



SIX Global Equity Indices

Methodology Rulebook Governing the SIX Global Equity Indices

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1 Introduction

This rulebook contains the specific rules regarding the calculation, selection process and weighting scheme for the SIX Global Equity Indices administered by SIX Index AG. The first section “Basic principles” explains the guiding principles this rulebook is based on. The next section provides an overview of the definitions used. This is followed by a section containing the theory behind the calculation of Index values and the administration of Index Components and Index Composition. Subsequently, the rulebook is structured by the Indices offered by SIX. Further information on the individual Indices is provided in the corresponding section.

The document concludes with remarks on correction guidelines, governance, external communication and trademark protection.

2 Basic Principles

This rulebook is based on the following basic principles. SIX follows these basic principles when situations arise that are not foreseen in the rulebook or in case of doubt.

- **Representative:**
The development of the market is represented by the Index.
- **Tradable:**
The Index Components are tradable in terms of Company size and market.
- **Replicable:**
The development of the Index can be replicated in practice with a portfolio.
- **Stable:**
High Index continuity.
- **Rules-based:**
Index changes and calculations are rule-based.
- **Projectable:**
Changes in rules are with appropriate lead time (usually at least 2 calculation days) – no retrospective rule changes.
- **Transparent:**
Decisions are based on public information.

3 Definitions

3.1 Instrument Definitions

SIX Indices replicate the performance of a weighted group of financial Instruments. Because this rulebook describes equity Indices, the essential attributes of equities are defined below:

Term	Definition
Capital Event (Corporate Action)	Companies use a Capital Event to adjust their capital structure. Capital Events include among others dividends, share splits or rights issues. For the calculation of the Index values, Capital Events are considered which have an effect on the parameters of the Index calculation.
Record Date	Record Date is the Cut-off Date established by a Company in order to determine which shareholders are eligible to receive a distribution.
Ex-Date (Ex-Dividend Date)	The Ex-Date is the first trading date from which a share is traded without entitlement to a dividend or a Capital Event. The holder of a share is entitled to a Capital Event immediately before the Ex-Date.
Close Price	Close Price refers to the closing price of a stock as of that day. The Close Price comes directly from the market data feeds.
Adjusted Close	Adjusted Close is the theoretical closing price of stock. The Adjusted Close indicates how the stock price has theoretically changed for the next opening

Term	Definition
	session based on the closing price and information about corporate events effective the next day. The Adjusted Close is a derived price and not raw input data.
Dividend Amount	Dividend Amount is the before-tax value of dividend scheduled to be paid on the Ex-Date for holding one share of a stock.
Withholding Tax Rate	The Withholding Tax Rate ¹ is the associated tax rate applied on dividends received on the stock to calculate the deducted tax amount. The tax rates are usually determined by the country where the Company is incorporated.
Free Float Factor	The Free Float Factor of a stock is the relative proportion of the Number of Shares that are not in fixed ownership and are therefore freely tradable. As a rule, only freely tradable shares are taken into account when calculating market capitalization. The Free Float Factor puts the freely tradable shares in relation to the Number of Shares in a share line. The rules for determining the Free Float Factor are described in section 7.2.
Full Market Capitalization	The Full Market Capitalization of a stock is calculated by multiplying the share price by the Number of Shares. Often referred as Total Market Capitalization
Free Float Market Capitalization	The Free Float Market Capitalization of a stock is calculated by multiplying the share price by the Number of Shares and the Free Float Factor. This expresses the size of an Instrument.
Instrument currency	Each Instrument is traded in a currency in which shares are bought and sold. However, it is possible that an Index Component is traded in a currency that is different from the one used for calculating the Index. This case will be explained in more detail in section 7.3.
Number of Shares	The Number of Shares of a stock is the Number of Shares in circulation. They constitute the total share capital, which is fully subscribed and fully or partially paid in and registered in the Commercial Register. The capital in circulation does not include conditional or authorized capital. The Number of Shares is used to calculate the Free Float Market Capitalization. The Number of Shares is regularly reviewed to ensure that it is up to date and the reviewed values are included in the review list, which is described in section 7.1.
Primary Listing	The Primary Listing is the main exchange on which an Issuer's Instruments are admitted for trading.
Country of Primary Listing	The Country of Primary Listing is the Country of the Exchange identified as Primary Listing for Issuer's Instruments.

Equity Index definitions

Regarding equity Indices, this document uses the following definitions:

Term	Definition
Buffer	Some Indices may use Buffers in the selection process to limit the fluctuation of Index Components. In general terms, If an existing Index Component ranks within a Buffer in the selection list, the Index Component remains in the Index. Candidates that are not yet part of the Index are included in the Index as soon as they rank above a Buffer in the selection list. Detailed information on the application of Buffers can be found in the corresponding sections of the Indices.
Calculation Method	The Calculation Method defines how the Index value of an Index is calculated. For each Index, the method used to calculate the Index value is defined in the section.4.1.
Cut-off Date	The Cut-off Date is the date as of which the data needed for the execution of a certain procedure (e.g. the selection of Index' constituents) is observed. Changes after the close of trading on the Cut-off Date are only considered in the next execution of the procedure.

¹ For Withholding Tax Rates list see Appendix A

Term	Definition
Effective Date	The Effective Date indicates the date as of which the corresponding event enters into effect. This could for instance be the Effective Date of the Index review, other Index adjustments or Corporate Actions.
Fixed or Variable Number of Components	Each Index consists of either a Fixed or a Variable Number of Components. For Indices with a Fixed Number of Components, the number is usually constant. For Indices with a Variable Number of Components, the number is not predefined and may vary at each regular Index review or at each extraordinary Index adjustment. The "Overview" section indicates for each Index-specific subsection whether the Index has a fixed or variable number of Components.
Index	An Index measures the performance of a defined economic reality. In each Index-specific section the "Overview" section describes which market is measured by the Index.
Index Component	The Index Component is an Instrument that is included within the composition of an Index. These Components are selected and periodically reviewed based on a set of criteria as detailed in the section "Index Composition". Each Index Component contributes to the overall value and movement of the Index, serving as a fundamental element in its calculation and performance.
Index Composition	The Index Composition consists of the Instruments that are selected from the Index Universe based on the selection criteria of the Index.
Index Currency	Each Index is calculated in one or more currencies. In instances where an Index Component is listed in a currency other than the one(s) used for calculating the Index, it is necessary to convert this Component's value into the relevant Index Currency for inclusion in the Index calculation.
Index Type	SIX offers three types of equity Indices. In contrast to the price return type, which solely considers the change in market value of the securities within the Index, in the gross return type dividend income is fully reallocated to the Index. The net return type reallocates to the Index the dividend income after deduction of withholding tax.
Index Universe	For each Index there is a defined Index Universe. The Index Universe is a group of Instruments from which the Index Components are selected.
Instrument	An Instrument is issued by a Company to raise capital. There are different types of Instruments such as equities, bonds or funds. In this rulebook the term "Instrument" refers only to listed equities and real estate funds, hence also referred as Listing.
Company	A Company or Issuer is a legal entity authorized to issue financial Instruments to raise capital. In this rulebook, it refers specifically to entities issuing listed equities or real estate funds, hence also referred as Issuers. These entities include publicly traded corporations and investment trusts, whose Instruments are traded on recognized exchanges.
Buy-side Firms	Buy-side Firms refers to entities that purchase securities with the main purpose of managing assets. These include institutional investors such as mutual funds, pension funds, hedge funds, private equity funds, and real estate investment trusts, as well as individual investors.
Weight	Each Index Component has a Weight. In most cases, the Weight is based on the Free Float Market Capitalization.
Selection List	A selection list is created on the basis of the Index Universe to determine which candidates will constitute the Index Composition. The rules for creating the Selection List are explained in the section "Index Composition" of the respective Index section.
Share Turnover Ratio	Share Turnover Ratio is defined as the daily traded volume over a period of time, divided by the average number of shares outstanding in the same period.

4 Calculation of Index Values

4.1 Laspeyres Formula

SIX measures the performance of its Global Indices according to a formula that goes back to Prof. Etienne Laspeyres. Prof. Laspeyres' formula measures the change in value of a basket of goods relative to its initial value.

The Index formula for calculating an Index value (I) divides a market value (M) by a Divisor (D) at a given time (t) as follows:

$$I_t = \frac{M_t}{D_t}$$

Legend:

I	Index value
M	Market value
D	Divisor
t	Time

The Divisor has two raisons d'être. On the one hand, it is used to standardize the Index value to a meaningful size at inception of the Index. The Divisor is updated from the day on which the base value of the Index was determined. On the other hand, it is used throughout the life of the Index to compensate for external effects that may lead to a potential daily change in the market value (ΔM).

$$D_t = D_{t-1} \frac{M_{t-1} + \Delta M_t}{M_{t-1}}$$

Legend:

ΔM_t	Change in market value
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These effects normally take the form of Corporate Actions and have a defined Effective Date. Therefore, the Divisor is adjusted daily and kept constant within a day. The new Divisor is calculated in the evening of the day before the Corporate Action becomes effective.

4.2 Corporate Actions Treatment

4.2.1 Cash Dividend

A cash dividend is money paid to stockholders normally as a part of the corporation's current earnings or accumulated profits.

If a cash dividend is announced outside of the regular dividend policy or if that Company defines the distribution as extraordinary, then the distribution is considered to be a special cash dividend. The closing price is adjusted to reflect the cash distribution.

Applicability:

Cash dividends adjustments are only applicable to total return Indices (Gross and Net).

Treatment (price and share adjustments):

Before the market opens on the Ex-Dividend Date:

$$\text{Adjusted Close} = \text{Closing Price} - \text{Dividend Amount} * (1 - \text{Withholding Tax Rate})$$

In case of gross return Indices, the Withholding Tax Rate is set to 0.

Divisor Adjustment

The above adjustment will lead to a decrease in the market capitalization of the target Company, therefore the Divisor is reduced.

4.2.2 Special Dividend

If a cash dividend is announced outside of the regular dividend policy or if that Company defines the distribution as extraordinary, then the distribution is considered to be a special cash dividend. The closing price is adjusted to reflect the cash distribution.

Applicability:

Special dividend adjustments are applicable to both total return Indices (Gross and Net) and price return Indices.

Treatment (price and share adjustments):

Before the market opens on the Ex-Dividend Date:

$$\text{Adjusted Close} = \text{Closing Price} - \text{Dividend Amount} * (1 - \text{Withholding Tax Rate})$$

In case of gross return and price return Indices, the Withholding Tax Rate is set to 0.

Divisor Adjustment

The price adjustment will lead to a decrease in the market capitalization of the target Company, therefore the Divisor is reduced.

4.2.3 Splits and Reverse Splits

A stock split is a Corporate Action where the Company increases/reduces the total number of outstanding shares in order to manage their market liquidity.

Applicability:

Split adjustments are applicable to both price and total return Indices.

Treatment (price and share adjustments):

Before the market opens on the split date:

$$\text{Adjusted Close} = \frac{\text{Close Price}}{\text{Split Ratio}}$$

$$\text{New No. of Shares} = \text{Old No. of Shares} * \text{Split Ratio}$$

Divisor Adjustment

The market capitalization of the target Company does not change; hence no Divisor adjustment is required.

4.2.4 Stock Distribution

A Stock Distribution is a dividend payment in the form of additional shares rather than a cash payout.

4.2.4.1 Distribution of new underlying shares

Applicability:

Stock distributions (new shares) are applicable to both total return and price return Indices.

Treatment (price and share adjustments):

Shareholders receive B new shares for every A shares held. Before the market opens on the Ex-Dividend Date:

$$\text{Adjusted Close} = \text{Closing Price} * \left(\frac{A}{A+B}\right)$$

$$\text{New No. of Shares} = \text{Old No. of Shares} * \left(\frac{A+B}{A}\right)$$

Divisor Adjustment

Event involves free distribution of new shares to existing shareholders on a pro-rata basis. As no funds flow into or out of the Company and its securities, the free float-adjusted market capitalization of the Index remains unchanged. Therefore, no change in the Divisor is required.

4.2.4.2 Stock Distribution from treasury stock

If the shares distributed are existing treasury shares, in such cases, the Number of Shares generally remains unchanged. Therefore, only the price is adjusted to reflect the stock distribution treatment.

Applicability:

Stock distributions from treasury stock will be adjusted as cash dividends, which are treated identically for both Total Return and Price Return Indices.

Treatment (price and share adjustments):

Before the market opens on the Ex-Dividend Date:

$$\text{Adjusted Close} = \text{Closing Price} - \text{Closing Price} * \left(\frac{B}{(B + A)}\right)$$

Divisor Adjustment:

The price adjustment will lead to a decrease in the market capitalization of the target Company, therefore the Divisor is reduced.

4.2.4.3 Stock Distribution of another Company

In case of a distribution of other types of assets (e.g. bonds, warrants, preferred shares, shares) of another Company, the price of the underlying share is adjusted only when the value of the other asset is available on the Ex-Date. The number of underlying shares generally remains unchanged.

Applicability:

In the case of a stock distribution from a third-party Company, adjustments are applicable to both price and total return Indices.

Treatment (price and share adjustments):

Before the market opens on the Ex-Dividend Date:

$$\text{Adjusted Close} = \frac{(\text{Closing Price} * A - \text{Price of the Other Company} * B)}{A}$$

Divisor Adjustment:

The price adjustment will lead to a decrease in the market capitalization of the target Company, therefore the Divisor is reduced.

4.2.5 Deletion

In certain circumstances, such as mergers, acquisitions, delisting, trading suspensions, among others, a deletion of an Index Component might be triggered. Deletions lead to a reduction in the total number of Components in the Index, the market capitalization of the Index, and the value of the Divisor.

The deletion of a Company that is a Component of an Index directly leads to a reduction of the number of Components in the Index by one. On the next rebalancing/reconstitution, additions to the Index will be made as required. The deletion of a Company from an Index leads to a reduction in the value of the Divisor.

4.2.6 Spin-off

A Spin-off is the creation of an independent Company through the sale or distribution of new shares of an existing business or division of a parent Company. A spin-off is a type of divestiture.

Applicability:

Spin-off adjustments are applicable to all affected Indices.

Treatment (price and share adjustments):

In cases when an Index Component (parent Company) decides to distribute shares from a wholly or partially-owned entity to its existing shareholders, the Index is adjusted according to the following scenarios:

1. If the spin-off Company trades on, or before, the Ex-Date:
The spin-off Company is added to the Index files with a price of zero and a Number of Shares outstanding equivalent to the transaction terms ratio.

$$\text{Spin – off Company Shares Calculation} = \text{Shares of Parent Company} * \text{Transaction Terms Ratio}$$

No adjustments are made to the parent Company. Ineligible Companies are deleted from the Index at market price, two business days (T+2 notice) after their commencement of trading.

2. If the spin-off Company does not trade on the Ex-Date:
 1. If it is possible to estimate the new market capitalization of the parent Company:
The spin-off Company is added to the Index files as a detached security with a Number of Shares outstanding equivalent to the transaction terms ratio and a theoretical price estimated as follows:

$$\text{Spin – off Theoretical Price Calculation} = \frac{(\text{Market Capitalization of Parent Company on } T_{-1} - \text{Estimated Market Capitalization of the Parent Company on } T)}{\text{Parent Shares Outstanding} * \text{Transaction Terms Ratio}}$$

A price adjustment is applied to the parent Company according to the transaction terms.

Ineligible Companies are deleted from the Index at market price, two business days (T+2 notice) after their commencement of trading.

If a security (eligible or ineligible) has not commenced trading within 20 business days from the Ex-Date of the spinoff, and no trading date has been announced, it will be deleted from the Index at 0 value with T+2 notice.

2. If it is not possible to estimate the new market capitalization of the parent Company:
The spin-off Company is added to the Index files as a detached security with a price of zero and a Number of Shares outstanding equivalent to the transaction terms ratio.

$$\text{Spin – off Company Shares Calculation} = \text{Shares of Parent Company} * \text{Transaction Terms Ratio}$$

No adjustments are made to the parent Company.

Ineligible Companies are deleted from the Index at market price, two business days (T+2 notice) after their commencement of trading.

If a security (eligible or ineligible) has not commenced trading within 20 business days from the Ex-Date of the spinoff, and no trading date has been announced, it will be deleted from the Index at 0 value with T+2 notice.

4.2.7 Mergers and Acquisitions

M&A are transactions in which the ownership of Companies, other business organizations, or their operating units are transferred or consolidated with other entities.

Applicability:

M&A adjustments are applicable to both price and total return Indices.

Treatment (price and share adjustments):

M&A may involve pure cash deals, a share exchange or a combination of both. A merger results in the deletion of the target Company, normally with a name change and price adjustment applied to the acquirer.

There are 3 scenarios for the Indices as far as M&A is concerned:

- i) Target Company is in the Index and the acquiring Company is not:

In the scenario where a Component is acquired by a non-Component, the acquiring Company will be included in the Index provided it is eligible in all respects at the time of the merger, regardless of previous eligibility screenings. The new Company will be added to the Index, if eligible, at the next rebalancing or reconstitution.

- ii) Target Company is not in the Index, but the acquiring Company is:

Where a Component Company acquires a non-Component for shares, or a combination of cash and shares, the shares of the Component Company will only be updated to reflect the merger when the issued shares is greater than or equal to 10% of the acquirer's shares outstanding.

- iii) Target and acquiring Companies are both in the Index:

For 100% cash acquisitions, no adjustments need to be incorporated in the parent Company- no price adjustment factor and no shares outstanding changes.

For 100% stock acquisitions, in case new shares are issued to accommodate for the merger, the new Number of Shares outstanding are calculated according to the terms given in the deal (if the new shares issued are greater than 10% of older shares outstanding). A deletion of the target Company is performed using the closing price and its Weight is distributed pro-rata across the remaining Index Components.

In case of a combination of stock and cash acquisition, the total Number of Shares outstanding will be adjusted according to the deal terms. A deletion of the target Company is performed using the closing price and its Weight is distributed pro-rata across the remaining Index Components.

4.2.8 Partial Tender Offers

A partial tender offer is defined as an offer to purchase a portion of a Company's shares in exchange of cash or other securities. This offer can be made by an external agent (other corporations, investors) or by the Company itself, in the shape of share buy-backs that are not compulsory

Applicability:

Share adjustments due to partial tender offer are applicable to both price and total return Indices.

Treatment (price and share adjustments):

In cases of partial tender offers, announcements regarding the adjustments made to the Index are made only after the tender offer results are known. On the day of the tender offer results are being declared, if the tender offer leads to a change in the Number of Shares of the concerned Index member by more than 10%, an announcement regarding changes in the Number of Shares of the Index member is declared and the share adjustment in the Index occurs after the close of the second day of trading after SIX's notice (T+2).

In case the change in shares is not greater than 10%, no adjustment is made to the Index Components and any shares adjustments implied by the tender offer are implemented on the next quarterly review.

$$\text{Adjusted Close} = \frac{[(\text{Price Before Tender} * \text{Old No. of Shares}) - (\text{Tender Price} * \text{No. of Tendered Shares})]}{(\text{Old Number of Shares} - \text{Number of Tendered Shares})}$$

$$\text{New Number of Shares} = \text{Old No. of Shares} - \text{No. of Tendered Shares}$$

Divisor Adjustment:

Only in case of share adjustment.

4.2.9 Compulsory Repurchase of Shares/Self-tender

A compulsory repurchase of shares or compulsory self-tender takes place when the issuing Company proceeds to buy its own shares directly from existing shareholders.

Applicability:

Repurchase of Shares adjustments are applicable to both price and total return Indices.

Treatment (price and share adjustments):

This event results in a reduction in the overall Number of Shares outstanding. The adjustment factor is implemented in both the Number of Shares and Component price in order to reflect the price offered in the buy-back.

$$\text{Adjusted Close} = \frac{[(\text{Price Before Tender} * \text{Old No. of Shares}) - (\text{Tender Price} * \text{No. of Tendered Shares})]}{(\text{Old No. of Shares} - \text{No. of Tendered Shares})}$$

$$\text{New No. of Shares} = \text{Old No. of Shares} - \text{No. of Tendered Shares}$$

Divisor adjustment:

In case of a full repurchase offer, defined as buy back of all outstanding shares at a set price, the security is deleted at the Ex-Date at the last traded price. In case that the trading security stops trading at the time of implementation, the set price is used for the deletion

4.2.10 Change of Listing/Delisting

In case of an Index member changing its primary stock listing from one stock exchange to another, the eligibility of the Index member to be a part of the Index will depend on the Index guidelines and the eligibility of the new exchange. If the new exchange does not comply with the Index guidelines, the deletion of the Component occurs 2 days after the change of listing is effective and announced by SIX. The Index member is then removed from the Index with a pro rata distribution of the Weight among the remaining Index members. Unless an extraordinary rebalancing is declared, a new Component is introduced in the Index exclusively at the next scheduled review period.

The delisting of a Company from the Index will be done based on the closing price, if available, or based on the OTC stock price. If none of the prices are available, the Company will be removed from the Index at the price of zero

4.2.11 Bankruptcy

In case of a Company filing for bankruptcy or protection from creditors and/or are suspended and for which a return to normal business activity and trading is unlikely in the near future, the Company is removed from the Indices as soon as it is declared bankrupt by a regulator or has filed for bankruptcy.

In the scenario where the Company is still trading, the Company is deleted from the Index one day after it has filed for bankruptcy protection, or is declared bankrupt, or is insolvent or is liquidated. If the Company still trades on the day of the deletion, then the Company is deleted from the Index and its last traded price is taken for calculating the deletion.

If the Company is not trading on the Effective Date of the deletion, and there is no indication of a potential compensation to shareholders, then the last traded price is adjusted to 0 and the Company is removed from the Index

4.2.12 Rights offering

In a rights issue, the Company offers existing shareholders the right to purchase new shares, in many cases, at a cost below the current market price. The result is capital inflow and increase in both the total Number of Shares and free-float adjusted market cap of the security.

Applicability:

Rights offering adjustments are applicable to both price and total return Indices.

Treatment (price and share adjustments):

On the Ex-Date

$$\text{Adjusted Close} = \frac{(\text{Closing Price} * A + \text{Subscription Price} * B)}{(A + B)}$$

$$\text{New Number of Shares} = \text{Old Number of Shares} * \frac{(A + B)}{A}$$

Divisor Adjustment:

The above adjustment will lead to an increase in the market capitalization of the target Company, therefore the Divisor is increased.

5 Pool of Eligible Instruments

5.1 Eligible Exchanges

To compute the SIX Global Indices, SIX sources and consolidates data from the exchanges listed in the Eligible Exchanges list².

5.2 Eligible Countries

To compute the SIX Global Indices, SIX takes into consideration only Companies assigned to a country in the Eligible Country list³. The Eligible Countries are divided in Developed Markets (DM) and Emerging Markets (EM)⁴.

5.3 Country of Assignment of a Company

In some cases assigning a Company to a specific Country is ambiguous, hence three parameters are considered for the purpose of allocating a Company to a Country:

- Country of Primary Listing
- Country of Headquarters
- Country of Incorporation

If at least two of the above parameters indicate the same country, this country is used. If all three are different, then the Country of Headquarters is used as the Assigned Country.

In case an Instrument is not listed in the Assigned Country, then its data (prices, volumes) are sourced from the most liquid exchange within the same geographic region.

For the avoidance of doubt, once a Company has been allocated to a country, all of its Listings are considered allocated to that country.

5.4 Eligible Instrument Types

To calculate the SIX Global Equity Indices, the following Instrument types are deemed suitable for inclusion in the Index calculation.

At the Cut-off Date (6.2) only the Eligible Instrument Types described below are considered:

Instruments	Eligibility Criteria
Ordinary shares	All
Preferred shares	All
American Depositary Receipts (ADRs)	Argentina and China: only eligible if more liquid than Ordinary share (replaces Ordinary share) All other countries: only eligible if no corresponding Ordinary share exists
Real-estate Investment Trusts (REITs)	Only eligible if belonging to one of the below categories: Retail REITs Specialized REITs Residential REITs Office REITs Diversified REITs Hotel & Resort REITs Health Care REITs Industrial REITs

² For Eligible Exchanges list see: Appendix A

³ For Eligible Country list see: Appendix A

⁴ For DM and EM Country classification see: Appendix A

Instruments traded on Shanghai Stock Exchange (China)	Only eligible if traded on the Northbound Connect of Hong Kong Stock Connect Exchange
Instruments traded on Shenzhen Stock Exchange (China)	Only eligible if traded on the Northbound Connect of Hong Kong Stock Connect Exchange

6 SIX Global Equity Universe

6.1 Universe Definition

The SIX Global Equity Indices are derived from the SIX Global Equity Universe, defined in this section and starting from the Pool of Eligible Instruments.

As a first step the Minimum Size Cut-off for all countries and Instruments is calculated. The Minimum Size Cut-off is employed in section 9.2.1.3.2 and not relevant for the Universe definition; however, it must be calculated before any further restrictive criteria is applied

At the cut-off date (6.2), in order to determine the Minimum Size Cut-off the following steps apply:

- all Instruments assigned to a Developed Market (DM) Country are sorted – globally, i.e. irrespective of their Assigned Country - by their Full Market Capitalization in descending order
- the Free Float Market Capitalization is calculated for each Instrument
- the cumulative Free Float Market Capitalization is calculated
- the Full Market Capitalization of the Instrument that allows to reach a global, cumulative Free Float Market Capitalization of 85% is identified
- the Minimum Size Cut-off is then derived by multiplying the identified Full Market Capitalization by the suitable size factor, depending on the classification of the Country of Assignment of each Instrument:

Country classification	Size factor
DM	0.5
EM	0.25

Subsequently, the following criteria further narrow the universe:

- Instruments are grouped by Assigned Country
- Instruments are sorted by their Full Market Capitalization in descending order
- the Free Float Market Capitalization is calculated for each Instrument
- Instruments are selected until 99% of the cumulative Free Float Market Capitalization is reached for each country.

From the remaining Instruments, only those meeting the following criteria are selected:

- is listed on an Eligible Exchange
- has a free-float factor greater than or equal to 10%
- has not been recently removed from a SIX Global Equity Index due to merger or acquisition
- has not had an Initial Public Offering (IPO) date in the three months prior to the review Cut-off Date

The remaining Instruments constitute the SIX Global Equity Universe.

6.2 Universe Ordinary Review

The SIX Global Equity Universe is subject to a monthly review, with the cut-off date established as the last calculation day of the previous month.

During this ordinary review the number of shares, the free float and prices of all Instruments outlined in Section 5 are updated. Following this assessment, the rules specified in Section 6.1 are applied to determine the constituents of the SIX Equity Universe.

7 Management of Index Components

This section describes the update and publication schedule for the Number of Shares and Free Float Factors utilized in the Ordinary Review of the SIX Global Equity Indices.

7.1 Review of Number of Shares and Free Float

7.1.1 Overview

The reviewed Number of Shares and Free Float Factors are communicated to the market by means of a review list. This contains the Number of Shares and the Free Float Factor for each Index Component. This is the basic information for calculating the Free Float Market Capitalization. The Cut-off Date, Implementation Date and Effective Date are indicated in section "Ordinary Index Review and Cut-off Date" of each Index.

The final review list is published five calculation days before the indicated Implementation Date. SIX reserves the right to make short term adjustments up until implementation in order to react to unforeseen market developments, correct errors or take Corporate Action into account.

7.2 Determination of the Free Float Factor

The Free Float Factor is a relative factor that is multiplied by the number of outstanding shares to ensure that only shares available for trading are included in the Index calculation. Outstanding shares that are fixed in ownership are thus deducted from the market capitalization.

Shares that meet the following conditions are considered to be in fixed ownership as for example:

- shares owned by any officer or director of a Company
- shares owned by any non-buy-side public or private entity that holds shares in a Company (shares owned by a Buy-side Firm are not considered to be in fixed ownership).

7.3 Index Components in a non-Index Currency

If an Index Component is traded in a currency different from the Index Currency, it is converted to the currency of the Index for Index calculation purposes. The conversion is done using Refinitiv/WM rates.

8 Management of Index Composition

8.1 Ordinary Review

The SIX Global Equity Universe is updated monthly to reflect market developments. The updated SIX Global Equity Universe serves as basis for the review process of the SIX Global Indices.

The ordinary review of the SIX Global Indices could differ by each Index in terms of Frequency, Cut-Off Date, Implementation Date and Effective Date. More details can be found in the section "Ordinary Index Review and Cut-off Date" of each Index.

For the avoidance of doubt, Free Float, Shares and Prices are updated on the indicated cut-off date for the purpose of performing the ordinary review of the Indices.

9 SIX Global Indices

The SIX Global Indices is a set of Indices developed by SIX which capture the performance of equity Instruments across the world.

All SIX Global Indices are calculated starting from the SIX Global Equity Universe. The SIX Global Equity Universe definition and data sources are detailed in section 6.

The SIX Global Indices are divided in two main families:

- SIX World Indices
- SIX Broad & Blue-chip Indices

All SIX Global Indices are calculated in USD, EUR, CHF. Additionally, single-currency Indices are available in their local currency. The full list can be found in the vendor code sheet.

All SIX Global Indices are calculated in Price Return, Net Return and Gross Return variants.

9.1 Calculation Calendar

Each SIX Global Index is calculated every weekday, provided at least one Eligible Exchange for that Index is open for trading.

9.2 SIX World Indices

The SIX World Indices is a family of Indices derived from the SIX World All Country Index.

9.2.1 SIX World All Country Index

9.2.1.1 Overview

The SIX World All Country Index (SIX World AC Index) measures the performance of equity Instruments traded on most stock markets in the world. As such, it is the broadest and most diversified Index calculated by SIX.

9.2.1.2 Calculation Method

The SIX World AC Index is calculated according to Laspeyres' concept as Free Float Market Capitalization-Weighted Index. Laspeyres' concept and its Weighting methods are explained in section 4.

9.2.1.3 Index Composition

9.2.1.3.1 Ordinary Index Review and Cut-off Date

The review of the Index is carried out two times a year, June and December.

Cut-off Date is Last calculation day of the month preceding the review month.

Implementation Date is the 3rd Friday of the review month, while Effective Date is the calculation day after Implementation Date.

9.2.1.3.2 Selection of Index Components

Starting from the SIX Global Equity Universe Components, a target coverage of at least 90% of the Free Float Market Capitalization of each country within Developed Markets and 80% within Emerging Markets is set.

For each country, depending on its classification as developed or emerging, the following Buffer rules apply on the Cut-off date:

- Instruments are grouped by Assigned Country
- Instruments are sorted by their Full Market Capitalization in descending order
- the Free Float Market Capitalization is calculated for each Instrument
- the cumulative Free Float Market Capitalization coverage is calculated for each Instrument
- all Instruments down to and including the Upper Buffer qualify
- all Instruments below the Upper Buffer and down to and including the Lower Buffer, which are current Index Components are selected to reach the target threshold coverage
- if the coverage is still above the target threshold, then the largest remaining Instruments, ordered by Total Market Capitalization, are selected until the coverage is reached for each country.

For the buffer specifications see the following table:

Country Classification	Upper Buffer	Lower Buffer	Target Threshold
Developed	85%	95%	90%
Emerging	75%	85%	80%

*= % of cumulative Free Float Market Cap

After selecting an initial group of Instruments as described in this section, a liquidity criterion is applied:

- Instruments must have an Average Daily Trading Volume (ADTV) of at least 1 Million USD during the three months ending on the Cut-off Date in order to be included in the Index.

Finally, only Instruments whose Full Market Capitalization is greater than or equal to the Minimum Size Cut-off are eligible to be included into the Index.

9.2.1.3.3 Weighting of Index Components

The SIX World AC Index is weighted by the Free Float Market Capitalization of its Components.

9.2.2 Indices derived from SIX World All Country Index

9.2.2.1 Overview

Starting from the SIX World AC Index, SIX derives a family of Indices applying filters by region or country. The following Indices are calculated:

Index Name	Description
SIX World DM Index	Measures the performance of equity Instruments in Developed Markets globally
SIX World DM ex CH Index	Measures the performance of equity Instruments in Developed Markets globally, equity Instruments assigned to Switzerland excluded
SIX Europe All Country Index	Measures the performance of equity Instruments assigned to European countries
SIX Europe DM Index	Measures the performance of equity Instruments assigned to European Developed Markets countries
SIX Europe DM ex CH Index	Measures the performance of equity Instruments assigned to European Developed Markets countries, equity Instrument assigned to Switzerland excluded
SIX North America Index	Measures the performance of the equity Instruments assigned to United States of America and Canada

9.2.2.2 Calculation Method

The SIX World AC derived Indices are calculated according to Laspeyres' concept as Free Float Market Capitalization-weighted Indices. Laspeyres' concept and its weighting methods are explained in section 4.

9.2.2.3 Index Composition

9.2.2.3.1 Ordinary Index Review and Cut-off Date

The Indices are reviewed together with the SIX World AC Index and reflect the same schedule and data.

9.2.2.3.2 Selection of Index Components

To obtain the SIX World AC Index derived Indices, the SIX World AC Index's Components are filtered by region or Countries:

Index Name	Nr. Of Components	Parent Indices	Applied Filter
SIX World DM Index	Variable	SIX World AC	Developed Markets
SIX World DM ex CH Index	Variable	SIX World DM	Instruments assigned to Switzerland excluded
SIX Europe AC Index	Variable	SIX World	European Countries
SIX Europe DM Index	Variable	SIX Europe	Developed Markets
SIX Europe DM ex CH Index	Variable	SIX Europe DM	Instruments assigned to Switzerland excluded
SIX North America Index	Variable	SIX World	United States of America and Canada

9.2.2.3.3 Weighting of Index Components

The SIX World AC derived Indices are weighted by the Free Float Market Capitalization of its Components.

9.3 SIX Broad & Blue-chip Indices

The SIX Broad & Blue-chip Indices are a family of large, yet liquid regional Indices, as well as country or regional blue-chip Indices.

The family is composed of the following Indices:

Index Name	Description
SIX UK 100	Aims to capture the performance of the 100 largest Companies ranked by Total Market Capitalization with a Primary Listing on London Stock Exchange (LSE)
SIX Europe 600	Aims to capture the performance of the 600 largest Companies ranked by Free Float Market Capitalization, assigned to European Developed Market countries.
SIX US 500	Aims to capture the performance of the 500 largest Companies ranked by Free Float Market Cap with a Primary Listing on New York Stock Exchange (NYSE) or Nasdaq and assigned to USA
SIX US Technology 100	Aims to capture the performance of the 100 largest Companies Ranked by Total Market Capitalization with a Primary Listing on Nasdaq

9.3.1 SIX UK 100 Index

9.3.1.1 Overview

The SIX UK 100 Index aims to capture the performance of the 100 largest Companies ranked by Total Market Capitalization with a Primary Listing on the London Stock Exchange (LSE).

9.3.1.2 Calculation Method

The SIX UK 100 Index is calculated according to Laspeyres' concept as Free Float Market Capitalization-weighted Index. Laspeyres' concept and its weighting methods are explained in section 4.

9.3.1.3 Index Selection List

The Index selection list for the SIX UK 100, is compiled quarterly during the ordinary Index review on the Cut-off Date as described in section 9.3.1.4.1.

The rules applicable for the creation of the selection list are explained in section 9.3.1.4.2.

9.3.1.4 Index Composition

9.3.1.4.1 Ordinary Index Review and Cut-off Date

The review of the Index is carried out quarterly in March, June, September and December.

Cut-off Date is ten weekdays prior to the Implementation Date.

Implementation Date is the 3rd Friday of the review month, while Effective Date is the calculation day after Implementation Date.

9.3.1.4.2 Selection of Index Components

Starting from the SIX Equity Universe, the selection process begins by identifying the Companies with a Primary Listing on the London Stock Exchange.

Once the initial pool of eligible Companies has been established, the selection is further refined to retain only those Instruments that:

- are listed on the London Stock Exchange
- are classified as Ordinary Shares
- have a 12-month Share Turnover Ratio of at least 4%.

Subsequently, Companies are ranked by the aggregated Total Market Capitalization of their eligible Instruments. The top 100 Companies are then included in the Index, applying a 10% buffer rule:

- all Companies down to and including the Upper Buffer qualify
- all Companies below the Upper Buffer and down to and including the Lower Buffer, which are current Index Components are selected to reach the target number of Components
- if the target number of Components is not reached, then the largest remaining Instruments, ordered by Total Market Capitalization, are selected until the number of Components is reached.

For the Buffer specifications see the following table:

Upper Buffer	Lower Buffer	Nr. Of Components
90	110	100

For the avoidance of doubts, for any selected Company, all Instruments that fulfil the criteria above are included in the Index.

Should an Index Component be excluded from the Index due to delisting or any other reason or event during the period between two ordinary reviews, the Index Component will not be replaced.

9.3.1.4.3 Weighting of Index Components

The SIX UK 100 Index is weighted by the Free Float Market Capitalization of their Components.

9.3.2 SIX US 500 Index

9.3.2.1 Overview

The SIX US 500 Index aims to capture the performance of the 500 largest Companies, assigned to USA with a Primary Listing on the New York Stock Exchange (NYSE) or NASDAQ.

9.3.2.2 Calculation Method

The SIX US 500 Index is calculated according to Laspeyres' concept as Free Float Market Capitalization-weighted Index. Laspeyres' concept and its weighting methods are explained in section 4.

9.3.2.3 Index Selection List

The Index selection list for the SIX US 500, is compiled quarterly during the ordinary Index review on the Cut-off Date as described in section 9.3.2.4.1.

The rules applicable for the creation of the selection list are explained in section 9.3.2.4.2.

9.3.2.4 Index Composition

9.3.2.4.1 Ordinary Index Review and Cut-off Date

The review of the Index is carried out quarterly in March, June, September and December.

Cut-off Date is ten weekdays prior to the Implementation Date.

Implementation Date is the 3rd Friday of the review month, while Effective Date is the calculation day after Implementation Date.

9.3.2.4.2 Selection of Index Components

Starting from the SIX Equity Universe, the selection process begins by identifying Companies that meet the following initial criteria:

- Country of Primary Listing is US
- Primary Listing on the New York Stock Exchange (NYSE) or NASDAQ
- Country of Assignment is United States.

Once the initial pool of eligible Companies has been established, the selection is further refined to retain only those Instruments that:

- are listed on the NYSE or NASDAQ
- are classified as Ordinary Shares, including REITs (Real Estate Investment Trusts)

- possess a 3-month Average Daily Traded Value (ADTV) exceeding USD 1 million.

Subsequently, Companies are ranked by the aggregated Total Market Capitalization of their eligible Instruments, with only the largest 700 Companies being retained.

Finally, these Companies are ranked by the aggregated Free Float Market Capitalization of their eligible Instruments. The top 500 Companies are then included in the Index, applying a 30% buffer rule:

- all Companies down to and including the Upper Buffer qualify
- all Companies below the Upper Buffer and down to and including the Lower Buffer, which are current Index Components are selected to reach the target number of Components
- if the target number of Components is not reached, then the largest remaining Instruments, ordered by Free Float Market Capitalization, are selected until the number of Components is reached.

For the buffer specifications see the following table:

Upper Buffer	Lower Buffer	Nr. Of Components
350	650	500

For the avoidance of doubts, for any selected Company, all Instruments that fulfil the criteria above are included in the Index.

Should an Index Component be excluded from the Index due to delisting or any other reason or event during the period between two ordinary reviews, the Index Component will not be replaced.

9.3.2.4.3 Weighting of Index Components

The SIX US 500 Index is weighted by the Free Float Market Capitalization of its Components.

9.3.3 SIX Europe 600 Index

9.3.3.1 Overview

The SIX Europe 600 Index aims to capture the performance of the 600 largest Companies, assigned to European Developed Market countries.

9.3.3.2 Calculation Method

The SIX Europe 600 Index is calculated according to Laspeyres' concept as Free Float Market Capitalization-Weighted Index. Laspeyres' concept and its Weighting methods are explained in section 4.

9.3.3.3 Index Selection List

The Index selection list for the SIX Europe 600 is compiled quarterly during the ordinary Index review on the Cut-off Date as described in section 9.3.3.4.1.

The rules applicable for the creation- of the selection list are explained in section 9.3.3.4.2.

9.3.3.4 Index Composition

9.3.3.4.1 Ordinary Index Review and Cut-off Date

The review of the Index is carried out quarterly in March, June, September and December.

Cut-off Date is ten weekdays prior to the Implementation Date.

Implementation Date is the 3rd Friday of the review month, while Effective Date is the calculation day after Implementation Date.

9.3.3.4.2 Selection of Index Components

Starting from the SIX Equity Universe, the selection process begins by identifying Companies that meet the following initial criteria:

- Country of Assignment is an European Developed Market country
- have a listing in an European Developed Market country.

Once the initial pool of eligible Companies has been established, the selection is further refined to retain only those Instruments that:

- are classified as Ordinary Shares or Preferred Shares and are not Investment Trusts
- possess a 3-month Average Daily Traded Value (ADTV) exceeding EUR 1 million.

Subsequently, Instruments are ranked by Free Float Market Capitalization and for each Company only the highest ranked Instrument in terms of Free Float Market Capitalization is retained. Finally, the top 600 Instruments are then included in the Index, applying the following buffer rule:

- all Instruments down to and including the Upper Buffer qualify
- all Instruments below the Upper Buffer and down to and including the Lower Buffer, which are current Index Components are selected to reach the target number of Components
- if the target number of Components is not reached, then the largest remaining Instruments, ordered by Free Float Market Capitalization, are selected until the number of Components is reached.

For the buffer specifications see the following table:

Upper Buffer	Lower Buffer	Nr. Of Components
550	750	600

Should an Index Component be excluded from the Index due to delisting or any other reason or event during the period between two ordinary reviews, the Index Component will not be replaced.

9.3.3.4.3 Weighting of Index Components

The SIX Europe 600 Index is weighted by the Free Float Market Capitalization of its Components.

9.3.4 SIX US Technology 100 Index

9.3.4.1 Overview

The SIX US Technology 100 Index aims to capture the performance of the 100 largest Companies with a Primary Listing on NASDAQ.

9.3.4.2 Calculation Method

The SIX US Technology 100 Index is calculated according to Laspeyres' concept as Free Float Market Capitalization-Weighted Index. Laspeyres' concept and its Weighting methods are explained in section 4.

9.3.4.3 Index Selection List

The Index selection list for the SIX US Technology 100 is compiled quarterly during the ordinary Index review on the Cut-off Date as described in section 9.3.4.4.1.

The rules applicable for the creation- of the selection list are explained in section 9.3.4.4.2.

9.3.4.4 Index Composition

9.3.4.4.1 Ordinary Index Review and Cut-off Date

The review of the Index is carried out quarterly in March, June, September and December.

Cut-off Date is ten weekdays prior to the Implementation Date.

Implementation Date is the 3rd Friday of the review month, while Effective Date is the calculation day after Implementation Date.

9.3.4.4.2 Selection of Index Components

Starting from the SIX Equity Universe, the selection process begins by identifying Companies that meet the following initial criteria:

- Primary Listing on Nasdaq
- No primarily generated revenue from Financial activities.

Once the initial pool of eligible Companies has been established, the selection is further refined to retain only those Instruments that:

- are classified as Ordinary Shares (excl. REITs)
- possess a 3-month Average Daily Traded Value (ADTV) exceeding USD 5 million.

Subsequently, Companies are ranked by the aggregated Total Market Capitalization of their eligible Instruments. The top 100 Companies are then included in the Index, applying a 25% buffer rule:

- all Companies down to and including the Upper Buffer qualify
- all Companies below the Upper Buffer and down to and including the Lower Buffer, which are current Index Components are selected to reach the target number of Components
- if the target number of Components is not reached, then the largest remaining Instruments, ordered by Total Market Capitalization, are selected until the number of Components is reached.

For the buffer specifications see the following table:

Upper Buffer	Lower Buffer	Nr. Of Components
75	125	100

For the avoidance of doubts, for any selected Company, all Instruments that fulfil the criteria above are included in the Index.

Should an Index Component be excluded from the Index due to delisting or any other reason or event during the period between two ordinary reviews, the Index Component will not be replaced.

9.3.4.4.3 Weighting of Index Components

The SIX US Technology 100 Index is weighted by the Total Market Capitalization of its Components.

The following Capping rules apply:

- Company's weight cannot exceed 24% of the Index's overall weight
- The total combined weight of any Company that individually exceed 4% must not be more than 40% of the Index's overall weight.

Excess weights are proportionally distributed among the remaining uncapped securities.

10 Primary Data Sources

Structured information is used to calculate the SIX Global Indices. The following table provides an overview of the primary data sources used.

Information	Source
Price Information	Eligible Exchanges as defined in section 0
Corporate Actions	Eligible Exchanges as defined in section 0
Currency Rates	Refinitiv/WM rates

11 Correction Policy

An Index-related correction can occur for two reasons. Either because the necessary data is not available or is incorrect.

11.1 Unavailable Data

If SIX does not have data necessary to determine the price or Weighting of an Index Component due trading suspensions or market distortions the latest available data will be used. Such cases may lead to a deviation from the basic principles of the Indices defined in the respective rulebooks. These changes may relate to review schedules, ordinary reviews as well as adjustments in the Index Composition or Weighting outside the ordinary reviews and will be publicly announced considering an announcement period of at least two calculation days.

11.2 Incorrect Data

Incorrect required data may result from calculation errors or incorrect input data.

Calculation errors which are detected within one calculation day will be corrected immediately. Intraday tick data will not be corrected retrospectively. Calculation errors older than one calculation day and incorrect input data will only be corrected as far as technically possible and economically reasonable. If the correction leads to a significant deviation- of the Index values, these can also be corrected retrospectively.

12 Governance

The Index Team at SIX is responsible for managing the Indices. The team ensures that the Index rules are adhered to and that the Indices meet the required quality standards. The Index Team is subject to a regulatory framework, with structured processes in place to ensure compliance. The main elements and concepts are as follows:

Index Commission

SIX is supported by the Index Commission. The Index Commission provides input on Index-related matters, in particular in connection with changes to the Index rules as well as adjustments, inclusions and exclusions outside the defined periodic reviews.

The Commission meets at least twice a year and provides valuable input on how to improve existing products and create new ones.

Review of the Index Concepts

The validity of the Index concepts and the rules is reviewed on a regular basis and at least once a year. In exceptional cases, a broad market consultation may be conducted for this purpose. Changes to Index rules are made in accordance with the relevant governance processes.

The Effective Date of changes to Index rules will be aligned with the regular Index review where possible to avoid any exceptional impact on clients and other stakeholders. Significant changes to the Index rules should be publicly announced as standard three months prior to their implementation. SIX may decide to shorten the announcement period in some cases:

- In exceptional or urgent cases, or in situations that have no impact on clients or other stakeholders and where immediate communication is not possible. For example, when an investor can no longer replicate Index performance with their portfolio. In such cases, changes or additions to the rules must be announced on the same day the new Index rule or change is implemented.
- For immaterial changes to the Index rules, i.e. clarifications of the rules.
- To coordinate with the dates of the regular Index review and rebalancing of the Index.

Market Consultations

Where possible, SIX consults with representatives of affected clients and other stakeholders for all material changes to Index rules and the discontinuation of Indices. In this context, a material change to the Index rules means a change that “significantly alters the procedures used to determine an Index” and thus materially affects the Index value compared to an unchanged scenario.

The timing and duration of the consultation period depends on the materiality of the proposed changes to the Index rules. By default, a market consultation for material changes lasts one month.

A summary of the market consultation comments and SIX’ summary response to those comments will be made available to clients and stakeholders after each consultation period, unless the originator of the comments has requested confidentiality.

Discontinuation of Indices

SIX will publicly announce a decision to discontinue an Index with reasonable advance notice. The period depends on the impact. By default, a period of one month is scheduled.

SIX is not responsible for determining or offering an alternative Index when an Index is discontinued.

If there are financial products on the Index of which SIX is aware, a market consultation will be conducted in advance and a transition period will be granted in the event of a final discontinuation. Otherwise, no market consultation will be carried out.

Determination of an Index

All Indices in this rulebook use available prices (“Input Data”) received from the Eligible Exchanges (0) during trading hours.

The Index rules do not use extrapolation to determine the Index value.

The minimum data required for each Instrument to be potentially eligible for Index inclusion is the Instrument’s reference data and a listing on one of the Eligible Exchanges. The latter is important to ensure a regularly determined price for an Instrument. No threshold is set for the frequency or number of price updates per Instrument because this contradicts the objective of measuring the market defined per Index as described in the relevant sections of this document. This includes the use of the last available price.

The composition of the Indices in this rulebook is carried out in accordance with the sections “Index Composition” and “Weighting of Index Components” of the relevant Index sections.

Potential Limitations in the Determination of an Index

If data necessary to determine the price or Weighting of an Index Component is not available to SIX due to trading suspensions or market distortions, the last available data will be used. Such cases may lead to a deviation from the basic principles of the Indices. These changes may relate to review schedules, ordinary reviews as well as adjustments in the Index Composition or Weighting outside the ordinary reviews and will be publicly announced considering an announcement period of at least two calculation days.

In the event of structural changes in the market or economic environment, or if interest in a market has waned or is not functioning, the reliability of a methodology can no longer be guaranteed. SIX reviews the rulebooks at least once a year to anticipate such changes and mitigate their impact by making appropriate adjustments to the methodology.

Controls and Rules for the Exercise of Expert Judgement

The rules for the individual Indices have been designed to eliminate discretionary or expert judgement in the Index calculation as far as possible. Due to unforeseen market events or unavailable data, the following situations may occur:

- unexpected events, such as complex Corporate Actions, macroeconomic shocks, market disruptions, natural catastrophes
- technical reasons, such as missing closing prices due to a computer failure on the stock exchange or the inability of a data provider to deliver certain data points in a timely manner
- when a rule allows for multiple interpretations (“unclear rule”)
- the absence of a rule that could potentially lead to a reduction in the meaningfulness of an Index (“insufficient rule”)
- Incorrect assessment of materiality in the case of changes to Index rules
- determination of prices in the case of rights issues

An escalation process has been implemented for such unexpected cases. As part of this process, SIX will evaluate and document the use of discretion. To the extent possible, the current rulebook will be updated to cover such unexpected cases with a new transparent rule.

In addition, any feedback from market participants on the use of discretion will generally be discussed in the upcoming Index Commission meeting.

Further documentation on regulation and processes can be found on the SIX website⁵. SIX reserves the right to adjust the Index Composition, the Weightings of the Components or the announcement periods based on the basic principles mentioned in section 2.

13 External Communication

SIX uses the following tools to inform the market about Index changes. These include changes to Index Compositions, the Weighting of Indices as well as ordinary and extraordinary Index adjustments.

Reports

SIX creates and maintains reports containing information on Index Compositions, Weighting of Index Components, Corporate Action announcements and other Index-related information. SIX publishes the reports on its website, whereby the majority, however, is only made available to licensees. Some reports contain Index-specific information, which is why the number of relevant reports varies from Index to Index. Depending on the timeliness of their information, the reports are updated with varying frequencies from daily to annual.

Vendor Code Sheet

The Vendor Code Sheet contains information on the current ticker symbols, normalizations, launch dates and calculation parameters of the Indices and is published on the SIX website⁶.

Newsletter Email Service

A newsletter is used to inform clients in case of late announcement or short-term changes of the prior date. Interested parties can subscribe to the newsletter e-mail service on the SIX website. A notification e-mail is sent to subscribers informing them about updates including a reference to the Client Data Center for further details on corporate events.

- Typical events that can trigger a newsletter service:
- Updates due to periodic Index reviews
- Problems and errors in the Index calculation
- Launches and discontinuations of Indices
- Market consultations

⁵ www.six-group.com/swiss-indices > Benchmark Regulation

⁶ <https://www.six-group.com/dam/download/market-data/indices/six-calculated-indices.xls>

- Issuer surveys

Index Messages

The Index messages of the newsletter e-mail service in connection with Index adjustments are published on the SIX website⁷. The Index messages are publicly available and do not require a subscription or license agreement.

Media Release

For Index messages that are of broad public interest, SIX may publish a media release to inform the public about the Index adjustment. In addition, media releases may be used for marketing purposes that are not related to Index adjustments.

⁷ www.six-group.com/swiss-indices > Index messages

14 Trademark Protection, Use of Licensing

All SIX Indices are the intellectual property (including registered trademarks) of SIX Index AG, Zurich, Switzerland. SIX Index AG provides no warranty of any kind and excludes all liability (whether in negligence or otherwise) with respect to their use. The use of SIX Indices and their registered trademarks (®) as well as access to restrictive Index data is governed by a license agreement. Information on licensing and the format of the disclaimer can be found on the SIX website⁸.

⁸ www.six-group.com/swiss-indices > Licensing

15 Contact

Inquiries about the Indices can be sent to the following addresses:

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Appendix A

A.1 Country, Exchange, Withholding Tax Rate list

	Country	Country Classification*	Withholding Tax Rate (%)	Eligible Exchange	Sub-Region
Americas	Argentina	EM	7	Bolsa de Comercio de Buenos Aires	
	Brazil	EM	0	BM&FBovespa S.A.	
	Canada	DM	25	Toronto Stock Exchange	
	Chile	EM	35	Santiago Stock Exchange	
	Colombia	EM	20	Bolsa de Valores de Colombia	
	Mexico	EM	10	Bolsa Mexicana de Valores	
	Peru	EM	5	Bolsa de Valores de Lima	
	United States	DM	30	New York Stock Exchange	
	United States	DM	30	NASDAQ	
EMEA	Austria	DM	27.5	Wiener Boerse	Europe
	Belgium	DM	30	Euronext Brussels	Europe
	Cyprus	DM	0	-	Europe
	Czech Republic	EM	35	Prague Stock Exchange	Europe
	Denmark	DM	27	NASDAQ Copenhagen	Europe
	Egypt	EM	5	Egyptian Exchange	Middle East & Africa
	Finland	DM	35	NASDAQ Helsinki	Europe
	France	DM	25	EURONEXT Paris	Europe
	Germany	DM	26.375	Boerse Frankfurt	Europe
	Germany	DM	26.375	XETRA	Europe
	Greece	EM	5	Athens Stock Exchange	Europe
	Hungary	EM	0	Budapest Stock Exchange	Europe
	Ireland	DM	25	EURONEXT Dublin	Europe
	Israel	DM	25	Tel Aviv Stock Exchange	Middle East & Africa
	Italy	DM	26	Borsa Italiana S.P.A.	Europe
	Kuwait	EM	0	Kuwait Stock Exchange	Middle East & Africa
	Luxembourg	DM	15	-	Europe
	Netherlands	DM	15	EURONEXT Amsterdam	Europe
	Norway	DM	25	Oslo Bors ASA	Europe
	Poland	EM	19	Warsaw Stock Exchange	Europe
	Portugal	DM	25	EURONEXT Lisbon	Europe
	Qatar	EM	0	Qatar Exchange	Middle East & Africa
	Saudi Arabia	EM	5	Saudi Stock Exchange	Middle East & Africa
	South Africa	EM	20	Johannesburg Stock Exchange	Middle East & Africa
	Spain	DM	19	Bolsa de Madrid	Europe
	Sweden	DM	30	NASDAQ Stockholm AB	Europe
	Switzerland	DM	35	SIX Swiss Exchange	Europe
	Turkey	EM	10	Borsa Istanbul	Europe
	United Arab Emirates	EM	0	Abu Dhabi Securities Exchange	Middle East & Africa
	United Kingdom	DM	0	London Stock Exchange	Europe

	Country	Country Classification*	Withholding Tax Rate (%)	Eligible Exchange	Sub-Region
APAC	Australia	DM	30	Australian Stock Exchange	
	China	EM	10	Shanghai Stock Exchange	
	China	EM	10	Shenzhen Stock Exchange	
	Hong Kong	DM	0	Stock Exchange of Hong Kong	
	India	EM	20	Bombay Stock Exchange	
	Indonesia	EM	20	Indonesia Stock Exchange	
	Japan	DM	15.315	Japan Exchange Group	
	Malaysia	EM	0	Bursa Malaysia	
	New Zealand	DM	30	New Zealand Exchange	
	Philippines	EM	25	Philippine Stock Exchange, Inc.	
	Singapore	DM	0	Singapore Exchange	
	South Korea	EM	22	Korea Exchange	
	Taiwan	EM	21	Taiwan Stock Exchange	

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