Ethos

Rules Governing the Ethos Swiss Corporate Governance Index

Summary version
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1 Index Structure

1.1 The Ethos Swiss Corporate Governance Index and its Sub Index

The Ethos Swiss Corporate Governance Index (ESCGI) and its sub index, the ESCGI Large, follow the same rules, with the only exception of the securities universe defined below. Therefore, the rules described in this document apply to both the ESCGI and ESCGI Large, each with its corresponding base universe (Swiss Performance Index (SPI) and Swiss Performance Index Large (SPI Large)).

1.2 Securities Universe

1.2.1 Ethos Swiss Corporate Governance Index (ESCGI)

The Ethos Swiss Corporate Governance Index (ESCGI) is based on the SPI. Therefore, the ESCGI follows the SPI Rulebook for all matters not described in this document. The Index Rules apply additional inclusion, exclusion or capping procedures as defined below. Stocks in the ESCGI are weighted by free-float market capitalization. In addition, a cap factor determined by Ethos is applied in order to meet the Index objectives that are defined in section 1.3.

More information related to the SPI calculation and methodology can be found on the SIX website.

Ethos Swiss Governance Indices

1.2.2 Ethos Swiss Corporate Governance Index Large

The Ethos Swiss Corporate Governance Index Large (ESCGI Large) is based on the SPI Large. Therefore, the ESCGI Large follows the SPI Rulebook for all matters not described in this document. The Index Rules apply additional inclusion, exclusion or capping procedures as defined below. Stocks in the Ethos Index are weighted by free-float market capitalization. In addition, a cap factor determined by Ethos is applied in order to meet the index objectives that are defined in section 1.3.

More information related to the SPI calculation and methodology can be found on the SIX website.

Ethos Swiss Governance Indices

1.3 Ethos Index Objectives

Ethos’ objective is to address some of the governance risks (by reducing them) which are generally not taken into account in most benchmarks. The ESCGI is reviewed annually to take into account changes that may have occurred in the governance structure of the companies of the base universe. Overweighting and underweighting have to be understood compared with the base universe (SPI Index or SPI Large) and at the time of the annual review of the Ethos Final Factors (EFFs). The index objectives intend to:

– Reduce the corporate governance risks by underweighting or excluding companies that do not apply best governance practices (according to Ethos’ guidelines)
– Reduce the carbon impact of the index by underweighting companies with significant carbon emissions
Avoid overweighting companies that are under a serious controversy (under Ethos’ methodology)
Avoid overweighting companies that have a weight above 15% in the base universe at the time of the annual review of the EFFs
Overweight companies that are not falling into one of the categories above.

1.4 Standardization

The ESCGi is standardized on close of 27 January 2017 with an initial value of 100.
The ESCGi Large is standardized on close of 29 November 2019 with an initial value of 1000.

1.5 Review of Index Concept and Rules

The validity of the index concepts and rules is reviewed on a regular basis. In exceptional cases a broad market consultation can be conducted by Ethos. The changes to the index rules are publicly announced with appropriate lead time (usually 3 months).

1.6 Termination of the Index Calculation

A decision to discontinue will be publicly announced by Ethos with appropriate lead time.

If Ethos is aware of existing financial products linked to the index, a market consultation is conducted in advance and a transition period is introduced before the definitive termination.
2 Index Calculation

This section is reserved for customers. Please contact Ethos for more information:

Ethos
2, Place de Cornavin
Case Postale 1480
CH-1211 Genève 1
Email: info@ethosfund.ch
Phone: +41 (0)22 716 15 55
3 Index Adjustments

3.1 Ordinary Adjustments

3.1.1 Index Review

The review of the EFFs is implemented annually on the third Friday in September (after close of trading), simultaneously to the official implementation of the annual SPI Index review.

The announcement of the new components and capping factors occurs before market opening five trading days before the mentioned Friday - usually Monday.

3.1.2 Corporate Actions and Dividends

Corporate Actions and Dividends are adjusted as described in the SPI Rulebook.

3.2 Extraordinary Adjustment of the EFF

In order to meet the index objectives defined in section 1.3, Ethos reserves the right in exceptional situation to amend the EFF of one or several constituent of the Index or of the base universe. Exceptional situation may include, among others but not limited to, mergers, spin offs, important change or announcement that may impact the EFF under the rules defined in section 2.

The calculation and announcement of the new EFFs will generally take place five trading days, but no less than one trading day, prior to the implementation in the index.

When a new company added to the SPI is the result of a spin off from an existing ESCGI constituent, Ethos triggers an extraordinary adjustment and calculates a new EFF for the new component which reflects either a new assessment including a new initial Ethos Factor and the derived EFF or a neutral approach, that is the same EFF as the one of the mother company. As a general rule, if a corporate action does not materially affect the corporate governance of the securities involved in the event, the required extraordinary adjustment targets a neutral impact on the EFFs of the involved companies applied to all involved components to minimize the turnover of the ESCGI.
4 Organization

4.1 Index Administrator

The index is administered by Ethos. Ethos is responsible for the data sourcing and calculation of the EFFs.

Any requests with respect to the index administration may be directed to the following address:

Ethos
2, Place de Cornavin
Case Postale
CH-1211 Genève 1

Email: gestion@ethosfund.ch
Phone: +41 (0)22 716 15 55

4.2 Calculation Agent

SIX is the Calculation Agent of the Ethos Index. SSX ensures the correct calculation on its systems according to market standards. Information concerning the indices of SIX (index adjustments, announcements and so on) is available at the following Internet address:


Any requests with respect to calculation of the indices may be directed to the following address:

SIX
Pfingstweidstrasse 110
CH-8021 Zurich

Email: indexsupport@six-group.com
Phone: +41(0)58 399 21 11
## Static Data

<table>
<thead>
<tr>
<th>Name</th>
<th>Symbol</th>
<th>Security Number</th>
<th>ISIN</th>
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<tr>
<td>Ethos Swiss Corporate Governance Index (Price)</td>
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<td>34238795</td>
<td>CH0342387955</td>
</tr>
<tr>
<td>Ethos Swiss Corporate Governance Index (Total Return)</td>
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<td>CH0342387963</td>
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<td>Ethos Swiss Corporate Governance Index Large (Price)</td>
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<td>CH0507185699</td>
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<td>CH0507185871</td>
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</tbody>
</table>
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