



Scientific Infra Pte. Ltd.

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Index Termination Policy

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1. Purpose and scope

The Index Termination Policy is the document outlining the procedure which is followed when Scientific Infra Pte. Ltd. ("Company") considers terminating index and setting out the considerations that the Company will undertake in deciding cessation of an index or a family of indexes.

The Company reviews its indices on its continued relevance and quality in the changing market conditions, update index definitions and methodologies if required. However, there may be circumstances/ conditions, such as changes to the underlying market infrastructure, where an index methodology cannot be reasonably adapted and termination may be warranted.

2. Termination Reasons

Termination of index/ Indexes may arise from various reasons, including but not limited to:

- Changes in structure of the underlying market;
- Changes in market structure;
- Political events affecting the market accessibility or regulatory changes on the underlying interest;
- Unreliable or insufficient data input that makes it impossible to continue compelling the index;
- Insufficient users hence little demand for the index;
- Obsolescence of methodology;
- Redundancy
- Regular Reviews leading to removal of indexes due to similar methodologies to another index,

3. Procedures & Responsibilities

1. The Research and Index Offering Committee ("RIOC") makes final decisions to decommission existing indexes and consults the Index Oversight Committee ("IOSC").

The proposal should include,

- reason for index/ index series termination
- any products tracking the index/ index series
- transition arrangement or compilation of a replacing indexes
- proposed timeline & announcement of termination (the schedule and detailed arrangements)

2. IOSC reviews the proposed by RIOC.

- a. IOSC will review if the Committee finds the proposal relevant and cessation is appropriate.
- b. When IOSC is not satisfied with the proposal, it will require further information from RIOC and put review on hold until satisfactory.
- c. When the IOSC is not convinced by the relevance and suitability of the proposal, it will issue recommendations to the RIOC.
- d. Where relevant, consultation may be sought from the relevant stakeholders on the impact of the proposed or required termination

3. In case a Consultation is held, both RIOC and IOSC will review the contributions received from respondents.

- a. After considering the feedback and recommendations produced during the review process, the RIOC may choose to
 - i. go ahead with the change (as initially presented or with adjustments accounting for feedback and/or recommendations),
 - ii. submit a new proposal to the IOSC or
 - iii. withdraw the proposal.

4. IOSC records instances when the RIOC has acted or proposes to act contrary to its recommendations.
5. When the termination decision is final, it is announced to the relevant Stakeholders; Subscribers of the affected indices are directly notified of the amendment by email and a Notice/ Announcement is published on the website.
6. The announcement includes the rationale of the termination, the effective date of termination and other relevant provision. At least a 3-month notice should be given. Should notice be shorter, due to justifiable reasons such as data limitations hence computation cannot be ensured for a full period calculation or threaten the integrity of the index/ indexes.
7. If possible and deemed necessary, index calculation can be maintained for a longer predetermined period to facilitate the implementation of fall-back provisions, including the transition to a successor or alternative index.

4. Alternative/ Replacing Indexes

If there are product(s) tracking the to-be-terminated index/ index series, the Company should provide product issuers with the option to switch to other EDHECinfra indexes.

The alternative index/ index series should match the objectives, characteristics and design of the existing indexes as closely as possible.

However, it will be a product issuer's own decision and responsibility regarding whether or not to adopt the use of the alternative index/ index series suggested by the Company.

Depending on the issuer's final decision, the Company will work with the client to establish a reasonable timeline for migrating to the alternative index/ index series or for withdrawing its licence.

5. Record Retention

Records in relation to the provision of Benchmarks are retained in accordance for at least 5 years or per applicable legal and regulatory requirements.