

CONFIDENTIAL

Custom Basket Strategy Annex

General Basket Strategy Rules

Version as of July 29th, 2021

Custom Basket Strategy Annex

1. Strategy Rules Summary

1.1 Strategy Description

The Custom Basket Strategy Annex (the “**Basket Annex**”) aims to define the calculation rules for a range of SGI Strategies (each a “**Custom Basket Strategy**” or “**Strategy**”), in each case based on a basket of any of the following components: Equity Instruments which may include Shares, Underlying Indices, ETF Shares, and Fund Units; and/or Underlying SGI Indices and/or Underlying SGI Strategies (each an “**Underlying Basket Component**”). In respect of each Strategy, this Basket Annex is supplemented by the Specific Basket Strategy Rules detailing more fully the parameters for such Strategy (the “**Specific Rules**”, and together with the rules set out under this Basket Annex, the “**Strategy Rules**”). The rules set out below in this Basket Annex shall apply only to those Strategies governed by Specific Rules that refer to it and incorporate it by reference. Capitalised terms used but not defined herein shall have the meanings ascribed to them in the Specific Rules and, subject to Section 1.3 below, in the SGI Global Methodology as therein described.

Each Strategy is calculated and published by the **Strategy Calculation Agent** as specified in the Specific Rules and is sponsored by Société Générale (the “**Strategy Sponsor**”). If a **Strategy Advisor** is identified in the Specific Rules, such Strategy Advisor shall advise the scientific committee of the Strategy (composed of representatives of the Strategy Sponsor and Strategy Advisor, respectively), as to certain parameters of the Strategy, such as the composition of the Underlying Basket.

Main Characteristics of each Strategy

Strategy Name:	As specified in the Specific Rules
Bloomberg Ticker:	As specified in the Specific Rules
Strategy Return Type:	As specified in the Specific Rules: [Net Total Return][Gross Total Return][Price Return][Excess Return]
Calculation Frequency:	As specified in the Specific Rules: [Real time] [Daily] [Weekly]
Publication Time:	As specified in the Specific Rules: [Real time] [End of Day]
Strategy Launch Date:	As specified in the Specific Rules
Currency:	As specified in the Specific Rules
Fees and Costs:	As specified under the “Strategy Fees and Costs” section below
Strategy Asset Class:	Equity
Strategy Components:	Equity Instrument and Market Data
Strategy Costs Bloomberg Ticker	If Applicable, as specified in the Specific Rules

1.2 Strategy Fees and Costs

Each Strategy is calculated net of the following fees and costs:

Strategy Advisory Fees: X% accrued daily calculated on Strategy Level paid to the Strategy Advisor (if applicable and as specified in the Specific Rules).

Fixed Borrowing Spread: means, a spread corresponding to the hypothetical funding cost, in excess of the Rate applied on the leveraged portion corresponding to the Total Weight of the Underlying Basket above 100% if applicable as specified in the Specific Rules.

Fixed Lending Spread: means, a spread corresponding to the hypothetical deposit cost, below the Rate applied on the cash portion corresponding to 100% minus the Total

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Weight of the Underlying Basket if applicable as specified in the Specific Rules.

Fixed FX Hedging Costs:	It corresponds to the theoretical spread to the mid foreign exchange forward rate, and expressed in percentage of such rate, applied to the hypothetical exposure of foreign exchange forward in relation to the hedge against the foreign exchange risk, applicable if "ISFXHedge" is specified as "TRUE" in the relevant Specific Rules.
Fixed Replication Costs:	As defined in the SGI Global Methodology. The Fixed Replication Costs are specified in the Specific Rules.
Fixed Transaction Costs:	As defined in the SGI Global Methodology. The Fixed Replication Costs are specified in the Specific Rules.
Maintenance Fee:	This fee is expressed as a percentage of the Strategy Level and reflects Strategy Sponsor's compensation for structuring and maintaining the Strategy as specified in the Specific Rules.

1.3 SGI Global Methodology

Each Strategy is computed and maintained pursuant to its Specific Rules which incorporate by reference this Basket Annex and the SGI Indices Global Methodology (version dated 25 November 2019, as supplemented, amended and restated or replaced from time to time, the "**SGI Global Methodology**"). The SGI Global Methodology is published on the SGI website under the link "SGI Cross Asset Methodology" at: <https://sgi.sgmarkets.com>. In respect of any Strategy, this Basket Annex and the relevant Specific Rules should be read together with the SGI Global Methodology.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the SGI Global Methodology, provided that, (a) to the extent the context so requires and other than in respect of an Underlying SGI Index, references to the "SGI Index" shall be construed as a reference to the Strategy the subject of these rules; and (b) references to "Index Components", "Index Disruption Event", "Index Extraordinary Event", "Index Sponsor", "Index Calculation Agent", "Index Rules" and other similar terms shall be construed as if such reference to "Index" was to "Strategy" (except where such terms are used in the context of an index or an Underlying SGI Index constituting a component of the Strategy). For purposes of each Strategy, the provisions of the SGI Global Methodology that address Underlying SGI Indices shall apply, *mutatis mutandis*, in respect of each Underlying SGI Strategy, if any, that constitutes a component thereof. Notwithstanding the foregoing, each Strategy governed by this Basket Annex is managed as a strategy, and nothing contained herein or in the SGI Global Methodology shall be construed so as to alter such management approach.

In the event of any inconsistency between the SGI Global Methodology and this Basket Annex, for purposes of each Custom Basket Strategy governed by this Basket Annex, this Basket Annex will prevail.

In the event of any inconsistency between the SGI Global Methodology and any Specific Rules, for purposes of the Custom Basket Strategy the subject of such Specific Rules, the Specific Rules will prevail.

In the event of any inconsistency between the Basket Annex and any Specific Rules, for purposes of the specific Custom Basket Strategy the subject of such Specific Rules, the Specific Rules will prevail.

The SGI Global Methodology notably includes important events applicable in respect of the Strategy Components selected in section 1.1 above.

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The SGI Global Methodology shall be reviewed at least annually. The SGI Global Methodology is expected to be updated and revised from time to time where necessary or desirable, pursuant to legal developments and for the purpose of enhanced disclosure and technical improvement. The Strategy Sponsor may also act in good faith and a commercially reasonable manner to amend the SGI Global Methodology in order to cure ambiguities, errors and omissions thereunder. SGI Global Methodology subsequently updated and revised shall be approved (i) in accordance with the Strategy Sponsor's internal Strategy procedures; (ii) announced under the heading "News" on the SGI website <https://sgi.sgmarkets.com>; and (iii) published in full on such SGI website under the link "SGI Cross Asset Methodology"; upon such publication, the updated SGI Global Methodology shall apply to the Strategy and these Strategy Rules.

1.4 Technical Rectification of Basket Annex and/or Specific Rules

This Basket Annex and the respective Specific Rules may be amended from time to time, consistent with the economics of each relevant Strategy, by the Strategy Sponsor acting in good faith and a commercially reasonable manner to cure ambiguities, errors and omissions.

For convenience, the Strategy Sponsor may from time to time replace a data provider, publisher or source of Market Data or Strategy Data (a "**Data Provider**"), provided that the relevant data content remains equivalent. In any case where the Strategy Sponsor reasonably determines that the replacement of a Data Provider is necessary or desirable whilst the data content may not remain strictly equivalent, the Strategy Sponsor shall select such replacement Data Provider (a) in a commercially reasonable manner, in order to achieve similar performance of each relevant Strategy; (b) consistent with the objectives of each relevant Strategy; and (c) in compliance with the Strategy Sponsor's internal procedures for Strategy Rules modification.

1.5 [Information

This Basket Annex shall be published on the SGI website at the following address: <https://sgi.sgmarkets.com/en/basket-annex> and also provided to stakeholders upon request to the Strategy Sponsor.

Strategy values for each Strategy subject to this Basket Annex (including the performance and volatility of the Strategy), further Strategy data and the Specific Rules for each Strategy shall be communicated privately and/or made available to stakeholders upon request to the Strategy Sponsor. The foregoing information shall not be widely distributed through publication or otherwise made available generally to the public; however, notices, announcements, news and disclaimers relevant to the Strategies are published on the SGI website at the following address: <https://sgi.sgmarkets.com>.]

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2. General Strategy Rules:

2.1 Terms and definitions relating to Dates:

ACT(t', t) means the number of calendar days between Calculation Date (t') (included) and Calculation Date (t) (excluded).

Day Count Fraction, "DCF (t', t)" means the number of years between Calculation Date (t') (included) and Calculation Date (t) (excluded).

If Rate Day Count Convention is specified as "**ACT/360**":

$$DCF(t', t) = \frac{ACT(t', t)}{360}$$

If Rate Day Count Convention is specified as "**ACT/365**":

$$DCF(t', t) = \frac{ACT(t', t)}{365}$$

FX Hedge Rebalancing Date means the Scheduled FX Hedging Date and the Rebalancing Date.

"**t_{FXR}**" means the immediately preceding FX Hedging Rebalancing Date with $t_{FXR} < t$.

Rebalancing Date means the relevant Calculation Date following the Review Date as specified in the Specific Rules (if applicable). For the avoidance of doubt, in case of multiday rebalancing, the Rebalancing Dates shall be consecutive. Unless otherwise agreed by the Strategy Scientific Committee (if any), in the event that all markets on which the relevant Underlying Basket Component is traded are not open for business on such date, any Rebalancing Date scheduled for such date shall be postponed to the next following Calculation Date on which all such markets are open.

"**t_{RB}**" means immediately preceding Rebalancing Date with $t_{RB} < t$.

Review Date means the date on which the Strategy is reviewed as specified in the Specific Rules if applicable.

"**t_{REV}**" means the Review Date that is immediately on or preceding the relevant Rebalancing Date.

Review Lag, "RL" means the number of Scheduled Calculation Dates between the first, if applicable, Rebalancing Date (included) and the date (excluded, and such date "**t_{REF}**") on which the relevant information is used to determine Underlying Basket Component Quantity as specified in the Specific Rules.

Scheduled Calculation Date means any day on which the Strategy Level is scheduled to be calculated by the Strategy Calculation Agent as specified in the Specific Rules.

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Scheduled FX Hedging Date means the date on which the instruments used to hedge the currency risk of the Strategy are rolled, as specified in the Specific Rules If applicable.

“ $t_{\text{SFXR}+}$ ” means the immediately following Scheduled FX Hedging Date with $t_{\text{SFXR}+} \geq t$.

Valuation Time means in respect of a Scheduled Calculation Date, each time at which the Strategy Calculation Agent calculates the Strategy Level as specified in the Specific Rules. For the avoidance of doubt, if Calculation Frequency is specified as “**Real time**” in the Specific Rules, the Valuation Time shall be any time during a regular trading session as specified in the relevant Specific Rules.

2.2 Terms and definitions relating to the Strategy:

Aggregate Cost, “AC(t)” means, in respect of Calculation Date (t), the total costs as determined pursuant to the rules set out in Section 2.13 hereof.

Aggregate FX Hedging Cost, “AFXHC(t)” means, in respect of Calculation Date (t), the total FX hedging costs if applicable as determined pursuant to the rules set out in Section 2.13.3 hereof.

Aggregate Running Cost, “ARC(t)” means, in respect of Calculation Date (t), the total running costs including the Maintenance Fees, the Fixed Replication Costs, the Fixed Borrowing Costs and the Strategy Advisor Fees (if any) as determined pursuant to the rules set out in Section 2.13.2 hereof.

Aggregate Transaction Cost, “ATC(t)” means, in respect of Calculation Date (t), the transaction costs as determined pursuant to the rules set out in Section 2.13.1 hereof.

Cash Corporate Event Reinvestment Method means, a parameter specifying how cash proceeds following a Corporate Event are reinvested. The Cash Corporate Event Reinvestment Method can be (i) “**Cash**”, in which case the cash proceeds are cumulated in a cash pocket with remuneration; and (ii) “**Basket**”, in which case the cash proceeds are reinvested across the whole Underlying Basket.

Cash Corporate Event Return, “CCER(t)” means, in respect of Calculation Date (t), the return sourced from any cash distribution following a Corporate Event of an Underlying Basket Component, as determined pursuant to the rules set out in Section 2.7.2.2 hereof.

Cash Distribution Return, “CDR(t)” means, in respect of Calculation Date (t), the return sourced from any cash distribution following a cash dividend payment or a Corporate Event, as determined pursuant to the rules set out in Section 2.7.2 hereof.

Cash Return; “CR(t)” means, (i) the return of money market instruments yielding the Rate specified in the Specific Rules, corresponding to the portion of the Strategy that is not invested in the Underlying Basket Components if the Total Weight of the Underlying Basket Components is lower than 100%, or (ii) the borrowing cost as if the leveraged portion of the

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Strategy is financed at the Rate specified in the Specific Rules and the Total Weight of the Underlying Basket Components is higher than 100%, as determined pursuant to the rules set out in Section 2.12 hereof.

Currency Weight, “$WFX_i(t)$”	means, in respect of the i^{th} Currency that is different from the Strategy Currency and a Calculation Date (t), the weight of the currency exposure of such i^{th} Currency, calculated pursuant to the rules set out in Section 2.6.1 hereof.
Dividend Reinvestment Method	means, a parameter specifying how dividends received by holding the Underlying Basket Components are reinvested. The Dividend Reinvestment Method can be (i) “ Cash ”, in which case the dividends are cumulated in a cash pocket with remuneration; (ii) “ Individual Basket Component ”, in which case the dividends received from Underlying Basket Component (k) will be reinvested into such Underlying Basket Component; and (iii) “ Basket ”, in which case the dividends are reinvested across the whole Underlying Basket.
Dividend Return, “$DivR(t)$”	means, in respect of Calculation Date (t), the return sourced from the cash dividend paid by the Underlying Basket Components, as determined pursuant to the rules set out in Section 2.7.2.1 hereof.
Effective Forward FX Rate, “$EFF_i(t)$”	means, in respect of the i^{th} Currency that is different from the Strategy Currency and a Calculation Date (t), the foreign forward exchange rate to convert in the Strategy Currency one unit of the Underlying Basket Component Currency, calculated pursuant to the rules set out in Section 2.6.2 hereof.
Fixed Borrowing Spread, “FBS”	means, a spread corresponding to the hypothetical funding cost, in excess of the Rate applied on the leveraged portion corresponding to the Total Weight of the Underlying Basket above 100% as specified in the Specific Rules.
Fixed Lending Spread, “FLS”	means, a spread corresponding to the hypothetical lending cost, below the Rate applied on the cash portion corresponding to 100% minus the Total Weight of the Underlying Basket as specified in the Specific Rules.
Replication Costs, “$RC(k)$”	As defined in the SGI Global Methodology. The Fixed Replication Costs are specified in the Specific Rules.
Transaction Costs, “$TC(k,t)$”	As defined in the SGI Global Methodology. The Fixed Transaction Costs are specified in the Specific Rules.
FX Hedging Frequency	means, the frequency at which the instruments used to hedge the currency risk of the strategy are rolled, as specified in the Specific Rules. The FX Hedging Frequency can be daily, 1-month, 2-month, and 3-month.
FX Hedging Methodology	means, the methodology used to hedge the currency risk of the strategy, as specified in the Specific Rules. The FX Hedging Methodology can be “Forward”, or “Rates”.

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Gross Strategy Level, “GSL(t)”	means, in respect of any Calculation Date (t), the level of the Strategy gross of fees calculated, pursuant to the rules set out in Section 2.6 hereof.
Hedging Ratio (“HR_i(t)”)	means, in respect of the ⁱ th Currency that is different from the Strategy Currency and a Calculation Date (t), a percentage, between 0 and 100%, of the currency exposure to be hedged, as specified in the Specific Rules.
IND(X)	means, the function returns 1 if condition X is TRUE and 0 otherwise.
Interpolated Forward FX Rate “IFF_i(t)”	means, in respect of the ⁱ th Currency that is different from the Strategy Currency and a Calculation Date (t), the interpolated foreign forward exchange rate, calculated pursuant to the rules set out in Section 2.6.3 hereof.
IsFXHedge	means, a parameter as specified in the Specific Rules. If specified as “TRUE”, the Strategy shall be hedged or partially hedged in Strategy Currency. If specified as “FALSE”, the Strategy shall carry the currency risk in the exposure to the assets denominated in a currency other than the Strategy Currency.
IsStrategyReviewed	means, a parameter as specified in the Specific Rules. If specified as “TRUE”, the Strategy is reviewed from time to time by the Strategy Scientific Committee. If specified as “FALSE”, the Strategy is a static allocation rebalanced from time to time, as the case may be.
Maintenance Fees (“MF”)	means, a fee expressed as a percentage of the Strategy Level and reflects Strategy Sponsor’s compensation for structuring and maintaining the Strategy as specified in the Specific Rules.
Number of Underlying Basket Components, “NC(t)”	means, in respect of any Calculation Date(t), the function that returns the number of the Underlying Basket Components. For the avoidance of doubt, for a Calculation Date that is a Rebalancing Date, such number includes only the Underlying Basket Components post rebalancing.
Number of Currency, “NFX(t)”	means, in respect of any Calculation Date(t), the function that returns the number of the Underlying Basket Component Currencies that are different from the Strategy Currency. For the avoidance of doubt, for a Calculation Date that is a Rebalancing Date, such number includes only the Underlying Basket Component Currencies post rebalancing.
Strategy Advisor	As defined in the SGI Global Methodology. The Strategy Advisor is specified in the Specific Rules if applicable.
Strategy Advisory Fee (“IAF”)	means any fee payable to the Strategy Advisor in respect of its services as advisor of the Strategy. The Strategy Advisory Fee is specified in the Specific Rules if applicable.
Strategy Calculation Agent	As defined in the SGI Global Methodology. The Strategy Calculation Agent is specified in the Specific Rules.
Strategy Calculation Agent Methodology	means the calculation methodology appropriate to the relevant Custom Basket Strategy as specified in the Specific Rules, as amended from

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time to time thereafter, available on the Strategy Calculation Agent website as specified in the Specific Rules.

Strategy Calculation Methodology	means the calculation methodology following which the Strategy is calculated as specified in the Specific Rules.
Strategy Currency	As defined in the SGI Global Methodology. The Strategy Currency is specified in the Specific Rules.
Strategy Launch Date	As defined in the SGI Global Methodology. The Strategy Launch Date is specified in the Specific Rules.
Strategy Level or Strategy Closing Level, "SL(t)"	means, in respect of any Calculation Date (t), the level of the Strategy calculated and published by the Strategy Calculation Agent on such date, pursuant to the rules set out in Section 2.5 hereof.
Strategy Scientific Committee	means, the scientific committee comprising at least one (1) member representing the Strategy Sponsor and one (1) member representing the Strategy Advisor, if applicable.
Strategy Sponsor	Société Générale ("SG").
Unhedged Gross Strategy Level, "UGSL(t)"	means, in respect of any Calculation Date (t), the level of the Strategy before the hedge of currency risk and gross of fees, calculated pursuant to the rules set out in Section 2.7 hereof.
Strategy Transaction Cost, STC(t)	means in respect of Calculation Date (t), the cost expressed in basis points that would be charged in relation to the deemed purchase or sale of the Index on such date. The Index Transaction Cost is determined by the Calculation Agent pursuant to the formula set out in Section 2.18 and if applicable, published on the Strategy Costs Bloomberg Ticker.

2.3 Terms and definitions relating to the Underlying Basket Components:

Corporate Event Proceeds, ("CEP(k, t)")	means, in respect of a Calculation Date (t) and an Underlying Basket Component (k), the cash proceeds received by holding positions of such Underlying Basket Component and for which Calculation Date(t) is the Ex-Date or the date on which the relevant Corporate Event is determined as unconditional, determined pursuant to Section 2.9 hereof); and " FX_{CEP(k,t)} " means the relevant Forex Rate at which the Corporate Event Proceeds are converted into the Strategy Currency in respect of such Calculation Date (t) and such Underlying Basket Component (k).
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Dividend “Div(k,t)”	means the aggregate cash dividend before the deduction of the Withholding Tax Rate if any (including special cash dividend or any other cash distribution) attached to the Underlying Basket Component (k) or its components and for which Calculation Date (t) is the Ex-Date. For the avoidance of doubt, if the amount of the cash dividend is unknown as of the Ex-Date (for example, in respect of issuers in countries including but not limited to Japan and South Korea), an estimated amount if available, or where unavailable, the historical dividend paid from the same period in the previous year (in either case, the “ Estimated Dividend ”) shall be used for purposes of calculating the Strategy. In such case, once the actual dividend amount is known by public announcement or actual payment (the “ Actual Dividend ”), if (i) the Actual Dividend differs from the Estimated Dividend, or (ii) any correction of the dividend payment amount is made after the relevant Ex-Date in respect of the dividend payment amount recorded as of the Ex-Date, then pursuant to Section 2.7.2.1, if the Dividend Reinvestment Method is elected as “ Cash ”; or Section 2.11.1, if the elected Dividend Reinvestment Method is “ Individual Basket Component ” or “ Basket ”, an adjustment shall be made: (x) for the difference between the Estimated Dividend and Actual Dividend or, as the case may be, (y) for the correction of the dividend payment differing from the recorded dividend. The Underlying Basket Component Quantity as of the relevant Ex-Date shall be used in making such adjustment and for the avoidance of doubt, the Strategy Level prior to such adjustment shall not be affected.
Ex-Date, “t_{EX}”	means, in respect of an Underlying Basket Component that is a Share or an ETF Share, the date on which such component either, as the case may be, (i) has commenced trading on its Exchange or (ii) is available for any ex-ordinary dividend, ex-extraordinary dividend, or ex-distributed asset, ex-right or ex-any distribution to the holder of such Share or ETF Share.
Total Weight of the Underlying Basket Components, “TOTW(t)”	means, in respect of a Calculation Date (t), the sum of the weights of all Underlying Basket Components composing the Underlying Basket, determined pursuant to Section 2.13.
Underlying Basket Component	Basket Any component from time to time composing the Underlying Basket, as specified in the Specific Rules.
Underlying Basket Component Adjustment Factor, “AF(k,t)”	means, in respect of a Calculation Date (t) and an Underlying Basket Component (k), the adjustment factor to reflect the impact of any Corporate Events, determined pursuant to Section 2.11.
Underlying Basket Component Closing Price, “UBCCP(k,t)”	As defined in the SGI Global Methodology.

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- Underlying Basket Component Reference Price, “UBCRP(k,t)”**
- (i) If “**CLOSING PRICE**” is specified in the applicable Specific Rules: the Underlying Basket Component Closing Price;
 - (ii) If “**FIXING PRICE**” is specified in the applicable Specific Rules: the price or level of the relevant Underlying Basket Component (k), as of such Calculation Date (t) and as of the FIXING TIME as specified in the applicable Specific Rules;
 - (iii) If “**TWAP**” is specified in the applicable Specific Rules: the time weighted average price or level of the relevant Underlying Basket Component (k), on such Calculation Date (t), calculated as an equal-weighted average price of all trades executed between the TWAP START TIME (included, as specified in the applicable Specific Rules) and the TWAP END TIME (excluded, as specified in the applicable Specific Rules), as determined by the Strategy Calculation Agent;
 - (iv) If “**VWAP**” is specified in the applicable Specific Rules: the volume weighted average price or level of the relevant Underlying Basket Component (k), on such Calculation Date (t), calculated as a volume weighted average price of all trades executed between the VWAP START TIME (included, as specified in the applicable Specific Rules) and the VWAP END TIME (excluded, as specified in the applicable Specific Rules), as determined by the Strategy Calculation Agent;
 - (v) If “**OPENING PRICE**” is specified in the applicable Specific Rules: the official opening price or level of the relevant Underlying Basket Component (k), as of such Calculation Date (t);
 - (vi) If “**BEST EFFORT**” is specified in the applicable Specific Rules: the price or level of the relevant Underlying Basket Component (k), at which the Hypothetical Replicating Party has executed as if it were to hedge such Reference Price as of such Calculation Date (t).

Underlying Basket Component Price, “S(k,t)” means, in respect of a Calculation Date (t) and an Underlying Basket Component (k), the price of such Underlying Basket Component, determined pursuant to Section 2.8.

Underlying Basket Component Currency means in respect of an Underlying Basket Component, the currency in which the price of such component is quoted.

Underlying Basket Component Quantity, “Q(k,t)” means, in respect of an Underlying Basket Component (k) and a Calculation Date (t), the quantity of such Underlying Basket Component effective on the close of Calculation Date (t), determined pursuant to Section 2.9.

Underlying Basket Component Return, “UBCR(t)” means, in respect of a Calculation Date (t), the return of the Underlying Basket Components between Calculation Date (t-1) and Calculation Date (t), determined pursuant to Section 2.7.1.

Underlying Basket Component Return Type means, in respect of an Underlying Basket Component, its return type as provided in the Specific Rules.

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Underlying Component “TW(k,t _{REV})”	Target Weight,	Basket Weight,	<p>means, in respect of an Underlying Basket Component (k) and a Review Date, the target weight (expressed in percentage) of such component in the Underlying Basket to be effective on the following Rebalancing Dates, as specified in the Specific Rules.</p> <p style="text-align: center;">TW(k, t₀) is displayed in the Specific Rules.</p>
Underlying Component “W ^N (k,t _{REV})”		Basket Weight,	<p>means, in respect of an Underlying Basket Component (k), the Nth Rebalancing Date following a Review Date, the weight (expressed in percentage) of such component in the Underlying Basket to be effective on the such Rebalancing Date, determined pursuant Section 2.10.</p>
Withholding (“WHT”)	Tax	Rate,	<p>means, in respect of Underlying Basket Component, the tax rate applied to cash distributions as specified in the Specific Rules.</p> <p>For the avoidance of doubt, the Withholding Tax Rate applied to the dividend sourced from Australian companies is adjusted to take into account the franking percentage and/or the conduit foreign income. In the case the franking percentage and/or the conduit foreign income not publicly available prior to the ex-date, the franking percentage and the conduit foreign income will be considered, respectively, as zero.</p>

2.4 Terms and definitions relating to the Market Data

Forex, “FX_i(t)” or “FX(k,t)”	<p>means, in respect of the ith Currency other than the Strategy Currency or an Underlying Basket Component (k), as applicable, and a Calculation Date (t), the foreign spot exchange rate to convert in the Strategy Currency one unit of the Underlying Basket Component Currency obtained using the WM/Reuters closing spot rate, displayed on the Bloomberg page as specified in the Specific Rules on such Calculation Date, or any successor service or page for the purpose of displaying such foreign spot exchange rate, as determined by the Strategy Calculation Agent after instruction from the Strategy Sponsor.</p>	
Forex Forward Rate, “FFR_i(t)”	<p>means, in respect of the ith Currency other than the Strategy Currency and a Calculation Date (t), the foreign forward exchange rate to convert in the Strategy Currency one unit of the Underlying Basket Component Currency obtained using the WM/Reuters closing forward rate, displayed on the Bloomberg page as specified in the Specific Rules on such Calculation Date, or any successor service or page for the purpose of displaying such foreign spot exchange rate, as determined by the Strategy Calculation Agent after instruction from the Strategy Sponsor.</p>	
Rate, “R(t)”	<p>means, in respect of Calculation Date (t), the short-term floating rate displayed on the Bloomberg page specified in the Specific Rules and dated as of such date or, if unavailable, the latest rate available.</p>	
Underlying Component Rate, “UR(k, t)”	Basket	<p>means, in respect of Calculation Date (t) and an Underlying Basket Component (k), the short-term floating rate as specified in the Specific Rules and dated as of such date or, if unavailable, the latest rate available.</p>

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Daycount(k)

means, in respect of Underlying Basket Component Rate (k), its day count convention.

2.5 Determination of the Strategy Level “SL(t)”:

If the Strategy Calculation Methodology is specified in the Specific Rules as “**External Calculation Agent’s Methodology**”, the Strategy Level shall be determined by the Strategy Calculation Agent as per the relevant provisions of the Strategy Calculation Agent Methodology.

Following a Corporate Event, the Strategy may be adjusted by the Strategy Calculation Agent in accordance with the relevant provisions of the SGI Global Methodology, but subject always to the Strategy Calculation Agent Methodology.

If the Strategy Calculation Methodology is specified as “**Strategy Sponsor’s Methodology**”, the Strategy Level, in respect of Calculation Date (t), is calculated as follows:

$$SL(t) = SL(t - 1) \times \frac{GSL(t) - AC(t)}{GSL(t - 1)}$$

where: $SL(t_0) = 1000$

In the case of a “Real Time” calculation frequency and/or publication time and where the context so requires, the Strategy Level shall be considered the “Closing Price” as such terms may be used in products’ documentation.

Accordingly, for purposes of such products’ documentation, references herein to other intermediary levels, shall be construed as the corresponding intermediary level (if any) under such documentation.

2.6 Determination of the Gross Strategy Level “GSL(t)”:

For any Calculation Date (t), the Gross Strategy Level is determined as follows:

If parameter IsFXHedged is specified as “**FALSE**” in the Specific Rules:

$$GSL(t) = UGSL(t)$$

If parameter IsFXHedged is specified as “**TRUE**” in the Specific Rules:

a. If FX Hedging Frequency is specified as “**Daily**”:

(i) If FX Hedging Methodology is specified as “**Forward**”:

$$GSL(t) = GSL(t - 1) \times \left[\frac{UGSL(t)}{UGSL(t - 1)} + \sum_{i=1}^{NFX(t-1)} \left(WFX_i(t - 1) \times \left(\frac{FX_i(t - 1)}{EFF_i(t - 1)} - \frac{FX_i(t - 1)}{FX_i(t)} \right) \times HR_i(t - 1) \right) \right]$$

(ii) If FX Hedging Methodology is specified as “**Rates**”:

$$GSL(t) = GSL(t - 1) \times \left[\frac{UGSL(t)}{UGSL(t - 1)} - \sum_{i=1}^{NFX(t-1)} \left(WFX_i(t - 1) \times \left(\frac{FX_i(t)}{FX_i(t - 1)} - 1 \right) \times HR_i(t - 1) \right) \right]$$

b. Otherwise:

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- (i) If FX Hedging Methodology is specified as **“Forward”**:

$$GSL(t) = GSL(t_{FXR}) \times \left[\frac{UGSL(t)}{UGSL(t_{FXR})} + \sum_{i=1}^{NFX(t_{FXR})} \left(WFX_i(t_{FXR}) \times \left(\frac{FX_i(t_{FXR})}{EFF_i(t_{FXR})} - \frac{FX_i(t_{FXR})}{IFF_i(t)} \right) \times HR_i(t_{FXR}) \right) \right]$$

- (ii) If FX Hedging Methodology is specified as **“Rates”**:

$$GSL(t) = GSL(t_{FXR}) \times \left[\frac{UGSL(t)}{UGSL(t_{FXR})} - \sum_{i=1}^{NFX(t_{FXR})} \left(WFX_i(t_{FXR}) \times \left(\frac{FX_i(t)}{FX_i(t_{FXR})} - 1 \right) \times HR_i(t_{FXR}) \right) \right]$$

where: $GSL(t_0) = 1000$

2.6.1 Determination of the Currency Weight “WFX_i(t)”:

For any Calculation Date (t) and the ⁱth Currency (“Cur_i”) exposure of the Strategy, the Currency Weight is determined as follows:

$$WFX_i(t) = \frac{\sum_{k=1}^{NC(t)} (Q(k, t) \times FX(k, t) \times S(k, t) \times IND(Cur(k) = Cur_i))}{UGSL(t)}$$

where:

“Cur(k)” means the Currency of the Underlying Basket Component (k).

2.6.2 Determination of the Effective Forward FX Rate “EFF_i(t)”:

For any FX Hedge Rebalancing Date (t_{FXR}) and the ⁱth Currency (“Cur_i”) exposure of the Strategy, the **Effective** Forward FX Rate is determined as follows:

If the FX Hedging Frequency is specified as **“Daily”**:

$$EFF_i(t) = FFR_i(t)$$

Otherwise:

If the FX Hedge Rebalancing Date is a Scheduled FX Hedging Date:

$$EFF_i(t_{FXR}) = FFR_i(t_{FXR})$$

If the FX Hedge Rebalancing Date is a Rebalancing Date that is not a Scheduled FX Hedging Date, the **Effective** Forward FX Rate is determined as follows:

$$EFF_i(t_{FXR}) = FX_i(t_{FXR}) + \frac{ACT(t_{FXR}, t_{SFXR} +)}{NHF} \times (FFR_i(t_{FXR}) - FX_i(t_{FXR}))$$

with: NHF = 30, if FX Hedging Frequency is specified as **“1-month”** in the Specific Rules; 60, if FX Hedging Frequency is specified as **“2-month”** in the Specific Rules; and 91, if FX Hedging Frequency is specified as **“3-month”** in the Specific Rules.

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2.6.3 Determination of the Interpolated Forward FX Rate “IFF_i(t)”:

For any Calculation Date (t) and the ith Currency exposure of the Strategy, the Interpolated Forward FX Rate is determined as follows:

$$IFF_i(t) = FX_i(t) + \frac{ACT(t, t_{SFXR} +)}{ACT(t_{FXR}, t_{SFXR} +)} \times (FFR_i(t) - FX_i(t))$$

2.7 Determination of the Unhedged Gross Strategy Level “UGSL(t)”:

For any Calculation Date (t), the Unhedged Gross Strategy Level is determined as follows:

$$UGSL(t) = UGSL(t-1) + UBCR(t) + CDR(t) + CR(t)$$

where: USGL(t₀) = 1000.

2.7.1 Determination of the Underlying Basket Component Return “UBCR(t)”:

For any Calculation Date (t), the Underlying Basket Component Return is determined as follows:

$$UBCR(t) = \sum_{k=1}^{NC(t-1)} (Q(k, t-1) \times [AF(k, t) \times FX(k, t) \times S(k, t) - FX(k, t-1) \times S(k, t-1)])$$

2.7.2 Determination of the Cash Distribution Return “CDR(t)”:

For any Calculation Date (t), the Cash Distribution Return is determined as follows:

$$CDR(t) = DivR(t) + CCER(t)$$

With the following additional determinations:

2.7.2.1 Determination of the Dividend Return “DivR(t)”:

For any Calculation Date (t), the Dividend Return is determined as follows:

If Dividend Reinvestment Method is specified in the Specific Rules as “**Cash**”:

$$DivR(t) = \sum_{k=1}^{NC(t)} [Q(k, t-1) \times (1 - WHT(k, t_{EX})) \times Div(k, t_{EX}) \times FX(k, t_{EX} - 1)]$$

with: $t-1 < t_{EX} \leq t$

If Dividend Reinvestment Method is specified in the Specific Rules as “**Individual Basket Component**” or “**Basket**” or the Strategy Return Type is specified as “**Price Return**”:

$$DivR(t) = 0$$

2.7.2.2 Determination of the Cash Corporate Event Return “CCER(t)”:

For any Calculation Date (t), the Cash Corporate Event Return is determined as follows:

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If Cash Corporate Event Reinvestment Method is specified in the Specific Rules as “**Cash**”:

$$CCER(t) = \sum_{k=1}^{NC(t)} [Q(k, t-1) \times CEP(k, t_{EX}) \times FX_{CEP}(k, t_{EX} - 1)]$$

where: $t-1 < t_{EX} \leq t$

If Cash Corporate Event Reinvestment Method is specified in the Specific Rules as “**Basket**”:

$$CCER(t) = 0$$

2.8 Determination of the Underlying Basket Component Price “S(k,t)”:

For any Calculation Date (t), in respect of an Underlying Basket Component (k), the Underlying Basket Component Price is determined as follows:

If Strategy Return Type is “Net Total Return”, “Gross Total Return” or “Price Return”:

If the Underlying Basket Component Return Type is “**Price Return**”:

$$S(k,t) = UBCRP(k, t)$$

If the Underlying Basket Component Return Type is “**Net Total Return**” or “**Gross Total Return**”:

$$S(k,t) = UBCCP(k, t)$$

If the Underlying Basket Component Return Type is “**Excess Return**”

$$S(k, t) = S(k, t-1) \times \left(\frac{UBCCP(k, t)}{UBCCP(k, t-1)} + UR(k, t-1) \times \frac{ACT(t-1, t)}{Daycount(k)} \right)$$

where $S(k, t_0) = 100$.

If Strategy Return Type is “Excess Return”:

If the Underlying Basket Component Return Type is “**Price Return**”:

$$S(k, t) = S(k, t-1) \times \left(\frac{UBCRP(k, t)}{UBCRP(k, t-1)} - UR(k, t-1) \times \frac{ACT(t-1, t)}{Daycount(k)} \right)$$

where $S(k, t_0) = 100$.

If the Underlying Basket Component Return Type is “**Net Total Return**” or “**Gross Total Return**”:

$$S(k, t) = S(k, t-1) \times \left(\frac{UBCCP(k, t)}{UBCCP(k, t-1)} - UR(k, t-1) \times \frac{ACT(t-1, t)}{Daycount(k)} \right)$$

where $S(k, t_0) = 100$.

If the Underlying Basket Component Return Type is “**Excess Return**”

$$S(k, t) = UBCCP(k, t)$$

2.9 Determination of the Underlying Basket Component Quantity “Q(k,t)”:

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For any Calculation Date (t), in respect of an Underlying Basket Component (k), the Underlying Basket Component Quantity is determined as follows:

For Strategy Launch Date t_0 :

$$Q(k, t_0) = \frac{GSL(k, t_0) \times W(k, t_0)}{S(k, t_0) \times FX(k, t_0)}$$

For Calculation Date that is the N^{th} Rebalancing Date:

If $RL > 0$:

$$Q(k, t) = \frac{GSL(k, t_{REF}) \times W^N(k, t_{REV})}{S(k, t_{REF}) \times FX(k, t_{REF})} \times \prod_{j=t_{REF}+1}^t RAF(k, j)$$

“**RAF(k,t)**” means the Rebalancing Adjustment Factor, which (1) adjusts the Underlying Basket Component Quantity following any of the corporate events identified below (each, a “**Corporate Event**”), in respect of which the Ex-Date occurs between: the Calculation Date on which the Underlying Basket Component Reference Price is dated, and the Rebalancing Date; and (2) absent such Corporate Event, is equal to 1.

- (i) In the case of such a Corporate Event occurring during such period described above, the $RAF(k,t)$ shall be determined as set out below. **Cash Dividend:** $RAF(k,t)$ shall be determined as if the relevant component is in the Underlying Basket and following the same method in Section 2.11.1 opting “**Individual Basket Component**” as Dividend Reinvestment Method;
- (ii) **Liquidation:** $RAF(k, t)$ for all Calculation Date(s) (t) falling on or after the Ex-Date of such Corporate Event shall be equal to 0;
- (iii) **Spin-Off and Stock Dividend:** in such case where: (a) the Distributed Asset (in part or in whole) is in the form of the relevant component itself, $RAF(k, t)$ shall be determined as if the relevant component is in the Underlying Basket and follow same method in Section 2.11.3 case (a); and/or (b) the Distributed Asset (in part or in whole) includes: (1) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company and/or (2) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Company as a result of a spin off or other similar transaction, the $RAF(t, t-i)$ shall not be affected by such share capital or securities;
- (iv) **Tradable Right Issue:** $RAF(k, t)$ shall be determined as if the relevant component is in the Underlying Basket and following the same method as described in Section 2.11.4;
- (v) **All Cash Tender Offer:** $RAF(k, t)$ for all Calculation Date(s) (t) falling on or after the Ex-Date of such Corporate Event shall be equal to 0;
- (vi) **Equity Tender Offer:** $RAF(k, t)$ for all Calculation Date(s) (t) falling on or after the Ex-Date of such Corporate Event shall be equal to 0;
- (vii) **Equity and Cash Tender Offer:** $RAF(k, t)$ for all Calculation Date(s) (t) falling on or after the Ex-Date of such Corporate Event shall be equal to 0;
- (viii) **Share Split or Share Consolidation:** $RAF(k, t)$ shall be determined as if the relevant component is in the Underlying Basket and following the same method as described in Section 2.11.8;
- (ix) **Delisting:** $RAF(k, t)$ for all Calculation Date(s) (t) falling on or after the Ex-Date of such Corporate Event shall be equal to 0;

Provided that, the provisions of section 2.3 (or any successor provision addressing corporate events) under the SGI Global Methodology shall not be abridged by this Section 2.9 to the extent required to preserve the economic characteristics of the relevant Strategy.

If $RL = 0$:

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$$Q(k, t) = \frac{GSL(k, t) \times W^N(k, t_{REV})}{S(k, t) \times FX(k, t)}$$

Otherwise:

$$Q(k, t) = AF(k, t) \times Q(k, t - 1)$$

2.10 Determination of the Underlying Basket Component Weight “ $W^N(k, t)$ ”:

In respect of a Calculation Date (t) that is the N^{th} Rebalancing Date and Underlying Basket Component (k), the Underlying Basket Component Weight is determined as follows:

$$W^N(k, t) = TW(k, t_{REV-1}) + \frac{N \times (TW(k, t_{REV}) - TW(k, t_{REV-1}))}{N_{RB}(t_{REV})}$$

2.11 Determination of the Underlying Basket Component Adjustment Factor “ $AF(k, t)$ ”:

For any Calculation Date (t), in respect of Underlying Basket Component (k), the Underlying Basket Component Adjustment Factor is determined as follows:

At all times other than following the occurrence of a Corporate Event, $AF(k, t) = 1$.

Following the occurrence of a Corporate Event, the rules set out below in this Section 2.11 shall apply, provided that, the provisions of section 2.3 (or any successor provision addressing corporate events) under the SGI Global Methodology shall not be abridged by this Section 2.11 to the extent required to preserve the economic characteristics of the relevant Strategy.

2.11.1 Cash Dividend:

If Dividend Reinvestment Method is specified in the Specific Rules as “**Individual Basket Component**”:

$$AF(k, t) = 1 + \frac{(1 - WHT(k, t_{EX})) \times Div(k, t_{EX})}{S(k, t - 1) - Div(k, t_{EX})}$$

If Dividend Reinvestment Method is specified in the Specific Rules as “**Basket**”:

For each Underlying Basket Component (k):

$$AF(k, t) = 1 + \frac{\sum_{j=1}^{NC(t-1)} [Q(j, t - 1) \times (1 - WHT(j, t_{EX})) \times Div(j, t_{EX}) \times FX(j, t - 1)]}{\sum_{j=1}^{NC(t-1)} [Q(j, t - 1) \times (S(j, t - 1) - Div(j, t_{EX})) \times FX(j, t - 1)]}$$

where:

t means the Ex-Date of the relevant Cash Dividend, or if such date is not a Calculation Date, the immediately following Calculation Date ($t-1 < t_{EX} \leq t$)

Underlying Basket Component (j) is the Underlying Basket Component that pays dividend and in respect of which the Ex-Date is on such Calculation Date (t).

2.11.2 Liquidation:

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When a Company whose Share is Underlying Basket Component (k), is subject to a voluntary or involuntary liquidation, dissolution or winding-up, nationalization, expropriation or is otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof, the relevant Underlying Basket Component is removed from the Strategy (a “**Liquidation**”):

For such Underlying Basket Component (k):

$$AF(k,t) = 0.$$

If Cash Corporate Event Reinvestment Method is specified as “**Basket**”:

For all other Underlying Basket Component (j) $j \neq k$:

$$AF(j,t) = 1 + \frac{\sum_{k=1}^{NC(t-1)} [Q(k,t-1) \times CEP(k,t_{EX}) \times FX_{CEP}(k,t_{EX}-1)]}{\sum_{j=1}^{NC(t)} [Q(j,t-1) \times S(j,t-1) \times FX(j,t-1)]}$$

where:

t means the Calculation Date on which such voluntary or involuntary liquidation, dissolution or winding-up becomes effective, or if such date is not a Calculation Date, the immediately following Calculation Date ($t-1 < t_{EX} \leq t$).

“**CEP(k,t_{EX})**”, the **Corporate Event Proceeds**, means in respect of Underlying Basket Component (k) and the Ex-Date, any cash amount distributed to the holders of such Underlying Basket Component (the “**Liquidation Amount**”) will be accounted for in the Strategy on the date on which such voluntary or involuntary liquidation, dissolution or winding-up becomes effective.

2.11.3 Spin-off and Stock Dividend:

When a Company whose Share is Underlying Basket Component (k) is subject to a Corporate Event which entitles the holder of N units of Underlying Basket Component (k) to receive on a free basis a number M of (a) Underlying Basket Component (k), and/or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company and/or (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Company as a result of a spin off, or other similar transaction (the “**Distributed Asset**”):

In case of (a) the Distributed Asset is in form of the Underlying Basket Component (k):

$$AF(k,t) = 1 + \frac{M(k,t_{EX})}{N(k,t_{EX})} \times (1 - WHT(k,t_{EX}))$$

In the case of (b) or (c), the Distributed Asset is in the form of payments of dividends (“**Div(k,t)**”) and/or proceeds of liquidation of the Company (“**LP(k,t)**”) and/or share capital or other securities (the Closing Price of such share or security, “**DACP(k,t)**”) of another issuer acquired or owned (directly or indirectly) by the Company as a result of a spin off:

If Cash Corporate Event Reinvestment Method is specified as “**Basket**”:

For all Underlying Basket Component (k):

$$AF(k,t) = 1 + \frac{\sum_{k=1}^{NC(t-1)} [Q(k,t-1) \times CEP(k,t_{EX}) \times FX_{CEP}(k,t_{EX}-1)]}{\sum_{j=1}^{NC(t)} [Q(j,t-1) \times S(j,t-1) \times FX(j,t-1)]}$$

where:

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$$CEP(k, t) = (1 - WHT(k, t_{EX})) \times Div(k, t_{EX}) + LP(k, t_{EX}) + M(k, t_{EX}) \times DACP(k, t_{EX})$$

t means the Ex-Date of the relevant Spin-Off or Stock Dividend, or if such date is not a Calculation Date, the immediately following Calculation Date ($t-1 < t_{EX} \leq t$).

2.11.4 Tradable Rights Issue:

A “**Tradable Rights Issue**” means, in respect of a Share that is an Underlying Basket Component (**k**), the issuance by a Company of securities (the “**Rights**” and each a “**Right**”) which entitle the bearer to subscribe or buy securities issued by the Company, at a pre-determined price.

Upon occurrence of a Tradable Rights Issue, on the Ex-Date or the first Calculation Date immediately following the Ex-Date if such Ex-Date is not a Calculation Date (“**t**” and $t-1 < t_{EX} \leq t$):

$$AF(k, t) = 1 + \frac{\frac{M(k, t_{EX})}{N(k, t_{EX})} \times RI(k, t_{EX})}{S(k, t_{EX})}$$

where:

In respect of Underlying Basket Component (**k**) and Calculation Date (**t**), the holder of such Underlying Basket Component (**k**) is entitled **M(k, t)** number of Rights for holding **N(k, t)** shares under such Tradable Rights Issue.

“**RI(k, t)**” means, in respect of Calculation Date (**t**) and Underlying Basket Component (**k**), the closing price of the Right as of such date; or if there was no such closing price, **RI(k, t)** would be the theoretical value of the Right calculated as follows:

$$RI(k, t_{EX}) = \frac{p(k, t_{EX})}{q(k, t_{EX})} \times (S(k, t_{EX}) - \text{Subscription}(k, t_{EX}))$$

where:

In respect of Underlying Basket Component (**k**) and Calculation Date (**t**), the holder of such Underlying Basket Component (**k**) is entitled to **p(k, t)** number of shares for holding **q(k, t)** Rights under such Tradable Rights Issue.

“**Subscription (k, t)**” is, in respected of Underlying Basket Component (**k**) and Calculation Date (**t**), the pre-determined price at which the bearer of a Right is entitled to subscribe or buy securities issued by the Company of such Underlying Basket Component (**k**) under such Tradable Rights Issue.

2.11.5 All Cash Tender Offer:

An “**All Cash Tender Offer**” means in respect of an Underlying Basket Component (**k**), a takeover offer, tender offer, exchange offer, solicitation proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, Shares of the relevant Company, for the minimum percentage applicable to such offer in the relevant jurisdiction, against cash consideration only (the “**Cash Consideration**”). Upon occurrence of an All Cash Tender Offer, on the Calculation Date(**t**) on or immediately following the date on which the All Cash Tender Offer is deemed unconditional as determined on the basis of the relevant applicable rules (“**t_{EX}**” with $t-1 < t_{EX} \leq t$):

For such Underlying Basket Component (**k**):

$$AF(k, t) = 0.$$

If Cash Corporate Event Reinvestment Method is specified as “**Basket**”:

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For all other Underlying Basket Component (j) $j \neq k$:

$$AF(j, t) = 1 + \frac{\sum_{k=1}^{NC(t-1)} [Q(k, t-1) \times CEP(k, t_{EX}) \times FX_{CEP}(k, t_{EX} - 1)]}{\sum_{j=1}^{NC(t)} [Q(j, t-1) \times S(j, t-1) \times FX(j, t-1)]}$$

where:

“**CEP(k,t)**”, the **Corporate Event Proceeds**, means in respect of Underlying Basket Component (k) and the Calculation Date (t), the greater of (a) the Underlying Basket Component Closing Price as of such Calculation Date and (b) the Cash Consideration to which the holder of such Underlying Basket Component (k) is entitled under the All Cash Tender Offer.

2.11.6 Equity Tender Offer:

An “**Equity Tender Offer**” means, in respect of a Share that is an Underlying Basket Component (k), a takeover offer, tender offer, exchange offer, solicitation proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, Shares of the relevant Company (the “**Acquirer**”), for the minimum percentage applicable to such offer in the relevant jurisdiction, against equity consideration only. Upon occurrence of an Equity Tender Offer, on the Calculation Date(t) on or immediately following the date on which the Equity Tender Offer is deemed unconditional as determined on the basis of the relevant applicable rules (“**t_{EX}**” with $t-1 < t_{EX} \leq t$):

For such Underlying Basket Component (k):

$$AF(k, t) = 0.$$

If the Share of the Acquirer, Underlying Basket Component (j), is an Underlying Basket Component on such Calculation Date (t):

$$AF(j, t) = 1 + \frac{Q(k, t-1)}{Q(j, t-1)} \times \frac{M(k, t_{EX})}{N(k, t_{EX})}$$

If the Share of the Acquirer, is **NOT** an Underlying Basket Component on such Calculation Date (t); such Share shall be deemed added to the Underlying Basket as an Underlying Basket Component (j) with a Basket Component Quantity:

$$Q(j, t) = Q(k, t-1) \times \frac{M(k, t_{EX})}{N(k, t_{EX})}$$

where;

M(k,t) is the number of shares of the Acquirer to which the holder of **N(k,t)** Shares of Underlying Basket Component(k) is entitled under the Equity Tender Offer.

2.11.7 Equity and Cash Tender Offer:

An “**Equity and Cash Tender Offer**” means, in respect of a Share that is an Underlying Basket Component (i), a takeover offer, tender offer, exchange offer, solicitation proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, Shares of the relevant Company (the “**Acquirer**”), for the minimum percentage applicable to such offer in the relevant jurisdiction, against both equity (the “**Equity Consideration**”) and cash consideration (the “**Cash Consideration**”). Upon occurrence of an Equity and Cash Tender Offer, on the Calculation Date(t) on or immediately following the date on which the Equity and Cash Tender Offer is deemed unconditional pursuant to applicable rules (“**t_{EX}**” with $t-1 < t_{EX} \leq t$):

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For such Underlying Basket Component (k):

$$AF(k,t) = 0.$$

If the Share of the Acquirer, Underlying Basket Component (j), is an Underlying Basket Component on such Calculation Date (t):

$$AF(j,t) = 1 + \frac{Q(k,t-1)}{Q(j,t-1)} \times \frac{M(k,t_{EX})}{N(k,t_{EX})}$$

If the Share of the Acquirer, is NOT an Underlying Basket Component on such Calculation Date (t); such Share shall be deemed added to the Underlying Basket as Underlying Basket Component (j) with a Basket Component Quantity:

$$Q(j,t) = Q(k,t-1) \times \frac{M(k,t_{EX})}{N(k,t_{EX})}$$

If Cash Corporate Event Reinvestment Method is specified as “**Basket**”:

For all other Underlying Basket Component (u) $u \neq k$ and $u \neq j$:

$$AF(u,t) = 1 + \frac{\sum_{k=1}^{NC(t-1)} [Q(k,t-1) \times CEP(k,t_{EX}) \times FX_{CEP}(k,t_{EX}-1)]}{\sum_{u=1}^{NC(t)} [Q(u,t-1) \times S(u,t-1) \times FX(u,t-1)]}$$

where;

M(k,t) is the number of shares of the Acquirer to which the holder of **N(k,t)** Shares of Underlying Basket Component(k) is entitled under the Equity Tender Offer.

“**CEP(k,t)**”, the **Corporate Event Proceeds**, means in respect of Underlying Basket Component (k) and the Calculation Date (t), the greater of (a) the Basket Component Closing Price on such Calculation Date(t) and (b) the Cash Consideration to which the holder of such Underlying Basket Component(k) is entitled under the Equity and Cash Tender Offer.

2.11.8 Share Split or Share Consolidation:

A “**Share Split or Share Consolidation**” means, in respect of a Share that is an Underlying Basket Component (k), that N Shares held by a holder of such Shares are exchanged against a quantity of such Shares equal to M, where M is greater than N in the case of a Share Split and M is lower than N in the case of a Share Consolidation. Upon occurrence of a Share Split or Share Consolidation, on the Calculation Date(t) on or immediately following the date on which the Share Split or Share Consolidation is deemed effective (“**t_{EX}**” with $t-1 < t_{EX} \leq t$):

$$AF(k,t) = \frac{M(k,t_{EX})}{N(k,t_{EX})}$$

M(k,t) is the number of shares to which the holder of **N(k,t)** Shares of Underlying Basket Component(k) is entitled under the Share Split or Share Consolidation.

2.11.9 Delisting:

“**Delisting**” means, with respect to a Share that is an Underlying Basket Component (i), that the relevant Exchange announces that pursuant to the rules of such Exchange, the Share ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason and is not immediately re-listed, re-traded

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or quoted on an exchange or quotation system located in the same country as the Exchange (or where the Exchange is within the European Union, in any member state of the European Union).

Upon the occurrence of a Delisting, the Strategy Calculation Agent will take the following measures, as applicable:

(1) In the case where no suitable successor exchange can be determined by the Strategy Calculation Agent, such Share will be removed from the Underlying Basket on the close of business of the last Scheduled Trading Day on which such Share is listed, traded or publicly quoted on the Exchange;

For such Underlying Basket Component (k):

$$AF(k,t) = 0.$$

If Cash Corporate Event Reinvestment Method is specified as “**Basket**”:

For all other Underlying Basket Component (j) $j \neq k$:

$$AF(j,t) = 1 + \frac{\sum_{k=1}^{NC(t-1)} [Q(k,t-1) \times CEP(k,t_{EX}) \times FX_{CEP}(k,t_{EX}-1)]}{\sum_{j=1}^{NC(t)} [Q(j,t-1) \times S(j,t-1) \times FX(j,t-1)]}$$

where:

t means the Ex-Date which is the last Scheduled Trading Day on which such Share is listed, traded or publicly quoted on the Exchange, or if such date is not a Calculation Date, the immediately following Calculation Date ($t-1 < t_{EX} \leq t$).

“**CEP(k,t_{EX})**”, the **Corporate Event Proceeds**, means in respect of Underlying Basket Component (k) and the Ex-Date t_{EX} , any cash amount realized by the holders of such Underlying Basket Component upon the occurrence of the delisting on the close of business of the last Scheduled Trading Day on which such Share is listed, traded or publicly quoted on the Exchange.

or

(2) In the case where a suitable successor exchange can be determined by the Strategy Calculation Agent in consultation with the Strategy Sponsor, such suitable successor exchange shall become the Exchange for such Share.

2.11.10 Implementation order:

If several Corporate Events are to occur on the same date, the implementation of such corporate event shall be done by the Strategy Calculation Agent in the order set forth in this Section 2.9.

2.12 Determination of the Cash Return, “CR(t)”:

The Cash Return in respect of a Calculation Date (t) is determined as follows:

If Strategy Return Type is “Excess Return”:

$$CR(t) = 0$$

Otherwise:

$$CR(t) = GSL(t_{RB}) \times (1 - TOTW(t_{RB})) \times R(t-1) \times DCF(t-1,t)$$

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2.13 Determination of the Total Weight of the Underlying Basket Components, “TOTW(t)”:

The Total Weight of the Underlying Basket Components in respect of a Rebalancing Date is determined as follows:

$$\text{TOTW}(t_{\text{RB}}) = \frac{\sum_{k=1}^{\text{NC}(t)} (Q(k, t_{\text{RB}}) \times \text{FX}(k, t_{\text{RB}}) \times S(k, t_{\text{RB}}))}{\text{GSL}(t_{\text{RB}})}$$

2.14 Determination of the Aggregate Cost, “AC(t)”:

The Aggregate Cost in respect of a Calculation Date (t) is determined as follows:

$$\text{AC}(t) = \text{ATC}(t) + \text{ARC}(t) + \text{AFXHC}(t)$$

2.15 Determination of the Aggregate Transaction Cost, “ATC(t)”:

The Aggregate Transaction Cost in respect of a Calculation Date (t) is determined as follows:

If t is a Rebalancing Date:

$$\text{ATC}(t) = \sum_{k=1}^{\text{Nt}(t)} [\text{TC}(k, t) \times \text{ABS}(W^+(k, t) - W^-(k, t)) \times \text{GSL}(t)]$$

Otherwise: $\text{ATC}(t) = 0$

where:

“**Nt(t)**” means the total number of Underlying Basket Components including both before and after the rebalancing.

“**W⁺(k,t)**” means, in respect of Underlying Basket Component (k), the new Weight of the relevant Underlying Basket Component following a rebalancing as of the close of the Rebalancing Date and effective on the open of the immediately following Calculation Date, determined as follows:

$$W^+(k, t) = \frac{Q(k, t) \times S(k, t) \times \text{FX}(k, t)}{\text{GSL}(t)}$$

“**W⁻(k,t)**” means, in respect of Underlying Basket Component (k), the Weight of the relevant Underlying Basket Component before the rebalancing, determined as follows:

$$W^-(k, t) = \frac{Q(k, t-1) \times \text{AF}(k, t) \times S(k, t) \times \text{FX}(k, t)}{\text{GSL}(t)}$$

2.16 Determination of the Aggregate Running Cost, “ARC(t)”:

The Aggregate Running Cost in respect of a Calculation Date (t) is determined as follows:

$$\begin{aligned} \text{ARC}(t) = & \text{GSL}(t-1) \times (\text{IAF} + \text{MF}) \times \frac{\text{ACT}(t-1, t)}{365} \\ & + \sum_{k=1}^{\text{NC}(t-1)} Q(k, t-1) \times S(k, t) \times \text{FX}(k, t) \times \text{RC}(k) \times \frac{\text{ACT}(t-1, t)}{365} \\ & + \text{GSL}(t_{\text{RB}}) \times \text{ABS}(\text{MIN}(0, 1 - \text{TOTW}(t_{\text{RB}}))) \times \text{FBS} \times \text{DCF}(t-1, t) \end{aligned}$$

2.17 Determination of the Aggregate FX Hedging Cost, “AFXHC(t)”:

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The Aggregate FX Hedging Cost in respect of a Calculation Date (t) is determined as follows:

On each FX Hedge Rebalancing Date t_{FXR} :

$$AFXHC(t) = \sum_{i=1}^{NFX(t_{FXR})} (GSL(t_{FXR}) \times WFX_i(t_{FXR}) \times FXTC_i \times HR_i(t_{FXR}))$$

Otherwise: $AFXHC(t) = 0$.

2.18 Determination of Strategy Transaction Costs, “STC(t)”:

The Strategy Transaction Costs in respect of Calculation Date (t) is determined as follows:

$$STC(t) = 10000 \times \sum_{k=1}^{Nt(t)} [TC(k, t) \times ABS(W^+(k, t))]$$

“**Nt(t)**” means the total number of Underlying Basket Components including both before and after the rebalancing.

“**W⁺(k,t)**” means, in respect of Underlying Basket Component (k), the new Weight of the relevant Underlying Basket Component following a rebalancing as of the close of the Rebalancing Date and effective on the open of the immediately following Calculation Date, determined as follows:

$$W^+(k, t) = \frac{Q(k, t) \times S(k, t) \times FX(k, t)}{GSL(t)}$$

2.19 Rounding Rules:

The rounding policy is defined as follows:

- Strategy Level: 3 decimal places.

3. Strategy Review and Strategy :

If IsStrategyReviewed is specified as “TRUE” in the Specific Rules, in respect of the relevant Strategy, this Section 3 is applicable.

The composition of the Strategy, or as the case may be, the Underlying Basket thereof is reviewed regularly by the Strategy Advisor without convening the Strategy Scientific Committee. Each component constituting the Underlying Basket and the allocation of the Underlying Basket shall follow the Investment Guidelines described in the Specific Rules.

However, the Strategy Scientific Committee in respect of such Strategy may, pursuant to the Strategy Scientific Committee Governance (as described below), supplement, amend or revise in whole or in part, the Strategy Rules which may lead to changes in the way the Strategy is compiled and calculated or affect the Strategy in another way.

3.1. Periodic Review

The periodic review of the composition of the Strategy, or as the case may be, the Underlying Basket is generally performed by the Strategy Advisor without convening the Strategy Scientific Committee, unless the Strategy Sponsor or the Strategy Advisor chooses to call such committee for such review from time to time. In general, the “**Standard Process**” described in paragraph 3.3 below may follow from, among other things, a periodic review.

3.2. Exceptional Review

The Strategy Rules may, by decision of the Strategy Scientific Committee pursuant to an exceptional review by it of such Strategy Rules (an “**Exceptional Review**”) and the Strategy Scientific Committee Governance, be supplemented, amended or revised in whole or in part, which may lead to changes in the way the Strategy is compiled and calculated or affect the Strategy in another way, notably (but without limitation) in order to resume the calculation of the Strategy following the occurrence of an Strategy Disruption Event or an Strategy Extraordinary Event. In general, the “**Special Process**” described in paragraph 3.4 below may follow from, among other things, such an exceptional review

3.3. Standard Process

The following operational procedure is intended to address routine matters in connection with the maintenance of the Strategy to the extent any such routine maintenance is envisaged under the Strategy Rules.

3.3.1 In the case where the Strategy Advisor has access to Société Générale’s password protected web-based system (referred to as “**YouTrack**”), the following procedure shall pertain.

From time to time the Strategy Advisor shall submit its recommendations in respect of the relevant Strategy by an appropriate entry on YouTrack.

Absent any intervening Strategy Disruption Event, Strategy Extraordinary Event, or cancellation of such recommendations by the Strategy Advisor, the Strategy Sponsor (also by an entry on YouTrack) shall in turn either:

(a) acknowledge such recommendation and execute the recommendation as submitted by the Strategy Advisor on or before the relevant date, if any, envisaged in the Strategy Rules; or

(b) reject the recommendation and where appropriate, provide comments indicating its reasons for such rejection. The Strategy Sponsor shall refuse a recommendation made by the Strategy Advisor only where such recommendation: (i) does not conform to these Strategy Rules; (ii) if implemented, would not permit replication of the Strategy by the Strategy Sponsor (A) in

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conformity with its internal compliance and risk policies or (B) due to illiquidity or other technical or legal obstacles; (iii) has caused the Strategy Calculation Agent to give notice to the Strategy Sponsor that it can no longer calculate the Strategy in accordance with the Strategy Rules for purposes of determining the Strategy Level should such recommendation be implemented; and/or (iv) may be refused on such other basis, if any, specified in the Strategy Rules.

Where the recommendation has not been rejected, the Strategy Sponsor shall notify the Strategy Advisor through the YouTrack system once the relevant recommendation has been fully executed.

In the case of an intervening Strategy Disruption Event or Strategy Extraordinary Event, the Strategy Sponsor may delay its implementation of the recommendation and shall otherwise follow procedures in respect of such an event under the Strategy Rules.

3.3.2 In the case where the Strategy Advisor does not have access to YouTrack, the following procedure shall pertain.

From time to time the Strategy Advisor shall submit its recommendations by email to the principal contact person designated for it by the Strategy Sponsor.

An appropriate entry reflecting such recommendation will thereupon be made by the Strategy Sponsor on YouTrack and notified by email to the Strategy Advisor.

Absent any intervening Strategy Disruption Event, Strategy Extraordinary Event, or a correction or cancellation of the relevant recommendation by the Strategy Advisor, the Strategy Sponsor shall, by an additional entry on YouTrack and a further email notice thereof to the Strategy Advisor either:

- (a) acknowledge such recommendation and execute the recommendation as submitted by the Strategy Advisor on or before the relevant date, if any, envisaged in the Strategy Rules; or
- (b) reject the recommendation and where appropriate, provide comments indicating its reasons for such rejection. The Strategy Sponsor shall refuse a recommendation made by the Strategy Advisor only where such recommendation: (i) does not conform to these Strategy Rules; (ii) if implemented, would not permit replication of the Strategy by the Strategy Sponsor (A) in conformity with its internal compliance and risk policies or (B) due to illiquidity or other technical or legal obstacles; (iii) has caused the Strategy Calculation Agent to give notice to the Strategy Sponsor that it can no longer calculate the Strategy in accordance with the Strategy Rules for purposes of determining the Strategy Level should such recommendation be implemented; and/or (iv) may be refused on such other basis, if any, specified in these Strategy Rules.

In the case of a corrected recommendation (received by the Strategy Sponsor prior to its acknowledgement under item (a) above), the Strategy Sponsor shall repeat the relevant steps above by means of a corrected YouTrack entry and email notice to the Strategy Advisor.

In the case of a cancelled recommendation (received by the Strategy Sponsor prior to its acknowledgement under item (a) above), the Strategy Sponsor shall back out any relevant entries on YouTrack.

No correction or cancellation from the Strategy Advisor shall be accepted by the Strategy Sponsor once the recommendation has been acknowledged on YouTrack (unless otherwise expressly agreed by the Strategy Sponsor, in its sole discretion).

Where the recommendation has not been corrected, cancelled or rejected, the Strategy Sponsor shall notify the Strategy Advisor by email once the recommendation has been fully executed.

In the case of an intervening Strategy Disruption Event or Strategy Extraordinary Event, the Strategy Sponsor may delay its implementation of the recommendation and shall otherwise follow procedures in respect of such an event under the Strategy Rules.

3.4. Special Process: Strategy Scientific Committee Governance

The following operational procedure is intended to address, *inter alia*, exceptional, special or more notable matters in connection with the maintenance of the Strategy.

(a) **Membership**

The Strategy Scientific Committee will comprise two (2) members: one (1) of whom shall be a representative of the Strategy Sponsor and one (1) of whom shall be a representative of the Strategy Advisor.

The Strategy Scientific Committee secretary and chairman shall always be the representative of the Strategy Sponsor.

(b) **Quorum**

The quorum necessary for a meeting of the Strategy Scientific Committee shall be 2 members with one (1) representative of the Strategy Sponsor, and one (1) representative of the Strategy Advisor.

(c) **Notice of meetings**

Meetings of the Strategy Scientific Committee may be called either by the representative of the Strategy Sponsor or the representative of the Strategy Advisor by a notice indicating the venue, time and date together with an agenda of items to be discussed, forwarded to each member of the Strategy Scientific Committee, no later than one (1) Scheduled Calculation Date before the relevant meeting date, which may be *inter alia*, a Review Date or, if applicable, the date of an Exceptional Review. For the avoidance of doubt, if the parties so agree, a meeting may be arranged upon shorter notice.

For reasons of convenience, the Strategy Scientific Committee secretary may decide to organize conference calls or to exchange emails instead of holding a physical meeting.

(d) **Resolutions**

All resolutions shall be taken at the unanimity of the members of the Strategy Scientific Committee, unless such resolution is taken in relation to a Strategy Disruption Event or a Strategy Extraordinary Event, in which case, the vote of the Strategy Sponsor shall prevail over all contrarian votes from any other member of the committee.

(e) **Minutes of meeting**

The Strategy Scientific Committee secretary shall draft the minutes of all meetings of the Strategy Scientific Committee (the "**Minutes**").

The Minutes of each Strategy Scientific Committee meeting shall, on the day of such meeting, be signed by the representative of the Strategy Sponsor (in its capacity as chairman) and transmitted by email to: (A) each other member of the Strategy Scientific Committee; and (B) the Strategy Calculation Agent.

Upon receipt of the Minutes, such other member of the Strategy Scientific Committee shall signal its acceptance of the Minutes (and the resolutions set forth therein) by indicating its countersignature of the Minutes by return email to the Strategy Sponsor; provided however, that Minutes shall be deemed to have been accepted by the Strategy Advisor (and the Strategy Sponsor shall be entitled to rely on such deemed acceptance for all purposes) should no countersignature and no objection be received by the Strategy Sponsor from the Strategy Advisor by opening of the next business day in the jurisdiction of the Strategy Advisor.

Any signature required herein may be in electronic form (that is, the relevant representative's name may be (X) signed manually or typed on the Minutes and transmitted by email in *pdf* or other electronic format; or (Y) typed into an email, that attaches the Minutes (or in the case of a countersignature, incorporates by reference the Minutes previously signed and delivered by the Strategy Sponsor). In this connection, each

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member of the Strategy Scientific Committee is deemed to have agreed that each of them shall be entitled to rely (without further enquiry or investigation) on such signatures in this form as conclusive proof of the proceedings of the Strategy Scientific Committee and the resolutions adopted thereby.

(f) **Recommendations**

If a recommendation is rejected by the Strategy Sponsor, the Strategy Sponsor shall promptly notify the Strategy Advisor in writing that (i) such recommendation has been rejected and (ii) the Strategy Sponsor requests that a new recommendation be made by the Strategy Advisor.

3.5. Revision of Procedures

The foregoing procedures may be updated and revised from time to time by the Strategy Sponsor upon written notice (which may be in the form of an email) to the Strategy Advisor (a) where such revision or update is necessary or desirable pursuant to legal developments and/or for the purpose of technical improvement and efficiency; and (b) provided that the Strategy Advisor does not respond to the Strategy Sponsor with any written objections thereto within three (3) Paris business days of such notice.

3.6. Additional Provision

In circumstances where the Strategy Sponsor makes a decision or where a resolution is adopted by the Strategy Scientific Committee as the case may be (together the “**Decisions**”), with respect to the methodology of calculation and/or the allocation of the Strategy, and the Strategy Calculation Agent determines that it can no longer calculate the Strategy to obtain the Strategy Level according to the Strategy Rules as amended by such Decisions, the Strategy Calculation Agent shall notify the Strategy Sponsor of such determination together with the grounds thereof. Upon receipt of such notification, the Strategy Sponsor shall modify its decision or, as the case may be, convene a new meeting of the Strategy Scientific Committee in order to adopt a new resolution, in a manner which would allow the calculation of the Strategy by the Strategy Calculation Agent provided that it preserves the economic construction of the Strategy (the “**New Decisions**”). Once made by the Strategy Sponsor or adopted by the Strategy Scientific Committee as the case may be, such New Decisions shall be sent to the Strategy Calculation Agent and be conclusive and binding.