

INDEX RULE BOOK

**CNI Europe Intelligent Manufacturing
Industry**

CNI Europe Creative Industry

CNI Europe Quality Life

CNI Europe Aerospace and Defense

Version 18-03

Effective from 23 November 2018

indices.euronext.com

Index

1. Index Summary		2
2. Governance and Disclaimer		5
2.1 Indices	5	
2.2 Supervisor and Compiler	5	
2.3 Cases not covered in rules	5	
2.4 Rule book changes	5	
2.5 Liability	5	
2.6 Ownership and trademarks	5	
3. Publication		6
3.1 Dissemination of index values	6	
3.2 Exceptional market conditions and corrections	6	
3.3 Announcement policy	6	
4. Calculation		7
4.1 Calculation of the price index	7	
4.2 Currency conversion	7	
4.3 Total return index calculation	7	
5. Index reviews		8
5.1 General aim and frequency of reviews	8	
5.2 Index universe and selection principle	8	
5.3 Periodical update of weighting	10	
6. Corporate Actions		11
6.1 Events that change the composition	11	
6.2 Events that change the weighting factors	13	
7. Index Calculation Formulas		15
8. Definitions		17
8.1 Compiler	17	
8.2 Review Cut-Off Date	17	
8.3 Review Composition Announcement Date	17	
8.4 Review Effective Date	17	
8.5 Free Float Factor	17	
8.6 Regulated turnover	18	

1. INDEX SUMMARY

Factsheet	CNI Europe
Index name	CNI Europe Intelligent Manufacturing Industry CNI Europe Creative Industry
Index type	Price and Gross, China Yuan Renminbi as well Euro versions available
Index governance structure	Euronext acts as Compiler and Supervisor of the index
Eligible stocks	<p>The universe is composed of the 100 most liquid stocks in terms of average daily turnover listed on the main markets of France, Germany (Prime Standard market), The Netherlands, Italy, United Kingdom, Switzerland, Sweden and Spain classified within specific ICB subsectors. The ICB subsectors are the following for.</p> <p>CNI Europe Intelligent Manufacturing Industry: 0583 Renewable Energy Equipment, 1357 Specialty Chemicals, 2713 Aerospace, 2717 Defense, 2727 Diversified Industrials, 2733 Electrical Components & Equipment, 2737 Electronic Equipment, 2753 Commercial Vehicles & Trucks, 2757 Industrial Machinery, 3355 Auto Parts and 9576 Semiconductors.</p> <p>CNI Europe Creative Industry: 553 Broadcasting & Entertainment, 5557 Publishing, 5751 Airlines, 5753 Hotels, 5755 Recreational Services, 5757 Restaurants & Bars and 5759 Travel & Tourism.</p> <p>CNI Europe Quality Life: 3353 Automobiles, 3357 Tires, 3533 Brewers, 3535 Distillers & Vintners, 3537 Soft Drinks, 3573 Farming, Fishing & Plantations, 3577 Food Products, 3722 Durable Household Products, 3724 Nondurable Household Products, 3726 Furnishings, 3728 Home Construction, 3743 Consumer Electronics, 3745 Recreational Products, 3747 Toys, 3763 Clothing & Accessories, 3765 Footwear and 3767 Personal Products.</p> <p>CNI Europe Aerospace and Defense: 2713 Aerospace and 2717 Defense</p>
Selection	All eligible stocks are ranked by average daily turnover and the top 20 stocks are selected.
Number of constituents	20
Weighting	Based on Free Float market capitalization.
Capping	15%
Review cut-off date	Penultimate Friday of the month of May and November
Review of composition	Semi-annually effective on the first trading day of January and July .
Review of number of shares	Semi-annual
Base Currency	Euro

Note: the factsheet is a summary of the rule book for information purposes only. The text of the rule book is leading.

Reference Data

Index name	Isin code	Mnemo	Bloomb g code	Reuters code	Base date	Base value	Publication since
CNI Europe Intelligent Manufacturing Industry EUR	NL0012757421	CIMIE	CIMIE	.CIMIE	30-11-2012	1000	23-02-2018
CNI Europe Intelligent Manufacturing Industry GR EUR	NL0012757439	CIMGE	CIMGE	.CIMGE	30-11-2012	1000	23-02-2018
CNI Europe Intelligent Manufacturing Industry CNY	NL0012757447	CIMIC	CIMIC	.CIMIC	30-11-2012	1000	23-02-2018
CNI Europe Intelligent Manufacturing Industry GR CNY	NL0012757454	CIMGC	CIMGC	.CIMGC	30-11-2012	1000	23-02-2018
CNI Europe Creative Industry EUR	NL0012757462	CCIE	CCIE	.CCIE	30-11-2012	1000	23-02-2018
CNI Europe Creative Industry GR EUR	NL0012757470	CCIGE	CCIGE	.CCIGE	30-11-2012	1000	23-02-2018
CNI Europe Creative Industry CNY	NL0012757488	CCIC	CCIC	.CCIC	30-11-2012	1000	23-02-2018
CNI Europe Creative Industry GR CNY	NL0012757496	CCICE	CCICE	.CCICE	30-11-2012	1000	23-02-2018
CNI Europe Quality Life EUR	NL0012838726	CQLE	CQLE	.CQLE	30-11-2012	1000	06-04-2018
CNI Europe Quality Life GR EUR	NL0012838734	CQLGE	CQLGE	.CQLGE	30-11-2012	1000	06-04-2018
CNI Europe Quality Life CNY	NL0012838742	CQLC	CQLC	.CQLC	30-11-2012	1000	06-04-2018
CNI Europe Quality Life GR CNY	NL0012838759	CQLGC	CQLGC	.CQLGC	30-11-2012	1000	06-04-2018
CNI Europe Aerospace and Defense EUR	NL0012838767	CADE	CADE	.CADE	30-11-2012	1000	06-04-2018
CNI Europe Aerospace and Defense GR EUR	NL0012838775	CADGE	CADGE	.CADGE	30-11-2012	1000	06-04-2018
CNI Europe Aerospace and Defense CNY	NL0012838783	CADC	CADC	.CADC	30-11-2012	1000	06-04-2018
CNI Europe Aerospace and Defense GR CNY	NL0012838791	CADCE	CADCE	.CADCE	30-11-2012	1000	06-04-2018



1.1 VERSION NOTES

VERSION	DATE EFFECIVE	CHANGES
002	28 March 2018	Adjusted for the launch of CNI Europe Quality Life and CNI Europe Aerospace and Defense
18-03	23 Nov 2018	Change of definition of Free Float Factor and move of Review Cut-Off date

2. GOVERNANCE AND DISCLAIMER

2.1 INDICES

This rule book applies to the following indices (hereinafter “index”):

- CNI Europe Intelligent Manufacturing Industry
- CNI Europe Creative Industry
- CNI Europe Quality Life
- CNI Europe Aerospace and Defense

2.2 SUPERVISOR AND COMPILER

Euronext is the supervisor (“Supervisor”) and compiler of the index (“Compiler”). The Supervisor is responsible for monitoring the selection of constituents for the index and ensuring that the index offers a reliable and representative view of the market. The Compiler is responsible for the day-to-day management of the index and is also responsible for decisions regarding the interpretation of these rules.

2.3 CASES NOT COVERED IN RULES

In cases which are not expressly covered in these rules, operational adjustments will take place along the lines of the aim of the index. Operational adjustments may also take place if, in the opinion of the Compiler, it is desirable to do so to maintain a fair and orderly market in derivatives on this index and/or this is in the best interests of the investors in products based on the index and/or the proper functioning of the markets. The Compiler will report to the Supervisor if it took a decision about a case which is not specifically covered in the rules for comments and review.

2.4 RULE BOOK CHANGES

These rules may be supplemented, amended in whole or in part, revised or withdrawn at any time. Supplements, amendments, revisions and withdrawals may also lead to changes in the way the index is compiled or calculated or affect the index in another way. The Compiler will submit all decisions regarding supplementing, amending, revising or withdrawing these rules to the Supervisor for recommendations or approval.

2.5 LIABILITY

Euronext, the Compiler and the Supervisor are not liable for any losses resulting from supplementing, amending, revising or withdrawing the rules for the index.

The Compiler will do everything within its power to ensure the accuracy of the composition, calculation, publication and adjustment of the index in accordance with relevant rules. However, neither Euronext, nor the Compiler, nor the Supervisor are liable for any inaccuracy in index composition, share prices, calculations and the publication of the index, the information used for making adjustments to the index and the actual adjustments. Furthermore, Euronext, the Compiler and the Supervisor do not guarantee the continuity of the composition of the index, the continuity of the method of calculation of the index, the continuity of the dissemination of the index levels, and the continuity of the calculation of the index.

2.6 OWNERSHIP AND TRADEMARKS

CNI[®] owns all intellectual and other property rights to the index, including the name and the composition of the index.

3. PUBLICATION

3.1 DISSEMINATION OF INDEX VALUES

3.1.1 Opening

The opening level is calculated using the last known prices of traded constituents or in the case of constituents that have non-traded, halted or suspended status, the previous day reference prices or estimated prices (for IPOs, buyouts and swap offers).

The opening index level is disseminated at the same time as the first index level.

3.1.2 Calculation and dissemination

The index is calculated based on the most recent prices of transactions concluded on the main markets in each of the countries that are included in the index. The level of the index is in principle published every 15 seconds. The index is calculated from 09:00 hours until Euronext Markets stop regular daytime trading on the days Euronext Markets are open for trading.

3.1.3 Closing

The closing level is the last level disseminated on the trading day.

3.2 EXCEPTIONAL MARKET CONDITIONS AND CORRECTIONS

The Compiler retains the right to delay the publication of the opening level of the index. Furthermore, the Compiler retains the right to suspend the publication of the level of the index to mark the level of the index indicative if it believes that circumstances prevent the proper calculation of the index.

If prices are cancelled, the index will not be recalculated unless the Compiler decides otherwise.

3.3 ANNOUNCEMENT POLICY

The announcement policy is described in the Euronext Indices Announcement policy document that is available on indices.euronext.com/index-rules.

4. CALCULATION

4.1 CALCULATION OF THE PRICE INDEX

The index is calculated on a price return index basis. The calculation of the price return index is based on the current capitalization divided by the divisor. The divisor was determined on the initial capitalization base of the index and the base level. The divisor is adapted as a result of corporate actions and composition changes.

4.2 CURRENCY CONVERSION

The base currency of the index is Euro for the EUR versions of the index and China Yuan Renminbi for the CNY versions of the index.

Share prices that are quoted in other currencies than the Base Currency will be converted to the Base Currency using the last known exchange rate observed on Reuters. Closing prices will be converted based on the most recent WM/Reuters spot rates, which are published each business day around 17:00 CET.

4.3 TOTAL RETURN INDEX CALCULATION

4.3.1 Return index

A gross total return index, is calculated and disseminated at the same frequency as the price index. The return indices are obtained by reinvesting the gross dividends.

5. INDEX REVIEWS

5.1 GENERAL AIM AND FREQUENCY OF REVIEWS

5.1.1 General aim of the periodical review

The general aim of the periodical review of the index is to ensure that the selection and weighting of the constituents continues to reflect the underlying market or market segment it represents.

5.1.2 Review Cut-off Dates and Review Effective Dates

The Review Cut-off Date (see 7. Definitions) is after the market close of the penultimate¹ Friday of May and November.

The semi-annual reviews become effective on the first trading day of January and July. Changes are implemented the day before, after the close.

5.2 INDEX UNIVERSE AND SELECTION PRINCIPLE

5.2.1 Index Universe: requirements for inclusion

The Index Universe is defined at the semi-annual Review Cut-off Dates. To be eligible for the universe, a stock should have its primary listing on the main markets of France, Germany (Prime Standard market), The Netherlands, Italy, United Kingdom, Switzerland, Sweden or Spain.

If a company is admitted to listing in more than one market within the Index Universe, it will be evaluated based on the country in which it has the highest 12 months turnover on that market.

5.2.2 Index universe: composition

CNI Europe Intelligent Manufacturing Industry:

Out of the companies eligible for the Index Universe the 100 most liquid companies by 12 months average daily turnover classified in the following ICB subsectors form the index universe:

- 0583 Renewable Energy Equipment;
- 1357 Specialty Chemicals;
- 2713 Aerospace;
- 2717 Defense;
- 2727 Diversified Industrials;
- 2733 Electrical Components & Equipment;
- 2737 Electronic Equipment;
- 2753 Commercial Vehicles & Trucks;
- 2757 Industrial Machinery;
- 3355 Auto Parts; and
- 9576 Semiconductors.

CNI Europe Creative Industry:

Out of the companies eligible for the Index Universe the 100 most liquid companies by 12 months average daily turnover classified in the following ICB subsectors form the index universe:

- 5553 Broadcasting & Entertainment;
- 5557 Publishing;

¹ Penultimate means the one immediately before the last one, so the Friday before the last Friday.

- 5751 Airlines;
- 5753 Hotels;
- 5755 Recreational Services;
- 5757 Restaurants & Bars; and
- 5759 Travel & Tourism.

CNI Europe Quality Life:

Out of the companies eligible for the Index Universe the 100 most liquid companies by 12 months average daily turnover classified in the following ICB subsectors form the index universe:

- 3353 Automobiles
- 3357 Tires
- 3533 Brewers
- 3535 Distillers & Vintners
- 3537 Soft Drinks
- 3573 Farming, Fishing & Plantations
- 3577 Food Products
- 3722 Durable Household Products
- 3724 Nondurable Household Products
- 3726 Furnishings
- 3728 Home Constructions
- 3743 Consumer Electronics
- 3745 Recreational Products
- 3747 Toys
- 3763 Clothing & Accessories
- 3765 Footwear
- 3767 Personal Products

CNI Europe Aerospace and Defense:

Out of the companies eligible for the Index Universe the 100 most liquid companies by 12 months average daily turnover classified in the following ICB subsectors form the index universe:

- 2713 Aerospace
- 2717 Defense

5.2.3 Selection of constituents

CNI Europe Intelligent Manufacturing Industry:

The stocks part of the Index Universe are ranked by 12 months average daily turnover, out of the stocks that have a minimum 12 months average daily turnover of EUR 1,000,000 the top 20 are selected. In case there are less than 20 companies within the universe that have a minimum 12 months average daily turnover of EUR 1,000,000 the index will consist of less than 20 constituents.

CNI Europe Creative Industry:

The stocks part of the Index Universe are ranked by 12 months average daily turnover, the top 20 will be selected. In case there are less than 20 companies within the universe that have a minimum 12 months average daily turnover of EUR 1,000,000 the index will consist of less than 20 constituents.

CNI Europe Quality Life:

The stocks part of the Index Universe are ranked by 12 months average daily turnover, out of the stocks that have a minimum 12 months average daily turnover of EUR 1,000,000 the top 20 are selected. In case there are less than 20 companies within the universe that have a minimum 12 months average daily turnover of EUR 1,000,000 the index will consist of less than 20 constituents.

CNI Europe Aerospace and Defense:

The stocks part of the Index Universe are ranked by 12 months average daily turnover, out of the stocks that have a minimum 12 months average daily turnover of EUR 1,000,000 the top 20 are selected. In case there are less than 20 companies within the universe that have a minimum 12 months average daily turnover of EUR 1,000,000 the index will consist of less than 20 constituents.

5.2.4 Selected line

As only one listing – the most active one - is permitted per company, the listing representing the company's ordinary shares is generally used. Mono-holdings are excluded.

5.3 PERIODICAL UPDATE OF WEIGHTING

5.3.1 Update of number of shares

At the reviews, the number of shares included in the index will be updated with the number of shares listed on the Review Cut-Off Date, taking into account adjustments due to Corporate Actions as described in Chapter 6.

5.3.2 Free Float

All Free Float Factors are updated at the semi-annual reviews.

5.3.3 Capping

A maximum weighting of 15% is applied to each constituent at the periodical review. The assessment and new capping coefficients are based on the new composition in combination with the closing prices of the two trading days before the review is carried out.

6. CORPORATE ACTIONS

6.1 EVENTS THAT CHANGE THE COMPOSITION

6.1.1 Mergers and acquisitions

Acquisitions in cash

In the event of a bid in cash, the target company will be removed from the index. The removal will take place with effect after the close of the first full business day following the acceptance of the bid. If a company is removed from the index, the divisor will be adapted to maintain the index level.

Mergers and takeovers in shares

In the event of a merger, acquisition or similar situation where the bid is made in the form of shares, the constituent will be replaced by the newly formed company, provided that this company complies with the requirements for inclusion in the index in line with the criteria defined in the index reviews section. The replacement will take place in line with the schedule of the transaction. The replacement of the shares of the relevant index constituent by the shares of the newly formed company will be executed on the basis of the bid ratio.

If the Compiler decides that the newly formed company does not comply with the requirements for inclusion, then the constituent will be removed with effect from the close of the first full business day following the acceptance of the bid.

Mixed transactions

In case of a mixed bid of cash and shares the Compiler will treat the bid as a share bid if the share part amounts to at least 75% of the offer price, on the day of the publication of the terms of the offer. The replacement of the shares of the relevant index constituent by the shares of the company that continues to be traded will be executed on the basis of the bid ratio. The divisor will be adapted only for the cash part of the offer price.

Continued inclusion or specific treatments

The Compiler reserves the right to apply a specific treatment in non-standard situations including but not limited to:

- Competing bids with differing closing dates or structures;
- Offers made without the intention to gain full control.

In case of a specific treatment a separate announcement detailing the specific treatment will be issued timely to the market.

Inclusion of new companies for periodical reviewed indices

As a rule newly listed companies are considered for inclusion in the index at the time of the periodical index review.

6.1.2 Suspensions, Company distress and Delistings

Suspension

If a constituent is suspended, the Compiler will consider whether the constituent should be removed or not within five trading days. If it is decided to maintain the constituent a further reassessment date will be set. The Compiler reserves the right to take action before that date if new developments give reason to do so. In case a constituent is removed following suspension, it will be removed from the index as soon as possible and on a day announced by the Compiler. The company will be removed from the index after the close of the markets assuming a price of zero unless the Compiler sets a different price, where possible supported by an objective source.

If it has been announced that a constituent will be delisted from the relevant market, it will be removed from the index as soon as possible and on a day announced by the Compiler. The company will be removed from the index based on either the last known price established during regular daytime trading or on a price determined by the Compiler, whereby the company may also be removed at a price of zero.

Removing assuming a price of zero implies no divisor change because of the removal. If another price is set, the divisor will change based on the removal of the value of that company from the index portfolio when applying that price.

In the event that the trading in shares is suspended, the last known price established during regular daytime trading will be used.

6.1.3 SPLIT UP / SPIN-OFF

In the event that a company included in the index is split up, the companies resulting from the split, including the original company where appropriate will continue to be included in the index providing they meet the requirements for inclusion of the index. This means, in line with section 5.2, that the resulting entity should remain listed on one of the markets on which the index is based.

The index may then temporarily consist of fewer than, or more than the standard number of constituents until the next periodical review takes place.

For the purposes of these rules a split up is taken to mean a legal demerger, a spin-off or another situation which the Compiler deems to be similar.

In case the shareholder of the company which was originally included in the index does not automatically receive shares in a company which is created as a result of the split up, this company is considered to be a newly listed company.

The removal of any non-qualifying company resulting from a split up will take place after the close of the first day of trading in the shares of that company. If all companies resulting from the split are to be removed, the removal will take place at the close of the last trading day before the split.

In case a company resulting from the split up will not be admitted to listing on a main market in one of the countries that are included in the index, the Compiler will select an appropriate price source for the calculation of the index and the removal of the spun off company on the first trading day after the spin-off.

6.2 EVENTS THAT CHANGE THE WEIGHTING FACTORS

6.2.1 Dividends

Criteria for determining special dividends

The price index will be adjusted for dividends that are special.

The following criteria will be applied to decide whether a dividend should be considered a special dividend:

- a) The declaration of a company of a dividend additional to those dividends declared as part of the company's normal results and dividend reporting cycle; merely an adjustment to the timing of the declaration of a company's expected dividend would not be considered as a special dividend circumstance; or
- b) The identification of an element of a dividend paid in line with a company's normal results and dividend reporting cycle as an element that is unambiguously additional to the company's normal payment.

For the purpose of clarification, no adjustment will be made for the following situations:

1. Payment of ordinary dividends, irrespective of how they are financed;
2. Issue of redeemable shares or any other entitlement in lieu of an ordinary dividend; or
3. Unexpected increase or decrease, resumption or cessation, or change in frequency to an ordinary dividend.

Adjustment for special dividend

The adjustment of the index takes place by a reduction of the closing price of the share in question. Subsequently the divisor will be adapted in order to maintain the index level. The adjustments will be based on gross amounts.

Ordinary dividends in shares

If a dividend is distributed in the form of shares only and if this is regarded as ordinary dividend, the return index will be reinvesting a cash equivalent of the dividend. If shareholders may choose between cash or shares the amount which is reinvested will be based on the cash option.

Conversion of dividends declared in other currencies

If a dividend for a constituent is declared in another currency than the Base Currency of the index, then the Compiler will in first instance use the Base Currency amount if investors have the option to be paid in that currency. If the dividend amount is available only in currencies that deviate from the Base Currency, the Compiler will convert the dividend amount using the reference rate for the cum-day (the business day prior to the ex-date). In principle the reference rate will be based on the foreign exchange reference rates as published daily by the ECB.

6.2.2 Bonus issues, stock splits and reverse stock splits

For bonus issues, stock splits and reverse stock splits, the number of shares included in the index will be adjusted in accordance with the ratio given in the corporate action. The divisor will not be changed because

of this. The Compiler may regard a bonus issue as the issue of an entitlement in lieu of an ordinary dividend and therefore treat this as a dividend.

6.2.3 Rights issues and other rights

In the event of a rights issue the new shares will be included in the index on the ex-date of the rights issue and an adjusted closing price will be applied as calculated by the Compiler. The adjustment will be made based on the shares currently in the index. The divisor will be adapted in such a way that the level of the index remains the same.

The new shares are only added if less than 0.4 share is issued for every share that is currently held and if the new shares are fungible with the existing line of shares (e.g. no dividend disadvantage). Otherwise the index is adjusted based on the value of the rights only.

The index will be adjusted only if the rights represent a positive value.

The index will also be adjusted if a value can be attributed to a subscription right for convertible bonds, bonds with warrants or warrants with preferential rights for shareholders or similar situations. If the value cannot be attributed straightforward, the Compiler may also decide to include the detached instrument for one day and adjust the index at the close based on the closing price for that subscription right on that day.

6.2.4 Partial tender offers on own shares

The Compiler will adjust the divisor of the index if the premium represents more than 5% of the share price of the close on the penultimate day before the ex-date (the day prior to the last day before the ex-day). The premium is calculated as the difference between the offered price and the closing price, multiplied by the percentage of the share capital targeted in the offer. If the divisor is adjusted, the number of shares in the index will be adjusted as well.

7. INDEX CALCULATION FORMULAS

The general formula for the **price index** is:

$$I_t = \frac{\sum_{i=1}^N Q_{i,t} F_{i,t} f_{i,t} C_{i,t} X_{i,t}}{d_t}$$

Where:

- t Time of calculation
- N Number of constituent equities in index
- $Q_{i,t}$ Number of shares of equity i included in the index on day t
- $F_{i,t}$ Free Float Factor of equity i ²
- $f_{i,t}$ Capping factor of equity i ¹
- $C_{i,t}$ Price of equity i on t
- $X_{i,t}$ Current exchange rate on t ¹
- d_t Divisor of the index on day t

The **total return index** calculation takes two steps: the first step is to transpose the announced dividend payment into index points. This is called the XD adjustment. This uses the following formula:

$$\text{XD adjustment} = \sum_{i=1}^N \frac{g_i * w_i}{d}$$

Where:

- N Number of constituent equities in index
- g_i The announced dividend per share of the i^{th} component stock (for net return index withholding tax is deducted from this dividend);
- w_i The weighting of the i^{th} component stock in the index, based on number of shares included in the index, Free Float Factor, capping factor and exchange rate;
- d Divisor of the index.

The second step of the calculation uses the figures calculated in step one (XD adjustment). The dividend is assumed to be reinvested at the close of the ex-date.

$$TR_t = TR_{t-1} \left(\frac{IV_t + XD}{IV_{t-1}} \right)$$

Where:

- TR_{t-1} : Total return index value yesterday;
- TR_t : Total return index value on t;
- IV_{t-1} : Underlying price index yesterday;

² Factor is equal to 1 if not applied for the index



IV_t : Underlying price index on t ;

8. DEFINITIONS

8.1 COMPILER

Committee of Euronext officials appointed by Euronext.

8.2 REVIEW CUT-OFF DATE

The cut-off date which is relevant for the assessment regarding inclusions and exclusions. The Review Cut-Off Date of the index is the last Friday of the month before the review effective date.

8.3 REVIEW COMPOSITION ANNOUNCEMENT DATE

The Review Composition Announcement Date is the date on which, after the close, the full details are announced regarding the index composition that will come into effect after the review effective date. This includes numbers of shares, free float factors and capping factors of all companies included in the new index portfolio.

8.4 REVIEW EFFECTIVE DATE

The Review Effective Date is the date on which, the changes relating to the periodical review become effective in the index portfolio.

8.5 FREE FLOAT

The Free Float Factor is the percentage representing all listed securities of the selected line of the relevant company eligible for index inclusion (as described in section 5.2), minus any shareholdings that are considered non-free float. The Free Float Factor is based on public information available on the Review Cut-Off Date. The Free Float Factor will be rounded to the nearest 5%.

The following shareholdings are considered non-free float (based on public information available on the Review Cut-Off Date):

- Any single shareholder who holds 5% or more of the listed securities in the selected line eligible for index inclusion, with the exception of collective entities or pension funds.
Collective entities are those entities that fulfill all the following criteria:
 - i. are open for investment to investors or tradable on the market; and
 - ii. have a diversified portfolio; and
 - iii. have an open ended structure.Collective entities include mutual funds and other open end-funds.
- Collective entities or pension funds that hold 5% or more of the listed securities in the selected line eligible for index inclusion and are represented in any governing body of the company in question.
- Parties acting in concert that collectively hold 5% or more of the listed securities in the selected line eligible for index inclusion.
- Employee shareholding plans, employee pension plans, individual employees, management or members of the board of directors of the relevant company when their cumulative shareholding is 5% or more of the listed securities in the selected line eligible for index inclusion.
- Shares held by the relevant company that represent 5% or more of the listed securities in the selected line eligible for index inclusion (e.g. treasury shares).

8.6 REGULATED TURNOVER

Regulated Turnover consists of value of turnover based on the trading volume on the specific listing used.

If a company's value of Regulated Turnover is not available for the entire relevant period, the available value of Regulated Turnover will be extrapolated to the entire relevant period. In such cases, the value of Regulated Turnover during the first twenty trading days that the company listed will be ignored.

In the event of a spin-off, a split-up or a similar corporate event, the value of Regulated Turnover before the corporate event will be assigned to the companies resulting from the corporate event based on the ratio of the corporate event. The ratio is determined based on the market capitalisation of the resulting entities after the first day of trading. The value of Regulated Turnover will be assigned if a spun-off division is listed as an independent company.