

INDEX GUIDELINE

SOLACTIVE CANADA BLUE CHIP INDEX

Version 1.0

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TABLE OF CONTENTS

Introduction	3
1. Index Specifications	4
1.1. Scope of the Index	4
1.2. Identifiers and Publication	4
1.3. Initial Level of the Index	5
1.4. Prices and calculation frequency	5
1.5. Licensing.....	5
2. Index Selection	6
2.1. Index Universe Requirements.....	6
2.2. Selection of the Index Components	6
2.3. Weighting of the Index Components.....	7
3. Rebalance	8
3.1. Ordinary Rebalance	8
3.2. Extraordinary Rebalance	8
4. Calculation of the Index	9
4.1. Index formula	9
4.2. Accuracy.....	10
4.3. Adjustments.....	10
4.4. Corporate actions.....	10
4.5. Recalculation.....	11
4.6. Market Disruption	11
5. Miscellaneous	12
5.1. Discretion	12
5.2. Methodology Review.....	12
5.3. Changes in calculation method.....	12
5.4. Termination	13
5.5. Oversight	13
6. Definitions.....	14
7. History of Index Changes	16
Contact.....	17



INTRODUCTION

This document (the "**GUIDELINE**") is to be used as a guideline with regard to the composition, calculation and maintenance of the SOLACTIVE CANADA BLUE CHIP INDEX (the "**INDEX**"). Any amendments to the rules made to the GUIDELINE are approved by the OVERSIGHT COMMITTEE specified in Section 5.5. The INDEX is 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 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 6 (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

Category	Description
Asset Class	Equity
Strategy	Representation of 10 Blue Chip companies from the Canadian stock market.
Regional Allocation	Canada
Rebalancing Fee	--
Rebalancing Frequency	Quarterly

1.2. IDENTIFIERS AND PUBLICATION

The INDEX is published under the following identifiers:

Name	ISIN	Currency	Type	RIC	BBG ticker	START DATE	LIVE DATE
SOLACTIVE CANADA BLUE CHIP PR INDEX	DE000SLOHDL0	CAD	PR*	.SOLCABCP	SOLCABCP	31/12/2019	11/04/2023
SOLACTIVE CANADA BLUE CHIP NTR INDEX	DE000SLOHDM8	CAD	NTR*	.SOLCABCN	--	31/12/2019	11/04/2023
SOLACTIVE CANADA BLUE CHIP GTR INDEX	DE000SLOHDN6	CAD	GTR*	.SOLCABCT	SOLCABCT	31/12/2019	11/04/2023
SOLACTIVE CANADA BLUE CHIP AR INDEX	DE000SLOHDP1	CAD	AR*	.SOLCABCA	SOLCABCA	31/12/2019	11/04/2023

*PR, NTR, GTR, and AR means that the Index is calculated as price return, net total return, gross total return, and 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/>

The INDEX is published on the website of the INDEX ADMINISTRATOR (www.solactive.com) and is, in addition, available 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.

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 price return, net total return, and gross total return index on the START DATE, as shown in Section 1.2., is 1,000. For the adjusted return index the initial level on the START DATE is 1228.89855994142. The adjusted return index level has been fixed at UNDERLYING INDEX level as of the 24/03/2023 at 1191.4932391016. Historical values from the LIVE DATE, as shown in Section 1.2., will be recorded in accordance with Article 8 of the BMR. Levels of the INDEX published for a period prior to the LIVE DATE have been back-tested.

1.4. PRICES AND CALCULATION FREQUENCY

The level of the INDEX is calculated on each CALCULATION DAY from 9:30 a.m. to 04:50 p.m. EST based on the TRADING PRICES on the EXCHANGES on which the INDEX COMPONENTS are listed. 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 an INDEX COMPONENT, the later of: (i) the most recent CLOSING PRICE; or (ii) the last available TRADING PRICE for the preceding TRADING DAY is used in the calculation.

In addition to the intraday calculation a closing level of the INDEX for each CALCULATION DAY is also calculated. This closing level is based on the CLOSING PRICES for the INDEX COMPONENTS on the respective EXCHANGES on which the INDEX COMPONENTS are listed. The CLOSING PRICES of INDEX COMPONENTS not listed in the INDEX CURRENCY are converted using the 04:00 p.m. London time rates provided by WM/ REFINITIV (the "WM/ REFINITIV RATE"). If there is no 04:00 p.m. London time WM/ REFINITIV RATE for the relevant CALCULATION DAY, the last available 04:00 p.m. London time WM/REFINITIV RATE 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

On each SELECTION DAY, the INDEX ADMINISTRATOR will revise the composition of the INDEX.

In a first step, the INDEX ADMINISTRATOR determines the INDEX UNIVERSE in accordance with Section 2.1. The INDEX UNIVERSE comprises all those financial instruments which fulfill the INDEX UNIVERSE REQUIREMENTS (as specified in Section 2.1) and will constitute a starting pool from which the components of the INDEX will be selected. Based on this INDEX UNIVERSE, the new composition of the INDEX will be determined by applying the rules outlined in Section 2.2.

Each new INDEX COMPONENT will be assigned a weight as described in Section 2.3.

2.1. INDEX UNIVERSE REQUIREMENTS

The INDEX UNIVERSE is fixed and is comprised of all financial instruments as specified in Section 2.2.

2.2. SELECTION OF THE INDEX COMPONENTS

The composition of the INDEX (each an "INDEX COMPONENTS") is based on the following securities as of the START DATE:

Security Name	Security RIC	ISIN	Index Weighting
BCE INC	BCE.TO	CA05534B7604	10%
BANK OF NOVA SCOTIA	BNS.TO	CA0641491075	10%
CANADIAN IMPERIAL BANK OF COMMERCE	CM.TO	CA1360691010	10%
ENBRIDGE INC	ENB.TO	CA29250N1050	10%
GREAT WEST LIFECO	GWO.TO	CA39138C1068	10%
MANULIFE FINANCIAL CORP	MFC.TO	CA56501R1064	10%
PEMBINA PIPELINE CORP	PPL.TO	CA7063271034	10%
TELUS CORPORATION	T.TO	CA87971M1032	10%
TORONTO-DOMINION BANK	TD.TO	CA8911605092	10%
TC ENERGY CORP	TRP.TO	CA87807B1076	10%

The INDEX UNIVERSE includes 10 INDEX COMPONENTS.



2.3. WEIGHTING OF THE INDEX COMPONENTS

On each REBALANCE DAY all INDEX COMPONENTS are assigned equal weights.

In the event of a spin-off, the spun-off security is being added to the INDEX on the effective date of the event. The spun-off entity will remain in the INDEX until the next ordinary reweighting. As the spun-off entity was not part of the initial INDEX COMPONENTS as defined in section 2.2, the spun-off entity will be removed from the INDEX within the reweighting process.



3. REBALANCE

3.1. ORDINARY REBALANCE

No ordinary rebalance takes place. The INDEX will be adjusted to equal weights on the REBALANCE DAY after CLOSE OF BUSINESS.

This is carried out by implementing the weights as determined on the SECTION 2.2

For more information on the rebalance procedure please refer to the Equity Index Methodology, which is incorporated by reference and available on the SOLACTIVE website:
<https://www.solactive.com/documents/equity-index-methodology/>.

SOLACTIVE will publish any changes made to the INDEX COMPONENTS with sufficient notice before the REBALANCE DAY on the SOLACTIVE website under the section "Announcement", which is available at <https://www.solactive.com/news/announcements/>.

3.2. EXTRAORDINARY REBALANCE

The INDEX is not rebalanced extraordinarily.



4. CALCULATION OF THE INDEX

4.1. INDEX FORMULA

The INDEX is calculated as a price return, net total return, gross total return, and adjusted return index.

The calculation is performed according to the Equity Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>. The divisor index formula stipulates that the level of the INDEX changes based on the change of the prices of its INDEX COMPONENTS taking into account their weight in the INDEX and any currency conversion in case the price of an INDEX COMPONENT is quoted in a currency other than the INDEX CURRENCY.

Any dividends or other distributions are reinvested across the entire basket of INDEX COMPONENTS by means of a divisor at the opening of the effective date (the so-called ex-date) of the payment of such dividend or other distribution.

For the construction of the adjusted return version, a decrement of 75 index points per annum is deducted on each INDEX CALCULATION DAY from the GTR INDEX version.

The adjusted return index is calculated according to the following formula:

$$Index_t = Index_{t-1} * \frac{UI_t}{UI_{t-1}} - SD * \frac{DC_{t,t-1}}{360}$$

Where:

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

$Index_{t-1}$: The level of the AR INDEX version 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

SD : The synthetic dividend of 75 index points per annum

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

A more detailed description of the mechanics of the index calculation formula can be found in the Equity Index Methodology under Section 1.2.



4.2. ACCURACY

The level of the INDEX will be rounded to two decimal places. Divisors will be rounded to six decimal places. TRADING PRICES and foreign exchange rates will be rounded to six decimal places.

4.3. ADJUSTMENTS

Under certain circumstances, an adjustment of the INDEX may be necessary between two regular REBALANCE DAYS. Such adjustment has to be made if a corporate action (as specified in Section 4.4 below) in relation of an INDEX COMPONENT occurs. 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 compliance with 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 INDEX 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 INDEX adjustments will be implemented on the effective day specified in the respective notice.

4.4. CORPORATE ACTIONS

As part of the INDEX maintenance SOLACTIVE will consider various events – also referred to as corporate actions – which result in an adjustment to the INDEX between two regular REBALANCE DAYS. Such events have a material impact on the price, weighting or overall integrity of INDEX COMPONENTS. Therefore, they need to be accounted for in the calculation of the INDEX. Corporate actions will be implemented from the cum-day to the ex-day of the corporate action, so that the adjustment to the INDEX coincides with the occurrence of the price effect of the respective corporate action.

Adjustments to the INDEX to account for corporate actions will be made in compliance with the Equity Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>. This document contains for each corporate action a brief definition and specifies the relevant adjustment to the INDEX variables.

While SOLACTIVE aims at creating and maintaining its methodology for treatment of corporate actions as generic and transparent as possible and in line with regulatory requirements, it retains the right in accordance with the Equity Index Methodology to deviate from these standard procedures in case of any unusual or complex corporate action or if such a deviation is made to preserve the comparability and representativeness of the INDEX over time.

SOLACTIVE considers following, but not conclusive, list of corporate actions as relevant for INDEX maintenance:

- Cash Distributions (e.g. payment of a dividend)



- > Stock distributions (e.g. payment of a dividend in form of additional shares)
- > Stock distributions of another company (e.g. payment of a dividend in form of additional shares of another company (e.g. of a subsidiary))
- > Share splits (company's present shares are divided and therefore multiplied by a given factor)
- > Reverse splits (company's present shares are effectively merged)
- > Capital increases (such as issuing additional shares)
- > Share repurchases (a company offer its shareholders the option to sell their shares to a fixed price)
- > Spin-offs (the company splits its business activities into two or more entities and distributes new equity shares in the created entities to the shareholders of the former entity)
- > Mergers & Acquisitions (transaction in which the ownership of a company (or other business organizations) are transferred or consolidated with other entities, e.g. fusion of two or more separate companies into one entity)
- > Delistings (company's shares are no longer publicly traded at a stock exchange)
- > Nationalization of a company (effective control of a legal entity is taken over by a state)
- > Insolvency

4.5. RECALCULATION

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

4.6. 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.



5. MISCELLANEOUS

5.1. 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.

5.2. METHODOLOGY REVIEW

The methodology of the INDEX is subject to regular review, at least annually. 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 Solactive 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 website 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.

5.3. 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.



5.4. 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 5.2 "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/>.

5.5. 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/>.



6. DEFINITIONS

“AVERAGE DAILY VALUE TRADED” means, in respect of an INDEX COMPONENT, the sum of DAILY VALUE TRADED over the specified period divided by the number of TRADING DAYS that fall in the specified period.

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

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

“BUSINESS DAY” is every weekday from Monday to Friday.

“CALCULATION DAY” is every BUSINESS DAY. A day on which the Toronto Stock is not open for general business is not a CALCULATION DAY.

“CLOSE OF BUSINESS” is the calculation time of the closing level of the INDEX as outlined in Section 1.4.

The **“CLOSING PRICE”** in respect of an INDEX COMPONENT and a TRADING DAY is a security's final regular-hours TRADING PRICE published by the EXCHANGE and determined in accordance with the EXCHANGE regulations. If the EXCHANGE has no or has not published a CLOSING PRICE in accordance with the EXCHANGE rules for an INDEX COMPONENT, the last TRADING PRICE will be used.

“DAILY VALUE TRADED” means, in respect of an INDEX COMPONENT and a TRADING DAY, the product of (i) the CLOSING PRICE of such INDEX COMPONENT and (ii) the volume traded (measured as a number of shares) of such INDEX COMPONENT on the EXCHANGE during such TRADING DAY.

“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 in Section 2.

“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 each security reflected in the INDEX.

“INDEX COMPONENT REQUIREMENTS” shall have the meaning as defined in Section 2.2.

“INDEX CURRENCY” is the currency specified in the column “Currency” in the table in Section 1.2.

“INDEX UNIVERSE REQUIREMENTS” shall have the meaning as defined in Section 2.1.

“INDEX UNIVERSE” is the sum of all financial instruments which fulfill the INDEX UNIVERSE REQUIREMENTS.

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

“OVERSIGHT COMMITTEE” shall have the meaning as defined in Section 5.5.

“REBALANCE DAY” is the first Wednesday in February, May, August, and November. If that day is not a TRADING DAY the REBALANCE DAY will be the immediately following TRADING DAY.

“SELECTION DAY” is 10 BUSINESS DAYS before the scheduled REBALANCE DAY.



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

"START DATE" shall have the meaning as defined in Section 1.3.

"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 CALCULATION 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 **"TRADING PRICE"** in respect of an INDEX COMPONENT and a TRADING DAY is the most recent published price at which the INDEX COMPONENT was traded on the respective EXCHANGE.

"UNDERLYING INDEX" is the GTR INDEX as defined in Section 1.2.

"WM / REFINITIV RATE" shall have the meaning as defined in Section 1.4.

7. HISTORY OF INDEX CHANGES

Version	Date	Description
1.0	11 April 2023	Index Guideline creation (<i>initial version</i>)

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