

INDEX GUIDELINE

*Solactive Canadian Bond Universe Corporate TR
Index*

Version 1.0

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TABLE OF CONTENTS

| | |
|---|---|
| Introduction..... | 3 |
| 1. Index Specifications..... | 3 |
| 1.1. Scope of the Index..... | 3 |
| 1.2. Identifiers and Publication..... | 3 |
| 1.3. Initial Level of the Index..... | 4 |
| 1.4. Prices and calculation frequency..... | 4 |
| 2. Index Selection..... | 4 |
| 2.1. Selection of the Index Components..... | 5 |
| 2.2. Weighting of the Index Components..... | 5 |
| 3. Ordinary Rebalance..... | 5 |
| 4. CORPORATE ACTIONS..... | 5 |
| 5. Definitions..... | 6 |
| 6. History of Index Changes..... | 7 |
| Contact..... | 8 |



INTRODUCTION

This document (the "GUIDELINE") is to be used as a guideline with regard to the composition, calculation, and maintenance of the Solactive Canadian Bond Universe Corporate TR Index (the "INDEX"). Any amendments to the rules made to the Guideline are approved by the Oversight Committee as specified in the Bond Index Methodology. 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 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 of financial instruments or investment funds referencing the INDEX under a valid license – 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 Canadian Bond Universe Corporate TR Index (SOLCAUCR) aims to track the performance of corporate CAD denominated bonds issued in the Canadian market. The INDEX provides a broad and liquid measure of the Canadian Investment Grade corporate bond market. To be eligible, bonds need to be a constituent of the BENCHMARK INDEX, corporate, non-sinkable and must have a TMX ADJUSTED AMOUNT outstanding should of at least CAD 200 million.

1.2. IDENTIFIERS AND PUBLICATION

The INDEX is published under the following identifiers:

| Name | ISIN | Currency | Type | RIC | BBG ticker |
|---|--------------|----------|------|-----------|------------|
| Solactive Canadian Bond Universe Corporate TR Index | DE000SLOEK97 | CAD | TR | .SOLCAUCR | SOLCAUCR |

*TR means that the INDEX is calculated as a Total Return index as described in the Bond Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/bond-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 INDEX on January 25th, 2024, is 1000. Levels of the INDEX published for a period prior to this date have been back-tested. Historical values from the January 25th, 2024 will be recorded in accordance with Article 8 of the BMR.

1.4. PRICES AND CALCULATION FREQUENCY

The INDEX is calculated and distributed once every BUSINESS DAY based on the LAST EVALUATED MID PRICE of the INDEX COMPONENTS. Bonds added in a rebalancing (see Section 3) are included the INDEX at LAST EVALUATED MID PRICE on the relevant REBALANCE DAY. Bonds which are excluded from the INDEX in a rebalance are reflected in the calculation of the level of the INDEX for the REBALANCE DAY at the INDEX at LAST EVALUATED MID PRICE on the relevant REBALANCE DAY. INDEX analytical values are calculated each BUSINESS DAY using the LAST EVALUATED MID PRICE based on FIXING TIME. Prices of INDEX COMPONENTS not listed in the INDEX CURRENCY are converted using the 4 p.m. London WM Fixing quoted by Reuters.

2. INDEX SELECTION

On each SELECTION DAY, all bonds which meet the INDEX COMPONENT REQUIREMENTS are eligible for inclusion in the INDEX and will be added as INDEX COMPONENT on the REBALANCE DAY. Additionally, on each SELECTION DAY, it will be evaluated whether all current INDEX COMPONENTS still meet the INDEX COMPONENT REQUIREMENTS. Each INDEX COMPONENT that does not meet the INDEX COMPONENT REQUIREMENTS will be removed from the INDEX on the next REBALANCE DAY.

On a daily basis, member amount increases (re-openings) and new issuances will be reviewed for eligibility. New issuances will be added to the INDEX on the day the fulfill the selection criteria, meaning that if a bond is eligible, but no pricing is available, the bond will only become an INDEX member on the day a price is provided, as long as the issue date is not greater than (1) day from the review date. Similarly, amount re-openings (i.e. amount increases) for bonds that are current members of the INDEX will be considered, leading to daily adjustments of the composition.



2.1. SELECTION OF THE INDEX COMPONENTS

The initial composition of each INDEX, as well as any selection for a rebalance (as specified in Section 3) is determined using the following rules:

- All the bonds must be constituents of the BENCHMARK INDEX.
- Bonds must be issued by a corporation.
- The minimum TMX ADJUSTED AMOUNT outstanding must be of at least CAD 200 million.
- Sinkable bonds are excluded.

(the "INDEX COMPONENT REQUIREMENTS")]

2.2. WEIGHTING OF THE INDEX COMPONENTS

On each SELECTION DAY each INDEX COMPONENT is weighted using the market value based on the LAST EVALUATED MID PRICE and accrued interest as on the SELECTION DAY to achieve the aim of the INDEX.

3. ORDINARY REBALANCE

In order to reflect the new selection of the INDEX COMPONENTS determined on the SELECTION DAY (in accordance with Section 2.1) the INDEX is adjusted on the REBALANCE DAY after CLOSE OF BUSINESS.

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

SOLACTIVE will publish any changes made to the INDEX COMPONENTS with sufficient notice before the REBALANCE DAY on the SOLACTIVE webpage.

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. Adjustments to the INDEX to account for corporate actions will be made in compliance with the Bond Index Methodology.



5. DEFINITIONS

"BENCHMARK INDEX" is the Solactive Canadian Bond Universe TR Index.

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

"BUSINESS DAY" is with respect to the INDEX each day Monday to Friday on which the Investment Industry Association of Canada (IIAC) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in domestic bond and money markets. The IIAC recommended closings of the domestic Canadian bond and money markets are set out on the following website (or any successor page): <http://iiac.ca/market-closure-schedule/>.

"CLOSE OF BUSINESS" is a time stamp when an INDEX is calculated.

"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 bond reflected in the INDEX.

"INDEX COMPONENT REQUIREMENTS" shall have the meaning as defined in Section 2.1.

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

"ISSUER" is the issuing entity of the respective bond.

"LAST EVALUATED ASK PRICE" is the last available evaluated ask price by the PRICING PROVIDER.

"LAST EVALUATED BID PRICE" is the last available evaluated bid price by the PRICING PROVIDER.

"LAST EVALUATED MID PRICE" is the average between the LAST EVALUATED ASK PRICE and the LAST EVALUATED BID PRICE.

"OVERSIGHT COMMITTEE" shall have the meaning as defined in the Bond Index Methodology.

"PRICING PROVIDER" is CanDeal.ca Inc. (CanDeal).

"REBALANCE DAY" is is the last BUSINESS DAY of February, May, August, and November.

"SELECTION DAY" is 7 BUSINESS DAYS before the scheduled REBALANCE DAY, disregarding any potential change of the REBALANCE DAY

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

"TMX ADJUSTED AMOUNT" represents remaining amount outstanding of a bond after it has been adjusted for the stripped amount as provided by TMX Group Limited. The adjustment represents the subtraction of the stripped amount from the outstanding amount of the bond.

Please note that the definitions included in the Bond Index Methodology apply to this guideline. In case of a discrepancy, the definition presented in the guidelines should prevail.



6. HISTORY OF INDEX CHANGES

| Version | Date | Description |
|---------|----------------------|---|
| 1.0 | <i>07 March 2024</i> | Index Guideline creation (<i>initial version</i>) |
| | | |

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