

## Nomura Equity Mixed Multi-Factor Indices

23 April 2025 v1.3

Overview	
<b>Index</b>	<p>The Nomura Equity Mixed Multi-Factor Indices suite (each an “Index” and together the “Indices”) is a suite of quantitative, rules-based indices that each consists of a set of equally risk weighted single factor sub-indices (each a “Sub-Index” and together the “Sub-Indices”). Collectively, these Sub-Indices provide exposure to multiple equity factors which in combination represent diversified, multi-factor portfolios.</p> <p>Each Sub-Index seeks to generate returns through the combination of long positions in stocks exhibiting positive factor characteristics and short positions in stocks exhibiting negative factor characteristics. For information on each of the underlying Sub-Indices, please refer to the rulebook and index summary document for each Sub-Index.</p>
<b>Charges</b>	<p>Each Sub-Index deducts a fixed charge per annum (“Index Fee” as specified in the Index Specifications Table) from the level of the Sub-Index on a daily basis to the benefit of the Index Sponsor in consideration for establishing and maintaining such Sub-Index.</p> <p>For more information regarding the Sub-Index charges, please refer to the index summary document of the relevant Sub-Indices.</p>
<b>Index Disruption Events and Adjustments</b>	<p>Upon the occurrence of certain disruption events in the index components, the Index Sponsor may exercise a certain amount of discretion in determining the prices of the index components and the level of the relevant Sub-Index. In such circumstance, the Index Sponsor may estimate the value of a disrupted index component to determine the level of the respective Sub-Index and/or the Index or may make such further adjustments to the respective Sub-Index and/or the Index, as it deems necessary. This may include the removal or replacement of any affected Sub-Index or its index component by the Index Sponsor, in which case the Index Sponsor shall make any other adjustments to the Index to account for the price or value of the affected Sub-Index or its component at the time of its removal and any related costs. This may mean that the economic benefit, if any, of the replacement component is reduced or that the replacement has a material adverse effect on the Index performance. For example, and without limitation, the value of the replacement Sub-Index or its component may be adjusted by the same proportion as any fall in the value of the affected Sub-Index or its component at the time of its removal relative to the Index live date and may be further reduced to account for the cost to the Index Sponsor for implementing the replacement instrument.</p> <p>The Index Sponsor has the authority to amend the methodology of the Index or Sub-Index and/or make such adjustments to the relevant Index methodology as it considers appropriate, in each case in its sole discretion acting in good faith, in order to take into account events or changes in the relevant underlying markets or to preserve the investability and objective of the Index (including cancelling the Index in certain circumstances).</p> <p>The Index Calculation Agent of the Index shall take into account any adjustments to the Sub-Index levels made by the Index Sponsor, as well as any discretion exercised by Nomura International plc acting as the Index Sponsor in respect of the Index and/or any of the Sub-Indices.</p> <p>The Index Sponsor may decide to permanently cancel and discontinue calculation and publication of the index at any time. There is no guarantee that the index will continue to be calculated for the full duration of any transaction linked to the index.</p>
<b>Index Sponsor</b>	Nomura International plc (“NIP”), who is responsible for the administration of the Index.
<b>Sub-Index Sponsor</b>	Nomura International plc (“NIP”), who is responsible for the administration of each Sub-Index.
<b>Index Sponsor Website</b>	<a href="https://www.nomuranow.com/portal/site/nnextranet/en/global-markets/structured-derivatives/quant-investment-strategies.shtml">https://www.nomuranow.com/portal/site/nnextranet/en/global-markets/structured-derivatives/quant-investment-strategies.shtml</a>
<b>Index Calculation Agent</b>	NIP

<b>Index Currency</b>	Means, with respect to an Index, the currency the Index is denominated in, as specified in the Instrument Specifications Table under the column headed "Index Currency" in the row corresponding to such Sub-Index
<b>Index Start Date</b>	[Index Start Date]
<b>Index Start Level</b>	The Index is calculated using a base level of 1000 as of the Index Start Date
<b>Index<sup>i</sup> Live Date</b>	As Specified under the Index Specifications Table

## Documents Incorporated by Reference

<b>Sub-Index Rulebook</b>	Means the document entitled the rulebook of each Sub-Index, as may be updated and amended from time to time by the Index Sponsor.
<b>Control Framework Summary</b>	The Index Sponsor has established a governance framework (the " <b>Governance Policy and Control Framework</b> ") to ensure compliance with UK BMR and the IOSCO Principles <sup>1</sup> and any related measures and applicable FCA rules (each as amended or replaced from time to time) <sup>2</sup> . 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 " <b>Control Framework Summary</b> "), which is incorporated herein by reference, is available on the Index Sponsor Website.

## Index Identifiers, Calculation Frequency and Publication

<b>Index Tickers</b>	Means, with respect to an Index, the Index Bloomberg Ticker as defined in the Index Specifications Table.
<b>Index Publication</b>	<p>The Index Sponsor will publish each Index on Bloomberg under the respective Index Ticker.</p> <p>The Index Sponsor will separately publish each Sub-Index on Bloomberg under the respective Sub-Index Price Source as set out in the Index Specifications Table for each Sub-Index</p> <p>Any notifications in relation to an Index or a Sub-Index (e.g. amendments to the Index Rules or other) will be available on the Index Sponsor Website.</p>
<b>Index Calculation Frequency</b>	<p>The Calculation Agent will calculate the Index Level on each Index Business Day.</p> <p>If, on any Index Business Day, an Index Disruption Event occurs or is continuing to occur with respect to an Index Component, then the provisions as set out under "Index Disruption Events &amp; Fallbacks" herein will apply.</p>

## Index Determination

<b>Index<sup>i</sup></b>	Each Index of the Nomura Equity Mixed Multi-Factor Indices suite, which is built using the methodology described in this Rulebook and denominated in Index Currency.
<b>Index<sub>t</sub><sup>i</sup></b>	<p>With respect to each Index Business Day t, the calculated level of the index in respect of that day, denoted Index<sub>t</sub><sup>i</sup>.</p> $\text{Index}_t^i = \text{Index}_{t-1}^i + \text{Index}_{t-1, \text{Reset}}^i \times \text{Index Return}_t^i$ <p>Where</p> <p>t-1 denotes the Index Business Day immediately preceding Index Business Day t.</p> <p>Index<sub>t</sub><sup>i</sup> = 1000 on Index Start Date</p>
<b>Index<sub>t,Reset</sub><sup>i</sup></b>	<p>With respect to each Index Business Day t that is an Index Reset Day,</p> <p>Index<sub>t</sub><sup>i</sup> as of the second Index Business Day immediately preceding Index Business Day t.</p>

<sup>1</sup> <https://www.iosco.org/library/pubdocs/pdf/IOSCOPD415.pdf>.

<sup>2</sup> The Governance Policy and Control Framework will be periodically reviewed and has been updated to reflect the requirements of EU BMR and UK BMR, as well as related measures and applicable FCA rules.

	<p>With respect to any other Index Business Day t,</p> $\text{Index}_{t, \text{Reset}}^i = \text{Index}_{t-1, \text{Reset}}^i$ <p>Where</p> <p>t-1 denotes the Index Business Day immediately preceding Index Business Day t</p> <p>Please refer to the section titled “Backtest Assumptions” below for certain assumptions made during the historical backtest period.</p>
<b>Index Return<sub>t</sub><sup>i</sup></b>	<p>With respect to each Index Business Day t,</p> $\text{Index Return}_t^i = \sum_j \sum_{t-1 < p \leq t} \text{Weight}^j \times \text{Sub Index Return}_p^j$ <p>Where</p> <p><math>\sum_j</math> means with respect to each Index<sup>i</sup> the summation is taken over all Applicable Sub-Index as defined in the Index Specifications Table</p> <p><math>\sum_{t-1 &lt; p \leq t}</math> is taken over all weekdays from and excluding immediately preceding Index Business Day t-1 to and including Index Business Day t</p> <p>Weight<sup>j</sup> is defined in the Index Component Weight Table.</p>

Index Components	
<b>Sub-Index Return<sub>t</sub><sup>j</sup></b>	<p>With respect to each weekday t,</p> $\text{Sub-Index Return}_t^j = \frac{\text{Sub-Index}_t^j - \text{Sub-Index}_{t-1}^j}{\text{Sub-Index}_{t-1, \text{reset}}^j}$ <p>Where</p> <p>t-1 denotes the weekday immediately preceding weekday t.</p>
<b>Sub-Index<sub>t</sub><sup>j</sup></b>	<p>With respect to each weekday t that is Sub-Index<sup>j</sup> Business Day,</p> <p>the level of Sub-Index<sup>j</sup> as of such day as determined by the Index Sponsor in accordance with the methodology of Sub-Index<sup>j</sup> and rounded to the relevant number of decimal place.</p> <p>With respect to any other weekday t,</p> $\text{Sub-Index}_t^j = \text{Sub-Index}_{t-1}^j$ <p>Where</p> <p>t-1 denotes the weekday immediately preceding weekday t.</p>
<b>Sub-Index<sub>t, reset</sub><sup>j</sup></b>	<p>With respect to each weekday t that is an Index Reset Day t,</p> <p>the level of Sub-Index<sup>j</sup> as of the second Index Business Day immediately preceding weekday t.</p> <p>With respect to any other weekday t,</p> $\text{Sub-Index}_{t, \text{reset}}^j = \text{Sub-Index}_{t-1, \text{reset}}^j$ <p>Where</p> <p>t-1 denotes the weekday immediately preceding weekday t</p>

General Definitions	
<b>Index Business Day</b>	Means each Weekday on which all exchanges in the Reference Exchange List that have GB or US as their Country are scheduled to be open for a full day trading session or half-day trading session as determined by reference to the Trading Hours dataset published by Swaps Monitor.
<b>Reference Exchange List</b>	Means the list of exchanges in the “B) List of Eligible Exchanges” section of the Index Manual.
<b>Index Manual</b>	Means the document entitled “Nomura Equity Index Manual”

	which sets out the rules governing the Sub-Index Level calculations, including the corporate event treatments within such indices.
<b>Index Trading Business Day</b>	A day which is an “Index Trading Day” for all applicable Sub-Indices, “Index Trading Day” in respect of a Sub-Index <sup>j</sup> is defined in the Index Description of Sub-Index <sup>j</sup> .
<b>Index Reset Date</b>	The first Index Trading Day of each calendar month.
<b>Sub-Index<sup>j</sup> Business Day</b>	<p>A day which is an “Index Publication Day” for each Sub-Index<sup>j</sup> other than the Nomura Equity Quality US Excess Return Index, Nomura Equity Momentum US Excess Return Index, Nomura Equity Value US Excess Return Index, Nomura Equity Low Beta US Excess Return Index. “Index Publication Day” is defined in the Index Description of such Sub-Index<sup>j</sup>.</p> <p>For Nomura Equity Quality US Excess Return Index, Nomura Equity Momentum US Excess Return Index, Nomura Equity Value US Excess Return Index, Nomura Equity Low Beta US Excess Return Index, a Weekday on which all exchanges in the Exchange List that have GB and US as their Country are open for a scheduled full or half-day trading session as determined by reference to the Trading Hours dataset published by Swaps Monitor. “Weekday” is defined in the Index Description of such Sub-Index<sup>j</sup>.</p>
<b>Backtest Assumptions</b>	The Index <sub>t,Reset</sub> <sup>i</sup> on Index Start Date is 1000. From then on the Index <sub>t,Reset</sub> <sup>i</sup> is calculated using the methodology detailed above.

## Index Correction and Primary-Index Correction

<b>Index Correction</b>	<p>If, due to the occurrence of an error (i) in relation to the calculation or publication of the level of an Index, or (ii) in the method for determining an Index, the Index Sponsor has determined on any day (an “<b>Correction Determination Date</b>”) that an adjustment to the Index is necessary in order to correct such error (an “<b>Index Correction</b>”), then the Index Sponsor will make such corresponding adjustments to the Index as it deems necessary, if any, in order to reflect the Index Correction (in each case in accordance with the principles and methodology of the Index).</p> <p>The Index Sponsor may correct errors in accordance with Appendix 2, Section 13 of the Control Framework Summary (“Correction of Errors”) and Appendix 2, Section 15 (“Changes to Methodology”) where remediation requires changes to the Index methodology.</p>
<b>Consequences of a Sub-Index Correction</b>	If, in relation to a Sub-Index, at any time the Index Sponsor corrects the level or value of that Sub-Index subsequent to publication, the Index Calculation Agent will make all calculations and determinations in respect of the Index by reference to such corrected level of the Sub-Index.

## Disruptions Events & Fallbacks

<b>Index Disruption</b>	<p>If, in the opinion of the Index Sponsor, on any day an Index Disruption Event has occurred or exists or is occurring in respect of a Sub-Index or other Index Component then the Index Sponsor may take one or more of the following actions in its discretion, with a view to preserving the objective of the Sub-Index or Index (regardless of whether or not a level of the affected Sub-Index has been published by the Index Sponsor in respect of such day):</p> <ul style="list-style-type: none"> <li>(i) delay any rebalancing and/or calculation of the Index (an “<b>Index Determination Date</b>”) until the relevant Index Disruption Event no longer exists, <i>provided that</i>, if such Index Disruption Event is continuing on the 5th Index Trading Business Day following any such Index Determination Date (the “<b>Delayed Index Determination Date</b>”), then the Index Sponsor will determine the level of the relevant Sub-Index (including any affected Sub-Index Component) or other affected Index Component in respect of such Index Determination Date as of on the related Delayed Index Determination Date in accordance with (ii) below; and/or</li> <li>(ii) determine the level of the affected Sub-Index or other Index Component for such day in accordance with the formula for and method of calculating such Sub-Index or the Index (as applicable) taking into account the relevant Index Disruption Event, latest available quotation of the Sub-Index and its Sub-Index Components or affected Index Component (as applicable) and any other information the Index Sponsor deems relevant in its discretion, having regard to the standard of input data quality for the Sub-Index or Index as determined by the Index Sponsor during the design of the Sub-Index or Index, as set out in Appendix 2, Section 6 of the Control Framework Summary (“Data Sufficiency and Hierarchy of Input Data”), and/or</li> <li>(iii) not calculate and publish the Index level for such day or delay the publication; and/or</li> <li>(iv) make any adjustments to the Index methodology to account for the relevant Index Disruption Event as it deems necessary</li> </ul>
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<b>Index Disruption Event</b>	<p>Means in respect of a Sub-Index:</p> <ul style="list-style-type: none"> <li>(i) any of the events or circumstances as specified in the disruption section in the relevant Index Description of such Sub-Index (as maybe amended and updated from time to time by the Sub-Index Sponsor of such Sub-Index), occurs or exists in relation to a Sub-Index and its components (including, without limitation, any index adjustment, index modification or index disruption); and/or</li> <li>(ii) the Sub-Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a Sub-Index or in any other way materially modifies or announces that it will materially modify a Sub-Index; and/or</li> <li>(iii) on any relevant date on which an Index determination is scheduled to occur, the Sub-Index Sponsor fails to calculate and announce a Sub-Index; and/or</li> </ul> <p>on any relevant date on which an Index determination is scheduled to occur, the Sub-Index Price Source fails to publish a level for a Sub-Index.</p> <p>Means in respect of any Index Component other than a Sub-Index Component:</p> <ul style="list-style-type: none"> <li>(i) the material suspension of, a material limitation imposed on, or the cessation of the trading in such Index Component;</li> <li>(ii) the failure of any Price Source to announce or publish any relevant price, level, rate or other data necessary for the determination of such Index Component;</li> <li>(iii) the level published on any Price Source in relation to any price, level, rate or other data necessary to determine such Index Component is significantly different to the level of such data prevailing in the market;</li> <li>(iv) a material change by the Price Source in the content, composition, constitution of, or in the formula for or method of calculating (a “<b>Material Change</b>”) such Index Component (including where any such Material Change is due to an amendment or other modification to the rules and/or regulations of the Price Source);</li> <li>(v) the failure of any Price Source to open for trading during a scheduled trading session, or the early closure thereof (without 48 hours prior notice to the market);</li> </ul> <p>Means in respect of the Index and any Index Component:</p> <ul style="list-style-type: none"> <li>(i) the Index Sponsor determines that a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labour disruption or any similar intervening circumstances beyond its reasonable control exists, has occurred or is occurring in respect of an Index Component or the Index, and which prevents, disrupts, or impairs the ability of the Index to achieve its economic objective, the prompt or accurate determination of the level of the Index, and/or the ability of the Index Sponsor or Index calculation agent to perform its role in respect of the Index; and/or</li> <li>(ii) any other event or circumstance 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.</li> </ul>
<b>Index Component</b>	<p>In respect of the Index, each Sub-Index Component and any other index, futures contract, currency, rate variable or other component necessary in order to determine a level of the Index, in each case, in line with the then existing methodology of the Index.</p>
<b>Sub-Index Component</b>	<p>In respect of a Sub-Index, each underlying component futures contract, currency, rate, variable, index or other component necessary in order to determine a level of such Sub-Index, in each case, in line with the then existing methodology of the Sub-Index.</p>
<b>Price Source</b>	<p>In respect of an Index Component, the publication, page (or any other origin of reference, including an exchange) containing (or reporting) the prices, levels, rates or other data utilised by the Index Sponsor for such Index Component. References to Price Source shall be construed as referring also to any successor publication, page or source on which the relevant prices, levels, rates or other data for such Index Component may be disseminated, as determined by the Index Sponsor at its sole discretion and acting in a commercially reasonable manner</p>

**Sub-Index Price Source**

In respect of a Sub-Index, the relevant Bloomberg page as specified in the Instrument Specifications Table under the column headed "Sub-Index Price Source" in the row corresponding to such Sub-Index. References to Sub-Index Price Source shall be construed as referring also to any successor publication, page or source on which the relevant Sub-Index levels may be disseminated, as determined by the Index Sponsor in its sole discretion and acting in a commercially reasonable manner.

**Index Modification and Primary-Index Modification****Index Modification**

Upon the occurrence of an Index Modification Event, the Index Sponsor may make such adjustment(s) to the Index as it deems appropriate, to account for any affect such event has on the Index; such as, but not limited to

- i. removing or replacing such affected Index Component and/or its Price Source with an alternative futures or options contract, currency, rate, variable or other component or other source (a "**Replacement Instrument**") which, in it 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 Index 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"); removing or replacing;
- ii. adjusting Sub-Index weights and/or related charges, fees or taxes; and/or
- iii. making such other adjustments as it deems appropriate to take such event into account.

The Index Sponsor may refrain from publishing the Index until the Index Modification Event ceases to exist

For the purpose of the removal or replacement of any affected Index Component and/or its Price Source, the Index Sponsor shall make any other adjustments to the Index Rules to account for the price or value of the affected Index Component at the time of its removal and any related charges, fees or taxes as well as the cost to the Index Sponsor for implementing any Replacement Instrument.

The Index Sponsor may modify the Index in accordance with Appendix 2, Section 15 of the Control Framework Summary ("Changes to Methodology").

If the Index Sponsor determines that no such adjustment(s) would preserve the objective of the Index and/or such adjustment(s) are not economically, operationally, legally or otherwise feasible (after using commercially reasonable efforts) ("**Index Modification Failure**") it may cancel the Index in accordance with the Index Cancellation provisions herein.

**Index Modification Event**

Means the existence or occurrence of a (i) Sub-Index Modification Event, (ii) Input Data Decline Event (iii) Component Discontinuation Event, or (iv) Extraordinary Event.

"**Component Discontinuation Event**" means the Index Sponsor determines, in its sole discretion, that an Index Component (i) is no longer available (whether due to a permanent discontinuation, disappearance or otherwise) 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 stated objective.

"**Input Data Decline Event**" means if the Index Sponsor determines that the input data and/or price source in relation to a Sub-Index Component or Index Component used to calculate the Sub-Index or Index (i) is (ii) is repeatedly different to a significant extent from the level of such data prevailing in the market, (iii) is no longer sufficient to represent accurately and reliably the market and economic reality that the Sub-Index or Index is intended to measure, or (iv) is otherwise not appropriate, or no longer meets the standard of input data quality for the Sub-Index or Index as determined by the Index Sponsor during the design of the Sub-Index or Index, as set out in Appendix 2, Section 6 of the Control Framework Summary ("Data Sufficiency and Hierarchy of Input Data")

"**Sub-Index Modification Event**" means an "Index Modification Event" in respect of the relevant Sub-Index as specified in the disruption section in the relevant Index Description of such Sub-Index (as maybe amended and updated from time to time by the Sub-Index Sponsor of such Sub-Index).

**Extraordinary Events**

**Extraordinary Event** means any 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 Sponsor determines in good faith that (x) it has become illegal to hold, acquire or dispose of an Sub-Index Component, or (y) there is a materially increased cost of trading in a Sub-Index Component for the Index Sponsor 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 Sponsor 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 any restriction on making new or additional investments in any Sub-Index and its components.

**Increased Cost of Index Implementation** means that the Index Sponsor or any of its affiliates would incur a materially increased (as compared with circumstances existing on the Effective 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 and Sub-Index Cancellation

<b>Consequence of a Sub-Index Cancellation</b>	<p>If upon the occurrence of a Sub-Index Cancellation there is a Successor Sub-Index, then such Successor Sub-Index shall be deemed to be the relevant Sub-Index and the Index Sponsor may make such adjustment(s) to the Index Rules as it determines appropriate, to account for any effects of the replacement of the Sub-Index with the Successor Sub-Index.</p> <p>If a Sub-Index Cancellation occurs for a period of fifteen (15) Index Business Days, measured from the first day of such Sub-Index Cancellation, and at the end of such period of time there is no Successor Sub-Index ("<b>Sub-Index Replacement Failure</b>"), then the Index Sponsor may:</p> <ol style="list-style-type: none"> <li>1. remove the cancelled Sub-Index and make any adjustment(s) to the Index Rules that it determines appropriate to account for the effects of such removal or,</li> <li>2. cancel the Index in accordance with the Index Cancellation provisions below.</li> </ol>
<b>Sub-Index Cancellation</b>	<p>A Sub-Index is permanently cancelled or the relevant Sub-Index Sponsor announces (including through an agent, if applicable) its intention to permanently cancel a Sub-Index or its intention to cease to calculate and announce a level for a Sub-Index.</p> <p>Note: the Sub-Index Sponsor may permanently cancel and discontinue calculating and publishing a Sub-Index at any time in accordance with the Sub-Index Rule Book.</p>
<b>Index Cancellation</b>	<p>The Index Sponsor may permanently cancel and discontinue calculating and publishing the Index, in accordance with Appendix 2, Section 17 of the Control Framework Summary ("Termination of Indices and Transitional Arrangements"), including without limitations upon the occurrence of:</p> <ol style="list-style-type: none"> <li>1. Sub-Index Replacement Failure; and/or</li> <li>2. an Index Modification Failure.</li> </ol>
<b>Successor Sub-Index</b>	<p>Means a successor or replacement index using, in the determination of the Index Sponsor, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Sub-Index or, if non, a replacement with the same or similar investment objective as the Sub-Index and that is acceptable to the Index Sponsor.</p>

## ADDITIONAL INFORMATION IN RESPECT OF THE INDEX METHODOLOGY

<b>Governance Policy and Control Framework</b>	<p>The Index Sponsor has established a governance framework (the "<b>Governance Policy and Control Framework</b>") to ensure compliance with UK BMR<sup>3</sup> and the IOSCO Principles and any related measures and applicable FCA rules (each as amended or replaced from time to time)<sup>4</sup>. 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 "<b>Control Framework Summary</b>") is published on: <a href="http://www.nomuranow.com/portal/site/nnextranet/en/global-markets/structured-derivatives/quant-investment-">www.nomuranow.com/portal/site/nnextranet/en/global-markets/structured-derivatives/quant-investment-</a></p>
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<sup>3</sup> UK 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.

<sup>4</sup><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.

	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:
<b>Criteria for Index Development and Input Data and Source Selection</b>	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").
<b>Exercise of Expert Judgment and discretion</b>	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").
<b>Input Data Type Priority</b>	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.
<b>Index Error Reports and Revision</b>	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.
<b>Quantity and Quality of Input Data</b>	<p>The Index is constructed by the Index Sponsor using single 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>
<b>Internal Reviews of the Index</b>	<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, 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.</p>
<b>Index Approval</b>	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").
<b>Investor Consultation upon Index termination and material changes to the Index methodology</b>	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.
<b>Active Market of the Index</b>	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.
<b>Outsourcing of Index Determination</b>	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").

**Environmental  
social and  
governance  
(ESG) Factors**

The Index Sponsor has established a statement on ESG factors ("**ESG Statement**") to ensure compliance with UK BMR which requires an explanation of how ESG Factors are reflected in the key elements of the benchmark methodology in respect of Credit Indices, Equity Indices and Multi-Asset Indices which are comprised of Credit and/or Equity Indices.

The Index (and any Sub-Index, if applicable) does not pursue ESG objectives or take into account ESG factors. For full details, please see the ESG Statement for the relevant Benchmark family for the Index (and any Sub-Index, if applicable) as specified in the table below at this website:

<https://www.nomuranow.com/portal/site/nnextranet/en/global-markets/structured-derivatives/quant-investment-strategies.shtml>.

Benchmark Family	Corresponding ESG Statement
Nomura Equity Indices	Equity Indices

**Index Disclaimer**

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.

Neither the Index Sponsor nor its affiliates shall have any liability for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of an Index. Although the Index Sponsor will obtain information concerning an Index from publicly available sources it believes reliable, such information may not have been independently verified. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Index Sponsor or its affiliates as to the accuracy, completeness and timeliness of information concerning an Index or any other information provided by any person in connection with the information described herein, or as to the continuance of calculation or publication of an Index.

Nothing in this disclaimer shall exclude or limit liability to the extent such exclusion or limitation is not permitted by law or regulation to which the Index Sponsor is subject.

## Annex 1

### Index Specifications Table

i	Index	Index Currency	Index Price Source (Bloomberg Page)	Applicable Sub-Index	Index Live Date	Index Fee	Rounding
1	Nomura Equity Mixed Multi-Factor Global Index	USD	NMEQCXGU Index	j = 1, 2, 3 and 4	[Index Live Date]	[Index Fee]	2 dp
2	Nomura Equity Mixed Multi-Factor US Index	USD	NMEQCXUU Index	j = 5, 6, 7 and 8	[Index Live Date]	[Index Fee]	2 dp
3	Nomura Equity Mixed VQM Global Index	USD	NMEQC3GU Index	j = 1, 2 and 3	[Index Live Date]	[Index Fee]	2 dp
4	Nomura Equity Mixed VQM US Index	USD	NMEQC3UU Index	j = 5, 6 and 7	[Index Live Date]	[Index Fee]	2 dp

### Sub-Index Specifications Table

j	Sub-Index	Sub-Index Currency	Sub-Index Price Source (Bloomberg Page)	Rounding
1	Nomura Equity Quality Global Excess Return Index	USD	NMEQCQGU Index	2 dp
2	Nomura Equity Momentum Global Excess Return Index	USD	NMEQCMGU Index	2 dp
3	Nomura Equity Value Global Excess Return Index	USD	NMEQCVGU Index	2 dp
4	Nomura Equity Low Beta Global Excess Return Index	USD	NMEQCBGU Index	2 dp
5	Nomura Equity Quality US Excess Return Index	USD	NMEQCQUU Index	2 dp
6	Nomura Equity Momentum US Excess Return Index	USD	NMEQCMUU Index	2 dp
7	Nomura Equity Value US Excess Return Index	USD	NMEQCVUU Index	2 dp
8	Nomura Equity Low Beta US Excess Return Index	USD	NMEQCBUU Index	2 dp

### Index Component Weight Table

i	Index	j=1	j=2	j=3	j=4	j=5	j=6	j=7	j=8
1	Nomura Equity Mixed Multi-Factor Global Index	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]
2	Nomura Equity Mixed Multi-Factor US Index	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]
3	Nomura Equity Mixed VQM Global Index	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]
4	Nomura Equity Mixed VQM US Index	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]	[Weights]

## **Important Risks and Disclosures in Relation to the Index**

### **Suitability**

Financial products and transactions which are linked to the Index (collectively “Financial Products”) are suitable only for investors who:

- a) if distributed into the US, are or are advised by investment advisors that are qualified institutional buyers as defined in Rule 144A under the Securities Act of 1993, as amended; and if distributed into Singapore investors who are Institutional Investors as defined in Securities and Futures Act, Chapter 289, as amended;
- b) have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Financial Products;
- c) understand thoroughly the terms and conditions of the Financial Products and are familiar with the relevant underlying and markets and how the performance thereof may affect the payments and value of the Financial Products;
- d) have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation and the impact the Financial Products will have on their overall investment portfolio;
- e) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Financial Products; and
- f) have reviewed thoroughly all of the materials provided with respect to the Financial Products and the relevant underlying, including the Risk Factors set forth below.

### **Risk Factors Relating to the Index**

#### **Performance Risk**

Each Index provides exposure to a combination of strategies across asset classes: rates, equities, commodities, credit and foreign exchange through its relevant Sub-Indices. There is no assurance that the Index will achieve positive returns over any given period, and the level of the Index may decline significantly over any given period. No assurance can be given as to the closing level on any date. Each Sub-Index is subject to certain risks as described in the index summary document for each Sub-Index. Additionally, at a time when the value of one Sub-Index increases, the value of one or more of the other Sub-Indices may decline. Therefore, in calculating the overall level of the Index, increases in the value of one Sub-Index may be moderated, offset or more than offset, by lesser increases or declines in the value of other Sub-Indices.

#### **Index Strategy Risk**

There can be no assurance that the strategy will be effective. Specifically, there can be no assurance that the selected Sub-Indices will collectively form a diversified portfolio. Each Sub-Index was selected on the basis of certain historically observed returns, volatilities and correlations, all of which are subject to change in future periods. Additionally, the Sub-Index selection and weighting is fixed and the index rules will not change in response to market conditions.

The Index Sponsor determines the methodology for selecting and weighting Sub-Indices, however, there is no single accepted market-standard method for making these determinations and there can be no assurance that the method employed will result in the selection of a diversified set of Sub-Indices.

#### **Sub-Index Strategy Risk**

For information on each of the underlying Sub-Indices please refer to the index summary document for each Sub-Index.

There can be no assurance that the strategy will be effective, and the Sub-Indices may not achieve their stated investment objectives. There can be no assurance that the strategy of each Sub-Index will be effective, and the Sub-Indices may not achieve their stated investment objectives. In particular, there can be no assurance that each Sub-Index will be effective in identifying which positions in the Sub-Index components will be advantageous for a given signal period.

Each Sub-Index has been constructed on the basis of certain historically observed trends and assumptions, which may not prove to be correct in any future period. Additionally, each Sub-Index's strategy is fixed, and the index rules will not change in response to market conditions.

The Index Sponsor determines the signals of the Sub-Index components based on the Sub-Index's methodology. However, there is no single accepted market-standard method for making the determinations with respect to any of the Sub-Index components and there can be no assurance that the method employed by the Sub-Index and thus the Index will result in correct determination of the signal for any of the Sub-Index components and/or positive returns in the Sub-Index and thus the Index.

#### **Risk of Overexposure or Underexposure**

The magnitude of each Sub-Index's long or short notional exposure to each Sub-Index component is calculated based on the strength of the respective signal, which is then adjusted through volatility-scaling or duration-scaling, capping and/or leverage mechanisms (as applicable).

Therefore, the magnitude of any long or short notional exposure provided by the relevant Sub-Index and thus by the Index will be determined based on a multitude of factors relating to price movements in such Sub-Index component, and the volatility-scaling,

duration-scaling, capping and /or leverage mechanism (as applicable) will affect the Sub-Index's exposure to any Sub-Index component at any given time. If a Sub-Index reduces its exposure to a notional position that proves to be advantageous, the effect of any gains achieved from holding such position will be reduced. Conversely, if a Sub-Index increases its exposure to a notional position that proves to be disadvantageous, the effect of any losses achieved from holding such position will be enhanced.

### **Potential Leveraged Exposure**

The application of volatility-scaling or duration-scaling mechanisms or a leverage factor within a Sub-Index can result in notional long or short exposure to any Sub-Index component of greater than 100%.

Therefore, each Sub-Index may at any time have leveraged exposure to the prices of one or more Sub-Index components. To the extent the positions taken by a Sub-Index prove to be disadvantageous, the leveraged exposure will result in accelerated losses. The volatility of a Sub-Index can be greater than the volatility of the Sub-Index components due to this potential embedded leverage within each Sub-Index

### **Past Performance is No Guide to Future Performance**

The historical levels of the Index should not be viewed as an indication of future performance. The actual performance of the Index and its Sub-Indices during any future period may bear little or no relation to their historical performance. No one can predict with any degree of certainty the future performance of the Sub-Indices and the Index. This will be particularly the case in periods of greater market stress.

### **Lack of Operating History; Back-Tested Performance**

The Index was established in [Index Live Date] and, therefore, does not have sufficient data upon which to evaluate long-term performance over various economic cycles. Any performance information for periods prior to the inception of the Index represents simulated returns based on back-tested data intended to illustrate how the Index may have performed had it been created in the past, but those simulations are subject to many limitations. Unlike actual historical performance, such simulations do not reflect actual trading, liquidity constraints and other factors that may affect the results obtained from such back-tested data should not be considered indicative of the actual results that might be obtained from an investment in the Index, and the actual performance of the Index may vary significantly from the results obtained from back-testing. Unlike an actual performance record, simulated results are achieved by means of the retroactive application of a back-tested model which was itself designed with the benefit of hindsight and knowledge of factors that could have affected its performance. In addition, the model used to simulate these hypothetical returns is based on certain data, assumptions and estimates. Different models or models using different data, assumptions and estimates might result in materially different hypothetical performance. Due to inherent limitations in hypothetical performance results, there may frequently be significant differences between hypothetical performance results and the actual results subsequently achieved. For more information, see "Hypothetical Back-Tested and Historical Index Performance Information" below..

### **The Index's Investments Are Entirely Notional; No Ownership Rights in the Index Components**

The exposure to the index components provided by the Index is purely notional and will exist solely in the records maintained by or on behalf of the Index Calculation Agent. There is no actual portfolio of assets to which any person is entitled or in which any person has any ownership interest. Consequently, you will not have any rights that holders would have with respect to any of the index components. The Index will not reflect the return of a direct investment in any of the index components.

### **Conflicts of Interest**

Nomura International plc is the Index Sponsor of the Index, and is responsible for the administration of the Index, including maintaining the Index, based on a proprietary model and relying on market information; and as Index Sponsor and Calculation Agent of the Sub-Indices, is also responsible for the administration, maintenance, calculation and publication of the levels of the Sub-Indices. In addition, Nomura International plc (or anyone of its affiliates) will be the Nomura counterparty to any investment product entered into based on the index. This gives rise to potential conflicts of interest.

In respect of any index-linked investment product Nomura International plc or any of its affiliates enters into, Nomura International plc (or any of its affiliates) will typically enter into hedging and pre-hedging transactions. Such hedging and pre-hedging activities will typically involve trading the instruments underlying the relevant index or instruments related to those underlying the relevant index. Potentially market sensitive information, such as - index signal determinations - are shared with the respective trading desk in order to risk manage Nomura International plc's (or its affiliates') index-linked investment products in the normal course of its hedging activities. There is no physical separation between the Index Sponsor and other front office functions within Nomura International plc. Nomura International plc and its affiliates may also trade otherwise (either for proprietary accounts or their client accounts), in the normal course of business, in the index, in instruments underlying the index or in instruments related to those that are linked to any of the foregoing, which may affect the level of the index. These trading activities may present a conflict between the interests of an investor that is considering whether to enter (or has already entered) into an investment product based on the index with Nomura International plc or any of its affiliates and the interests that Nomura International plc and its affiliates will have in their risk management of any index-linked investment product, in their proprietary accounts, in facilitating transactions for their customers and in accounts under their management.

In the ordinary course of business, Nomura International plc or any of its affiliates may have expressed views on expected movements in the index and may do so in the future. These views or reports may be communicated to the clients of Nomura International plc or any of its affiliates. However, any such views are and will be subject to change from time to time. Moreover, other professionals who

deal in markets relating to the index may at any time have significantly different views from those of Nomura International plc or its affiliates.

In addition, Nomura International plc or any of its affiliates may, from time to time, publish research that may influence the level of the Index, or may express opinions or provide recommendations that are inconsistent with the investment views inherent in the Index.

Neither the creation, calculation or maintenance of the Index nor any view which Nomura International plc or any of its affiliates may from time to time express constitutes a recommendation as to the merits of any investment product based on the Index.

### **Impact of Pre-hedging, Hedging and Trading Activities**

The Index was designed by Nomura International plc with the intention of earning a profit for the Nomura Group through entering into transactions linked to the Index, including pre-hedging and hedging transactions. Pre-hedging and hedging activities conducted by Nomura International plc, or any of its affiliates, relating to the Index involve trading in the Index components, which in some cases are of low liquidity. It is possible that Nomura International plc's (or any of its affiliates') pre-hedging and hedging activities in relation to the Index will lead to movements in the underlying markets that could adversely affect the performance of the Index. Additionally, in the course of its trading activities, Nomura International plc and its affiliates may take long or short positions in related instruments that may affect the values of the index components. Nomura International plc or any of its affiliates may realize a profit in connection with pre-hedging and hedging activities regardless of whether the level of the Index increases or decreases. In addition, with respect to any Financial Product, any of these hedging or trading activities could potentially increase the value at or above which the Index must close so that investors do not suffer a loss (depending on the terms) and the return on such Financial Product. We cannot give any assurance that our hedging activities will not affect the value of the Index and, therefore, adversely affect the value of any Financial Product or the return on such Financial Product.

### **Index Sponsor Discretion**

Each Sub-Index and the Index was developed by Nomura International plc, as Index Sponsor.

As Index Sponsor and Index Calculation Agent of the Sub-Indices, Nomura International plc is responsible for and has determinative influence over the Sub-Indices' composition, calculation and maintenance. As Index Sponsor (but not Calculation Agent) of the Index, Nomura International plc is also responsible for and has determinative influence over the Index's composition and maintenance; but when calculating the Index, the Index Calculation Agent of the Index shall take into account any adjustments to the Sub-Index levels made by the Index Sponsor, as well as any discretion exercised by Nomura International plc acting as the Index Sponsor in respect of the Index and/or any of the Sub-Indices. .

The potentially subjective judgments that Nomura International plc, as Index Sponsor, makes in connection with the composition and maintenance of the Sub-Indices and the Index, could have an adverse effect on the level of the respective Sub-Index and the Index, as could the judgments that it makes as Calculation Agent of the Sub-Indices in respect of their calculation.

Nomura International plc maintains certain discretion (i) to determine whether certain types of disruption events have occurred, (ii) to determine any resulting adjustments and (in the case of Sub-Indices) calculations and (iii) to make such other determinations or adjustments necessary to calculate the level of the Sub-Indices and the Index. In such circumstances, Nomura International plc may estimate the value of a disrupted Index component to determine the level of the respective Sub-Index and/or the Index, or may make such further adjustments to the respective Sub-Index and/or the Index as it deems necessary.

This may include the removal or replacement of any affected Index component by the Index Sponsor, in which case the Index Sponsor shall make any other adjustments to the Index to account for the price or value of the affected component at the time of its removal and any related costs. This may mean that the economic benefit, if any, of the replacement component is reduced or that the replacement has a material adverse effect on the Index performance. For example, and without limitation, the value of the replacement component may be adjusted by the same proportion as any fall in the value of the affected component at the time of its removal relative to the Index live date and may be further reduced to account for the cost to the Index Sponsor for implementing the replacement instrument.

The exercise by Nomura International plc of these kinds of discretion will have direct impact on the level of the Index. Nomura International plc has no obligation to take the interests of any other party into consideration when exercising discretion or making determinations with respect to the Sub-Indices and the Index.

### **Potential Adjustments to the Index**

The Index Sponsor has the authority to amend the methodology of the Index and/or Sub-Index and/or make such adjustments to the Index or Sub-Index methodology as it considers appropriate, in each case in its sole discretion acting in good faith, in order to take into account events or changes in the relevant underlying markets or to preserve the investability and objective of the Index (including cancelling the Index in certain circumstances). Such action taken, or discretion exercised, by the Index Sponsor may result in benefits to Nomura International plc or any of its affiliates and/or losses to an investor.

### **Potential Termination of the Index**

Nomura International plc may decide to permanently cancel and discontinue calculating and publishing any Sub-Index or the Index at any time. There is no guarantee that a Sub-Index or the Index will continue to be calculated for the full duration of any transaction linked to the Index.

If the Index itself is terminated, any transaction linked to the Index may depending on the terms of such transaction, be terminated early at a value reflecting a level of the Index that may be considerably less than the last published level of the Index, and such level may even be zero or negative.

### **Reliance on Publicly Available Sources**

For so long as the Index Calculation Agent calculates the Index Closing Level, calculations and determinations by the Index Calculation Agent in connection with the Index will be made in reliance upon the information of various publicly available sources. Although the Index Calculation Agent will obtain information for inclusion in or for use in the calculation of the Index from sources which the Index Calculation Agent has relied on and considers reliable, neither the Index Calculation Agent, the Index Administrator nor the Index Sponsor have independently verified such information and does not guarantee the accuracy and/or the completeness of the Index or any data included therein. Neither the Index Calculation Agent, the Index Administrator nor the Index Sponsor will accept any liability for loss or damage of any kind arising from the use of such information in any such calculation or determination.

### **Currency Exchange Rate Risk**

The performance of each Index is calculated in the respective Index Currency. However, the underlying Sub-Indices are denominated in U.S. dollars. Therefore, the Index converts the returns of these Sub-Indices into the Index Currency based on the applicable spot rate at such time. For more information regarding the FX conversion, see the Index Rulebook. Similarly, many of the Sub-Index components are denominated in other currencies, and so the respective Sub-Index converts the prices of these Index components into U.S. dollars at each respective instrument rebalancing, based on the applicable spot rate at such time. Therefore, investors in the Index will have “composite” long or short exposure to both the applicable index component as well as the relevant underlying currency for each respective period, and increases or decreases in the applicable currency exchange rates relative to the Index Currency may have a negative effect (depending on whether the notional exposure to the applicable Index component is long or short during such period) on the level of the Index.

Currency exchange rates vary over time, and may vary considerably during the term of any transaction. The values of the relevant Index components’ currencies relative to the U.S. dollar are, at any time, a result of the supply and demand for those currencies. Changes in currency exchange rates result over time from the interaction of many factors directly or indirectly affecting economic and political conditions in a relevant country, and economic and political developments in other countries. Currency exchange rates can also be affected by actions of the relevant sovereign government.

Of particular importance to potential currency exchange risk are:

- the overall growth and performance of the economies of relevant countries;
- existing and expected rates of inflation;
- existing and expected interest rate levels;
- the balance of payments in the relevant countries and between each relevant country and its major trading partners;
- the extent of governmental surplus or deficit in the relevant countries; and
- the stability of the governments and banking systems of the relevant countries.

All of these factors are, in turn, sensitive to the monetary, fiscal and trade policies pursued by the relevant countries and those of other countries important to international trade and finance, and all of which could have a material effect on the performance of the Sub-Indices and thus the Index.

### **Disruptions may Impact Performance**

Interest-rate markets, equity markets, commodity markets and credit markets, currency markets are subject to temporary distortions or other disruptions due to various factors, including the lack of liquidity in the markets, market fragmentation, the participation of speculators and government regulation and intervention. These circumstances could adversely affect the level of the index.

In particular, emerging markets and commodity markets are inherently less liquid than other markets. Amongst other things, such illiquidity may result in temporary distortions or other disruptions. These circumstances could adversely affect the level of the Index or relevant Sub-Index.

Accordingly, the Index Sponsor has attempted to describe in the Index and each Sub-Index methodology (through appropriate fallback provisions) the particular disruptions or periods of stress that may affect the Index or Sub-Index from time to time, including circumstances where transaction data sources may become insufficient, inaccurate, unreliable or absent; as well as the potential consequences that these events may have on the determination and/or publication of the Index. The Index and each Sub-Index is also reviewed periodically to ensure that any input data used in the determination of the Index and each Sub-Index remains appropriate, sufficient, and reliable to accurately reflect the market or economic reality that the Index is intended to measure, including in response to market conditions. Changes to the data used and/or the data sources may therefore become necessary to ensure that these standards are met on an ongoing basis.

In particular, futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in futures contract prices that may occur during a single business day. These limits are generally referred to as “daily price fluctuation limits,” and the maximum or minimum price of a futures contract on any given day as a result of these limits is referred to as a “limit price.” Once the limit price has been reached for a particular futures contract, no trades may be made at a different price. Limit prices have the effect of precluding trading in a particular futures contract or forcing the liquidation of futures contracts at disadvantageous times or prices. These circumstances could adversely affect the level of the Sub-Index and thus the Index.

## **Risks with respect to the Sub-Indices, their components and the respective asset classes**

For information on the risks with respect to each of the Sub-Indices, their components and the asset class to which the relevant Sub-Index provides exposure, please refer to the “Important risks and disclosures” section as set out in the Index Summary Document for each Sub-Index.

## **Index Charges**

The index deducts a fixed charge per annum from the level of the index on a daily basis to the benefit of the index sponsor in consideration for establishing and maintaining the index. The Index charges will reduce the level of the Index in all cases, whether the Index performs well or poorly.

Further, each Sub-Index deducts transaction-based charges from the Sub-Index level. Each Sub-Index contains fixed charge amounts which are charged on a per index component, per-transaction basis, which means that the amount of charges incurred will vary based upon the frequency with which the relevant Sub-Index transacts as described in the index summary document for each Sub-Index attached to this document. The transaction-based charges on the Sub-Indices were determined by the index Sponsor based on a variety of factors, including the costs that would be incurred if an investor were to execute hypothetical transactions to maintain equivalent notional positions to those held by the relevant Sub-Index. Such costs would include bid-ask spreads and costs associated with forward margining. For some Sub-Indices, the charges also include fees that accrue to the benefit of the Index Sponsor in consideration for establishing and maintaining such Sub-Index.

Each Sub-Index's charges are incurred upon implementation of new positions at each rebalancing as well as upon each rolling of the index's Sub-Index components. The amount of charges deducted varies for each Sub-Index component based on the size of the position taken in such Sub-Index component. Generally, the more frequently a given Sub-Index alters its notional positions and the greater the number of transactions necessary to achieve the targeted notional exposure, the greater the index's charges will be. The Index charges will reduce the level of the Sub-Index in all cases, whether the Sub-Index performs well or poorly.

For more information regarding the Sub-Index charges, see the index rulebooks and index summary document of the relevant Sub-Indices.

The table below specifies realized annual charges from [date].

[Charges]

## **Hypothetical Back-Tested and Historical Index Performance Information**

This section contains hypothetical back-tested performance information for the Index. All Index performance information prior to [Index Live Date] is hypothetical and back-tested, as the Index did not exist prior to that date, and the fixed risk weighting applied for each Sub-Index was set based on the hypothetical back-tested performance information of the Sub-Indices during the period of [Date] to [Date]. Hypothetical back-tested Index performance information is subject to significant limitations.

The Index Sponsor developed the Index rules with the benefit of hindsight—that is, with the benefit of being able to evaluate how the Index rules would have caused the Index to perform had it existed during the hypothetical back-tested period. The fact that the Index generally appreciated over the hypothetical back-tested period may not therefore be an accurate or reliable indication of any fundamental aspect of the Index methodology. Furthermore, the hypothetical back-tested performance of the Index might look different if it covered a different historical period. The market conditions that existed during the hypothetical back-tested period may not be representative of market conditions that will exist in the future.

It is impossible to predict whether the Index will rise or fall. By providing the hypothetical back-tested and historical Index performance information above, we are not representing that the Index is likely to achieve gains similar to those shown and the Index may in future exhibit a higher loss than its historical worst performance. There are frequently sharp differences between hypothetical performance results and the actual results subsequently achieved. One of the limitations of hypothetical performance information is that it did not involve financial risk and cannot account for all factors that would affect actual performance. The actual future performance of the Index may bear no relation to the hypothetical back-tested or historical performance of the Index.

The table below shows, in respect of the back-tested and live Index performance since the back-test inception date of [Index Start Date], for the specified time periods (a) the average return observed (b) the maximum loss incurred by the Index (c) the maximum gains made by the Index. The table also shows the maximum cumulative historical drawdown observed historically.

**Hypothetical back-tested Index performance and drawdown from hypothetical back-tested inception date of [Index Start Date] to 31-December-2024 (daily data)**

	Average Performance				Best Performance				Worst Performance				Maximum Drawdown
	1M	3M	6M	12M	1M	3M	6M	12M	1M	3M	6M	12M	
NMEQCXGU Index	0.87%	2.65%	5.40%	10.94%	17.12%	33.59%	39.99%	73.91%	-11.96%	-10.78%	-13.93%	-10.74%	17.22%
NMEQCXUU Index	1.05%	3.21%	6.60%	13.49%	29.00%	54.03%	71.10%	122.23%	-16.18%	-16.63%	-16.07%	-16.11%	20.56%
NMEQC3GU Index	0.89%	2.69%	5.53%	11.29%	15.42%	29.42%	37.04%	69.86%	-10.71%	-14.58%	-13.06%	-7.81%	15.55%
NMEQC3UU Index	1.08%	3.31%	6.85%	14.19%	27.78%	50.47%	66.85%	122.53%	-13.08%	-17.12%	-16.02%	-12.65%	19.91%

The returns are calculated on a rolling basis with windows of 21, 63, 126 and 252 Index Business Days for 1M, 3M, 6M and 12M respectively.

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