

# Mirae Asset AI Infrastructure V2 Index

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## Index Overview

### Index Description

The objective of the Mirae Asset AI Infrastructure V2 Index is to track the performance of companies involved in supporting the data center infrastructure requirements arising from Artificial Intelligence operations. This includes companies involved in the supply of electric utilities and infrastructure, energy management and optimization, data center equipment manufacturing, thermal management, and production and refinement of Copper and Uranium used to power and operate the AI infrastructure.

### Index Calculation

The Index will be calculated by the Index Administrator on every **Index Business Day** starting with the **Index Commencement Date** and will be published onto the vendor platforms and to the clients simultaneously. On any day when the underlying prices are not available from the sources, the last available closing price and 4 p.m. WM FX rate fixings will be used for Index Valuation for that **Index Business Day**. Subject to provisions set out under Market Disruption Events or **Force Majeure Events, Index Levels** may not be calculated on an **Index Business Day** and such a day will be termed as a **Disrupted Day**. The initial Index Level along with the other Index details are as below:

Table 1

Index	Index Currency	Index Base Date	Index Base Level	Index Commencement Date	Index Administration Start Date
Mirae Asset AI Infrastructure V2 Index PR	USD	27-Jun-2019	1000	13-Nov-2024	13-Nov-2024
Mirae Asset AI Infrastructure V2 Index NTR	USD	27-Jun-2019	1000	13-Nov-2024	13-Nov-2024
Mirae Asset AI Infrastructure V2 Index GTR	USD	27-Jun-2019	1000	13-Nov-2024	13-Nov-2024

## Index Selection Rules

### Initial Universe

The initial universe is created by identifying business segments that are most directly related and relevant. The business segments identified as relevant to the theme are reviewed annually as part of the June Rebalance. If a company is identified as meeting all the index selection criteria but is not categorized in one of the industry or business segments identified, the company can still be added, and the relevant industry or business segment will be reviewed for inclusion in the initial universe going forward.

### Eligibility Filter

The following factors are considered for each security when reviewing for inclusion in the initial universe:

- The Country of Listing should be US, Canada, Australia, Hong Kong, China, Taiwan, South Korea, Japan, and Developed or Emerging Markets countries in Europe. The Mirae Asset Country Classification

document defines the classification of Developed and Emerging Markets in Europe. In case of Country of Listing is China, only A shares will be eligible, provided those are trading via Stock Connect program.

- **Company Level Market Capitalization** must be a minimum of USD 1 Billion.
- Average Daily Traded Value (“ADTV”) over a period of 6 months must be at least USD 2 Million.
- Must be traded on 90% of the eligible **Scheduled Trading Days** for the 6 calendar months preceding the Selection Day.
- Investable Weight Factor (Free Float) should be a minimum of 10% of the outstanding shares.
- The Security Types considered for inclusion are:
  1. Common Stock
  2. Depository Receipts
- The most liquid Share Class/Listing of the security is considered for inclusion in the Index.
  1. Liquidity of Share Class/Listing is based on 6-month ADTV.
  2. The existing Share Class/Listing in the portfolio is to be retained if it satisfies all the eligibility factors of the index.

## Selection Criteria

The following sub-themes have been identified for the AI Infrastructure Index:

Sub-Theme	Description
<b>Power and Energy Infrastructure</b>	Companies with significant business operations in providing energy infrastructure essential for powering data centres, and enhancing the efficiency of energy distribution, storage, and transmission timing.
<b>Data Centre Infrastructure</b>	Companies with significant business operations in providing the underlying equipment and thermal management for data centre operation (Heating Ventilation, and Air Conditioning/Cooling systems, Power Distribution Units, Racks, etc.).
<b>Raw Materials and Energy Source</b>	Raw Materials and Energy Source sub-themes are categorized into two categories, the Uranium subcategory and the Copper subcategory. Both sub-categories include companies with significant business operations in mining and refining raw materials or in providing energy sources necessary for companies with significant business operations in: <ol style="list-style-type: none"> <li>(1) Power and Energy Infrastructure</li> <li>(2) Data Centre Infrastructure</li> </ol>

For the avoidance of doubt, while the following types of companies and business activities may have potential contributions to AI Infrastructure, they are presently not considered for inclusion to maintain the index’s unique value proposition, with such exclusions subject to future review:

1. Data Center REITs
2. Companies with primary business activities related to Semiconductors, ESS, Renewable Energy
3. Raw Material companies with primary business activities not related to Copper, Uranium, SMRs

The companies that are identified as deriving a significant proportion of their revenue from the above sub-themes or which state that their primary business is providing the above-mentioned products and/or services are evaluated for inclusion. A company can earn most of its revenue through one or a combination of the mentioned sub-themes.

1. Only **Pure-Play** companies are considered for inclusion. This refers to companies earning greater than or equal to 50% of revenue attributable to one or more of the core businesses of the sub-themes in aggregate.

## Final Selection

From the Selection Universe,

1. In total 30 securities are selected in the Index. The index will include top 10 companies ranked by their respective **Company Level Market Capitalization** that satisfy the filter criteria mentioned above from each of the sub-themes mentioned.
2. For diversification, we ensure that both Uranium and Copper subcategories have 5 companies selected for the Raw Materials and Energy Source sub-theme. In case if we are unable to find the requisite number of stocks in either of the sub-categories, we select the rest from the alternate sub-category to have 10 constituents from the Raw Materials and Energy Source sub-theme.
3. If fewer than 10 securities qualify within any sub-theme during the final selection, after meeting all eligibility criteria, the next eligible security or securities will be chosen based on their **Company Level Market Capitalization** to ensure a total of 30, regardless of the sub-theme.
4. If there are no eligible securities and the final index count is still below 30, a stepdown approach will be applied. A stepdown approach involves incrementally relaxing the criteria by simultaneously decreasing the **Company Level Market Capitalization** in steps of USD 100 million and the 6-Month ADTV in steps of USD 0.10 million. After applying stepdown approach, final selection will be performed again from Step 1 until 30 securities are selected.

## Weighting

The index constituents are weighted based on their **Company Level Market Capitalization** where:

1. To avoid a sub-theme level concentration, each sub-theme is given an equal weighting in the Underlying Index (equal weight among three sub-themes i.e. one third weight to each one of the three sub-themes);
2. To avoid security level concentration, each constituent of the Underlying Index is capped at a maximum of 5% weight.
3. If fewer than 7 securities qualify for the Underlying Index from any sub-theme, a step-up approach is applied until the sub-theme diversification is achieved (i.e. equal weight among the three sub-themes); and
4. In a step-up approach, the overall security capping (i.e. a maximum 5% weight) is increased in increments of 1% for each of the security in the sub-theme and then the weighting for each security in the sub-theme is allocated in proportion to their company level market capitalisation until equal weighting at the sub-theme level is achieved (i.e. one third weight to each one of the three sub-themes). For example, if the number of qualified securities from a sub-theme is 6, then the maximum stock cap will be increased from 5% to 6%.

## Index Calculation

### Index Calculation Methodology

The Mirae Asset AI Infrastructure V2 Index will be calculated as per the standard Equity Calculation Methodology of the Index Administrator which can be referenced in the Index Documents section of the Index Administrator's webpage. All Dividend Forecasts and Corporate Actions are subject to modification. For more information about

Corporate Actions, kindly follow the Corporate Action Treatment Methodology available on the Index Administrator's website.

## Index Reconstitution

### Reconstitution

The index follows a Semi-Annual Reconstitution as of the close of the fourth Friday of June and December each year which is referred as **Reconstitution Day**. If it is not the **Business Day** then the immediately preceding **Business Day** becomes **Reconstitution Day**. The index will become effective from open of the next **Index Business Day** which is called **Effective Day**.

The initial universe is created and weighted based on the data as of the **Selection Day** which is the first Friday of June and December each year. The Units will be calculated as of third Friday of June and December.

## Index Replacement

If securities are removed from the index due to any corporate event, they will be replaced with securities that meet all eligibility criteria within the same sub-theme based on the highest **Company Level Market Capitalization** as of the immediate prior month end at the time of the replacement notification.

If no eligible securities are available from the same sub-theme, the next eligible security will be selected based on "Final Selection" steps above as of immediate prior month end at the time of the replacement notification.

The replacement notification will be released at least two Scheduled Trading Days (of the replacement security) prior to the replacement implementation date on a best effort basis.

## Risk Disclaimer

**Index Administrator** does not provide any investment advice pertaining to the index. The Index Administrator will thereby be exempt from any fiduciary obligation to any person(s) or entity(s) investing into this index by virtue of a product based on this index as an underlying.

## Market Disruption Events and Force Majeure

The index is a rules-based index and does not have scope for any discretionary adjustment to the day-to-day functioning of the index except under extraordinary circumstances where the **Index Administrator** is unable to calculate the index for a reason external to the **Index Methodology**, some of which may include:

- Disruption of data provider
- **Force Majeure Events**, like calamities
- Any significant changes to the market condition forcing the re-evaluation of the Index Rationale
- Any government regulation change
- Discontinuation in data points like FX rates

In such scenarios the **Index Administrator** reserves the right to invoke a Market Disruption Event. This determination is immediately escalated to the Index Oversight Committee, which will decide the future course of the index. Any decision related to the index will be posted on the Index Administrator's website before action is taken. For an expected Disruption event, the **Index Administrator**, after consulting with the Index Oversight Committee, will post a consultation to this effect up to 30 days in advance, or a period rationally feasible in light of the timelines of the disruption.

## Definitions Used

**Business Day** is a trading day for all current and future Securities of the Index.

**Company Level Market Capitalization** is defined as the market capitalization of a security based on the overall company level. This calculation considers the price and shares of the most liquid security.

**Disrupted Day** is a day(s) identified by the **Index Administrator** for the Index or one of its components having a Market Disruption Event as defined in the section above.

**Effective Date** is the day, as defined in the section on Rebalancing and Reconstitution, when the latest portfolio goes live.

**Exchanges** is the list of Exchanges where the current or future composition of the Index constituents are trading.

**Force Majeure Events** is defined in the Section on Market Disruption Event, as an event which is beyond human control and can have an impact on the trading characteristics of one or more Index Constituents or one or more Exchanges on one or more **Index Business Days**.

**Index** when used in conjunction with any other word is the Mirae Asset AI Infrastructure V2 Index as defined in this Methodology document.

**Index Administrator** is Mirae Asset Global Index Private Limited

**Index Base Date** is the date which has been set for the initial value of the Index as defined in Table 1 of the Methodology document.

**Index Base Level** is the initial level of the Index selected for the **Index Base Date**. This is defined in Table 1 above.

**Index Business Day** is any weekday other than Saturday and Sunday.

**Index Commencement Date** is the date when the Index goes live. Before this date the **Index Levels** generated are backtested levels

**Index Level** is the levels of the Index calculated basis the Index Calculation defined in the **Index Manual** above for any **Index Business Day**

**Index Manual** or **Index Methodology** refers to this document.

**Index Owner** is Mirae Asset Global Index Private Limited

**Pure-Play** is a company which is deriving majority of its revenue (greater than 50%) from the sub-themes that have been defined in the Index Methodology.

**Scheduled Trading Day/s** is a day when the exchange for the security is open for trading.

**Selection Date** is the day when the Universe is selected for creation of the latest portfolio. All the selection rules are applied on this universe as of this date.

## **Disclaimer**

All information provided herewith is for reference purposes only. Mirae Asset Global Index Private Limited ensures the accuracy and reliability of the information presented herein to the best of its abilities. However, Mirae Asset Global Index Private Limited, its Holding/Group companies their directors, officers, employees or affiliates' makes no guarantee or representation thereof for the correctness and reliability of the information contained in this document and denounces all liability that may arise to any person for any damage arising as a result of referring to the information provided in the aforesaid document. The information is to be used only as a guidance and should not be considered as a professional or investment advice. The historical performance of the strategy is a hypothetical performance based on several assumptions like availability to trade, no liquidity issues with stocks. The hypothetical historical performance should not be considered as a tradable portfolio and does not guarantee any future performance of the strategy.