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INDXX GLOBAL AGRICULTURE INDEX METHODOLOGY

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1. INDXX GLOBAL AGRICULTURE INDEX

1.1 INDEX DESCRIPTION

The Indxx Global Agriculture Index is designed to track the performance of companies which are directly or indirectly engaged in improving agricultural yields. The index is comprised of farmland companies and firms involved in chemicals & fertilizers, seeds, irrigation equipment, and farm machinery.

The index has a base date of March 23, 2007 with an initial value of 1,000.

The index is currently available in the following versions:

- Price Return (Bloomberg Ticker: IGAIP)
- Total Return (Bloomberg Ticker: IGAI)
- Net Total Return (Bloomberg Ticker: IGAINT)

1.2 CREATION OF MASTER LIST

1.2.1 Initial Universe

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

- Domiciled in any of the below mentioned countries:
Australia, Austria, Bahrain, Belgium, Brazil, Canada, Chile, China, Colombia, Croatia, Czech Republic, Denmark, Egypt, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Kuwait, Luxembourg, Malaysia, Mexico, Morocco, Netherlands, New Zealand, Norway, Oman, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russia, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Arab Emirates, United Kingdom, United States.
- A minimum company level market capitalization of \$1 billion.
- A 6-month security level average daily turnover greater than or equal to \$1 million.
- A security level average daily turnover for each of the preceding 3 months greater than or equal to \$ 1 million.
- A security level weekly turnover over the preceding 3 months greater than or equal to \$ 2.5 million.
- Traded for at least 90% of the total trading days over the last 6 months on their respective stock exchanges.

1.2.2 Maximum Price

Securities trading at a price of \$10,000 or above are ineligible for inclusion in the universe. This rule is not applicable for existing constituents. Existing constituents shall remain in the universe irrespective of their stock price.

1.2.3 Security Type

The following security types are eligible for inclusion:

- Common Stock
- ADR
- GDR
- MLP
- Preference Shares

1.2.4 Share Classes

If multiple share classes exist for a company, the following preference order is followed:

- If an ADR of the company exists, it is given preference over all other share classes.
- In case of companies domiciled in China, their HK listings are considered for inclusion. If a relevant HK listing is not available, the company is ignored.
- In all other cases, the most liquid share class is considered for inclusion in the portfolio.

1.3 SECURITY SELECTION PROCESS

Based on extensive research, Indxx has defined agriculture as being comprised of the following sub-themes that contribute to an increase in farm yield:

Chemicals & Fertilizers
Seed Manufacturers
Irrigation Equipment Providers
Farm Machinery Companies

These sub-themes are comprised of companies in the following FactSet Industries:

Food Distributors	Steel	Department Stores
Chemicals: Agricultural	Catalog/Specialty Distribution	Gas Distributors
Chemicals: Major Diversified	Food: Specialty/Candy	Recreational Products
Agricultural Commodities/Milling	Biotechnology	Miscellaneous Commercial Services
Trucks/Construction/Farm Machinery	Pharmaceuticals: Major	Aerospace & Defense
Pharmaceuticals: Other	Pharmaceuticals: Generic	Financial Conglomerates
Other Metals/Minerals	Household/Personal Care	Food Retail
Motor Vehicles	Food: Major Diversified	Electronics/Appliances
Chemicals: Specialty	Food: Meat/Fish/Dairy	Real Estate Development
Miscellaneous Manufacturing	Miscellaneous	Specialty Stores
Textiles	Beverages: Non-Alcoholic	
Forest Products	Engineering & Construction	
Industrial Specialties	Railroads	
Containers/Packaging	Oil Refining/Marketing	
Finance/Rental/Leasing	Auto Parts: OEM	
Industrial Conglomerates	Electronic Production Equipment	
Wholesale Distributors	Other Consumer Services	
Building Products	Electric Utilities	
Home Improvement Chains	Electrical Products	
Industrial Machinery	Information Technology Services	

1.4 FINAL COMPOSITION

From the Selection List:

- All those companies that generate at least 10% of their revenues from the above-mentioned sub themes are considered for inclusion in the index. Revenue numbers are obtained from company annual reports.

1.5 WEIGHTING

The index is weighted as follows:

- Components are weighted based on their security-level market capitalization.
- A single security cap of 9.9% is applied.
- The aggregate weight of all the components with a weight greater than 4.5% is capped at 40%.

1.6 RECONSTITUTION AND REBALANCING RULES

- The index follows an annual reconstitution and quarterly rebalancing schedule. The reconstituted portfolio becomes effective at the close of third Friday of March each year. This day is called the 'Reconstitution Effective Day'. The rebalanced portfolio becomes effective at the close of third Friday of June, September and December each year. This day is called the 'Rebalance Effective Day.'
- The security selection and portfolio creation process start twelve trading days prior to the Reconstitution Effective Day in the month of March each year, called the 'Selection Day.' The selection list is created based on the data as of the Selection Day.
- Weights are calculated seven trading days prior to the Reconstitution Effective Day (or the Rebalance Effective Day). Index Shares are frozen using weights as of this day.
- Constituents are publicly announced four trading days prior to the effective day. This day is called the 'Announcement Day.'

1.7 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. DISCLAIMER

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