



Rules for the EDHEC IEIF Commercial Property Index (France)

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1 Index Composition

1.1 Index Definition The EDHEC IEIF Commercial Property Index (France) is a capitalisation weighted index that measures the performance of SCPIs (unlisted French property investment trusts), that invest in commercial property (offices, shopping centres, logistics infrastructures, etc.).

SCPIs are Alternative Investment Funds regulated by article L214-24 and following of the French Monetary and Financial Code. Their status is more specifically detailed in L214-33 and following. SCPIs are trusts that are allowed to make public offerings of shares, with the sole purpose of acquiring and managing property assets leased to tenants.

1.2 Index Universe The index is made up of SCPIs that, over the past year, have posted a volume of transactions on the secondary market in excess of €2 million.

The secondary market is the market for share transactions organised by SCPI-management firms in accordance with articles 421-1 and following of the General Regulation of the French Financial Market Authority.

This market is organised differently depending on whether the SCPI is composed of fixed or variable capital. For fixed capital SCPIs, the secondary market is regulated by an order book held by the management company. For variable capital SCPIs, the secondary market is organised through the redemption of shares, offset by the issuance of a shares at a price fixed by the management company, which is within a 10% range above or below the value that corresponds to the property fund's fair net asset value.

2 Calculation and Publication of the EDHEC IEIF Commercial Property Index (France)

2.1 Calculation of the Index The formula below is used to calculate the EDHEC IEIF Commercial Property Index (France):

$$I_t = 1000x \frac{\sum_{i=1}^N Q_{i,t} \cdot C_{i,t}}{k_t \sum_{i=1}^N Q_{i,0} \cdot C_{i,0}}$$

Where:

$t =$ the day of computation
 $N =$ number of components in the index
 $Q_{i,t} =$ number of shares of component i on day t
 $C_{i,t} =$ price of share i on day t
 $Q_{i,0} =$ number of shares of component i of the sample at index base date
 $C_{i,0} =$ price of share i at index base date
 $k_t =$ adjustment coefficient for base capitalisation on day t

The EDHEC IEIF Commercial Property Index (France) is computed on a net (capital return) and gross (total return including dividends reinvested) basis.

The base date for the EDHEC IEIF Commercial Property Index (France) is 30 June 2008.

2.2 Publication Frequency

The EDHEC IEIF Commercial Property Index (France) is published monthly. Publication of the index takes place at 5pm CET (Central European time) on the 20th of the month following the end of the calendar month provided it is a working day; if not, publication takes place on the following working day.

The index can be accessed via www.ieif.fr and <https://risk.edhec.edu>.

2.3 Price of Shares

The performance of the SCPIs is measured by the share purchase price, including commissions charged by the management firm and stamp duty.

For fixed capital SCPIs, the share price corresponds to the purchase price derived from the previous order book matching process. For variable capital SCPIs, the share price corresponds to the subscription price observed upon the last compensated share redemption process. In the absence of the trading of shares over the quarter, the SCPI is temporarily excluded from the calculation of the index.

2.4 Number of Shares

The adjustment of the number of shares is monthly, upon publication of the following monthly index.

2.5 Dividends

Dividends are taken into account during the month where they are paid.

2.6 Revision

The composition of the index is revised twice a year, in March and in September, on the basis of the transaction volume recorded on the secondary market over two consecutive calendar semesters: from January to December for the March revision and from July to June for the September revision. The SCPIs that satisfy the requirements for inclusion in the universe for the first time are automatically included.

If, for two consecutive revisions, an SCPI's transaction volume on the secondary market falls below 80% of the minimum annual transaction volume, it is automatically removed from the index.

If an SCPI is dissolved, or legally transforms by losing its SCPI status, or by being absorbed by another SCPI, it is automatically removed from the index.

The composition of the index is published upon each revision.

3 Administration of the EDHEC IEIF Commercial Property Index (France)

- 3.1 Scientific Committee** The administration of the EDHEC IEIF Commercial Property Index (France) is entrusted to a Scientific Committee made up of property and financial analysts, property managers, scientific figures, and representatives from IEIF and EDHEC. The Scientific Committee meets in the first two weeks of March and September, at which time it takes note of the automatic revisions that have occurred in the composition of the index. The mission of the Scientific Committee is to manage the composition of the EDHEC IEIF Commercial Property Index (France) with the aim of ensuring its reliability and representativeness. It may amend the rules for the calculation of the index.
- 3.2 Publication and Effective Date of Committee Decisions** Scientific Committee decisions are published immediately and, barring exceptions, take effect upon publication of the following index.

4 Administrator of the Index and Final Provisions

- 4.1 Administrator of the Index** The IEIF is the administrator of the EDHEC IEIF Commercial Property Index (France). It is responsible for data-gathering, computation and publication of the index. All decisions having to do with the interpretation of these rules are taken by the administrator of the index.
- 4.2 Amendments to the Rules** The present rules may, at any time, be wholly or partly amended, added to, suspended or revised. Additions, amendments, revisions and deletions may lead to changes in the composition or computation of the EDHEC IEIF Commercial Property Index (France), or affect it in another way.
- The administrator of the index submits all proposed additions, amendments, revisions or deletions to the present rules to the Scientific Committee for approval.
- 4.3 Liability** The administrator of the index has a best-effort obligation to ensure the accuracy of the computation and publication of the EDHEC IEIF Commercial Property Index (France) in accordance with the established rules. Nonetheless, neither the index administrator nor the index Scientific Committee can be held liable for the reliability of the computation and publication of the index.
- Furthermore, the administrator and the Scientific Committee of the index guarantee neither the continuity of the index computation method, nor the continuity of the computation of the index, nor its publication.
- The administrator of the index and the advisory board cannot be held liable for any financial losses that may result from the use of the EDHEC IEIF Commercial Property Index (France) following additions to, amendments, revisions or deletions of index rules.
- 4.4 Copyright and Trademarks** IEIF and EDHEC hold joint rights to the intellectual and other property rights to the EDHEC IEIF Commercial Property Index (France), in particular to its name, its composition, and its computation.