

Emerging Markets FX Return Indices Rulebook

October 2022

Summary Description	<p>The Nomura Emerging Market FX Return Indices are separate indices (each a “Nomura Emerging Market FX Return Index”) the returns of each representing the returns of a long position in an emerging market Currency (each a “Currency”) and a short position in USD while taking into account the cost of financing such positions.</p> <p>For further information please see the Index summary disclosures document for this Index, which is to be read in conjunction with this Index Rulebook (together, the “Index Description”).</p>
Index	Each Index, denoted by I^Z , is a USD denominated index representing a long position in Currency Z and a short position in USD.
Index Currency	United States Dollars (“ USD ”)
Currency Z	Mexican Peso (“ MXN ”), Brazilian Real (“ BRL ”), Chilean Peso (“ CLP ”), Polish Zloty (“ PLN ”), Hungarian Forint (“ HUF ”), Czech Koruna (“ CZK ”), South African Rand (“ ZAR ”), Indonesian Rupiah (“ IDR ”), Korean Won (“ KRW ”), Turkish Lira (“ TRY ”), Singapore Dollar (“ SGD ”), Taiwan Dollar (“ TWD ”), Malaysian Ringgit (“ MYR ”), Russian Ruble (“ RUB ”), Indian Rupee (“ INR ”), Chinese Yuan (“ CNY ”), Chinese Yuan (“ CNH ”) Israeli Shekel (“ ILS ”), Colombian Peso (“ COP ”), Romanian Leu (“ RON ”), Egyptian Pound (“ EGP ”), Saudi Arabian Riyal (“ SAR ”), Kuwait Dinar (“ KWD ”), Arab Emirates Dinar (“ AED ”), Argentine Peso (“ ARS ”), Philippines Peso (“ PHP ”), Hong Kong Dollar (“ HKD ”), Ukraine Hryvna (“ UAH ”), Kazakhstan Tenge (“ KZT ”)
Index Sponsor / Calculation Agent	Nomura International Plc, who is responsible for the administration of the Index.
Index Live Date	[definition of Index Live Date]
Calculation Period Dates	The final Index Business Day of each calendar month. If such date is not a Currency Business Day, then the next Index Business Day which is also a Currency Business Day.
Calculation Period	<p>Each period from and including a Calculation Period Date (the “Start Date”) to and including the immediately following Calculation Period Date (the “End Date”). For the avoidance of doubt, the End Date for a Calculation Period shall be the same day as the Start Date for the following Calculation Period.</p> <p>Calculation of the Indices commenced on date, which is also the Start Date for the initial Calculation Period (the “Initial Calculation Period”). Except for CNH where the Index commenced on the date, which is also the Start Date of the Initial Calculation Period.</p>
I^Z_t	<p>In respect of an Index Business Day t in a Calculation Period, the published official level of the relevant Nomura Emerging Markets FX Return Index, denoted by I^Z_t, for Currency Z, for that Index Business Day t.</p> <p>For the first Index Business Day of a Calculation Period, the Index level denoted by $I^{Z_{Start}}$, shall be equal to $I^{Z_{Final}}$ for the immediately preceding Calculation Period. $I^{Z_{Start}}$ for the Initial Calculation Period shall be equal to value. For any Calculation Period, $I^{Z_{Final}}$ shall be equal to I^Z_t where t is the last Index Business Day for such Calculation Period.</p> <p>For any Index Business Day t during a Calculation Period, other than the first day of such Calculation Period, I^Z_t shall be equal to:</p>

$$I_t^Z = I_{\text{Start}}^Z \times \left\{ 1 + \left(\frac{1}{1+r^Z \times \text{Daycount}_t^Z} \right) \times \sum_{k=\text{StartDate}+1}^t F_{\text{Entry}}^Z \times \left(\frac{1}{F_k^Z} - \frac{1}{F_{k-1}^Z} \right) \right\}$$

F_t^Z	F_t^Z for any Index Business Day t during a Calculation Period is the rate for the Forward (determined in accordance with the below provisions) for such Calculation Period in respect of Currency Z .								
F_{Entry}^Z	For any Calculation Period and Currency Z , F_{Entry}^Z is equal to F_t^Z where t is the first Index Business Day in such Calculation Period that is also a Currency Business Day for the Currency Z (the “ Entry Date ” for Currency Z). For the avoidance of doubt, in the calculation of $\text{Index}_{\text{Final}}$ on the End Date of a Calculation Period, F_{Entry}^Z shall be equal to the value of F_t^Z where t is the Entry Date in respect of Currency Z in that Calculation Period.								
r^Z	For any Calculation Period and Currency Z , r^Z is the overnight USD FED Funds Effective Rate on the Index Business Day Immediately prior to first Index Business Day of such Calculation Period for Currency Z as displayed at approximately time on the Price Source which appears next to the immediately preceding Index Business Day. If the rate for such date does not appear on the Price Source, such rate will be determined by Calculation Agent with reference to the rate published for the immediately preceding Index Business Day.								
Daycount_t^Z	For any Index Business Day t in a Calculation Period, Daycount_t^Z is: (i) the actual number of days from and including Index Business Day t to but excluding the Forward Termination Date ^z for Currency Z ; divided by (ii) value.								
Forward	For any Calculation Period and Currency Z , the Forward shall be a deliverable forward transaction (“ Deliverable Forward ”) or non-deliverable forward transaction (“ NDF ”) to buy or sell Currency Z , effective on the Forward Effective Date and terminating on the Forward Termination Date (referred to as the “ Forward ”).								
Forward Termination Date ^z	For Currency Z and for any Calculation Period the earliest possible final settlement date (for a Deliverable Forward) or final value date (for a NDF), as specified by the Index Date Provider, occurring on or after the N day of the calendar month immediately following the last Calculation Period Roll Reference Date in such Calculation Period, regardless of whether such final settlement date (for a Deliverable Forward) or final value date (for a NDF) is an Index Business Day. “ Index Date Provider ” means the external provider (or any successor) of any Index Date, as pre-determined by the Index Sponsor at the design stage of the Index (and as may be amended and/or updated from time to time by the Index Sponsor in accordance with Appendix 2, Section 15 of the Control Framework Summary (“Changes to Methodology.”)) “ Index Date ” means any settlement date, final value date, forward effective date, termination date, Currency Business Day or any other externally-sourced date, in each case that is necessary for the determination of the Index. For the avoidance of doubt, on the End Date of a Calculation Period, the Forward Termination Date used in the determination of the rate of the Forward for such Calculation Period, denoted by F_k^i , shall be the earliest possible final settlement date (for a Deliverable Forward) or final value date (for a NDF), occurring on or after the N day of the calendar month immediately following the last Calculation Period Roll Reference Date in the Calculation Period. For the purposes of determining the Forward Termination Date z , the “ Calculation Period Roll Reference Date ” is the final Index Business Day of a calendar month, regardless of whether such day is a Currency Business Day.								
Currency Business Day	For each Currency Z , any day (excluding Saturdays and Sundays) which is specified to be a business day in the Business Centre(s) for such Currency Z by the Index Date Provider.								
Business Centre	In respect of: <table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Currency Z</th> <th style="text-align: left;">Business Centre(s)</th> </tr> </thead> <tbody> <tr> <td>Mexican Peso (MXN)</td> <td>Business Centre</td> </tr> <tr> <td>Brazilian Real (BRL)</td> <td>Business Centre</td> </tr> <tr> <td>Chilean Peso (CLP)</td> <td>Business Centre</td> </tr> </tbody> </table>	Currency Z	Business Centre(s)	Mexican Peso (MXN)	Business Centre	Brazilian Real (BRL)	Business Centre	Chilean Peso (CLP)	Business Centre
Currency Z	Business Centre(s)								
Mexican Peso (MXN)	Business Centre								
Brazilian Real (BRL)	Business Centre								
Chilean Peso (CLP)	Business Centre								

Polish Zloty (PLN)	Business Centre
Hungarian Forint (HUF)	Business Centre
Czech Koruna (CZK)	Business Centre
South African Rand (ZAR)	Business Centre
Indonesian Rupiah (IDR)	Business Centre
Korean Won (KRW)	Business Centre
Turkish Lira (TRY)	Business Centre
Singapore Dollar (SGD)	Business Centre
Taiwan Dollar (TWD)	Business Centre
Malaysian Ringitt (MYR)	Business Centre
Russian Ruble (RUB)	Business Centre
Indian Rupee (INR)	Business Centre
Chinese Yuan (CNY)	Business Centre
Chinese Yuan (CNH)	Business Centre
Israeli Shekel (ILS)	Business Centre
Colombian Peso (COP)	Business Centre
Romanian Leu (RON)	Business Centre
Egyptian Pound (EGP)	Business Centre
Saudi Arabian Riyal (SAR))	Business Centre
Kuwait Dinar (KWD)	Business Centre
Arab Emirates Dinar (AED)	Business Centre
Argentine Peso (ARS)	Business Centre
Philippines Peso (PHP)	Business Centre
Hong Kong Dollar (HKD)	Business Centre
Ukraine Hryvna (UAH)	Business Centre
Kazakhstan Tenge (KZT)	Business Centre

Index Business Days

Each day which is both a London and New York Business Day

Each Index Business Day is denoted by t

London Business Day means a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London

New York Business Day means a day (other than a Saturday or Sunday) on which commercial banks are open for general business in New York

Index Trading Business Day

Each day which is a New York Business Day, London Business Day and a Currency Business Day for all Currency Z.

Successor Price Source

References to "Price Source" herein shall be construed as referring also to any successor page or information on which the relevant variable may be published as determined by the Calculation Agent in its sole discretion acting in a commercially reasonable manner.

Appendix A: Currencies and Price Sources for Currencies, and

Reference number Z	Currency / Abbreviation	Price Source	Fallback Price Source
1	Mexican Peso (MXN)	Price Source	Fallback Price Source
2	Brazilian Real (BRL)	Price Source	Fallback Price Source

Observation Time				
3	Chilean Peso (CLP)	Price Source	Fallback Price Source	
4	Polish Zloty (PLN)	Price Source	Fallback Price Source	
5	Hungarian Forint (HUF)	Price Source	Fallback Price Source	
6	Czech Koruna (CZK)	Price Source	Fallback Price Source	
7	South African Rand (ZAR)	Price Source	Fallback Price Source	
8	Indonesian Rupiah (IDR)	Price Source	Fallback Price Source	
9	Korean Won (KRW)	Price Source	Fallback Price Source	
10	Turkish Lira (TRY)	Price Source	Fallback Price Source	
11	Singapore Dollar (SGD)	Price Source	Fallback Price Source	
12	Taiwan Dollar (TWD)	Price Source	Fallback Price Source	
13	Malaysian Ringitt (MYR)	Price Source	Fallback Price Source	
14	Russian Ruble (RUB)	Price Source	Fallback Price Source	
15	Indian Rupee (INR)	Price Source	Fallback Price Source	
16	Chinese Yuan (CNY)	Price Source	Fallback Price Source	
17	Israeli Shekel (ILS)	Price Source	Fallback Price Source	
18	Colombian Peso (COP)	Price Source	Fallback Price Source	
19	Romanian Leu (RON)	Price Source	Fallback Price Source	
20	Egyptian Pound (EGP)	Price Source	Fallback Price Source	
21	Saudi Arabian Riyal (SAR)	Price Source	Fallback Price Source	
22	Kuwait Dinar (KWD)	Price Source	Fallback Price Source	
23	Arab Emirates Dinar (AED)	Price Source	Fallback Price Source	
24	Argentine Peso (ARS)	Price Source	Fallback Price Source	
25	Philippines Peso (PHP)	Price Source	Fallback Price Source	
26	Hong Kong Dollar (HKD)	Price Source	Fallback Price Source	
27	Ukraine Hryvna (UAH)	Price Source	Fallback Price Source	
28	Kazakhstan Tenge (KZT)	Price Source	Fallback Price Source	
29	Chinese Yuan (CNH)	Price Source	Fallback Price Source	

“**Observation Time**” shall be:

[definition of Observation Time]

**Appendix B:
Forward
Price Source
Information**

Reference number Z	Currency	Forward Price Source	Display Convention	Divisor
1	MXN	Forward Price Source	Display Convention	Divisor
2	BRL	Forward Price Source	Display Convention	Divisor
3	CLP	Forward Price Source	Display Convention	Divisor
4	PLN	Forward Price Source	Display Convention	Divisor
5	HUF	Forward Price Source	Display Convention	Divisor
6	CZK	Forward Price Source	Display Convention	Divisor
7	ZAR	Forward Price Source	Display Convention	Divisor
8	IDR	Forward Price Source	Display Convention	Divisor
9	KRW	Forward Price Source	Display Convention	Divisor
10	TRY	Forward Price Source	Display Convention	Divisor
11	SGD	Forward Price Source	Display Convention	Divisor
12	TWD	Forward Price Source	Display Convention	Divisor
13	MYR	Forward Price Source	Display Convention	Divisor

14	RUB	Forward Price Source	Display Convention	Divisor
15	INR	Forward Price Source	Display Convention	Divisor
16	CNY	Forward Price Source	Display Convention	Divisor
17	ILS	Forward Price Source	Display Convention	Divisor
18	COP	Forward Price Source	Display Convention	Divisor
19	RON	Forward Price Source	Display Convention	Divisor
20	EGP*	Forward Price Source	Display Convention	Divisor
20	EGP*	Forward Price Source	Display Convention	Divisor
21	SAR	Forward Price Source	Display Convention	Divisor
22	KWD	Forward Price Source	Display Convention	Divisor
23	AED	Forward Price Source	Display Convention	Divisor
24	ARS	Forward Price Source	Display Convention	Divisor
25	PHP	Forward Price Source	Display Convention	Divisor
26	HKD	Forward Price Source	Display Convention	Divisor
27	UAH	Forward Price Source	Display Convention	Divisor
28	KZT	Forward Price Source	Display Convention	Divisor
29	CNH	Forward Price Source	Display Convention	Divisor

* Forward Price Source

Appendix C: Fallback Forward Price Source Information

Reference Number Z	Currency	Forward Price Source	Display Convention	Divi sor
1	MXN	Forward Price Source	Display Convention	Divisor
2	BRL	Forward Price Source	Display Convention	Divisor
3	CLP	Forward Price Source	Display Convention	Divisor
4	PLN	Forward Price Source	Display Convention	Divisor
5	HUF	Forward Price Source	Display Convention	Divisor
6	CZK	Forward Price Source	Display Convention	Divisor
7	ZAR	Forward Price Source	Display Convention	Divisor
8	IDR	Forward Price Source	Display Convention	Divisor
9	KRW	Forward Price Source	Display Convention	Divisor
10	TRY	Forward Price Source	Display Convention	Divisor
11	SGD	Forward Price Source	Display Convention	Divisor
12	TWD	Forward Price Source	Display Convention	Divisor
13	MYR	Forward Price Source	Display Convention	Divisor
14	RUB	Forward Price Source	Display Convention	Divisor
15	INR	Forward Price Source	Display Convention	Divisor
16	CNY	Forward Price Source	Display Convention	Divisor
17	ILS	Forward Price Source	Display Convention	Divisor

18	COP	Forward Price Source	Display Convention	Divisor
19	RON	Forward Price Source	Display Convention	Divisor
20	EGP*	Forward Price Source	Display Convention	Divisor
20	EGP*	Forward Price Source	Display Convention	Divisor
21	SAR	Forward Price Source	Display Convention	Divisor
22	KWD	Forward Price Source	Display Convention	Divisor
23	AED	Forward Price Source	Display Convention	Divisor
24	ARS	Forward Price Source	Display Convention	Divisor
25	PHP	Forward Price Source	Display Convention	Divisor
26	HKD	Forward Price Source	Display Convention	Divisor
27	UAH	Forward Price Source	Display Convention	Divisor
28	KZT	Forward Price Source	Display Convention	Divisor
29	CNH	Forward Price Source	Display Convention	Divisor

In relation to a Fallback Price Source specified below the relevant rate shall be the last published mid Forward Price (being the arithmetic of the bid and ask prices) at the Observation Time.

* Forward Price Source

Calculation of Forward Rates

F^2_k shall be calculated as follows

[definition and calculation of Forward Rates]

Appendix F: Index Disruption Events

Index Adjustment: In the event that there is any error relating to the calculation or publication of the level of the Index, the Index Calculation Agent will make such adjustments to each previously and/or subsequently published level of the Index as it deems necessary (acting in good faith and in accordance with the principles and methodology of the Index) in order to rectify such error.

Definitions for the purposes of this Appendix and Appendix G:

“Affected Currency” means any Currency that the Index Calculation Agent determines is affected by a Disruption Event;

“Affected Index Business Day” means an Index Business Day in relation to which at any time on such date prior to the Index Calculation Agent having made the determinations required of it in relation to such day, a Disruption Event exists.

“Currency Jurisdiction” means with respect to any Currency, the country for which such Currency is the lawful currency.

“Market Maker” means a hypothetical market maker required to hedge its exposure incurred through providing a product which replicates the performance of the Index

A **“Disruption Event”** means that the Index Calculation Agent determines in its sole discretion that one or more of the following events has occurred or is occurring in respect of the Indices or any Index Components:

(a) Price Source Disruption Event means the Index Calculation Agent is generally prevented, disrupted or impaired from obtaining one or more spot or forward rates required to calculate a Forward Rate from the Price Source (or Fallback Price Source as appropriate) specified above with respect to any Affected Currency on

any Index Business Day (or if different, the day on which rates for that Affected Currency would, in the ordinary course, be published or announced by the relevant pricing source with respect to that Index Business Day).

(b) Price Materiality Event means that, on any day, the level published on any Price Source or Fallback Price Source in relation to any variable which is required in order to determine an Index is, in the sole determination of the Index Calculation Agent, significantly different to the level of such variable prevailing in the market.

(c) Dual Exchange Rate Event means that, with respect to any Affected Currency, the exchange rate used to calculate the Forward Rate applicable to that Affected Currency splits into dual or multiple currency exchange rates.

(d) Illiquidity Event means that the Index Calculation Agent is generally prevented, disrupted or impaired from obtaining a firm quote of any component of the Forward Rate for any Affected Currency or market participants in general are generally prevented, disrupted or impaired from entering into transactions or obtain market values of the type which would be required to implement the Index in a commercially reasonable manner (including, without limitation, a significant widening in the bid/offer and/or a significant reduction in liquidity in a Forward Rate).

(e) Inconvertibility Event means that the Index Calculation Agent is generally prevented, disrupted or impaired from converting generally in the currency markets any Affected Currency into USD through customary legal channels; or from converting such Affected Currency into USD at a rate at least as favourable as the rate for domestic institutions located in the Currency Jurisdiction, in each case as would be necessary to implement the Index.

(f) Non-Transferability Event means that the Index Calculation Agent is generally prevented, disrupted or impaired in the markets from delivering amounts (as is necessary to implement the Index) denominated in USD as appropriate from accounts inside any Currency Jurisdiction to accounts outside that Currency Jurisdiction or amounts denominated in any Affected Currency between accounts inside the relevant Currency Jurisdiction or to a party that is a non-resident of that Currency Jurisdiction.

(g) Index Date Provider Event means, on any day, that:

(i) any Index Date specified (or to be specified) by the Index Date Provider: (A) is not published or announced by the Index Date Provider, or is (or becomes) otherwise unavailable or inaccessible; and/or (B) is in the determination of the Index Calculation Agent false, incorrect or different to the date prevailing in the market as the date on which the relevant Currency Z can be traded without preventing, disrupting or impairing the ability of the Index to achieve its economic objective, the prompt or accurate determination of the level of the Index, or the ability of the Index Sponsor or Index Calculation Agent to perform its role in respect of the Index; and/or

(ii) the Index Date Provider announces, or the Index Calculation Agent becomes aware, that an Index Date is different, or is reasonably likely to be different, from the relevant settlement date, final value date, forward effective date, termination date, Currency Business Day or other date as previously specified by the Index Date Provider ("**Original Index Date**"), at any time prior to Original Index Date.

in each case where (i) and/or (ii) above has a material effect on the timely determination of the Index.

(h) Material Change in Circumstance Event means that any event or circumstance (other than any other Disruption Event) has occurred and/or is in existence which is beyond the reasonable control of the Index Calculation Agent (including but not limited to a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labour disruption), with respect to any Affected Currency, that:

(a) prevents, disrupts, materially delays or impairs the ability of the Index Sponsor or Index Calculation Agent to perform its role in respect of the Index; or

(b) prevents, disrupts, or impairs the ability of the Index to achieve its economic objective, and/or the prompt or accurate determination of the level of the Index; or

(c) prevents, disrupts, or impairs the ability of a Market Maker to continue to hedge with other market participants exposure arising through providing a product which attempts to replicate the Index in its entirety or in any material part.

(i) Index Frustration Event means any other event or circumstance (other than any other Disruption Event) that, in the opinion of the Index Sponsor, prevents, disrupts or impairs the ability of the Index to achieve its

economic objective or the prompt or accurate determination of the level of the Index, or any other event or circumstance which causes the Index Sponsor to reasonably conclude that as a consequence of such event or circumstance, if the level of the Index were to be determined, it should not be relied upon to represent the market or economic reality that the Index is intended to measure.

Index Disruption Consequences and Index Modification:

1. The following Consequences are applicable to a **Price Materiality Event** and a **Price Source Disruption Event**:

(A) Upon a **Price Materiality Event**: If the Index Calculation Agent determines (in its sole discretion and acting in a commercially reasonable manner) that a Price Materiality Event is in existence on an Affected Index Business Day, the Index Calculation Agent will determine the Forward Rate for such EM currency on such Index Business Day, acting in a commercially reasonable manner with a view to achieving the objective of the Index and taking into account the prevailing market level and other factors it deems relevant, and having regard to the standard of input data quality for the Index as determined by the Index Sponsor during the design of the Index, as set out in Appendix 2, Section 6 of the Control Framework Summary (“Data Sufficiency and Hierarchy of Input Data”).

(B) Upon a **Price Source Disruption Event**: If the Index Calculation Agent determines (in its sole discretion and acting in a commercially reasonable manner) that a Price Source Disruption Event is in existence on an Affected Index Business Day in relation to a Forward Rate (an “**Affected Forward Rate**”), the Index Calculation Agent will determine such Affected Forward Rate using the parameters and methodology specified in relation to the Fallback Price Source. If there is a Price Source Disruption Event on such Affected Index Business Day with respect to the Fallback Price Source then the Index Calculation Agent will determine the Affected Forward Rate, in its sole discretion acting in a commercially reasonable manner and having regard to the standard of input data quality for the Index as determined by the Index Sponsor during the design of the Index, as set out in Appendix 2, Section 6 of the Control Framework Summary (“Data Sufficiency and Hierarchy of Input Data”).

2. Upon the occurrence of an **Index Date Provider Event**, the Index Calculation Agent may (in order to preserve the economic objective of the Index and/or the prompt or accurate determination of the level of the Index) determine the relevant Index Date, taking into account the Original Index Date (if any) and any other information it deems necessary (including any information announced, published or provided by the Index Date Provider).

3. The following Consequences are applicable to all remaining Disruption Events (“**Remaining Disruption Event**”) and any **Modification Event**:

If the Index Calculation Agent, acting in good faith, determines that a Remaining Disruption Event or Modification Event (as defined below) has occurred or is in effect with respect to an EM currency then included in the Index at any time (the “**Determination Time**”) on any day (which may but need not be an Index Business Day), then the Index Calculation Agent will, acting in good faith and with a view to preserving the objective of the Index, determine each Forward Rate for the affected EM currency necessary for the calculation of the Index on any Index Business Day after the Determination Time (to, but excluding, the Forward Rate to be calculated on an Index Business Day after the Modification Event or Remaining Disruption Event has ceased to be in effect), having regard to the standard of input data quality for the Index as determined by the Index Sponsor during the design of the Index, as set out in Appendix 2, Section 6 of the Control Framework Summary (“Data Sufficiency and Hierarchy of Input Data”); *provided that*:

(i) if the Index Calculation Agent determines in good faith that the Modification Event or Remaining Disruption Event in respect of an EM currency is permanent, the Index Calculation Agent may replace such affected EM currency with an alternative currency which, in its sole determination, is consistent with the objective of the Index and, where possible, is of the same or equivalent standard of quality as any input data and/or price source used prior to the occurrence of the Modification Event, having regard to the standard of input data quality for the Index as determined by the Index Sponsor during the design of the Index, as set out in Appendix 2, Section 6 of the Control Framework Summary (“Data Sufficiency and Hierarchy of Input Data”), and/or

(ii) the Index Calculation Agent may make such adjustments as it considers necessary so that the level of the Index after such replacement reflects a similar level to that calculated prior to the replacement, acting in good faith.

Following the replacement of an EM currency, the Index Calculation Agent will promptly publish a notice that specifies the EM currency replaced and any designated replacement thereof. If the Index Calculation Agent determines in good faith that replacement of an affected EM currency is not possible, or would not achieve the economic objective of the Index and/or the prompt or accurate determination of the level of the Index (for example, no successor currency or alternative currency of the same or equivalent standard of quality as any input data and/or price source used prior to the occurrence of the Modification Event is available), the Index Sponsor may cancel the Index in accordance with Appendix 2, Section 17 of the Control Framework Summary and in the full policies and procedures available on the Index Sponsor's public website.

The Index Calculation Agent may also make such other adjustment as it deems appropriate to take such Modification Event into account.

For the purpose of the removal or replacement of any affected EM currency, the Index Calculation Agent shall make any other adjustments to the Index to account for the price or value of the affected EM currency at the time of its removal and any related charges, fees or taxes as well as the cost to the Index Calculation Agent for implementing any replacement currency.

4. The following Consequences are applicable to **all Disruption Events**:

The Index Calculation Agent may:

(i) delay or postpone the rebalancing and/or calculation of any affected Forward Rate for an affected EM currency; to a day not later than the Disruption Cut-off Date, notwithstanding that such day may be subject to a Disruption Event and in which case the Index Calculation Agent will determine the level of such affected Forward Rate in a commercially reasonable manner, and having regard to the standard of input data quality for the Index as determined by the Index Sponsor during the design of the Index, as set out in Appendix 2, Section 6 of the Control Framework Summary ("Data Sufficiency and Hierarchy of Input Data"); and/or

(ii) not calculate and publish the Index level for such day or delay the publication.

"Disruption Cut-off Date" means the 5th Index Business Day from and including the original day.

Additional Definitions:

"Modification Event" means (1) the existence or occurrence of an Extraordinary Event and (2) shall be deemed to have occurred if the Index Calculation Agent determines, in its sole discretion, that an EM currency (i) is no longer available (whether due to a permanent discontinuation of trading, disappearance or otherwise), has ceased to exist or has ceased to be tradable against the USD, or (ii) has been the subject of a material change in a manner which has or will have a material adverse effect on the Index achieving its objective; and/or (3) shall be deemed to have occurred if the Index Calculation Agent determines, in its sole discretion, that any input data and/or price source in relation to an EM currency used to calculate the Index is no longer sufficient to represent accurately and reliably the market and economic reality that the Index and/or EM currency is intended to measure, or no longer meets the standard of input data quality for the Index as determined by the Index Sponsor during the design of the Index, as set out in Appendix 2, Section 6 of the Control Framework Summary ("Data Sufficiency and Hierarchy of Input Data").

"Extraordinary Event" means any of Change in Law, Instrument Disruption and/or Increased Cost of Index Implementation.

"Change in Law" means that, on or after the Index Live Date (i) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Index Calculation Agent determines in good faith that (x) it has become illegal to hold, acquire or dispose of an EM currency or Index Component, or (y) there is a materially increased cost of trading in an EM currency or Index Component for the Index Calculation Agent or its affiliates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“Instrument Disruption” means that the Index Calculation Agent or any of its affiliates or agents is unable, or it is impractical, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to implement the Index, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), including, without limitation, where such inability or impracticability has arisen by reason of (x) any restriction on making new or additional investments in any EM currency or Index Component.

“Increased Cost of Index Implementation” means that the Index Calculation Agent or any of its affiliates would incur a materially increased (as compared with circumstances existing on the Index Live Date amount of tax, duty, expense or fee to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to implement the Index, or (ii) realise, recover or remit the proceeds of any transaction(s) or asset(s).

Index Cancellation

The Index Calculation Agent may permanently cancel and discontinue calculating and publishing the Index, in accordance with Appendix 2, Section 17 of the Control Framework Summary (as defined below).

Appendix I: Index Sponsor / Calculation Agent Disclaimer

Nomura International Plc is not sponsored, endorsed or promoted by any sponsor of an Index Component (a **“Component Sponsor”**) or any of their respective subsidiaries or affiliates, and neither the Component Sponsor nor any of their respective subsidiaries or affiliates, makes any representation regarding the advisability of investing in the Index or any Index Component.

The Index Sponsor and its affiliates make no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of an Index and/or the levels at which the relevant Index stands at a particular time on any particular date or otherwise. The Index Sponsor and its affiliates shall not be liable (whether in contract, tort or otherwise) to any person for any error in such Index.

The Index Sponsor and its affiliates make no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with entering into any transactions or products which are linked to or deriving a value from an Index.

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Additional information in respect of the Index methodology

The Index Sponsor has established a governance framework (the “**Governance Policy and Control Framework**”) to ensure compliance with UK BMR¹ and the IOSCO Principles and any related measures and applicable FCA rules (each as amended or replaced from time to time)². The Governance Policy and Control Framework governs (amongst other things) the development, determination and operation of indices administered by the Index Sponsor. A summary of the Governance Policy and Control Framework (the “**Control Framework Summary**”) is published on: www.nomuranow.com/portal/site/nnextranet/en/global-markets/structured-derivatives/quant-investment-strategies.shtml. Please refer to the summary of the Governance Policy and Control Framework in respect of the following information applying to the Index methodology:

Criteria for Index Development and Input Data and Source Selection	The criteria and procedures used to develop this Index, and for selecting the sources of data inputs used in the Index, are set out in Appendix 2, Section 3 of the Control Framework Summary (“Index Design and Creation of New Indices”) and Appendix 2, Section 6 (“Data Sufficiency and Hierarchy of Data Inputs”).
Exercise of Expert Judgment and discretion	The Index Sponsor has adopted guidelines and procedures designed to promote consistency in the exercise of Expert Judgment and discretion for Index determinations. Further details are contained in Appendix 2, Section 14 of the Control Framework Summary (“Expert Judgment and Discretion”).
Input Data Type Priority	The Index Sponsor applied the hierarchy for data inputs as set out in Appendix 2, Section 6 of the Control Framework Summary (“Data Sufficiency and Hierarchy of Data Inputs”) when considering the data inputs used to construct the Index.
Index Error Reports and Revision	The Index Sponsor has adopted procedures for analysis and remediation of Index errors, and for potential restatement of a published Index level. Further details are contained in Appendix 2, Section 13 of the Control Framework Summary (“Correction of Errors”) and Appendix 2, Section 15 (“Changes to Methodology”) where remediation requires change to the Index Methodology.
Quantity and Quality of Input Data	<p>The Index is constructed by the Index Sponsor using both single prices or levels and an average or other formula of prices or levels prescribed by the Index Methodology. The Index Sponsor therefore considers that the requirement to determine the thresholds of the quantity of data inputs, necessary to determine the Index accurately and reliably, has been met.</p> <p>The Index Sponsor determines the standards of quality of the data inputs used in this Index at the design stage of the Index in accordance with Appendix 2, Section 6 of the Control Framework Summary (“Data Sufficiency and Hierarchy of Data Inputs”). These standards are reflected in the Index Methodology, as described in this Rulebook. The Index Sponsor will review these standards and the data inputs on a periodic basis in accordance with Appendix 2, Section 16 of the Control Framework Summary (“Periodic Review of Indices”) and in the full policies and procedures available on the Index Sponsor’s public website, to ensure that the data inputs used continue to be of sufficient quality to determine the Index accurately and reliably, and will accordingly determine whether an Index Modification Event has occurred.</p>
Internal Reviews of the Index	<p>The Index Sponsor is required to conduct internal reviews of the Index on a periodic basis. Further details regarding the frequency of those reviews, the procedures to be followed, and the bodies or functions within the Index Sponsor’s organisational structure involved in such reviews, are contained in Appendix 2, Section 16 of the Control Framework Summary (“Periodic Review of Indices”) and in the full policies and procedures available on the Index Sponsor’s public website.</p> <p>Reviews will further be conducted where the Index Sponsor considers it desirable or necessary to do so, including in response to specific events or otherwise. Specific events may include (without limitation) any index errors, index disruptions, or other index life-cycle events; changes in market circumstances; changes in the applicable legal or regulatory environment; any challenges or complaints or other feedback from stakeholders,</p>

¹UK BMR means the United Kingdom Benchmark Regulation which comprises Regulation (EU) 2016/1011 (“**EU BMR**”) as amended by Regulation (EU) 2019/2089 as regards EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks and sustainability-related disclosures for benchmarks insofar as they are applicable in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 and other United Kingdom legislation which implements and amends retained European Union law in the United Kingdom including, but without limitation, the Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019, SI 2019/657.

²<https://www.iosco.org/library/pubdocs/pdf/IOSCOPD415.pdf>. The Governance Policy and Control Framework will be periodically reviewed and has been updated to reflect the requirements of EU BMR and will be updated in due course to reflect the requirements of UK BMR, as well as related measures and applicable FCA rules.

	and/or any material audit findings. Further information regarding the procedures to be followed in response to certain specific events, and the bodies or functions within the Index Sponsor's organisational structure involved in such reviews, can be found in Appendix 2, Sections 13 ("Correction of Errors"), 14 ("Expert Judgment and Discretion"), 15 ("Changes to Methodology"), 19 ("Complaints Handling Policy"), 21 ("Audits"), and any other sections of the Control Framework Summary which may be relevant from time to time.
Index Approval	The criteria and procedures used to approve the Index, and the bodies or functions within the Index Sponsor's organisational structure involved in such approval, are set out in Appendix 3 of the Control Framework Summary ("Main Features of Index Committee Constitution and Terms of Reference") and Appendix 2, Section 3 ("Index Design and Creation of New Indices").
Investor Consultation upon Index termination and material changes to the Index methodology	The Index Sponsor is required to consult investors of index linked products when proposing material changes to the Index methodology and termination of the Index. Further details on the circumstances and procedures under which consultation takes place are contained in Appendix 2, Section 15 of the Control Framework Summary ("Changes to Methodology"), Appendix 2, Section 17 ("Termination of Indices and Transitional Arrangements") and in the full policies and procedures available on the Index Sponsor's public website.
Active Market of the Index	As of the date of this Index Description, the Index Sponsor considers the underlying market of the Index to be active, in accordance with in Appendix 2, Sections 3 ("Index Design and Creation of New Indices and Methodologies") of the Control Framework Summary.
Outsourcing of Index Determination	The Index Sponsor has outsourced certain IT, Quants, Middle Office and Structuring functions to Nomura Structured Finance Services (India) Private Limited subject to a corporate service agreement between the entities. Further details are contained in Appendix 2, Section 1 of the Control Framework Summary ("Oversight of Third Parties").

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