EQUITY BASKET
CALCULATION METHODOLOGY

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Revisions

Revision	Comment	Date
1.0	Document creation	01-AUG-2018
1.01	Removal of inactive pdf Icon	12-FEB-2019
1.02	Reinvestment dividends into dividend paying security Timing of an extraordinary adjustment	11-APR-2019
1.03	Reinvestment of acquisitions paid in cash	08-MAY-2019
1.04	Treatment of German acquisitions containing tendered / untendered lines	13-MAR-2020
1.05	Adding further definitions	06-MAY-2020
1.06	New adjustment procedure for securities that got acquired by 85 % or more, but are still trading	03-AUG-2020
1.07	Post Ex-date Dividend Adjustment	24-SEP-2021

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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 Equity Baskets (the "BASKET") and the treatment of corporate actions and extraordinary corporate actions.

Solactive is committed to the highest standards of integrity and professionalism, which are reflected by a transparent and replicable BASKET design and calculation methodology. Accordingly, Solactive adheres to the following norms in developing methodologies, which are, inter alia:

> robust and reliable;

> rigorous and continuous;

> traceable and verifiable;

> resilient; and inclusive of information on the treatment of Corporate Actions.

In line with the above objectives, Solactive calculates and maintains the BASKETS based on an exhaustive and coherent comprehensive Equity Index Methodology, which is available on www.solactive.com. Solactive fully complies with the IOSCO principles on the quality and integrity of methodologies by giving its stakeholders detailed insight into the calculation and maintenance of its Indices. With further reference to the EU Benchmarks Regulation (Regulation (EU) 2016/1011), it is the objective of this Guideline and Equity Index Methodology to define a general framework of applicability that can be referenced by individual Index guidelines.

This Equity Basket Calculation Methodology contain specifications of the relevant BASKETS and calculation frequencies, whereas the Solactive Equity Index Methodology elaborates on the calculation formulas used by Solactive and their respective adjustments. This Equity Basket Calculation Methodology further defines the various corporate actions that are considered by Solactive in the BASKET maintenance process and specifies their corresponding treatment. In the case the rules described in the Equity Basket Calculation Methodology differ from the framework of the Equity Index Methodology, the Equity Index Methodology prevail.

While Solactive aims at creating and maintaining its Equity Index Methodology as generally and transparently as possible and in line with above-mentioned regulatory requirements, it retains the right to deviate from the standard procedures described in this Equity Index Methodology in the case of any unusual or complex corporate action, or if such a deviation is made to preserve the comparability and representativeness of an Index over time. In accordance with the principle of transparency, the Equity Index

Methodology is directed to all stakeholders, such as financial issuers, potential investors as well as interested third parties, among others. As such, this methodology intends to be concise as well as comprehensible on all levels.

1. BASKET CALCULATION

This section details the general calculation methodology for BASKETS, elaborating on the BASKET types and the calculation formulas applied for the different cash reinvestment approaches.

1.1 CALCULATION FORMULAE

The BASKET level on a CALCULATION DAY at the relevant time is calculated in accordance with the following formula:

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

With:

$x_{i,t}$ = Number of BASKET shares of the BASKET COMPONENT i on TRADING DAY t

$p_{i,t}$ = CLOSING PRICE of BASKET COMPONENT i on TRADING DAY t

$f_{i,t}$ = Foreign exchange rate to convert the CLOSING PRICE of BASKET COMPONENT i on TRADING DAY t into the BASKET currency

D_t = DIVISOR on TRADING DAY t

The initial DIVISOR on the START DATE is calculated according to the following formula:

$$D_t = \frac{\sum_{i=1}^{n}(p_{i,t} * f_{i,t} * x_{i,t})}{Basket\ Start\ Level}$$

After the close of trading on each adjustment day t the new DIVISOR is calculated as follows:

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

This DIVISOR is valid starting the immediately following CALCULATION DAY.

For the calculation of the closing level of each BASKET, the official CLOSING PRICE of the respective BASKET COMPONENT on the respective EXCHANGE is used. In case an EXCHANGE does not have an official CLOSING PRICE for a BASKET COMPONENT on a specific CALCULATION DAY, the last known official CLOSING PRICE is used. Solactive may decide to use a different CLOSING PRICE for a BASKET COMPONENT in exceptional cases. If an

EXCHANGE does generally not publish official CLOSING PRICE, Solactive decides on a price collection mechanism which ensures tradability and representativeness of the BASKET.

1.2 ACCURACY

Solactive calculates the BASKET level basically in accordance with the following rounding convention:

> BASKET level: two decimal places

> CLOSING PRICE of BASKET COMPONENT: no rounding

> Foreign exchange rates: no rounding

> Number of BASKET shares of a BASKET COMPONENT: six decimal places

> DIVISOR: six decimal places

1.3 BASKET TYPES

Based on the objective and in line with the industry standards, Solactive offers equity BASKET calculation in price, gross total return and net total return versions.

> A Price Return BASKET (PR) reflects the market price movements of the BASKET COMPONENTS, disregarding any payments made in respect of the BASKET COMPONENT, such as ordinary CASH DISTRIBUTION. A Price Return BASKET aims to reflect the price performance of a specific market, or a particular segment.

> A Net Total Return BASKET (NTR) seeks to replicate the overall return from holding a portfolio consisting of the BASKET COMPONENTS. In order to achieve this aim, a Net Total Return BASKET considers payments, such as dividends, after the deduction of any withholding tax or other amounts an investor holding the BASKET COMPONENTS would typically be exposed to.

> A Gross Total Return BASKET (GTR) seeks to replicate the overall return from holding a portfolio consisting of the BASKET COMPONENTS. In order to achieve this aim, a Gross Total Return BASKET considers payments made in respect of the BASKET COMPONENTS, such as dividends, without the deduction of any withholding tax or other amounts an investor holding the BASKET COMPONENT would typically be exposed to.

2. CORPORATE ACTIONS

The types of corporate actions described in this Equity Basket Calculation Methodology are taken into account in the BASKET calculation. It is assumed that is the last CALCULATION DAY prior to the ex-date whereas t+1 is the ex-date of the corporate action. If the details (ex-date, amount of distribution, terms of rights issue, etc.) of an event that may trigger a BASKET adjustment are not known prior to or on the ex-date, no Index adjustment is carried out. If an estimation of the details of a distribution from a reliable source exists (for example, distributions by Japanese or South Korean companies), a BASKET adjustment may be carried out based on the estimation.

All examples given to illustrate the application of the BASKET adjustment formula are purely hypothetical and exclusively intended to convey the concept of the methodology. No rights can be derived from these examples in any way with regard to their correctness or applicability to specific cases.

2.1 CASH DISTRIBUTIONS FOR BASKETS WITHOUT CASH COMPONENT

2.1.1 Reinvestment back into the entire BASKET (DIVISOR adjustment)

Dividend payments are included in the Gross Total Return or Net Total Return BASKET. They cause an adjustment of the DIVISOR. The new DIVISOR is calculated as follows:

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

With:

$p_{i,t}$ = CLOSING PRICE of BASKET COMPONENT i on TRADING DAY t

$f_{i,t}$ = Foreign exchange rate to convert the CLOSING PRICE of BASKET COMPONENT i on TRADING DAY t into the BASKET currency

$x_{i,t}$ = Number of BASKET shares of the BASKET COMPONENT i on TRADING DAY t

$y_{i,t}$ = Distribution of BASKET COMPONENT i with ex-date t+1 multiplied by the DIVIDEND CORRECTION FACTOR.

$g_{i,t}$ = Foreign exchange rate to convert the amount of the distribution of BASKET COMPONENT i on TRADING DAY t into the BASKET currency

D_t = DIVISOR on TRADING DAY t

D_{t+1} = DIVISOR on TRADING DAY t+1

2.1.2 Reinvestment back into the Dividend paying BASKET COMPONENT

Dividend payments are included in the gross total return or net total return BASKET. They cause an adjustment of the BASKET shares of the dividend paying BASKET COMPONENT, the DIVISOR remains unchanged. The new BASKET shares are calculated as follows:

$$x_{t+1} = \frac{p_{i,t} * x_{i,t}}{(p_{i,t} - y_{i,t})}$$

With:

$p_{i,t}$ = CLOSING PRICE of BASKET COMPONENT i on TRADING DAY t

$f_{i,t}$ = Foreign exchange rate to convert the CLOSING PRICE of BASKET COMPONENT i on TRADING DAY t into the BASKET currency

$x_{i,t}$ = Number of BASKET shares of the BASKET COMPONENT i on TRADING DAY t

$x_{i,t+1}$ = Number of BASKET shares of the BASKET COMPONENT i on TRADING DAY t+1

$y_{i,t}$ = Distribution of BASKET COMPONENT i with ex-date t+1 multiplied by the DIVIDEND CORRECTION FACTOR.

2.2 CASH DISTRIBUTIONS FOR BASKETS WITH CASH COMPONENT

Cash component is a BASKET COMPONENT with a fixed price of 1 denominated in the BASKET currency.

The cash component feature can be enabled at BASKET setup stage as well as during the life cycle of a BASKET. Also, it can be decided if the cash component should be enabled for cash and/or special cash distributions.

For clarification, the cash component, if activated, is a regular BASKET COMPONENT which can be allocated with BASKET shares at setup stage or during the life cycle of a BASKET.

The BASKET shares of the cash component feature will be adjusted to offset the price drop of the BASKET COMPONENT i to make sure the BASKET closing level remains unchanged. The DIVISOR will not change.

2.3 POST EX-DATE DIVIDEND ADJUSTMENT

In some countries like Japan and South Korea, the dividends amounts are not confirmed prior to their ex-dates and the final confirmation is available thereafter. Solactive uses the estimations as dividend amounts on the ex-date. If no estimation for dividend amount is available prior to their ex-date, Solactive considers the dividend amount from the same dividend period of the previous year as the estimated dividend amount, adjusted for any share changes such as stock splits, stock dividends or rights issues between the relevant dividend period and the ex-date. If a company did not pay any dividend last year and no estimation is available for the dividend amount, Solactive applies a dividend amount of zero as

estimation to be able to conduct a further adjustment when the company confirms a dividend payment for this particular ex-date. Should the confirmed dividend amount differ from the estimated dividend amount that is applied on the ex-date Solactive performs a Post Ex-Date Dividend Adjustment. With respect to the Post Ex-Date Dividend Adjustment the historical index levels are not restated.

The adjustment is only applicable if the affected dividend paying company with delta dividend amount was an Basket Component on the ex-date. Furthermore, the adjustment of the delta dividend is performed even when the company with delta is not a Basket Component on the Implementation Date anymore since this respective stock was a Basket Component on the original ex-date.

The Post Ex-Date Dividend Adjustment is performed on the pre-defined Implementation Dates that are scheduled weekly on Friday. Should Friday not be a Trading Day for the affected market, the Implementation Date is to be postponed to the next Business Day.

The delta amount between the confirmed dividend amount and the estimated dividend amount will be applied to the affected Indices by using the index dividend points.

$$\Delta d_{i,t} = (d_{i,ID} - d_{i,EX}) * (1 - w_{i,EX})$$

With:

$\Delta d_{i,t}$ = Delta Dividend of Basket Component i on Trading Day t

$d_{i,ID}$ = Confirmed Dividend of Basket Component i on Implementation Date

$d_{i,EX}$ = Estimated Dividend of Basket Component i on ex-date

$w_{i,EX}$ = Withholding tax rate in the country of incorporation of Basket Component i on Ex-date t

For the calculation of Basket Delta Dividend Points on the Implementation Date, the calculation parameters of the particular Basket Component i from the ex-date are multiplied by the delta dividend and divided by the Divisor from the Ex-date:

$$DDP_{i,ID} = \frac{\Delta d_{i,ID} * x_{i,EX} * g_{i,ID-1}}{D_{EX}}$$

With:

$DDP_{i,ID}$ = Delta Dividend Points of Basket Component i on Implementation Date

$\Delta d_{i,t}$ = Delta Dividend of Basket Component i on Trading Day t

$x_{i,EX}$ = Number of Basket shares of the Basket Component i on ex-date

$g_{i,ID-1}$ = Foreign exchange rate to convert the amount of the distribution of Basket Component i on Implementation Date -1 into the Basket currency

D_{EX} = Divisor on ex-date

The BASKET dividend points correspond to the delta of the MARKET CAPITALIZATION at the BASKET level. In the case that multiple BASKET COMPONENTS are affected, the individual dividend points of each BASKET COMPONENT are aggregated. The aggregated value of BASKET dividend points is added to the BASKET level to reflect the delta dividends. Since the dividend point might be positive or negative, the BASKET level is adjusted on the Implementation Date accordingly.

$$Basket_{ID}^{Open} = Basket_{ID-1}^{Close} + \sum_{i=1}^{n} DDP_{i,ID}$$

With:

$Basket_{ID}^{Open}$ = BASKET OPEN LEVEL on IMPLEMENTATION DATE

$Basket_{ID-1}^{Close}$ = BASKET CLOSE LEVEL on IMPLEMENTATION DATE-1

$DDP_{i,ID}$ = Delta Dividend Points of BASKET COMPONENT i on IMPLEMENTATION DATE

The adjustment of the BASKET level at the opening of the IMPLEMENTATION DATE triggers a DIVISOR adjustment. The DIVISOR from one day prior to the IMPLEMENTATION DATE is adjusted by the ratio between the adjusted BASKET level at the open of the IMPLEMENTATION DATE and the close BASKET level before the IMPLEMENTATION DATE.

$$D_{ID}^{Open} = D_{ID-1}^{Close} * \frac{Basket_{ID-1}^{Close}}{Basket_{ID}^{Open}}$$

With:

D_{ID}^{Open} = Opening BASKET DIVISOR on IMPLEMENTATION DATE

D_{ID-1}^{Close} = Close BASKET DIVISOR on IMPLEMENTATION DATE-1

$Basket_{ID-1}^{Close}$ = BASKET CLOSE LEVEL on IMPLEMENTATION DATE-1

$Basket_{ID}^{Open}$ = BASKET OPEN LEVEL on IMPLEMENTATION DATE

2.4 STOCK DISTRIBUTIONS

In the case of STOCK DISTRIBUTIONS with ex-date on TRADING DAY t+1 it is assumed that the CLOSING PRICES change according to the terms of the STOCK DISTRIBUTIONS. The new number of BASKET shares is calculated as follows:

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

With:

$x_{i,t+1}$ = Number of BASKET shares of BASKET COMPONENT i on TRADING DAY t+1

$x_{i,t}$ = Number of BASKET shares of BASKET COMPONENT i on TRADING DAY t

B = Shares received for every share held

2.5 STOCK SPLITS

In the case of a STOCK SPLIT with ex-date on TRADING DAY t+1 it is assumed that the CLOSING PRICES change in ratio of the terms of the STOCK SPLIT. The new number of BASKET shares is calculated as follows:

$$x_{i,t+1} = x_{i,t} * B$$

With:

$x_{i,t+1}$ = Number of BASKET shares of BASKET COMPONENT i on TRADING DAY t+1

$x_{i,t}$ = Number of BASKET shares of BASKET COMPONENT i on TRADING DAY t

B = Shares after the STOCK SPLIT for every share held before the STOCK SPLIT

2.6 RIGHTS ISSUE

In the case of a Rights Issue with ex-date t+1 BASKET shares are adjusted as follows:

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

With:

$x_{i,t+1}$ = Number of BASKET shares of BASKET COMPONENT i on TRADING DAY t+1

$x_{i,t}$ = Number of BASKET shares of BASKET COMPONENT i on TRADING DAY t

B = Shares received for every share held

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

With:

$p_{i,t+1}$ = Hypothetical CLOSING PRICE of BASKET COMPONENT i on TRADING DAY t +1

$p_{i,t}$ = CLOSING PRICE of BASKET COMPONENT i on TRADING DAY t

s = Subscription price in the BASKET COMPONENT currency

B = Shares received for every share held

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

With:

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

$D_{i,t}$ = Divisor on Trading Day t

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

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

$x_{i,t}$ = Number of Basket shares of Basket Component i on Trading Day t

$p_{i,t+1}$ = Hypothetical Closing Price of Basket Component i on Trading Day t +1

$x_{i,t+1}$ = Number of Basket shares of Basket Component i on Trading Day t+1

In case the subscription price (converted into the trading currency of the affected Basket Component, if necessary) is equal to or higher than the Closing Price of the affected Basket Component on Calculation Day t, no Basket adjustment is implemented.

3. EXTRAORDINARY CORPORATE ACTIONS

Solactive defines extraordinary corporate actions (ECA) as corporate actions that lead to an extraordinary rebalancing of the basket and/or affect the number of BASKET COMPONENTS, i.e. MERGERS AND ACQUISITIONS or SPIN-OFFS.

Extraordinary corporate action will be monitored on a daily basis. An ECA event forecast of 10 CALCULATION DAYS is being provided by Solactive. In the ECA event forecast, Solactive will place ECA events either on their adjustment date, on their expected completion date or on a date shortly after an important deadline of the ECA event which may lead to a BASKET adjustment afterwards (examples for important deadlines are extraordinary shareholder meeting, tender offer expiration date, court hearing, etc.).

An adjustment will be applied to the BASKET when

a)   the extraordinary event leads to a DELISTING of the BASKET COMPONENT OR

b)   the acquiring company initiates a SQUEEZE-OUT procedure for the remaining outstanding shares of the target company.

In case of an extraordinary event will lead to an adjustment of the BASKET, the BASKET adjustment will be announced with a notice period of at least two CALCULATION DAYS, i.e. the BASKET adjustment will become effective on the opening on the third CALCULATION DAY following the announcement (= the effective date) at the earliest. SPIN-OFF events are excepted from this procedure as they need to be adjusted on the effective date of the event.

In case the results of the tender offer are announced, the offer is successful and the free float of the target company is set to drop below 15 percent, but no DELISTING is announced, no adjustment will be applied to the basket the target company will remain in the basket until Solactive receives a DELISTING notification. If so, the security will then be removed from the basket on a pro-rata basis based upon its last traded price.

3.1 MERGERS & ACQUISITIONS

In case a BASKET COMPONENT is subject to a merger or acquisition, the acquired entity will be removed from the BASKET on the effective date as announced by Solactive. The BASKET is subject to further adjustments in accordance with the cases described in the following overview depending if the cash component is enabled for ECA treatments.

3.1.1 Cash Component feature is not enabled (pro rata)

1. MERGER OR ACQUISITION of a BASKET COMPONENT with respectively by another BASKET COMPONENT

> Cash terms: The weight of the target company based on the cash terms of the acquisition (deal terms) will be distributed pro rata across the remaining BASKET COMPONENTS.* The DIVISOR will be adjusted.

> Stock terms: The shares of the acquiring/surviving company will be increased according to the stock terms.* The DIVISOR will not be adjusted.

> Cash and stock terms: The cash portion will be reinvested pro rata across the remaining BASKET COMPONENT. The shares of the acquiring/surviving company will be increased according to the stock terms.* The DIVISOR will be adjusted.

2. MERGER OR ACQUISITION of a BASKET COMPONENT with respectively by a non-BASKET COMPONENT

> Cash terms: The weight of the target company based on the cash terms of the acquisition (deal terms) will be distributed pro rata across the remaining BASKET COMPONENT.* The DIVISOR will be adjusted.

> Stock terms: The shares of the acquiring/surviving company will be added to the BASKET according to the stock terms.* The DIVISOR will not be adjusted.

> Cash and stock terms: The cash portion will be reinvested pro rata across the remaining BASKET COMPONENTS. The shares of the acquiring/surviving company will be added to the BASKET according to the stock terms.* The DIVISOR will be adjusted.

* This treatment may lead to a different start-of-day (SOD) BASKET level than end-of-day (EOD) BASKET level provided in the daily files on the day of the effective date of the event.

3.1.2 Cash Component feature is enabled (Cash component)

1. MERGER OR ACQUISITION of a BASKET COMPONENT with respectively by another BASKET COMPONENT

> Cash terms: The weight of the target company based on the cash terms of the acquisition (deal terms) will be distributed to the cash component.* The DIVISOR will not be adjusted.

> Stock terms: The shares of the acquiring/surviving company will be increased according to the stock terms.* The DIVISOR will not be adjusted.

> Cash and stock terms: The cash portion will be distributed to the cash component. The shares of the acquiring/surviving company will be increased according to the stock terms. The DIVISOR will not be adjusted.

2. MERGER OR ACQUISITION of a BASKET COMPONENT with respectively by a non-BASKET COMPONENT

> Cash terms: The weight of the target company based on the cash terms of the acquisition (deal terms) will be distributed to the cash component.* The DIVISOR will not be adjusted.

> Stock terms: The shares of the acquiring/surviving company will be added to the basket according to the stock terms.* The DIVISOR will not be adjusted.

> Cash and stock terms: The cash portion will be distributed to the cash component. The shares of the acquiring/surviving company will be increased according to the stock terms.* The DIVISOR will not be adjusted.

 * This treatment may lead to a different start-of-day (SOD) BASKET level than end-of-day (EOD) BASKET level provided in the daily files on the day of the effective date of the event.

During the lifecycle of a BASKET, the reinvestment behavior for the cash amount created out of cash terms and cash and stock terms acquisition can be switched from pro rata to cash component (and vice versa).

3.1.3 Treatment of German acquisitions containing tendered / untendered lines

In the scenario a German listed company is subject to an acquisition, and where a tendered / untendered line is available, the following treatment will be implemented:

> Once the tender offer is completed and the free float is determined to be less than 15 percent, as a first step, Solactive will exchange the BASKET COMPONENT in the affected BASKET from the untendered line to the tendered line based upon the terms (i.e. usually on a one for one basis).

> When the event is finalized and all regulatory approvals are obtained, if the DELISTING is announced, Solactive will remove the tendered line from the BASKET by the deal terms.

> In the scenario where the untendered line is added in one of the affected BASKET (after the BASKET COMPONENT was exchanged for the tendered line), the untendered line will remain in the BASKET until the DELISTING date and it will be removed at the last CLOSING PRICE. In case final SQUEEZE-OUT terms are announced for the untendered line, Solactive will remove the stock in two CALCULATION DAYS at the last CLOSING PRICE.

3.2 SPIN-OFFS

If a Basket Component (i.e. the parent company) distributes part of its business into a further company (i.e. the spin-off company), the spin-off company will be added to the Basket according to the transaction terms on the effective date. The parent company will remain in the Basket with unchanged calculation parameters.

4. DEFINITIONS

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

"BASKET COMPONENT" is each security reflected in the BASKET.

"CALCULATION DAY" is every weekday from Monday to Friday.

A "**CASH DISTRIBUTION**" takes place when a company pays an amount of cash to its shareholders. This is generally decided by the general assembly of shareholders and carried out on a pro-rata-basis. Solactive further distinguishes between two types of Cash Distributions: Regular Dividends and Special Dividends.

The **"CLOSING PRICE"** in respect of a BASKET 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 a BASKET COMPONENT, the last TRADING PRICE will be used.

An Basket Component is subject to "**DELISTING**" if the Exchange announces, pursuant to the Exchange regulations, that the listing of, the trading in or the issuing of public quotes on the Basket Component at the Exchange has ceased immediately or will cease at a later date, for whatever reason (provided the Delisting is not because of a Merger or a Takeover bid), and the Basket Component is not immediately listed, traded or quoted again on an exchange, trading or listing system, acceptable to the Basket Calculator.

The "**DIVIDEND CORRECTION FACTOR**" is calculated as 1 minus the applicable withholding tax rate and/or other applicable tax rate currently prevalent in the respective country.

The "**DIVISOR**" divides the total value of a Basket into a more comprehensible number. It is one of the key tools to ensure the accuracy and continuity of the Basket over time and is adjusted to offset changes due to Corporate Actions.

"EXCHANGE" is with respect to the BASKET and every BASKET COMPONENT, the respective exchange where the BASKET COMPONENT has its listing.

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

With regard to a Basket Component a "**MERGER**" is:

> a change in the security class or a conversion of the share class that results in a transfer or an ultimate definite obligation to transfer all the shares to another legal person;

> 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 the Basket Component is the acquiring or remaining company and that does not involve a change in security class or a conversion of all the shares);

> 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 that are held and controlled by the legal person); or

> 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, although it does not involve a change in the class or a conversion of the all shares issued, the shares 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 directly subsequent to such an event.

An 'Implementation Date' is a day on which the post ex-date dividend adjustments are implemented to the affected indices.

'Market Capitalization' with regard to a share is the value of the issuing company calculated by multiplying the number of outstanding company shares by their share price.

A "**REGULAR DIVIDEND**" refers to Cash Distributions paid in regular intervals, such as once every month or, more commonly, on a quarterly basis, depending on the pattern previously established by the individual company or as is common practice in the respective jurisdiction (cf. Cash Distribution).

A "**RIGHTS ISSUE**" refers to actions raising the Market Capitalization of a company, often facilitated by issuing new shares. Existing shareholders may usually acquire the newly issued shares at a slight discount thus retaining their existing percentage of the free float.

A "**SPECIAL DIVIDEND**" is any Cash Distribution that falls outside the general pattern of dividend payments, either with regard to its timing or the amount paid out to shareholders (cf. Regular Dividend and Cash Distribution).

An Basket Component is subject to a "**SPIN-OFF**" if the issuer of the shares that are currently Basket Components splits its business activities into two or more entities and distributes equity shares in the newly created entities to the shareholders of the parent (i.e. status before the Spin-off took place) entity.

A "**SQUEEZE-OUT**" refers to a procedure by which a majority shareholder may take a company private by compensating minority shareholders appropriately. The requirements and process of a squeeze-out vary depending on the jurisdiction at hand, but the majority shareholder generally needs to control a certain percentage of the company.

"**START DATE**" is the day on which the Basket is created.

A "**STOCK DISTRIBUTION**" is similar to a Cash Dividend but the shareholders receive shares pro rata by the company instead of cash. Usually this involves the issuing of new shares.

A "**STOCK SPLIT**" describes a corporate action through which a company's present shares are split and therefore multiplied by a given factor. The newly issued shares are distributed based on what is known as a split ratio, often 2-for-1 or 3-for-1, thus doubling or tripling the total amount of shares and the number of shares held by each shareholder. The stock price decreases proportionally.

"TRADING DAY" is with respect to a BASKET COMPONENT included in the 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 "TRADING PRICE" in respect of a BASKET COMPONENT and a TRADING DAY is the most recent published price at which the BASKET COMPONENT was traded on the respective EXCHANGE.

DISCLAIMER

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CONTACT

Solactive AG
German Index Engineering
Platz der Einheit 1
60327 Frankfurt am Main
Germany

Tel.:   +49 (0) 69 719 160 00
Fax: +49 (0) 69 719 160 25
Email: info@solactive.com
Website: www.solactive.com