is calculated as follows:

$$x_{i,t+1} = x_{i,t} \times (1 + B)$$

With:

- $x_{i,t}$  = Number of Index Shares of the Index Component  $i$  on Trading Day  $t$
- $x_{i,t+1}$  = Number of Index Shares of the Index Component  $i$  on Trading Day  $t + 1$
- $B$  = Shares received for every share held

## 3.6 Calculation of the Index in the event of a Market Disruption Event

The Index is not calculated in the event of a Market Disruption Event or Force Majeure Event. If the Market Disruption Event or Force Majeure Event continues over a period of eight Trading Days, then the Index Advisory Committee will determine the necessary action (including but not limited to taking into account the market conditions prevailing at this point in time, the last quoted Trading Price for each of the Index Components as well as any other conditions that it deems relevant for calculating the Index value) such that the affected securities resulting from the Market Disruption Event are no longer causing such disruption to occur.

## 4 Definitions

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.

“**Business Day**” means a day on which the Toronto Stock Exchange is open.

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.

**“Dividend Correction Factor”** is 1.

**“Exchange”** means the Toronto Stock Exchange.

In particular an **“Extraordinary Event”** is

- a Merger
- a Takeover Bid
- a delisting
- a change in domiciled country
- the Nationalisation of a company
- Insolvency

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.

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

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

The **“Index Currency”** is the Canadian dollar.

**“Index Sponsor”** is CIBC World Markets Inc.

**“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.

**“Market Capitalization”** is with regard to each of the shares in the CIBC Canadian Large-Cap ESG Index on a Rescreening Day or Ordinary 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.

A **“Market Disruption Event”** is defined as a Business Day where the Index Component is not published.

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.

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.

“**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.

“**Rebalancing Date**” is the 10<sup>th</sup> Trading Day of January, April, July, and October in each year.

“**Rescreening Date**” is the last Trading Day of December, March, June, and September in each year.

Company “**Sector Classification**” uses Factset level 1 industry definition (Economy level) subject to the following adjustments

Industry Data	If Equal to	Revise Classification to
Level 3 (Industry)	Real Estate Investment Trusts	Real Estate Investment Trusts
Level 2 (Sector)	Communications	Communications
Level 1 (Economy)	Consumer Non-Durables Consumer Durables	Consumer Products
Level 3 (Industry)	Chemicals: Agricultural Chemicals: Major Diversified Chemicals: Specialty	Basic Materials
Level 3 (Industry)	Oil & Gas Pipelines	Energy
Level 3 (Industry)	Financial Publishing/Services	Finance
Level 3 (Industry)	Cable/Satellite TV	Communications
Level 3 (Industry)	Aerospace & Defense	Industrials

“**Stock Substitute**” includes in particular American Depository Receipts (ADR) and Global Depository Receipts (GDR).

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.

“**Trading Day**” means a day on which the Toronto Stock Exchange is open.

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.

“**Vigeo Eiris Overall ESG Score**” is assessed based on a 2-step approach:

Step 1:

Vigeo-Eiris assesses and rates the performances of companies according the Equitics® methodology based on 38 criteria, divided in to six key areas of corporate environmental, social and governance responsibility, namely:

- Environment: Protection, safeguard, prevention of attacks on the environment, implementation of an adequate managerial strategy, eco-design, protection of biodiversity and reasonable control of environmental impacts on the overall life cycle of products and services.
- Human Rights: Respect of trade unions’ freedom and promotion of collective negotiation, non-discrimination and promotion of equality, eradication of banned working practices, and prevention of inhumane or humiliating treatments.
- Human Resources: Constant improvement of industrial relations, career development, as well as quality of working conditions.
- Community Involvement: Contribution to economic and social development of the territories of establishment and their human communities, concrete commitment in favor of the control of societal impacts of products and services, transparent and participative contribution to causes of general interest .
- Business Behavior: Taking into account clients’ rights and interests, integration of social and environmental standards both in the process of selection of suppliers and in the overall supplying chain, efficient prevention of corruption, and respect of competition laws.
- Corporate Governance : Efficiency and integrity, insurance of both independence and effectiveness of the Board of Directors, effectiveness and efficiency of audit and control systems, and in particular inclusion of social responsibility risks, respect of shareholders’ rights and most of all of the minorities, transparency and moderation in executive remuneration.

Step2 – Overall score

- Each issuer is assigned an overall score out of 100 ( the higher the better) which is a weighted and consolidated score of all sustainability factors in a given sector.

## **5 Amendments and Exceptions to this Methodology**

The Index Committee, comprised of CIBC World Markets Inc. employees, 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”).

This document is updated to reflect any changes approved by the Index Committee.

## **6 Disclaimer**

This Index Methodology outlines certain characteristics of the Index. The Index Methodology is presented solely for information purposes and is confidential and proprietary to CIBC and, accordingly, except as described below, the Index Methodology is to be treated as strictly confidential and not to be disclosed directly or indirectly to any party other than to your advisers for information purposes or used for any purpose other than for information only. No part of the Index Methodology may be reproduced in whole or in part in any manner without CIBC’s prior written consent. The Index Methodology is not and is under no

circumstances to be used or considered an offer to sell, or a solicitation to buy, any security or investment.

CIBC does not make any representation or warranty, express or implied, that the information contained in the Index Methodology, including any third party information or Index performance data, is accurate or complete and you should not rely on the Index Methodology as such. CIBC disclaims any liability and assumes no obligation to update the Index Methodology. The information contained in the Index Methodology (including any opinion expressed herein) reflects information only as of the date appearing on the cover and is subject to change without notice.

The Index Calculation Agent will be responsible for calculating Index levels and publishing Index prices. CIBC is under no obligation to continue the calculation and dissemination of the Index. CIBC will not be liable (whether in negligence or otherwise) to any person for any error, omission, interruption or otherwise in the publication of the closing levels of the Index, and CIBC will not be obliged to advise any person of any such event. CIBC expressly disclaims all warranties of merchantability, fitness for a particular purpose and any other expressed or implied warranty with respect to the Index. Without limiting the foregoing, CIBC will at no time have any liability for any special, punitive, indirect or consequential losses, damages, costs, claims or expenses (including lost profits), even if notified of the possibility of such losses, damages, costs, claims or expenses.

CIBC and its related parties perform a number of different roles in relation to the Index. For example, CIBC is Index Sponsor and a majority of the Index Advisory Committee members are related parties to CIBC. In addition, it is CIBC's intention to develop investment products and enter into transactions linked to the performance of the Index. CIBC may have positions or engage in transactions, securities or other investments based on or otherwise related to the Index. CIBC or one or more of its affiliates may also publish research reports with respect to the Index. As such, there are potential conflicts of interest resulting from the different roles CIBC will be performing in relation to the Index.

Nothing in the Index Methodology provided constitutes financial, legal, accounting or tax advice, and recipients should independently evaluate, among other factors, the financial, market, legal, regulatory, credit, tax and accounting risks and consequences involved, and specific to the recipient's situation, before entering into any transaction linked to the Index.

CIBC is the owner of the full right, title and interest to the Index, including the name of the Index, in respect of which CIBC owns the trademark. Any use of this Index Methodology or the Index without the prior consent of CIBC is strictly prohibited.

This document may not be amended without the approval of the Index Advisory Committee. Any unresolved issues relating to the interpretation or application of the Index Methodology or the calculation of the Index may be determined by the Index Advisory Committee.