

April 2020

INDXX GLOBAL BENCHMARK INDEX SERIES METHODOLOGY

CONTENTS

1.	INDXX GLOBAL BENCHMARK INDEX SERIES.....	2
1.1	INDEX DESCRIPTION.....	2
1.2	CREATION OF MASTER LIST.....	2
1.2.1	Initial Universe.....	2
1.2.2	Exchange.....	2
1.2.3	Security Type.....	2
1.2.4	Average Daily Traded Value.....	2
1.2.5	Free Float.....	3
1.2.6	Share Classes.....	3
1.3	SECURITY SELECTION PROCESS.....	3
1.4	FINAL COMPOSITION.....	3
1.5	WEIGHTING.....	3
1.6	BUFFER RULES.....	3
1.6.1	Market Capitalization.....	3
1.6.2	Liquidity.....	3
1.7	RECONSTITUTION AND REBALANCING RULES.....	4
1.8	CORPORATE ACTIONS.....	4
2.	APPENDIX.....	5
2.1	INDICES.....	5
2.2	EXCHANGES.....	5
2.2.1	Developed Markets.....	5
2.2.2	Emerging Markets.....	6
3.	DISCLAIMER.....	7

1. INDXX GLOBAL BENCHMARK INDEX SERIES

1.1 INDEX DESCRIPTION

The Indxx Global Benchmark Index Series seeks to accurately and comprehensively replicate the performance of equity markets across various developed and emerging market regions/countries (as defined by Indxx), through a rules-based, transparent selection of stocks, while also ensuring portfolio liquidity and investability.

The index series has a base date of October 30, 2009 with an initial value of 1,000.

The index is currently available in the following versions:

- Price Return
- Total Return
- Net Total Return

1.2 CREATION OF MASTER LIST

The below selection rules are successively applied to arrive at the final portfolios.

1.2.1 Initial Universe

To be eligible for inclusion in the Initial Universe, securities must have:

- Their listing and primary listing in the same country.
For example: To be eligible under US, a security should have both country of listing and primary listing as US.
- Traded for at least 90% of the total trading days over the last 6 months on their respective stock exchanges, and at least 90% of the total trading days over the last 3 months for an Initial Public Offering ("IPO") security.

1.2.2 Exchange

To be considered for inclusion, a security must be listed on an eligible exchange. A list of eligible exchanges is given in the appendix (Section 2.2).

1.2.3 Security Type

The following security types are eligible for inclusion:

- Common Stock
- ADR
- GDR
- DR

1.2.4 Average Daily Traded Value

Each security is assigned to exactly one of the 3 regions – US, Developed Markets ex-US & Emerging Markets. Within each region, securities that lie within the top 50 percentile by their 6-month average daily traded value are eligible for inclusion.

1.2.5 Free Float

All securities must have a minimum free float equivalent to 10% of shares outstanding.

1.2.6 Share Classes

If multiple share classes exist for a company, all share classes will be considered for inclusion in the portfolio.

1.3 SECURITY SELECTION PROCESS

All the securities which qualify the above-mentioned criterion are included in the 'Selection List' for the index.

1.4 FINAL COMPOSITION

From the Selection List:

- In each of the 3 regions (US, Developed Markets ex-US & Emerging Markets), securities are sorted in descending order of their free float-adjusted security level market capitalization, and cumulative market-capitalization percentage is calculated for each security.
- Within each region, free float-adjusted market capitalization of the smallest security whose cumulative market-capitalization percentage is less than or equal to 99% is defined as the capitalization threshold for that region.
- All securities with free float-adjusted market capitalization greater than or equal to the above threshold form the final portfolio for the respective region.

1.5 WEIGHTING

The index is weighted as follows:

- Components are weighted based on their free float-adjusted security level market capitalization.

1.6 BUFFER RULES

Buffer Rules are employed to reduce Portfolio Turnover. The following buffer rules apply:

1.6.1 Market Capitalization

A current constituent shall continue to be included in the index if its free float-adjusted security level market capitalization is greater than or equal to two-third of the capitalization threshold for the corresponding region, provided all other selection criteria are met. For instance, if the capitalization threshold for a region is 99, then a current constituent shall continue to be a part of the portfolio if it satisfies all other criteria and its free float-adjusted security level market capitalization is great than or equal to 66.

1.6.2 Liquidity

A current constituent shall continue to be included in the index if it falls within the top 60 percentile of all securities in the corresponding region by their 6-month average daily traded values, provided all other selection criteria are met.

1.7 RECONSTITUTION AND REBALANCING RULES

- The index series follows a semi-annual reconstitution and rebalancing schedule. The new portfolios become effective at the close of last trading day of April and October each year. This day is called the 'Effective Day.'
- The security selection and portfolio creation process start on the close of the nearest Friday falling at least one month before the effective day, called the 'Selection Day'. The selection list is created based on the data as of the Selection Day.
- Weights are at the close of the seventh trading day prior (six trading days prior) to the Effective Day. Index Shares are frozen using weights as of this day.

1.8 CORPORATE ACTIONS

Indxx standard Corporate Actions for market cap weighted indices apply. The corporate action guidebook is present in the Announcements section of our website, under 'Index Documents'.

2. APPENDIX

2.1 INDICES

The series currently includes the following regional/country indices:

1. Indxx Global Markets Index (US + Developed Markets ex-US + Emerging Markets)
2. Indxx US Market Index
3. Indxx Developed Markets Index (US + Developed Markets ex-US)
4. Indxx Developed Markets Ex-US Index
5. Indxx Developed Asia Pacific Index
6. Indxx Developed Europe Index
7. Indxx Emerging Markets Index

2.2 EXCHANGES

Below are the eligible exchanges, as defined by Indxx:

2.2.1 Developed Markets

Country	Exchanges
Australia	ASX
Austria	Vienna Stock Exchange
Belgium	Euronext Brussels
Canada	Toronto Stock Exchange
	TSX Venture Exchange
Denmark	NASDAQ OMX Copenhagen
Finland	NASDAQ OMX Helsinki
France	Euronext Paris
Germany	XETRA
Hong Kong	Hong Kong Stock Exchange
Ireland	Euronext Dublin
Israel	Tel Aviv Stock Exchange
Italy	Milan Stock Exchange
Japan	JASDAQ
	Nagoya Stock Exchange
	Tokyo Stock Exchange
Korea	Korea Exchange
Netherlands	Euronext Amsterdam
New Zealand	New Zealand Stock Exchange
Norway	Oslo Exchange
Portugal	Euronext Lisbon
Singapore	Singapore Exchange
Spain	Madrid Stock Exchange
	Spanish Markets

Sweden	NASDAQ OMX Stockholm
	Nordic Growth Market
	Spotlight Stock Market
Switzerland	BX Swiss AG
	SIX Swiss Exchange
Taiwan	Taipei Exchange
	Taiwan Stock Exchange
United Kingdom	London Stock Exchange
USA	NASDAQ
	New York Stock Exchange
	NYSE American
	NYSE Arca

2.2.2 Emerging Markets

Country	Exchanges
Brazil	Sao Paulo Stock Exchange
Chile	Santiago Stock Exchange
Colombia	Colombia Stock Exchange
Czech Republic	Prague Stock Exchange
Egypt	Egyptian Exchange
Greece	Athens Exchange
Hungary	Budapest Stock Exchange
India	BSE Ltd.
	National Stock Exchange of India
Indonesia	Indonesia Exchange
Malaysia	Malaysia Stock Exchange
Mexico	Mexican Stock Exchange
Peru	Lima Stock Exchange
Philippines	Philippine Stock Exchange
Poland	Warsaw Stock Exchange
Qatar	Qatar Exchange
Russia	Moscow Exchange
South Africa	Johannesburg Securities Exchange
Thailand	Stock Exchange of Thailand
Turkey	Istanbul Stock Exchange
United Arab Emirates	Abu Dhabi Securities Exchange
	Dubai Financial Market
	NASDAQ Dubai

3. DISCLAIMER

This methodology document and all information contained herein including, without limitation, all text, data, graphs, charts, visuals and theory (collectively, the “information”), were created by and is the sole property of Indxx, LLC. Redistribution, reproduction and/or photocopying of this document in whole or part is prohibited without written permission from Indxx. All information in this document provided by Indxx is impersonal and not tailored to the needs of any person, entity or group. None of the information constitutes an attempt at an offer to sell (or an attempt of an offer to buy), or a promotion or recommendation of, any security, product, investment vehicle or any trading strategy, and Indxx does not endorse, approve or otherwise express any opinion regarding any issuer, security, financial product, instrument, or trading strategy. None of the information, Indxx indices, models, other products or services contained herein is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and should not be relied on as such. A decision to invest in any investment fund or other vehicle should not be made based solely on information or statements contained in this document. Prospective investors are advised to make an investment in any such fund or other vehicle only after carefully considering the risks, fees and expenses associated with investing, as detailed in an offering memorandum or similar document that is prepared by or on behalf of the issuer of the investment fund or other vehicle. Historical data, analysis and performance of Indxx indices should not be taken as an indication or guarantee of any future performance. Indxx does not guarantee the accuracy and/or completeness of any Indxx index, any data included herein, or any data from which it is based, and Indxx shall have no liability for any errors, omissions, or interruptions therein. All information in these materials is provided “as is” and the content may change without notice.

For more information on the index, please email info@indxx.com.

Learn more at www.indxx.com.