AUGUST 2026

STOXX

STOXX INVESTABLE MARKET INDEX METHODOLOGY GUIDE

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Part of DEUTSCHE BÖRSE GROUP

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1. INTRODUCTION TO THE STOXX INDEX GUIDES

The STOXX index guides are separated into the following sub-sets:

» The **STOXX Calculation guide** provides a general overview of the calculation of the STOXX equity indices, the dissemination, the index formulas and adjustments due to corporate actions

» The **STOXX Index Methodology guide** contains the equity index specific rules regarding the construction and derivation of the portfolio based indices, the individual component selection process and weighting schemes

» The **STOXX World Equity Index Methodology guide** contains the index specific rules regarding the construction and derivation of the STOXX World portfolio based indices, the individual component selection process and weighting schemes

» The **STOXX Strategy Index guide** contains the formulas and description of all strategy indices

» The **STOXX DVP Calculation guide** describes the dividend points products

» The **STOXX Distribution Points Calculation guide** describes the distribution points products

» The **iSTOXX Fund Indices Methodology guide** contains the index specific rules regarding the construction and derivation of the iSTOXX Fund indices, the individual component selection process and weighting schemes

» The **iSTOXX Strategy Indices Methodology guide** contains the index specific rules regarding the construction and derivation of the iSTOXX Strategy indices, the individual component selection process and weighting schemes

» The **iSTOXX Decrement Indices Methodology guide** contains the index specific rules regarding the construction and derivation of the iSTOXX Decrement indices, the individual component selection process and weighting schemes

» The **iSTOXX Equity Indices Methodology guide** contains the index specific rules regarding the construction and derivation of the iSTOXX Equity indices, the individual component selection process and weighting schemes

» The **STOXX Reference Rates guide** contains the rules and methodologies of the reference rate indices

» The **Guide to Reference Calculations used by STOXX LTD** provides a detailed view of definitions and formulas of the calculations as utilized in the reports, factsheets, indices and presentations produced by STOXX

» The **Guide to Industry Classifications Used By STOXX** contains general information pertaining to industry classifications used in STOXX indices, together with any references and links to third-parties that create the data.

» The **STOXX Eligible Market Segments guide** contains the list of stock exchanges and market segments.

» The **STOXX Digital Asset Methodology guide** contains the index specific rules regarding the construction and calculation of the STOXX Digital Asset Indices.

» The **STOXX Investable Market Index Methodology Guide** contains the index specific rules regarding the construction and derivation of the STOXX Investable Market indices, the individual component selection process and weighting schemes.

All rule books are available for download on http://www.stoxx.com/indices/rulebooks.html

2. GENERAL PRINCIPLES

2.1. INDEX RATIONALE

STOXX defines the index rationale as the basis for applying a certain methodology in order to achieve the index objective. STOXX performs intensive research and may conduct conversations with market participants and third parties for this purpose. STOXX discloses the index objective in every case.

2.2. METHODOLOGY REVIEW POLICIES

STOXX constantly monitors the execution of the index calculation rules in order to ensure the validity of the index methodology. STOXX also conducts general methodology reviews in a periodic and ad-hoc basis, to reflect economic and political changes and developments in the investment industry. As a result of these activities, STOXX introduces changes to the methodology books. Material changes are notified to subscribers and the media through the usual communication channels. Clarifications of the methodology are updated in the rulebook. All changes are tracked in the section History of changes to the guide.

2.3. INDEX TERMINATION POLICY

For the termination of an index or index family for which outstanding products are present in the market to the knowledge of STOXX, a market consultation with the involved clients will be initiated by STOXX to consider their views and concerns related to the termination or transition. A consultation period will be opened. Its duration depends on the specific issue. After the consultation period and in case of further action needed, a notification will be issued and the process defined above will be followed. In the case of a transition, STOXX will launch the alternative index and will notify of its character as a suitable replacement for an existing index whose calculation should be discontinued in the future. This notification advices clients on the alternative recommended by STOXX as replacement. The timeframe in which both indices will be calculated in parallel will be disclosed in the notification’s text and will be no shorter than three months.

For the termination of an index or index family for which, to the knowledge of STOXX, no listed financial products are issued in the market, a press release notification or e-mail notification to subscribers will be communicated at least three months before coming into force. Clients or third parties with interest in the index or index family are urged to communicate as soon as possible their concerns to STOXX. Based on the feedback collected, STOXX may alter the index termination decision. For the termination of an index without financial product issued on there will be no market consultation. Changes to the original notification will be communicated in the same manner.

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

3.1. OVERVIEW

The STOXX Investable Market Indices (STOXX IMI) aim to provide a broad universe that includes all investable stocks, ADRs and GDRs from all developed and emerging markets in the world. Large Mid and Small Cap versions covering approximately 70%, 85% and 99% of the free float market of each eligible country. Numerous country, regional and industry indices can be created by combining securities based on geographic region, country, capital markets (developed or emerging), size (large, mid or small), and/or industry classifications. This section explains how the Large, Mid and Small Size segments are created for each eligible country.

Universe
The universe is the aggregate of:
- The STOXX Global Total Market Index,
- The STOXX GCC Total Market Index,
- The STOXX China A Total Market Index,
- The STOXX China P Chips Total Market Index,
- The STOXX China Growth Market Index,
- The STOXX Asia ex China Growth Market Index,
- The STOXX Europe Growth Market Index, and
- The STOXX World DR Index.

Please refer to the STOXX World Equity Index Guide[1] for details on the STOXX World DR Index, and to the STOXX Index Methodology Guide[1] for the other indices. The index universe is defined by all index components as defined in this section, as observed on the index review effective date.[2]

Weighting scheme: The indices are weighted according to free float market capitalization.

Base values and dates: 1000 on June 18, 2012.

Index types: Price, net return and gross return. For a complete list including index currencies, please consult the data vendor code sheet on the website[3]

Dissemination calendar: STOXX Global calendar

3.2. STOXX IMI FREE FLOAT

3.2.1. WEIGHTING SCHEME AND FREE FLOAT

[1] https://www.stoxx.com/rulebooks
[2] For index construction purposes Developed Europe is treated as a single, unified market,
[3] https://www.stoxx.com/documents/stoxxnet/Documents/Resources/Data_Vendor_Codes/vendor_codes_sheet.csv

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

When the index is reviewed, its components are weighted by free float market capitalization. The free float is defined as:

$$\text{Free Float} = \text{FHR Adjustment Factor} \times \text{Min}(\text{STOXX TMI Free Float}, \text{Foreign Ownership Limit}) \times \text{China Connect Scaling Factor}^*,$$

* The China Connect Scaling Factor is applied after the component screens and selection, and it is applied to the free float only at the final weighting of the components. Components from China Connect have a China Connect Scaling factor of 0.2, thus these components are scaled down by 0.2, all other components have a China Connect Scaling Factor of 1.

The STOXX Total Market Index (TMI) free float is defined in Section 5.12 of the STOXX Index Methodology Guide. The STOXX TMI free float of each security is rounded as follows:

Effective up until September 2026 review the below rounding has been applied:
If a current (as of the cut-off) STOXX TMI free float does not exist for this security, then its new (as of the review date) STOXX TMI free float

- is rounded to the closest 1% if the STOXX TMI free float is lower than or equal to 15%, otherwise
- it is rounded up to the closest 5 % if it is higher than 15%.

If a current (as of the cut-off) STOXX TMI free float exists for this security, then the following intervals are defined:

- The first interval for STOXX TMI free float is lower than, or equal to, 15%. Further intervals are then defined as $N\% <$ STOXX TMI free float $\leq N\% + 5\%$, where N = 15, 20, 25, …, 95.
- If the new (as of the review date) STOXX TMI free float is higher than 15%, and it has changed its interval compared to the current (as of the cut-off) STOXX TMI free float, and the absolute free float change is less than one percentage point, then the new rounded STOXX TMI free float does not change and is set equal to the current rounded STOXX TMI free float.
- Otherwise, if the new (as of the review date) STOXX TMI free float is lower than or equal to 15% then it is rounded to the closest 1%. If it is higher than 15% then it is rounded up to the closest 5%.

The Foreign Ownership Limit is rounded to the closest 1%. Foreign Ownership Limit is defined in Section 4.11.2 of the STOXX World Equity Index Guide.

Effective with September 2026 index review from the below rounding is applied:

High STOXX TMI free float securities
For securities with a STOXX TMI free float greater than or equal to 25%: If a current (as of the cut-off) STOXX TMI free float does not exist for this security, then its new (as of the review date) STOXX TMI free float is rounded to the nearest 2.5%. If a current (as of the cut-off) STOXX TMI free float exists for this security, a change to an updated rounded STOXX TMI free float is implemented only if the

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

absolute change of the current rounded STOXX TMI free float versus the updated STOXX TMI free float exceeds 2.5%.

Medium STOXX TMI free float securities
For securities with a STOXX TMI free float less than 25% and greater than or equal to 5%: If a current (as of the cut-off) STOXX TMI free float does not exist for this security, then its new (as of the review date) STOXX TMI free float is rounded to the nearest 0.5%. If a current (as of the cut-off) STOXX TMI free float exists for this security, a change to an updated rounded STOXX TMI free float is implemented only if the absolute change of the current rounded STOXX TMI free float versus the updated STOXX TMI free float exceeds 0.5%.

Low STOXX TMI free float securities
For securities with a STOXX TMI free float less than 5%: If a current (as of the cut-off) STOXX TMI free float does not exist for this security, then its new (as of the review date) STOXX TMI free float is rounded to the nearest 0.1%. If a current (as of the cut-off) STOXX TMI free float exists for this security, a change to an updated rounded STOXX TMI free float is implemented only if the absolute change of the current rounded STOXX TMI free float versus the updated STOXX TMI free float exceeds 0.1%.

Treatment of band transitions
A change in the STOXX TMI free float is implemented only if the absolute deviation between the updated STOXX TMI free float and the current rounded STOXX TMI free float exceeds the buffer corresponding to the band in which the current STOXX TMI free float is. If this condition is met, the updated STOXX TMI free float is determined by rounding the updated STOXX TMI free float in accordance with the rounding increment of the band defined by that updated STOXX TMI free float. If the condition is not met, the rounded STOXX TMI free float remains unchanged.

The Foreign Ownership Limit is rounded to the closest 1%. Foreign Ownership Limit is defined in Section 4.11.2 of the STOXX World Equity Index Guide.

3.2.2. FOREIGN HEADROOM ADJUSTMENT FACTOR

The Foreign Headroom (FHR) Adjustment Factor may scale down the weights of securities subject to their current FHR Adjustment factor and their new Foreign Headroom. The Foreign Headroom is defined in Section 4.11.3 of the STOXX World Equity Index Guide.
At the initiation of the index, the FHR Adjustment Factor is set equal to 1 if the FHR is greater than or equal to 25%. If the FHR is greater than or equal to 15% and lower than 25%, the FHR Adjustment Factor is set equal to 0.5. If the FHR is lower than 15%, the FHR Adjustment Factor is set equal to 0.

For the subsequent index reviews, the new FHR Adjustment Factor of current components depends on their current FHR Adjustment Factor and on the new FHR.
The new FHR Adjustment Factor is determined as follows

	New FHR Adjustment Factor				
	FHR ≥ 25%	**15% ≤ FHR < 25%**	**7.5% ≤ FHR < 15%**	**3.75% ≤ FHR < 7.5%**	**FHR < 3.75%**
Current FHR Adjustment Factor = 1	1	1	0.5	0.25	0

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

Current FHR Adjustment Factor = 0.5	1	0.5	0.5	0.25	0
Current FHR Adjustment Factor = 0.25	1	0.5	0.25	0.25	0

For the subsequent index reviews, the FHR Adjustment Factor of each security from the starting universe, that is not a current index component, is set equal to 1 if the FHR is greater than or equal to 25%. If the FHR of new components is lower than 25%, and greater than or equal to 15%, the FHR Adjustment Factor is set equal to 0.5. If the FHR of new components is lower than 15%, the FHR Adjustment Factor is set equal to zero.

Foreign Headroom is updated quarterly. An increase of the FHR Adjustment Factor following index re-inclusion of a component deleted because of having a foreign headroom lower than 3.75% will usually be implemented at least 12 months after the deletion.

When foreign investment restrictions or other limitations significantly hinder international access to specific countries, sectors, or securities, STOXX may additionally scale down the free float of the affected securities, or remove them from the index. This ensures that the STOXX Investable Market Indices remain a realistic representation of international accessible, tradeable securities.

Unless indicated otherwise, all references to 'free float' throughout this document refer to free float as defined in this section.

3.3. INDEX REVIEW: SECURITY SELECTION

3.3.1. FULL MARKET CAPITALIZATION SCREEN

The application of the Full Market Capitalization Screen is path-dependent. It is therefore necessary to distinguish between the methodology applied at index initiation and the process followed in all subsequent reviews. The following sections describe these two stages in detail.

3.3.1.1. FULL MARKET CAPITALIZATION SCREEN AT INDEX INITIATION

The Equity Universe includes all securities that belong to the Universe as defined in Sub-section Overview in Section STOXX Investable Market Indices – Country Size Assignment, before any screens are applied to them. The Full Market Capitalization screen is applied at company level to all companies in both Developed and Emerging Markets[4]. The EUR Full Market Capitalization of each company needs to be equal to or higher than the Equity Universe Minimum Size Criterion (EUMSC), which is calculated by applying the following three steps to all securities from Developed Markets that belong to the Equity Universe:

[4] Countries are classified as Developed or Emerging according to the STOXX World Country Classification rules, discussed in Section 3.3 of the STOXX World Equity Index Guide. The current and previous STOXX World Country Classifications are available at https://www.stoxx.com/country-classification.

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

- Companies from the Developed Markets, as per the STOXX World Country classification, are sorted in descending order by the company's Full Market Capitalization, and the cumulative percentage coverage in terms of STOXX IMI free float market capitalization is determined for each company. The STOXX IMI free float market capitalization of each company is calculated by summing up the STOXX TMI free float market capitalization of the securities of that company in the STOXX eligible exchange segments.

- When the cumulative STOXX IMI free float market capitalization percentage coverage of 99% is reached, the Full Market Capitalization of the company at that point determines the Equity Universe Minimum Size Criterion (EUMSC) and the rank of that company is recorded and used to calculate the Equity Universe Minimum Size Criterion for the next review as described in this section.

3.3.1.2. FULL MARKET CAPITALIZATION SCREEN AT SUBSEQUENT INDEX REVIEWS

In order to define the full Equity Universe Minimum Size Criterion (EUMSC) the new cumulative free float market capitalization percentage coverage in the Developed Market Equity universe needs to be calculated as described in section Weighting Scheme and Free Float. It is then checked whether the company's rank as of the previous index review is still within the coverage thresholds. If the rank of the previous review results in the new cumulative free float market capitalization percentage coverage in the Developed Market Equity universe that is

- between 99% and 99.25%: The Equity Universe Minimum Size Criterion is set equal to the current Full Market Capitalization of the company at that rank. The rank remains the same for the next index review.

- below 99%: The Equity Universe Minimum Size Criterion is set equal to the Full Market Capitalization of the company that marks the 99% coverage threshold, and the new rank of that company is recorded for the next review.

- above 99.25%: The Equity Universe Minimum Size Criterion is set equal to the Full Market Capitalization of the company that marks the 99.25% coverage threshold, and the new rank of that company is recorded for the next review.

Companies which are not current components of the STOXX Investable Market Indices and whose Full Market Capitalizations are below the updated full Equity Universe Minimum Size Criterion, are not eligible. Existing components are exempt from the updated Full Market Capitalization screen.

3.3.2. FREE FLOAT MARKET CAPITALIZATION SCREEN

This screen is applied at security level. To be eligible, a security needs to have a free float market capitalization which is equal to or higher than 50% of the Equity Universe Minimum Size Criterion of the current index review of section Weighting Scheme and Free Float. Example:

- The Equity Universe Minimum Size Criterion is USD 5m, and security A has a free float market capitalization of USD 2.6m. Security A is eligible.

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

- The Equity Universe Minimum Size Criterion is USD 5m, a company has share class A with a free float market capitalization of USD 2.7m and share class C with a free float market capitalization of USD 0.7m. In this case, share class A is eligible, while share class C is not eligible.

At index initiation all companies were considered as non-current components. For the subsequent index reviews, companies which are not current components of the STOXX Investable Market Indices and whose Full Market Capitalizations are below the updated full Equity Universe Minimum Size Criterion, are not eligible. Existing components are exempt from the updated Full Market Capitalization screen.

3.3.3. FREE FLOAT SCREEN

For security to be eligible, its free float should generally be greater than or equal to 15%. Under certain conditions, securities with lower free float can also be eligible.

Non-components, whose free float is lower than 15%, are eligible for inclusion in the Investable Equity Universe if their free float market capitalization is greater than or equal to 1.8 times half of the respective Country Size Segment Cutoff of the Main Index. These rules do not apply to current components.

3.3.4. INVESTABILITY SECURITY SCREENS

For all securities in the Universe that are eligible after the full and free float market capitalization screen, the following screenings and filters are applied to determine eligibility. The securities, which have passed the below screens, form the Investable Equity Universe.

3.3.4.1. TURNOVER RATIO SCREENS

Securities need to fulfill both 12-month and 3-month Turnover Ratio screen, to be eligible.

3.3.4.1.1. 12-MONTH TURNOVER RATIO SCREEN

The 12-month Turnover Ratio is defined as the median value of the daily traded volume[5] to the free float shares ratio over the last 12 months prior to the cut-off date, multiplied by 252[6]. The formula for the 12-month Turnover Ratio of security i is

$$12 - \text{Month Turnover Ratio}(i) = 252 \times \text{Median}\left(\frac{\text{Traded Shares}(i,t)}{\text{Free Float}(i,t) \times \text{Number Shares}(i,t)}\middle|\, t \in \text{months } T-11,\dots,T\right),$$

where *T* is the month whose last business day is the cut-off date, and *t* refers to the business days.

For Developed Markets, new securities with a 12-month Turnover Ratio of greater than or equal to 20% are eligible, while current components 12-month Turnover ratio needs to be greater than or equal to 2/3rd of 20% to remain eligible for the index.

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[5] Volume is taken from the STOXX eligible exchange. For India volumes from National Stock Exchange, for Vietnam from Hanoi Stock Exchange are added.

[6] The free float as defined in Section 1.1 is kept fixed within each quarter as they are updated on a quarterly basis.

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

For Emerging Markets, new securities with a 12-month Turnover Ratio of greater than or equal to 15% are eligible, while current components 12-month turnover ratio needs to be greater than or equal to 10% to remain eligible for the index.

3.3.4.1.2. 3-MONTH TURNOVER RATIO SCREEN

The 3-month Turnover Ratio is defined as the median value of the daily traded volume to the free float shares ratio over the last 3-months prior to the cut-off date, multiplied by 252. The formula for the 3-month Turnover Ratio of security i is

$$3-\text{Month Turnover Ratio(i)} = 252 \times \text{Median}\left(\frac{\text{Traded Shares(i, t)}}{\text{Free Float(i, t)} \times \text{Number Shares(i, t)}}\middle| \text{t} \in \text{ months T}-2, \text{T}-1, \text{T}\right),$$

where *T* is the month whose last business day is the cut-off date, and *t* refers to the business days.

For Developed Markets, new securities with a 3-month Turnover Ratio of greater than, or equal, to 20% are eligible, while current components' 3-month Turnover Ratio needs to be equal to, or greater than, 5% to remain eligible for the index.

For Emerging Markets, new securities with a 3-month Turnover Ratio of greater than or equal to 15% are eligible, while current components' 3-month Turnover Ratio needs to be greater than or equal to 5% to remain eligible for the index.

3.3.4.2. FREQUENCY OF TRADING SCREEN

The 3-month Frequency of Trading is determined by dividing the number of days a security traded during a 3-month period by the maximum possible number of trading days within this period as per the cut-off date. If 3 months of data are not available, then Frequency of Trading is calculated using a 1-month instead of a 3-month period. If a close price is observed, it is assumed that the security was traded on the respective day.

- For Developed Markets: only securities with a 3-month Frequency of Trading greater than or equal to 90% for new components and 80% for current components are eligible to enter or remain in the index. The same percentages apply to the 1-month period.
- For Emerging Markets: only securities with a 3-month Frequency of Trading greater than or equal to 80% for new components and 70% for current components are eligible to enter or remain in the index. The same percentages apply to the 1-month period.

3.3.4.3. FOREIGN HEADROOM SCREEN

For non-components to be eligible, their foreign headroom (FHR) as of the cut-off date needs to be greater than or equal to 15%, and 3.75% for current components. At the initiation of the, the FHR should be greater than or equal to 15% for all components to be eligible to enter the index.

3.3.4.4. SECURITY PRICE SCREEN

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

To ensure adequate liquidity, non-components, that are considered for index inclusion, may not have USD-converted prices as of the cut-off date greater than USD 10,000. For avoidance of doubt, if the price of a current component becomes larger than USD 10,000 between reviews, the respective component is not removed.

3.3.4.5. COUNTRY CLASSIFICATION SCREEN

Only securities that belong to developed or emerging countries as per the STOXX World Country Classification as of the review effective date are considered for index inclusion.

3.3.4.6. SCREEN FOR CHINA A AND CHINA CONNECT SECURITIES

China A securities, which are not eligible for both buy and sell at China Connect as of the cut-off date, are removed. If any China Connect security becomes not eligible for either buy or sell between the cut-off date and the review effective date, it is removed. New China Connect Securities announced after the data cut-off date are not selected for the index inclusion. The final index composition contains only the China Connect listings of the eligible China A securities. China Connect securities are not eligible for Small Cap indices.

3.3.4.7. DEPOSITARY RECEIPT SCREEN

The Depository Receipts screen is the last screen, applied for the securities that have passed all other screens. If a local listing and a Depositary Receipt of the same company have passed all other screens, then the Depositary Receipt is removed and the local listing remains. If only a Depositary Receipt of a specific company passes all screens, then this Depositary Receipt is eligible for index inclusion.

The security, which have passed all the above screens, form the Investable Equity Universe.

3.4. INDEX REVIEW: ASSIGNMENT OF SIZE SEGMENTS

The assignment of securities to size segments is path-dependent. Therefore, both processes are outlined for the applied at index initiation and the rules that govern subsequent reviews. The following sections describe these two stages in detail.

3.4.1. INDEX REVIEW: ASSIGNMENT OF SIZE SEGMENTS AT INDEX INITIATION

The Investable Equity Universe is segmented into the following the size-based indices:

- All Cap Indices (Large + Mid + Small)
- Main indices (Large + Mid)
- Large Cap Indices
- Mid Cap Indices
- Small Cap Indices

For each country, an All Cap, a Main and a Large Cap Country Index are constructed. The Mid Cap Country Index is the difference between the respective Main and Large Cap Country Index, while the Small Cap Country Index is the difference between the All Cap and Main Country Index.

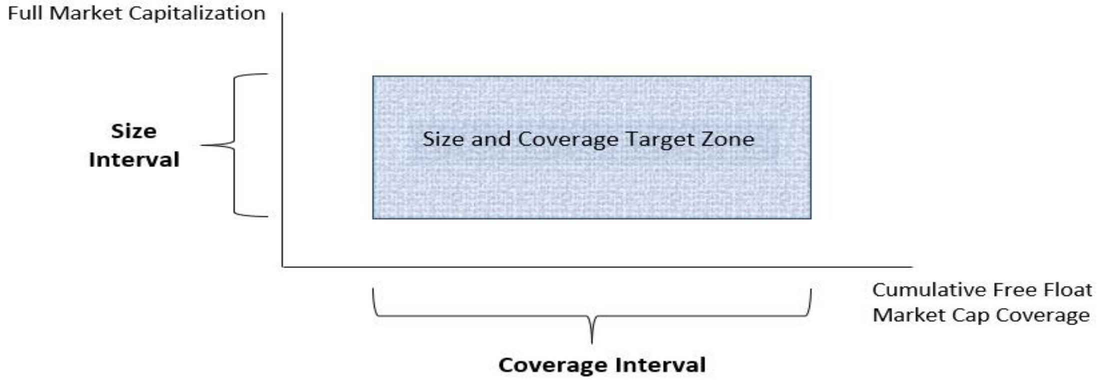
3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

3.4.1.1. SIZE SEGMENT FORMATION

To form size segments that can be effectively combined into broader regional benchmarks, and are also consistent across countries, the individual country Size Segment must find a balance between the following requirements:

- Global Size Consistency: meaning that only companies of similar and relevant sizes are included in a specific size category across all markets. This can be achieved by using Global Minimum Size Points cutoff for the respective market (Developed or Emerging), based on a company's Full Market Capitalization.
- Relevant country coverage: meaning that each Size Segment of each country reflects its proportional weight based on the free float market capitalization in its Investable Equity Universe.

Target intervals are determined for the Global Size Consistency and market coverage. The intersection of these intervals determines the Size and Coverage Target Zone, as shown in the picture below. This process is performed separately for each All Cap, Main and Large Country Index. Overall, if both objectives cannot be achieved simultaneously, preference is given to size consistency over market coverage.



3.4.1.2. DETERMINING TARGET COVERAGE INTERVALS

The Size Segment index for each country is determined by using the following Target Coverage Intervals for the free float market capitalization of the securities from this country in the Investable Equity Universe:

- Large Cap Index: 70% ± 5%
- Main Index: 85% ± 5%
- All Cap Index: 99% +1% or -0.5%

For each country, an All Cap, a Main and a Large Cap Country Index are constructed. The Mid Cap Country Index is the difference between the respective Main Country and Large Cap Country Index, while the Small Cap Country Index is the difference between the All Cap and Main Country Index.

3.4.1.3. CALCULATION OF THE GLOBAL MINIMUM SIZE POINTS AND INTERVALS

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

The Global Minimum Size Points (GMSP) for the Large Cap, Main and All Cap size segments are determined as follows:

- The companies in the Developed Market Investable Equity Universe are sorted by Company Full Market Capitalization in descending order. The cumulative free float market capitalization percentage coverage is calculated for each company.
- The Full Market Capitalization of the company that has the following percentage coverage of the cumulative free float market capitalization is noted and forms the Global Minimum Size Point for the respective Developed size segments:
  - Developed Markets Large Cap 70%
  - Developed Markets Main 85%
  - Developed Markets All Cap 99%
- For Emerging Markets, the Global Minimum Size Point for each Size Segment is half of the Global Minimum Size Point for the respective Developed size segment.

The lower and upper limits of the Global Minimum Size Interval (GMSI) for each Size Segment and each market (Developed or Emerging) are calculated by multiplying the Global Minimum Size Point for the respective Size Segment by 0.5 (lower limit) and 1.15 (upper limit).

3.4.1.4. DEFINING THE SIZE SEGMENT COMPANY COUNT AND CUTOFFS FOR EACH COUNTRY INDEX

For each country, the Size Segment Cutoffs are based on identifying a Size Segment cutoff which falls within, or is as close as possible to, the Size and Coverage Target Zone for this size segment:

- The companies in the Investable Equity Universe, that belong to the respective country are sorted by Full Market Capitalization in descending order.
- The cumulative free float market capitalization percentage coverage is calculated for each company.
- The Full Market Capitalization of the company that provides the following cumulative percentage coverage of free float market capitalization is recorded:
  - Large Cap 70%
  - Main 85%
  - All Cap 99%
- The Full Market Capitalization of the recorded company determines the Size Segment Cutoff for that country.
- The number of companies whose Full Market Capitalizations are larger than or equal to the one of the recorded company defines the Size Segment Company Count for the respective country and size segment.

The Size Segment is assigned to companies, and inherited by all securities of a company. Therefore, any Size Segment may contain more securities than companies.

3.4.1.5. FINAL FREE FLOAT MARKET CAPITALIZATION CRITERION

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

To be eligible as an underlying component for the Main Index or All Cap Country Index, a security's free float market capitalization must be greater than or equal than half of the Main or All Cap Country Cutoff.

If a country's Main Segment Cutoff is greater than the upper limit of the Global Minimum Size Interval (GMSI) for the Main Index, then the security's minimum free float market capitalization must be greater than or equal to half of the Main GMSI upper limit to be eligible for the Main Country Index. If a country's Main Segment Cutoff is lower than the lower limit of the Global Minimum Size Interval for the Main index, then the security's minimum free float market capitalization must be greater than or equal to half of the Main GMSI lower limit to be eligible for the Main Country Index, see section Calculation of the Global Minimum Size Points and Intervals.

A security, whose free float is lower than 0.15, can be included in the Main Index country index only if its free float market capitalization is greater than or equal to 1.8 times a half of the Main Segment Cutoff of the respective country. When current components of the Main Index are assessed for this criterion, their free float market capitalization is without considering the FHR adjustment factor.

If a country's All Cap Segment Cutoff is greater than the upper limit of the GMSI for the All Cap Index, then the security's free float market capitalization must be greater than or equal to half of the All Cap GMSI upper limit to be eligible for the All Cap Country Index. If a country's All Cap Segment Cutoff is lower than the lower limit of the GMSI for the All Cap index, then the security's free float market capitalization must be greater than or equal to half of the All Cap GMSI lower limit to be eligible for the All Cap Country Index.

As a final step, China Connect securities are removed from the China Small Cap index. China A local listings are replaced by their corresponding China Connect listings.

3.4.2. ASSIGNMENT OF SIZE SEGMENTS AT SUBSEQUENT INDEX REVIEWS

3.4.2.1. GLOBAL MINIMUM SIZE POINTS AND GLOBAL MINIMUM SIZE INTERVALS

The Global Minimum Size Points (GMSP) and the respective Global Minimum Size Intervals (GMSI) are recalculated for each Index Review. To enhance index stability, this process is based on the rank of the company that specified the Global Minimum Size Point for the All Cap, Main and Large Index from the previous Index Review.

Developed GMSP All Cap Index:
If the rank from the previous index review results in the new cumulative free float market capitalization percentage coverage in the Developed Investable Equity universe is

- between 99% and 99.25% The GMSP is set equal to the current Full Market Capitalization of the company at that rank. The rank remains the same for the next index review.
- below 99%: The GMSP is set equal to the Full Market Capitalization of the company that marks the 99% coverage threshold, and the new rank of that company is recorded for the next review.

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

- above 99.25%: The Equity Universe Minimum Size Criterion is set equal to the Full Market Capitalization of the company that marks the 99.25% coverage threshold, and the new rank of that company is recorded for the next review.

Developed GMSP Main Index:
If the rank from the previous index review of the new cumulative free float market capitalization percentage coverage in the Developed Investable Equity universe is

- between 85% and 87%: The GMSP is set equal to the current Full Market Capitalization of the company at that rank. The rank remains the same for the next index review.
- below 85%: The GMSP is set equal to the Full Market Capitalization of the company that marks the 85% coverage threshold, and the new rank of that company is recorded for the next review.
- above 87%: The Equity Universe Minimum Size Criterion is set equal to the Full Market Capitalization of the company that marks the 87% coverage threshold, and the new rank of that company is recorded for the next review.

Developed GMSP Large Cap Index:
If the rank from the previous index review of the new cumulative free float market capitalization percentage coverage in the Developed Investable Equity universe is

- between 70% and 72%: The GMSP is set equal to the current Full Market Capitalization of the company at that rank. The rank remains the same for the next index review.
- below 70%: The GMSP is set equal to the Full Market Capitalization of the company that marks the 70% coverage threshold, and the new rank of that company is recorded for the next review.
- above 72%: The Equity Universe Minimum Size Criterion is set equal to the Full Market Capitalization of the company that marks the 72% coverage threshold, and the new rank of that company is recorded for the next review.

The Global Minimum Size Points for the Emerging Markets size segments are 50% of the Global Minimum Size Point for the respective Developed Markets size segments.

3.4.2.2. UPDATING THE SIZE SEGMENTS COMPANY COUNT AND CUTOFFS

Each country's coverage should be still within the Size and Coverage Target Zone. Hence, it is assessed if the existing company count of each country determined as of the previous index review date, adjusted for the corporate events, falls within this Target Zone, refer to section Size Segment Formation for more details.

If the criteria are met, then the Full Market Capitalization of the smallest company in a Size Segment of a country becomes the new Size Segment Country Cutoff for the respective Size Segment and country. Otherwise, the existing country's company count needs to be adjusted to comply with the Target Zone.

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

If the Initial Size Segment Company Count is out of the Size and Coverage Target Zone, it is adjusted to reach the Target Zone. This adjustment considers index stability and turnover. In more detail:

- The Segment Company Count should be increased if the Size Segment Cutoff is greater than the upper limit of the Global Minimum Size Interval or smaller than the lower limit of the Market Coverage Target Interval.
- The Segment Company Count should be reduced if the Size Segment Cutoff is greater than the Market Coverage Target Interval, or smaller than the lower limit of the Global Minimum Size Interval.

If the Size Segment Company Count needs to be increased to reach the Size and Coverage Target Zone, the following steps are taken:

- The Segment Company Count is raised to include all companies whose Full Market Capitalizations are greater than the upper limit of the Global Minimum Size Interval.
- The Segment Company Count is raised to include all companies whose Full Market Capitalizations are greater than the upper limit of the Lower Buffer Zone, that are required to achieve the lower limit of the Market Coverage Target Interval. For avoidance of doubt, this rule is followed even if it causes the Country Size Segment Cutoff to rise from below the lower limit of the Market Coverage Target Interval to above the upper limit of this Interval.
- New companies are added in descending order of their Full Market Capitalization. The new Country Size Segment Cutoff is set equal to the Full Market Capitalization of the lastly added company. This company will also define the new country Company Count.
- If the Full Market Capitalization of this company is greater than the upper limit of the Global Minimum Size Interval, then the new Country Size Segment Cutoff is set equal to the upper limit of the Global Minimum Size Interval.

If the Size Segment Company Count needs to be reduced to reach the Size and Coverage Target Zone, the reduction in the number of companies, in order to minimize the turnover, is as follows:

- The Initial Size Segment Company Count is decreased by no more than 5% of the Initial Company Count to bring the Country Size Segment Cutoff within the Size and Coverage Target Zone. A company whose Full Market Capitalization falls within the Global Minimum Size Interval can be removed only if this would not result in the Country Coverage a reduction from above the upper limit of the Market Coverage Target Interval to below the lower limit of this Interval.
- If this adjustment leads to a Country Size Segment Cutoff that lies within the Size and Coverage Target Zone, no further adjustment is required. Similarly, no further adjustment is required if this adjustment leads to the removal of at least 50% of the free float market capitalization that lies between the smallest company prior to the adjustment, and the lower limit of the Global Minimum Size Interval. The new Country Size Segment Cutoff is set equal to the Full Market Capitalization of the last company. This company will also define the new country Company Count
- Otherwise, the Initial Size Segment Company Count is reduced by max 20% of the Initial Size Segment Company Count, or max 50% of the cumulative free float market capitalization that lies between the smallest company of this Initial Count and the lower limit of the Global Minimum Size Interval

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

- The removal of the first two companies is not subject to the limits described in the previous steps if the Segment Company Count is small.
- In case the above process does not result in reaching the Size and Coverage Target Zone, then the Country Cutoff will be bound by the lower limit of the Global Minimum Size Interval.

3.4.2.3. EXTREME PRICE INCREASE SCREEN

Securities that experience an extreme price increase are not included in the Main Indices. Such securities remain part of the Investable Equity Universe and will be reassessed for Main Index inclusion at the next index reviews.
Securities that breach the Excess Return Limit for any Trading Days Period as specified in the table below are considered to experience an extreme price increase.
For each Trading Days Period, the excess return is calculated as the difference between the return of the security and the equally-weighted average return of the components of the respective Country All Cap Index, excluding the security itself, that belong to the same country and ICB Industry as the security. Where fewer than six components belong to the same country and ICB Industry as the security, the equally-weighted average return of the respective Country All Cap Index is used instead.
This requirement does not apply for IPOs that do not satisfy the minimum length of trading requirements but satisfy all other criteria for Main Index inclusion.

Trading Days Period	Excess Return Limit
5	100%
10	100%
15	100%
20	100%
25	200%
30	200%
35	200%
40	200%
45	400%
50	400%
55	400%
60	400%
90	500%
120	800%
150	1500%
180	1500%
250	2500%

3.4.2.4. ALLOCATING COMPANIES TO RELEVANT SIZE SEGMENTS

Companies are allocated to the respective Size Segment until the country's respective Size Segment Company Count is achieved, subject to the following priority rules:

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

- Current components of the respective country Size Segment with a Full Market Capitalization equal to or above the new Country Size Segment Cutoff.
- Companies that were assigned to the country Size Segment during the last Index Review, but did not pass the Final Market Capitalization Criterion, whose Full Market Capitalization is equal to or above the new Country Size Segment Cutoff.
- New companies from the Investable Equity Universe, that have passed all selection screens), with the Full Market Capitalization equal or above the new Country Size Segment Cutoff.
- Companies with Full Market Capitalization greater than the upper Buffer threshold of the lower Size Segment which are currently assigned to lower size segment.
- Companies assigned to the Main Size Segment falling within the Main Lower Buffer are included in a descending Full Market Capitalization order.
- The largest companies belonging to the upper Buffer of the lower size segments.
- Once the target Country Company count is reached, the company allocations into the respective Size Segment index is completed.

After the companies have been allocated to the Large Cap, Main and All Cap size segments, The Mid Cap segment includes the companies that are in the Main segment but not the Large Cap segment. The Small Cap segment includes the companies that are in the All Cap segment but not in the Main segment.

3.4.2.5. BUFFERS FOR DEFINING THE SIZE SEGMENTS

Buffer zones are implemented to manage the migration of companies between Size Segment to mitigate index turnover.

If the Company Full Market Capitalization of an existing component is within a buffer around the Country Size Segment Cutoff of the component's current size segment, he component may remain in its current Size Segment even if its Full Market Capitalization is lower (greater) than the Size Segment Cutoff that determines the lower (upper) limit of its segment. The buffers are defined with limits of 2/3rd and 1.5 times the Country Size Segment Cutoff between two size segments.

To avoid a large number of new additions to the Small Cap indices for each country, a Small Cap Entry Buffer is used for the entry in the Country Small Cap Index for securities which are not part of the Country All Cap index. Its limit is 1.5 times the All Cap Size Segment Cutoff. Non-current components of the All Cap Index within the Small Cap Entry Buffer, which are allocated to the Small Cap Segment, are included in the Small Cap Indices only if they replace current Small Cap Index components which have fallen below the lower limit of the Small Cap Entry Buffer. The remaining companies are not added to the All Cap Indices, but are still considered to determine the Segment Company Count.

3.4.2.6. FINAL FREE FLOAT MARKET CAPITALIZATION CRITERION

New Components

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

After companies are allocated to each Size segments, it is checked whether the securities meet the additional market capitalization criteria as described in the Section Final Free Float Market Capitalization Criterion under Section Index Review: Assignment of Size Segments at Index Initiation.

Existing Components
Existing components of the All Cap Size Index can remain in the All Cap Index if their free float market capitalization is greater than or equal to 2/3rd multiplied by 0.5 times the of the respective All Cap Country Cutoff. When current components are assessed for this criterion, their free float market capitalization is not adjusted with the FHR Adjustment Factor.

Existing components stay in the Main Size Segment if their security free float market capitalization is greater than or equal to 2/3rd multiplied by 0.5 times the respective Main Country Cutoff. To remain in the Main Index, existing components of the Main Index whose free float is lower than 15% need to have a free float market capitalization that is greater than or equal to 0.6 times (2/3rd multiplied by 0.5 times 1.8 times of) the respective Country Main Index Cutoff. When existing components are assessed for this criterion, their free float market capitalization is not adjusted by the FHR Adjustment Factor.

Current components of the Main Index in the lower buffer that fail the relevant additional investability requirements as described in this section are moved to the Small Cap Index as long as its company no longer has any eligible current securities in the main index. However, if the company has other security listings that meet these investability requirements, the company remains in the Main segment, and its security listings that do not satisfy the investability requirements are not included in any of the STOXX Investable Market Indices.

Any component of the Main Index, that does not meet the Main Index Criteria as described in the previous two paragraphs, is not included in any of the STOXX Investable Market Indices.

To keep the index stability, the current components of the All Cap Index are checked whether they meet the respective minimum free float market capitalization requirement before the application of the FHR Adjustment Factor.

As a final step, China Connect securities are removed from the China Small Cap index. China A local listings are replaced by their corresponding China Connect listings.

Spin-Offs and IPOs that are included in the index after the 3rd Friday of the review month and until the last trading day of the following month will be treated as current index components for the purposes of the upcoming index review. Afterwards, Spin-Offs and IPOs that are included in the index after the last trading day of the following month and until the cut-off date of the upcoming index review, will be treated as current index components for the purposes of that review, but will be screened for Foreign Headroom screen, Depositary Receipt and Country Classification screens only.

3.5. INDEX STABILITY

To maintain index stability and ensure a correct representation:

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

- A minimum of five securities is required for each Developed Country Main Index. Similarly, at least three securities are required for each Emerging Country Main Index.
- At index initiation, if the Main index fails this requirement, the securities with the largest free float market capitalization are added to the Main index, until the requirement is met.
- At subsequent index reviews, if the components (at security level) of a Main Country Index fall below the respective threshold, then:
  - If there are securities resulting from the size assignment, they are automatically included in the final Main Index. The remaining securities from the respective country of the Investable Universe are sorted from the largest to the smallest by free float market capitalization. However, for those currently belonging to the respective country index, their free float market capitalization will be adjusted prior to this sorting by a multiplying factor of 1.5. The top ranked remaining securities are selected until the minimum of 5 (or 3) securities is reached.
  - If the above process does not result in 5 (or 3) securities per country index, the respective country index will be terminated.

The index stability rules apply only for the Main Indices. Other indices, for example Large Cap, Mid Cap, Small Cap, or Industry/Sector Indices may contain only one component.

3.6. REVIEW FREQUENCY

The indices are reviewed on a quarterly basis, and the changes are implemented as of the close on every third Friday in March, June, September, and December. The effective date is the first dissemination day after the third Friday. The cut-off date is the last dissemination day of the previous month. The STOXX TMI free float as of the index review date is used for the review process.

3.7. WEIGHTING CAP FACTORS

When the index is reviewed, securities are weighted by free float market capitalization as defined in Section Overview. The China Connect Scaling Factor of 0.2 is applied for China Connect securities, see Section Weighting Scheme and Free Float for more details.

3.8. ONGOING MAINTENANCE

Replacements: Deleted companies are not replaced.

Fast Exit: China Connect Securities are monitored on a daily basis. If there is an announcement that a China Connect Security index component is ineligible in the future, then the China Connect Security index component is removed from the index with a two-day notice.

Spin-offs: If a spin-off is permanently added between reviews to the underlying universe (i.e., to the STOXX TMI indices, the STOXX Growth Market Indices, the STOXX China A Total Market Index, the

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

STOXX China P-Chip Total Market Index or the STOXX World DR Index), and its parent company belongs to the STOXX IMI, then the size classification of a spun-off company is determined through a sequential country size assessment based on the destination country.

- It is assessed if the Full Market Capitalization of the spun-off company is greater than or equal to the Large country cutoff. If this is satisfied, if the security's free float factor is greater than or equal to 15%, it is assessed whether the security's free float market capitalization is greater than or equal to 0.5 times the Main country cutoff. If the security's free float factor is lower than 15%, it is assessed whether the security's free float market capitalization is greater than or equal to 1.8 times 0.5 times the Main country cutoff. If this threshold is also met, the company is classified as Large. If the security's free float market capitalization threshold is not met, the spun-off company is removed from the index after one trading day.
- If the Full Market Capitalization of the company is below the Large country cutoff, it is assessed whether it is greater than or equal to the Mid country cutoff. If this is satisfied, if the security's free float factor is greater than or equal to 15%, then it is assessed whether the security's free float market capitalization is greater than or equal to 0.5 times the Main country cutoff. If the security's free float factor is lower than 15%, It is assessed whether the security's free float market capitalization is greater than or equal to 1.8 times 0.5 times the Main country cutoff. If this threshold is also met, the company is classified as Mid. If the security's free float market capitalization threshold is not met, the spun-off company is removed from the index after one trading day.
- If the Full Market Capitalization of the company is below the Mid country cutoff, it is assessed whether it is greater than or equal to the Small country cutoff. If this is satisfied, if the security's free float factor is greater than or equal to 15%, then It is assessed whether the security's free float market capitalization is greater than or equal to 0.5 times the Small country cutoff. If this threshold is also met, the company is classified as Small. If the security's free float market capitalization threshold is not met, the spun-off company is removed from the index after one trading day. If the security's free float factor is lower than 15%, the spun-off company is removed from the index after one trading day.

If the post event Full Market Capitalization of the parent company decreases by more than 33%, the parent company is reassessed based on its post event Company Full Market Capitalization and Security Free Float Market Capitalization.
For parent companies previously classified as Large or Mid Cap, the assessment is conducted sequentially as follows:

- It is assessed if the Full Market Capitalization of the parent company is greater than or equal to the Large country cutoff. If this is satisfied, if the security's free float factor is greater than or equal to 15%, then it is assessed whether the security's free float market capitalization is greater than or equal to 2/3rd multiplied by 0.5 times the Main country cutoff. If the security's free float factor is lower than 15%, It is assessed whether the security's free float market capitalization is greater than or equal to 2/3rd multiplied by 1.8 times 0.5 times the Main country cutoff. If this threshold is also met, the company is classified as Large. If the security's free float market capitalization threshold is not met, the parent company is removed from the index after one trading day.
- If the Company Full Market Capitalization is below the Large country cutoff, it is assessed whether it is greater than or equal to the Mid country cutoff. It is assessed if the post event Full Market Capitalization of the parent company is greater than or equal to the Mid country cutoff. If this is satisfied, if the security's free float factor is greater than or equal to

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

15%, then it is assessed whether the security's free float market capitalization is greater than or equal to 2/3rd multiplied by 0.5 times the Main country cutoff. If the security's free float factor is lower than 15%, it is assessed whether the security's free float market capitalization is greater than or equal to 2/3rd multiplied by 1.8 times 0.5 times the Main country cutoff. If this threshold is also met, the company is classified as Mid. If the security's free float market capitalization threshold is not met, the parent company is removed from the index after one trading day.

- If the Company Full Market Capitalization is below the Mid country cutoff, is assessed if the post event Full Market Capitalization of the parent company is greater than or equal to the Small country cutoff. If this is satisfied, if the security's free float factor is greater than or equal to 15%, then it is assessed whether the security's free float market capitalization is greater than or equal to 0.5 times the Small country cutoff. If this threshold is also met, the company is classified as Small. If the security's free float market capitalization threshold is not met, the parent company is removed from the index after one trading day. If the security's free float factor is lower than 15%, the parent company is removed from the index after one trading day.

For parent companies previously classified as Small Cap, the assessment is conducted sequentially as follows:

- It is assessed if the Full Market Capitalization of the parent company is greater than or equal to the Small country cutoff. If this is satisfied, if the security's free float factor is greater than or equal to 15%, then it is assessed whether the security's free float market capitalization is greater than or equal to 2/3rd multiplied by 0.5 times the Small country cutoff. If this threshold is also met, the company is classified as Small. If the security's free float market capitalization threshold is not met, the parent company is removed from the index after one trading day. If the security's free float factor is lower than 15%, the parent company is removed from the index after one trading day.

Spin-offs added to the STOXX China A Total Market Index, or to the STOXX China Growth Market Index, need to be defined as China Connect Security on the Spin-off effective date, in order to be tested as described in this section. Otherwise, if they are not eligible China Connect Securities, they are deleted from the STOXX Investable Market Indices after the first trading day, without any further checks. China Connect spun-off companies cannot be added to the Small Index, even if they pass the tests that are described in this section.

IPOs: Fast entry of large IPOs or direct listings into the Main size indices may be carried out between two index reviews and may also be aligned with an index review, provided the security meets the Main index eligibility requirements, except for the Turnover Ratio and Frequency of Trading screens. In addition, as of the close of the first or second trading day, once all necessary data are available to assess eligibility, including offer allotments, also known as greenshoe (incorporating only publicly announced and exercised over-allotment, or greenshoe, shares prior to the end of the IPO's first or second trading day assessment), the IPO's Company Full Market Capitalization should be higher than, or equal to, 1.8 times the Main Country Cutoff and the security free float market capitalization should be higher than, or equal to, 1.8 times 0.5 times the Main Country Cutoff. The IPO is assigned to a size based on its company full market capitalization, with IPOs above the Large country cutoff classified as Large and IPOs above the Mid country cutoff classified as Mid. If all above requirements are met, the IPO is added to the respective Main size index. Otherwise, if any of the requirements is not met, the IPO is not added to the STOXX Investable Market Indices.

3. STOXX INVESTABLE MARKET INDICES – COUNTRY SIZE SEGMENTS

Generally, Implementation will occur on the 8th trading day, subject to the availability and reliability of all necessary data to assess free float, the number of shares, and related parameters, and provided that at least two trading days' notice is given to the market.

To mitigate turnover when adding IPOs close to the quarterly index review, STOXX may align the effective date of a fast entry with the index review effective date.
Large IPOs that are added on or before the last trading day of the month preceding the review month shall be considered in the subsequent periodic index review. Such securities shall be eligible for selection into derived indices in accordance with the respective index methodology. Large IPOs whose addition effective date falls between the first trading day of the review month and the periodic index review effective date (both inclusive), will be added to the index effective on the periodic index review effective date as an ad-hoc addition. These securities shall not be considered as part of the periodic index review process for the index or any derived indices and shall not be eligible for selection into derived indices as part of that review.
Notwithstanding the above, a Large IPO whose standard addition effective date would fall after the periodic review effective date may instead be implemented concurrently with the periodic index review effective date, provided that STOXX is able to announce the addition to the market at least two trading days prior to the periodic review effective date. If this notice period cannot be met, the Large IPO will be implemented in accordance with the standard Large IPO inclusion process.

Corporate Actions: All components are maintained for corporate actions as outlined in the STOXX Calculation Guide available on stoxx.com.

4. STOXX REGIONAL INDICES

4.1. OVERVIEW

The STOXX Regional Indices are aggregates of the respective STOXX Country Size Segments Indices. They can be aggregated according to the following criteria:

Developed Markets or Emerging Markets. The STOXX Regional Indices include all countries classified as Developed, Emerging, or both.

Geographical Region. The STOXX Regional Indices can include the countries in any of the geographical regions as defined in sub-section named 'Geographical Regions' of 'Regional Specifics' in the STOXX World Equity Index Guide. A number of regions (or ex regions) are derived from other regions with the exclusion of certain countries. Similarly, regions can be derived from other regions with the addition of certain countries. Each STOXX Regional Index is a subset of the STOXX Investable Market Indices.

Size. The STOXX Regional Indices can include different size segments: Main, Large, Mid, Small and All Cap. The STOXX Regional Indices include the eligible Size segments from the eligible countries as defined by the other criteria in this section.

Industry, Sector, Supersector or Subsector. The STOXX Regional Indices can include only components that belong to the eligible Industry, etc., as defined by ICB; and that also belong to the eligible market, geographical region or size segments as defined by the other criteria in this section.

STOXX Regional Indices can also be aggregated from the STOXX Country Size Segment Indices, based on the union or intersection of the above criteria. STOXX Country Indices are defined in Section STOXX Investable Market Indices – Country Size Segments.

For a complete list of the existing STOXX Regional Indices please consult the data vendor code sheet on the website[7].

Weighting scheme: The indices are weighted according to the free float market capitalization, where the free float is defined in Section STOXX IMI Free Float.

The base value, the base dates and the index types are as of the STOXX Investable Market Indices, please consult the data vendor code sheet on the website.

4.2. INDEX REVIEW

Component selection: The indices consist of the components of the relevant STOXX Country Size Segment Indices.

[7] http://www.stoxx.com/documents/stoxxnet/Documents/Resources/Data_Vendor_Codes/vendor_codes_sheet.csv

4. STOXX REGIONAL INDICES

Review frequency: The review frequency of each STOXX Regional Index is the same as the review frequency of the STOXX Investable Market Indices, see section Review Frequency, unless specified otherwise.

During review periods, firstly the compositions of the STOXX Country Size Segment indices are created, following the process in Section STOXX Investable Market Indices – Country Size Segments. Then, each STOXX Regional Index is created, by aggregating the STOXX Country Size Segments, which are eligible for this STOXX Regional Index according to the criteria in Section Overview under Section STOXX Regional Indices.

Generally, the index naming conventions for the STOXX Regional Indices are as follows:
STOXX <Capital Market> <Region> <Size> <ICB Classification>

4.3. ONGOING MAINTENANCE

Each STOXX Regional Index is a subset or a union of the STOXX Investable Market Indices and follows the same maintenance procedures as described in Section Ongoing Maintenance under Section STOXX Investable Market Indices – Country Size Segments, unless specified otherwise. If a company changes its country classification between quarterly reviews, the affected STOXX Regional Indices are updated respectively.

5. CHANGES TO THE INDEX GUIDE

5.1. HISTORY OF CHANGES TO STOXX INVESTABLE MARKET INDEX METHODOLOGY GUIDE

July 2026: Creation of the STOXX Investable Market Index Methodology Guide.
August 2026: IPO rule clarification for section 'STOXX Investable Market Indices – Country Size Segments' and addition of reference to the Guide to Reference Calculations used by STOXX Ltd.

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