



Syntax Clean Energy Index (SYCLEN) Rulebook

13 November 2023

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1 Index Objective

The Syntax® Clean Energy Index (the “Index”) applies modified-equal weighting to up to 100 public US companies that produce renewable energy or support its production. The Index applies screens for thematic purity of exposure, liquidity, and size, and defines business segments including renewable power generation, renewable power equipment, batteries & electronic materials, EVs, biofuels, fuel cells, and renewable energy financing.

The Index uses company classification data structured in Syntax's proprietary Functional Information System (FIS)®, which draws primarily from audited annual reports (e.g., 10-K filings) and secondarily from unaudited documents (e.g., news articles, company websites) to allow granular groupings and comparisons of companies by the characteristics of their various product lines.

Information regarding the day-to-day calculation and maintenance of this and other Syntax Indices — as well as regarding the definitions of key terms used throughout this and other Syntax Index Rulebooks — is available in an accompanying document, the *Syntax Index Calculations & Adjustments Rulebook*.

2 Index Parameters

Launch Date: 16 December 2022

First Value Date: 15 March 2013

Index Calendar: US (NYSE)

Index Trading Hours: US (NYSE)

Corporate Action Handling: Equal-weight Methods

Regular Dividend Reinvestment: Pro rata Method



Reconstitution: Quarterly — each March, June, September and December (the “Reconstitution Months”)

Rebalancing: Quarterly — each March, June, September and December (the “Rebalancing Months”)

Snapshot Date: The last US trade date before the Rebalancing Month, at the market close

Weight Date: The last US trade date on or before the Wednesday before the second Friday of the Rebalancing Month, at the market close

Rebalance Date: The last US trade date on or before the third Friday of the Rebalancing Month, at the market close

Effective Date: The first US trade date following the third Friday of the Rebalancing Month, at the market open

Inter-Basket Changes: Constituent entities are neither added nor removed in the Rebalancing except as compelled by reasons that could have triggered an Intra-Basket Change had they occurred between Rebalancings. The Constituent security or Constituent listing of a Constituent entity may be replaced in the Rebalancing by another that provides sufficiently equivalent exposure to the same Constituent entity, as per the Administrator's Expert Judgment. Additions and removals of all kinds may be made in the Reconstitution.

Intra-Basket Changes: Index Constituents may be removed at any time due to corporate actions or events severely affecting liquidity, business integrity, or the relevance of business engagement. Except where specified in the *Syntax Index Calculations & Adjustments Rulebook* for handling of corporate actions such as mergers or spinoffs, Index Constituents are not added between Rebalancings.



3 Basket Construction

3.1 Universe

The Index's Universe is drawn from the Syntax US 3000 Index (SY3000). Candidates are identified using Syntax FIS data showing that each has at least 20% Theme Exposure (typically measured as a percentage of revenues, and in some cases reflecting profit or other indicators that are deemed more relevant) from one or more of the following business segments:

- **Renewable Power Generation:** the production of electricity from renewable energy sources such as wind, solar, hydroelectric, etc.
- **Renewable Power Equipment:** the production, distribution, leasing, or maintenance of equipment and parts used to generate renewable energy.
- **Batteries & Electronic Materials:** the manufacturing or distribution of batteries, as well as the mining of metals and minerals or production of chemicals that are incorporated into batteries.
- **Electric Vehicles:** the manufacture of electric automobiles and other vehicles and provision of equipment or services to the electric vehicle industry.
- **Biofuels:** the production, transportation, and storage of biofuels (including ethanol) as well as their inputs.
- **Fuel Cells:** the manufacture of hydrogen fuel cells for a variety of industries, as well as the provision of equipment and services for the fuel cell industry.
- **Renewable Energy Financing:** the provision of loans to renewable energy companies for diversified uses and to consumers for purchasing electric vehicles, as well as the trading of renewable energy credits.



3.2 Selection

To be considered an “Eligible Candidate” and enter the ranking process, a Candidate must meet all the following eligibility criteria:

- Average Daily Traded Value (ADTV): three-month minimum of 1 million USD based on at least one month of trading history
- Float Factor: minimum of 20%
- Market capitalization: minimum of 100 million USD
- Float-adjusted market capitalization: minimum of 50 million USD

The Index selects Constituents from among the Eligible Candidates by the following steps:

- 1) Rank all the Eligible Candidates by three metrics in descending order separately: market capitalization, three-month ADTV, and Theme Exposure.
- 2) For each Eligible Candidate, average the three metrics’ rank numbers.
- 3) Sort the Eligible Candidates into two buckets: one comprising the Eligible Candidates whose Theme Exposures are at least 50% (the “Pure-play Bucket”), and the other comprising the Eligible Candidates whose Theme Exposures are below 50% (the “Diversified Bucket”.)
- 4) By ascending order of the averaged rank numbers from (2), using three-month ADTV as a rank tiebreaker — such that all else held equal, Eligible Candidates with higher values for the three metrics are selected first — select Constituents from among the Eligible Candidates within as many Buckets as are needed, proceeding through the Buckets in the following order until either 100 Constituents are selected, or all Eligible Candidates are selected:
 - a. Pure-play Bucket
 - b. Diversified Bucket



3.3 Weighting

All Constituents are equally weighted within their respective Buckets (Pure-play or Diversified) as of the Weight Date, with the Pure-play Bucket allocated 80% of the total Index Weight and the Diversified Bucket allocated 20% of the total Index Weight.

4 Index Variants

The Index is calculated in US Dollar (USD) on an end-of-day (EOD) basis by Syntax Indices in the following variants:

Ticker	Name	Return Type	Base Date	Launch Date	Base Level
SYCLEN	Syntax Clean Energy Index	Price Return	15 Mar 2013	16 Dec 2022	1000
SYCLENG	Syntax Clean Energy Total Return Index	Gross Total Return	15 Mar 2013	16 Dec 2022	1000