

S&P Japan BMI Liquid 35/20 Capped Index (Custom)

Index Objective. The index measures the performance of 30 of the most liquid constituents of the underlying index listed in Japan that have no more than 10 non-trading days over the previous quarter and a six-month average daily value traded (6M ADVT) of at least US\$ 1 million. The index is market capitalization weighted, with constituents' FMC weights subject to the 33/19 capping scheme defined below.

Underlying index. S&P Japan BMI. For information on the underlying index, please refer to the S&P Global BMI, S&P/IFCI Methodology at www.spglobal.com/spdji/.

Index Eligibility. At each rebalancing, constituents of the underlying index meet the following criteria are eligible for index inclusion:

- Be listed in Japan.
- Have no more than 10 non-trading days over the previous quarter.
- Have a 6M ADVT of at least US\$ 1 million.

Index Construction. At each rebalancing, rank the eligible stocks in descending order by 6M ADVT and select the 30 highest ranked stocks, subject to the following selection buffer:

13. Automatically select the 24 highest ranked stocks.
14. Select current constituents ranked in the top 36 until the target constituent count is met.
15. If after step 2 the target constituent count is still not met, select the largest non-constituent. This process continues iteratively until the target constituent count of 30 is met.
16. If fewer than 30 stocks are eligible, select all stocks, and the target constituent count is not met.

Index Additions. Except for eligible spin-offs and the replacement rule in Index Deletions, no additions are made between rebalancing.

Spin-offs. Spin-offs are added at a zero price at the market close of the day before the ex-date (with no divisor adjustment) and are removed after at least one day of regular way trading (with a divisor adjustment). Where applicable, all deletions from the underlying index are deleted from the index on the same day.

Index Deletions. Constituents removed from the underlying index are removed from the index simultaneously. If a constituent is deleted between rebalancing, the next most liquid stock by 6M ADVT as of the prior quarterly rebalancing is added simultaneously as a replacement to maintain a target constituent count of 30. Constituents added under the replacement rule are added at the stock's FMC weight.

Constituent Weighting. At each rebalancing, the index is capped market capitalization weighted, with constituents' FMC weights capped by the following constraints, if necessary:

- If the largest constituent's weight exceeds 33%, that constituent is capped at 33%.
- If the weight of any other constituent is greater than 19%, that constituent is capped at 19%.

Any excess weight due to capping is proportionally redistributed to uncapped constituents. The process continues iteratively until both constraints are satisfied.

Index Maintenance. All index adjustments and corporate action treatments follow the underlying index.

Rebalancing. The index rebalances quarterly, effective prior to the open of the Monday following the third Friday of March, June, September, and December. The rebalancing reference date is the close of the last business day of the previous month. The reference date for prices used for the weighting process is the close of the Wednesday prior to the second Friday of the rebalancing month.

Currency of Calculation. The index calculates in U.S. dollars, Japanese yen, and Emirati dirhams.

Exchange Rate. Refinitiv FOREX spot rates, RIC ticker "AED=" & "JPY=", are taken daily at 9:00 AM GMT Time and used in the calculation of the index.