Index Products
+44 20 7103 3169

Nomura FX Return Indices Rulebook

23 January 2024

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**").

Index Determination	
Summary Description	The Nomura FX Return Indices are nine separate indices (each a "Nomura FX Return Index" or "Index") the returns of each representing the returns of a long position in a G-10 Currency (each a "Currency") and a short position in USD while taking into account the cost of financing such positions.
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	Australian Dollars ("AUD"), Canadian Dollars ("CAD"), Swiss Franc ("CHF"), Euro ("EUR"), UK Sterling ("GBP"), Japanese Yen ("JPY"), Norwegian Krone ("NOK"), New Zealand Dollar ("NZD") and Swedish Krona ("SEK")
Index Sponsor / Calculation Agent	Nomura International Plc, who is responsible for the administration of the Index.
Index Level	In respect of an Index Business Day t, the published official level of the relevant Nomura FX Return Index, denoted by I_t^Z, for Currency Z determined by the Calculation Agent in accordance with the Index Calculation formula specified below.
Index Live Date	[definition of Index Live Date]
Index Calculation	On each Index Business Day subsequent to date, each Index Level (I_{t+1}^Z) is determined as follows: (a) Where Z is either Canadian Dollars, Swiss Francs, Japanese Yen, Norwegian Kroner or Swedish Kronor: $I_{t+1}^Z = I_t^Z \times \left\{ \frac{FX_t^Z}{FX_{t+1}^Z} + \left(\frac{FX_t^Z}{FX_{t+1}^Z} \times r_t^Z \times Daycount_{t+1}^Z \right) - \left(r_t^{USD} \times Daycount_{t+1}^{USD} \right) \right\}$ where t + 1 is the Index Business Day immediately following Index Business Day t. (b) Where Z is either Australian Dollars, Euros, UK Sterling or New Zealand Dollars: $I_{t+1}^Z = I_t^Z \times \left\{ \frac{FX_{t+1}^Z}{FX_t^Z} + \left(\frac{FX_{t+1}^Z}{FX_t^Z} \times r_t^Z \times Daycount_{t+1}^Z \right) - \left(r_t^{USD} \times Daycount_{t+1}^{USD} \right) \right\}$ where t + 1 is the Index Business Day immediately following Index Business Day t.
FX_t^Z	(A) Where Z is either Canadian Dollars, Swiss Francs, Japanese Yen, Norwegian Kroner or Swedish Kronor: For any Index Business Day t, FX_t^Z shall be the rate of exchange (as determined by the Calculation Agent in accordance with the Settlement Rate Fixing provisions in Appendix A) of 1 US Dollar for an amount of Currency Z (expressed as the number of currency units per USD 1) which appears on the relevant Price Source (specified in Appendix A) as at the Spot Observation Time (defined below) on such day. (B) Where Z is either Australian Dollars, Euros, UK Sterling or New Zealand Dollars: For any Index Business Day t, FX_t^Z shall be the rate of exchange (as determined by the Calculation Agent in accordance with the Settlement Rate Fixing provisions in Appendix A) of 1 unit of Currency Z for an

	amount of US Dollar (expressed as number of USD per 1 unit of Currency Z) which appears on the relevant Price Source (specified in Appendix A) as at the Spot Observation Time (defined below) on such day.
$Daycount_t^Z$	In respect of each Currency Z, for any Index Business Day t, the number of calendar days from and including the immediately preceding Index Business Day (denoted by t-1), to but excluding such Index Business Day t, divided by the Basis for that Currency Z (specified in Annex B).
$Daycount_t^{USD}$	For any Index Business Day t, the number of calendar days from and including the immediately preceding Index Business Day t-1, to but excluding such Index Business Day t, divided by [value].
Index Business Days	Each day that is a London and New York Business Day **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 that is a London and New York Business Day
Currency Business Day	For a Currency Z, a calendar day that is a business day in the Additional Business Centre corresponding to Currency Z as specified above
Dollar Business Day	New York
Additional Business Centre	means in respect of: AUD: Sydney CAD: Toronto CHF: Zurich EUR: TARGET GBP: London JPY: Tokyo NOK: Oslo NZD: Auckland and Wellington SEK: Stockholm
Tom/Next FX Swap	For any Index Business Day, an FX swap (the "FX Swap") under which there is a simultaneous purchase of US Dollars and sale of Currency Z (or vice versa), effective on the "Tom Date" relative to Index Business Day t and sale of US Dollars and purchase of Currency Z (or vice versa) effective on the "Spot Value Date" relative to Index Business Day t "**Spot Value Date**" relative to an Index Business Day t shall be the calendar day that falls two Currency Business Days following Index Business Day t, provided that such day is a Dollar Business Day. If such day is not a Dollar Business Day (i.e. is a "Dollar Holiday"), then the Spot Value Date shall be the first Currency and Dollar Business Day following that Dollar Holiday. "**Tom Date**" relative to an Index Business Day t shall be the date that is one Currency and Dollar Business Day before the Spot Value Date corresponding to that Index Business Day t If the Tom Date so determined is the same as Index Business Day t, then Index Business Day t shall be designated as a "**Repeat Date**"
r_t^Z	[formula to calculate Deposit Rate]
FP_t^Z	In respect of any Currency Z on any Index Business Day t, the rate determined by the Calculation Agent as: (i) the mid market FX forward points for "tomorrow next" rolls against USD (calculated as the arithmetic average of the bid and offer rates in the foreign exchange forward market as at time on that Index Business Day t ("**FX Forward Points**") determined by reference to such rates as published in the specified location on the relevant Forward Points Price Source (as set out in Appendix C)), divided by (ii) the appropriate Forward Point Divisor, if necessary, specified in Appendix C.
d_t^Z	In respect of Currency Z, for any Index Business Day t, (i) the number of calendar days from and including the Tom Date of the Tom/Next FX Swap to but excluding the Spot Value Date of the Tom/Next FX Swap; divided by (ii) the Basis for that Currency Z (as set out in Appendix B).

d_t^{USD}	In respect of USD, for any Index Business Day t, (i) the number of calendar days from and including the Tom Date of the Tom/Next FX Swap to but excluding the Spot Value Date of the Tom/Next FX Swap; divided by (ii) [value].
r_t^{USD}	[definition of Federal funds effective rate]
Successor Price Source	References to "**Price Source**" herein shall be construed as referring also to any successor source (a "**Successor Price Source**") on which the relevant variable may be published, as determined by the Calculation Agent in its sole discretion acting in a commercially reasonable manner.
Spot Observation Time	The Spot Observation Time shall be as follows: [description of Spot Observation Time]
Appendix A: **Settlement Rate Price Source**	Two Price Sources are shown: a primary Price Source and a Fallback Price Source (which shall be used in the event that a price is not published on the Price Source at or before [time]). The Price Sources specified are published on Reuters. The exchange rate used for the purposes of determining FX_t^Z, shall be: (a) In relation to a Price Source specified below, the relevant rate shall be the spot FX rate appearing immediately under the caption "Bid/Ask" in respect of which the fixing is being determined. (b) In relation to a Fallback Price Source specified below the relevant rate shall be the last published mid spot FX rate (being the arithmetic of the bid and ask prices) at the Spot Observation Time.

	Price Source	Fallback Price Source
Australian Dollar (AUD)	USDAUDFIXM=WM	Fallback Price Source
Canadian Dollar (CAD)	USDCADFIXM=WM	Fallback Price Source
Swiss Franc (CHF)	USDCHFFIXM=WM	Fallback Price Source
Euro (EUR)	USDEURFIXM=WM	Fallback Price Source
UK Sterling (GBP)	USDGBPFIXM=WM	Fallback Price Source
Japanese Yen (JPY)	USDJPYFIXM=WM	Fallback Price Source
Norwegian Krone (NOK)	USDNOKFIXM=WM	Fallback Price Source
New Zealand Dollar (NZD)	USDNZDFIXM=WM	Fallback Price Source
Swedish Krona (SEK)	USDSEKFIXM=WM	Fallback Price Source

Appendix B:

Basis

Currency	Basis
AUD	Basis
CAD	Basis
CHF	Basis
EUR	Basis
GBP	Basis
JPY	Basis
NOK	Basis
NZD	Basis
SEK	Basis
USD	Basis

Appendix C: **Forward Points Price Sources**	The following table sets out the Price Sources for the Forward Points in relation to each Currency Z. The Price Sources and Fallback Price Sources specified are published on Reuters. The Forward Points in relation to each Currency Z shall be:

(a) In relation to a Price Source specified below, the relevant rate shall be the Forward Points appearing immediately under the caption "Bid/Ask" in respect of which the fixing is being determined.

(b) In relation to a Fallback Price Source specified below the relevant rate shall be the last published mid Forward Points (being the arithmetic of the bid and ask prices) at the Spot Observation Time, divided by the Forward Point Divisor.

Currency	Price Source	Fallback Price Source	Forward Point Divisor
AUD	USDAUDTNFIXM=WM	Fallback Price Source	Forward Point Divisor
CAD	USDCADTNFIXM=WM	Fallback Price Source	Forward Point Divisor
CHF	USDCHFTNFIXM=WM	Fallback Price Source	Forward Point Divisor
EUR	USDEURTNFIXM=WM	Fallback Price Source	Forward Point Divisor
GBP	USDGBPTNFIXM=WM	Fallback Price Source	Forward Point Divisor
JPY	USDJPYTNFIXM=WM	Fallback Price Source	Forward Point Divisor
NOK	USDNOKTNFIXM=WM	Fallback Price Source	Forward Point Divisor
NZD	USDNZDTNFIXM=WM	Fallback Price Source	Forward Point Divisor
SEK	USDSEKTNFIXM=WM	Fallback Price Source	Forward Point Divisor

Appendix D: Disruption Events

Index Correction

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 "**Correction Determination Date**") that an adjustment to the Index is necessary in order to correct such error (an "**Index Correction**"), 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).

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.

Index Disruption

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 an 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 Index (regardless of whether or not the level of the affected Index Component has been published in respect of such day):

(i) delay any scheduled rebalancing and/or calculation of such affected Index Component on such day (an "**Index Determination Date**") until the relevant Index Disruption Event no longer exists, *provided that,* if such Index Disruption Event is continuing on the 5th Index Business Day following any such Index Determination Date (the "**Delayed Index Determination Date**"), then the Index Sponsor will determine the level of the affected Index-Component in respect of such Index Determination Date as of the Delayed Index Determination Date in accordance with (ii) below; and/or

(ii) determine the level of the affected Index Component for such day in its sole discretion, acting in a commercially reasonable manner, (taking into account the relevant Index Disruption Event, latest available quotation of the affected Index Component and any other information the Index Sponsor deems relevant in its discretion; 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

	(iii) not calculate and publish the Index level for such day or delay the publication; and/or (iv) make any adjustments to the Index methodology which it deems necessary to account for the relevant Index Disruption Event.
Index Disruption Event	Means with respect to an Index Component the occurrence of a Price Source Disruption, Price Materiality Event, Market Disruption Event, or a FX Rate Regime Change. **Price Source Disruption** means that the Index Sponsor determines that in relation to any day a Price Source and its Fallback Price Source (if applicable) fails to announce or publish any relevant price, level, rate or in other data necessary for the determination of the Index. **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 Sponsor, significantly different to the level of such variable prevailing in the market. **Market Disruption Event:** In the event that, on any day, any of the following events or circumstances has, in the sole opinion of the Index Sponsor, occurred: (a) the material suspension of, a material limitation imposed on, or the cessation of the trading in any Index Component; (b) a material change by the Price Source in the content, composition, constitution of, or in the formula for or method of calculating (a “Material Change”) any 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); (c) 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); (d) the occurrence of any event or circumstance which generally prevent, disrupts or impairs the ability of market participants in general to enter into transactions or obtain market values of the type which would be required to replicate the Index or Index Component in a commercially reasonable manner (including, without limitation, a significant widening in the bid/offer and/or a significant reduction in liquidity in an Index Component); (e) in respect of an Index Component, 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 the Index Sponsor’s reasonable control 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 Sponsor to perform its role in respect of the Index; and/or (f) any other event or circumstance that, in the opinion of the Index Sponsor, 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. **FX Rate Regime Change** means, with respect to a given currency, a change by the relevant monetary authority over the rate at which such currency trades against other currencies, including but not limited to, the imposition or removal of an exchange rate peg.
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 effect 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 or Fallback Price Source with an alternative futures or options contract, currency, rate, variable or other component (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 or Fallback 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”); and/or

	(ii) making such other adjustments to the Index methodology which it deems appropriate to preserve the objective of the Index, taking into account the relevant Index Modification Event. 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 Price Source or Fallback Price Source, the Index Sponsor shall make any other adjustments to the Index 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 will modify the Index in accordance Appendix 2, Section 15 of the Control Framework Summary ("Changes to Methodology"). If the Index Sponsor determines in good faith that replacement of an affected Index Component and/or its Price Source or Fallback Price Source 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 price source or alternative Index Component and/or price source 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.
Index Modification Event	Means the existence or occurrence of a Dual Exchange Rate Event, Illiquidity Event, Inconvertibility Event, Non-Transferability Event, Cessation Event, Input Data Decline Event and/or Extraordinary Event. **Dual Exchange Rate Event** means that, with respect to any Currency Z, the exchange rate applicable to that Currency Z splits into dual or multiple currency exchange rates. **Illiquidity Event** means that the Index Sponsor is generally prevented, disrupted or impaired from obtaining a firm quote of any Index Component 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 an Index Component). **Inconvertibility Event** means that the Index Sponsor is generally prevented, disrupted or impaired from converting generally in the currency markets any Currency into USD through customary legal channels; or from converting a Currency Z 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. **Non-Transferability Event** means that the Index Sponsor 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 Currency Z between accounts inside the relevant Currency Jurisdiction or to a party that is a non-resident of that Currency Jurisdiction. **Cessation Event** means if the Index Sponsor determines, in its sole discretion, that an Index Component or its Price Source or Fallback Price Source (i) is no longer available (whether due to a permanent discontinuation of trading, 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 objective and/or **Input Data Decline Event** means if the Index Sponsor determines that the input data and/or Price Source or Fallback Price Source in relation to an Index Component used to calculate the Index (i) is repeatedly different to a significant extent from the level of such data prevailing in the market, (ii) 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 (iii) 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") **Extraordinary Event** means in respect of any Index Component means any of Change in Law, Index Component 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

	Sponsor determines in good faith that (x) it has become illegal to hold, acquire or dispose of an Index Component, or (y) there is a materially increased cost of trading in an 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 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 (x) any restriction on making new or additional investments in any Index Component. **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 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) realize, recover or remit the proceeds of any transaction(s) or asset(s).
Index Cancellation	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 an Index Modification Failure.
Definitions	**Currency Jurisdiction** means with respect to any Currency Z, the country for which such Currency Z is the lawful currency. **Index Component** means in respect of the Index, exchange rate of Currency Z, Forward Points, the overnight USD FED Funds Effective Rate and any other spot or forward rate or forward points, 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. **Price Source or Fallback Price Source** means, in respect of an Index Component, the relevant publication page as specified in Appendix A and C (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 or Fallback 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 an Index Component may be disseminated, as determined by the Index Sponsor in its sole discretion and acting in a commercially reasonable manner.

Appendix E: 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. 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.

Additional information in respect of the Index methodology

Governance Policy and Control Framework	The Index Sponsor has established a governance framework (the "**Governance Policy and Control Framework**") to ensure compliance with UK BMR[1] 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	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. 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.
Internal Reviews of the Index	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. 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.
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

[1] *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.*

[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.*

	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").

Disclaimer

This material has been prepared by the Index Sponsor, NIP ("**NIplc**"), which is authorised by the Prudential Regulation Authority (PRA), regulated by the Financial Conduct Authority (FCA) and the PRA in the UK, and is a member of the London Stock Exchange.

NIplc has been registered as a Benchmark Administrator by the FCA pursuant to UK BMR and has accordingly been listed on the FCA Register of Benchmark Administrators.

This material is made available to you by NIplc and/or its affiliates (collectively, "Nomura Group"), as the case may be. This is not investment research as defined by the US rules and regulations, FCA nor is it research under the applicable rules in Hong Kong. It does not constitute a personal recommendation, as defined by the FCA, or take into account the particular investment objectives, financial situations, or needs of individual investors. It is intended only for investors who are "eligible market counterparties" or "professional clients" as defined by the FCA, and may not, therefore, be redistributed to other classes of investors. This material does not fall within the definition of an analyst report as defined by the Japan Securities Dealer's Association. It is intended for professional and institutional investors only.

This material is: (i) for your private information only, and we are not soliciting any action based upon it; (ii) not to be construed as an offer to sell or a solicitation of an offer to buy any security in any jurisdiction where such offer or solicitation would be illegal; and (iii) is based upon information that we consider reliable, and it should not be relied upon as such. While all reasonable care has been taken to ensure that the information contained herein is not untrue or misleading at the time of publication, no representation, warranty or undertaking, expressed or implied, is made and no responsibility or liability is accepted by the Nomura Group and/or its directors, officers and employees as to the accuracy, completeness, merchantability or fitness for a particular purpose of the information contained herein or any other information provided by any other person in connection with the information described herein or their distribution or for the results obtained from the use of this information.

Nomura Group and/or its directors, officers and employees do not accept any liability whatsoever for any loss or damage (including, without limitation, direct, indirect or consequential loss or loss of profits or loss of opportunity) suffered by you or any third party in connection with the use of this material or its content. It is not intended for investors who are unfamiliar with the relevant markets or who are unwilling or unable to bear the risks associated with the investment. You should refrain from entering into any transaction unless you fully understand all the risks involved and you have independently determined that the investment is suitable for you. We are not your designated investment adviser.

In reaching a determination as to the appropriateness of any proposed transaction linked to the Index, clients should undertake a thorough independent review of the legal, regulatory, credit, tax, accounting and economic consequences of such action. The Nomura Group may from time to time perform investment banking or other services (including acting as advisor, manager or lender) for, or solicit investment banking or other business from, companies mentioned herein. Further, the Nomura Group, and/or its officers, directors and employees, including persons, without limitation, involved in the preparation or issuance of this material may, from time to time, have long or short positions in, and buy or sell, the securities, or in options, futures or other derivatives based thereon, of companies mentioned herein, or related securities or in options, futures or other derivative instruments based thereon. In addition, the Nomura Group may act as a market maker and principal, willing to buy and sell certain of the securities or in options, futures or other derivatives of companies mentioned herein. Further, the Nomura Group may buy and sell certain securities or in options, futures or other derivatives of companies mentioned herein, as agent for its clients.

Nomura manages conflicts identified through the following: their Chinese wall, confidentiality and independence policies, maintenance of a Stop List and a Watch List, personal account dealing rules, policies and procedures for managing conflicts of interest arising from the allocation and pricing of securities and impartial investment research and disclosure to clients via client documentation. Disclosure information is available at http://www.nomura.com/research/. No part of this material may be (i) copied, photocopied, or duplicated in any form, by any means, or (ii) redistributed without our prior express consent. If this publication has been distributed by electronic transmission, such as e-mail, then such transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this publication, which may arise as a result of electronic transmission. If verification is required, please request a hard-copy version

Nomura International (Hong Kong) Limited ("NIHK"), is regulated by the Securities and Futures Commission under Hong Kong laws which differ from Australian laws. Neither Niplc nor NIHK hold an Australian financial services license as both are exempt from the requirements to hold this license in respect of the financial services either provides.

If distributed into the US, the following section will also apply to US clients:

Nomura Securities International, Inc, ("NSI") is regulated by the Securities and Futures Commission and a member of SIPC . NSI does not provide legal, accounting or tax advice. In compliance with Internal Revenue Service Circular 230, we hereby notify you that any discussion of tax matters set forth herein was written in connection with the promotion or marketing of the matters described herein and was not intended or written to be used, and cannot be used by any person, for the purposes of avoiding tax-related penalties under federal, state or local tax law. Each person should seek legal, accounting and tax advice based on its particular circumstances from independent advisors.