



Syntax Internet of Things
Ecosystem Composite
Index (SYIOTC) Rulebook

13 November 2023

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1 Index Objective

The Syntax® Internet of Things (IoT) Ecosystem Composite Index (the “Index”) float market cap-weights public US companies that provide equipment and software that enable physical objects to exchange data with each other via networks. The Index applies screens for thematic purity of exposure, liquidity, and size, and defines business segments including semiconductors, utilities, industrial equipment, smart home, and automotive.

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: Cap-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:

- **Smart Buildings:** the provision of internet-enabled equipment for various building management purposes, such as temperature control and energy management systems, as well as fire alarm and security systems.
- **Semiconductors:** the production of semiconductors and radio frequency components for Internet of Things applications across diversified industries.
- **Utilities:** the production and distribution of sensing and control equipment for utilities customers, such as meters for gas, water, and electricity, or power grid monitoring hardware.
- **Smart Home:** the provision of internet-enabled home equipment for consumers, such as temperature control devices, fire alarms, and security cameras.
- **Industrial:** the production and distribution of internet-enabled sensors and other connectivity equipment, as well as the development of cloud software platforms to manage said equipment for industrial applications.
- **Telecommunications:** the provision of networking equipment and services for diversified industrial Internet of Things applications.
- **Consumer IoT:** the production and distribution of internet-enabled wearables for consumers, such as smart watches, fitness monitoring devices, or home diagnostic equipment.



- **Automotive:** the manufacture or design of sensors for consumer and commercial transportation vehicles.

3.2 Selection

The Index selects as Constituents all available Candidates from the Universe.

3.3 Weighting

All Constituents are weighted by float-adjusted market capitalization as of the Weight Date, subject to an Index Weight maximum of 4.5%.

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
SYIOTC	Syntax Internet of Things Ecosystem Composite Index	Price Return	15 Mar 2013	16 Dec 2022	1000
SYIOTCG	Syntax Internet of Things Ecosystem Composite Total Return Index	Gross Total Return	15 Mar 2013	16 Dec 2022	1000