

FTSE EPRA Nareit Global Real Estate Index Series

v11.9



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Section 1

Introduction

1. Introduction

- 1.1 This document sets out the Ground Rules for the construction and management of the FTSE EPRA Nareit Global Real Estate Index Series. Copies of the Ground Rules are available from FTSE International Limited ("FTSE").
- 1.2 The FTSE EPRA Nareit Global Real Estate Index Series is designed to represent general trends in eligible listed real estate stocks worldwide. Relevant real estate activities are defined as exposure to ownership, trading and development of income-producing real estate.
- 1.3 The FTSE EPRA Nareit Global Real Estate Index Series provides investors with a comprehensive and complementary set of indices which range from regional and country indices, Dividend+ indices, Investment Focus indices and a REITs and Non-REITs series. The index series is designed to reflect the stock performance of companies engaged in specific aspects of the major real estate markets/regions of the world - Americas, EMEA (Europe, Middle East and Africa) and Asia.
- The Global Real Estate market is defined in Appendix 1.
- 1.4 The FTSE EPRA Nareit Global Real Estate Index Series does not take account of ESG factors in its index design.
- 1.5 Index construction methodology**
- The FTSE EPRA Nareit Global Real Estate Index Series includes the indices which can be grouped into global, regional and specialist.
- A breakdown of the indices within the series is defined in Appendix 2.
- 1.6 Two values for each index are calculated: (1) a capital return and (2) a total return. A net total return value is also calculated (see *Appendix 3*).
- 1.7 The main calculation currency is the Euro although the indices are also calculated in US Dollar, British Sterling and Japanese Yen on an end-of-day basis. The FTSE EPRA Nareit Pure Australia Index is also calculated in Australian dollars. The main calculation currency for the FTSE EPRA Nareit Developed Asia 33 Index and the FTSE EPRA Nareit Developed Asia Pacific Select REITS Net Tax Index is Hong Kong Dollars.
- 1.8 The following variants are, or if requested may be, calculated for certain indices within the index series:
- Capital and total return indices;
 - Net total return indices based on specified withholding tax rates;
 - Indices calculated in currencies other than the base currency (EUR);
 - Currency hedged indices;
 - Capped indices;
 - Global, regional and single country indices;
 - Sector indices.

Additional customised variants can be calculated on request including indices with industry, country and sector exclusions. Selected indices are calculated and disseminated on a real time basis.

1.9 IOSCO

1.9.1 FTSE considers that the FTSE EPRA Nareit Global Real Estate Index Series meets the IOSCO Principles for Financial Benchmarks as published in July 2013.

1.10 FTSE Russell hereby notifies users of the index series that it is possible that circumstances, including external events beyond the control of FTSE Russell, may necessitate changes to, or the cessation of, the index series and therefore, any financial contracts or other financial instruments that reference the index series or investment funds which use the index series to measure their performance should be able to withstand, or otherwise address the possibility of changes to, or cessation of, the index series.

1.11 Index-USers who choose to follow this index or to buy products that claim to follow this index should assess the merits of the index's rules-based methodology and take independent investment advice before investing their own or client funds. No liability whether as a result of negligence or otherwise is accepted by FTSE Russell or any members of the FTSE EPRA Nareit Global Index Advisory Committee for any losses, damages, claims and expenses suffered by any person as a result of:

- any reliance on these Ground Rules, and/or
- any inaccuracies in these Ground Rules, and/or
- any non-application or misapplication of the policies or procedures described in these Ground Rules, and/or
- any inaccuracies in the compilation of the Index or any constituent data.

1.12 FTSE Russell

FTSE Russell is a trading name of FTSE International Limited, Frank Russell Company, FTSE Global Debt Capital Markets Limited (and its subsidiaries FTSE Global Debt Capital Markets Inc. and FTSE Fixed Income Europe Limited), FTSE Fixed Income LLC, FTSE (Beijing) Consulting Limited, Refinitiv Benchmark Services (UK) Limited, Refinitiv Limited and Beyond Ratings.

Section 2

Management responsibilities

2. Management responsibilities

2.1 FTSE International Limited (FTSE)

2.1.1 FTSE is the benchmark administrator of the index series¹.

2.1.2 FTSE is responsible for the daily calculation, production and operation of the index series and will:

- maintain records of the index weightings of all constituents;
- make changes to the constituents and their weightings in accordance with the Ground Rules;
- carry out the periodic index reviews of the index series and apply the changes resulting from the reviews as required by the Ground Rules;
- publish changes to the constituent weightings resulting from their ongoing maintenance and the periodic reviews;
- disseminate the indices.

2.2 EPRA and Nareit

2.2.1 EPRA and Nareit are responsible for conducting the analysis of financial statement-related eligibility tests including the EBITDA test for potential and current constituents in order to establish their eligibility for inclusion in the FTSE EPRA Nareit indices and their allocation to the emerging and developed sub-series. EPRA and Nareit will also determine a constituent's Investment Focus segment and classify each constituent by Property Sector.

2.2.2 EPRA and Nareit also provide research, guidance and clarification with respect to certain aspects of the structure, operations and financial reporting of companies that may bear on their index eligibility, as well as to regulatory requirements pertaining to certain companies that may restrict some investment organizations from investing in such companies and the equity indices that include them as constituents.

2.3 Advisory Committees

2.3.1 To provide FTSE Russell with advice and guidance, FTSE Russell has established three FTSE EPRA Nareit regional advisory committees:

- The FTSE EPRA Nareit Asia Index Advisory Committee
- The FTSE EPRA Nareit EMEA Index Advisory Committee
- The FTSE EPRA Nareit Americas Index Advisory Committee

The Terms of Reference of the FTSE EPRA Nareit Advisory Committees are set out on the FTSE Russell website and can be accessed through the link below.

[FTSE EPRA Nareit Regional Advisory Committee.pdf](#)

¹ The term administrator is used in this document in the same sense as it is defined in [Regulation \(EU\) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds](#) (the European Benchmark Regulation) and [The Benchmarks \(Amendment and Transitional Provision\) \(EU Exit\) Regulations 2019](#) (the UK Benchmark Regulation).

- 2.4 FTSE Russell is responsible for the day-to-day management of the FTSE EPRA Nareit Global Real Estate Index Series and for decisions regarding the interpretation of these Ground Rules.
- 2.5 These rules may be supplemented, amended in whole or in part, revised or withdrawn at any time. Supplements, amendments, revisions and withdrawals may also lead to changes in the way the index is compiled or calculated or affect the FTSE EPRA Nareit Global Real Estate Index Series in another way. All decisions will be published immediately. A period of at least three months should pass between the date a proposed change is published and the date this comes into effect, unless the change is not in conflict with the interests of an affected party. No liability can be accepted for any losses resulting from supplementing, amending, revising or withdrawing the Ground Rules for the FTSE EPRA Nareit Global Real Estate Index Series.
- 2.6 The compiler of the FTSE EPRA Nareit Global Real Estate Index Series will do everything within its power to ensure the accuracy of the composition, calculation, publication and adjustment of the FTSE EPRA Nareit Global Real Estate Index Series in accordance with relevant rules. However, the compiler of the FTSE EPRA Nareit Global Real Estate Index Series and the FTSE EPRA Nareit Global Real Estate Index Series Advisory Committees cannot accept any liability for any inaccuracy in share prices, calculations and the publication of the index, the information used for making adjustments to the index and the actual adjustments.
- 2.7 Amendments to these Ground Rules**
- 2.7.1 These Ground Rules shall be subject to regular review (at least once a year) by FTSE Russell to ensure that they continue to best reflect the aims of the index series. The review process will include consultation on any proposed changes with the FTSE EPRA Nareit Regional Advisory Committees.
- 2.7.2 As provided for in the Statement of Principles for FTSE Russell Equity Indices, where FTSE Russell or the FTSE EPRA Nareit Regional Advisory Committee determines that the Ground Rules are silent or do not specifically and unambiguously apply to the subject matter of any decision, any decision shall be based as far as practical on the Statement of Principles. After making any such determination, FTSE Russell shall advise the market of its decision at the earliest opportunity. Any such treatment will not be considered as an exception or change to the Ground Rules, or to set a precedent for future action, but FTSE Russell will consider whether the Ground Rules should subsequently be updated to provide greater clarity.
- 2.8 Status of these Ground Rules**
- 2.8.1 These Ground Rules set out the methodology and provide information about the publication of the FTSE EPRA Nareit Global Real Estate Index Series.

Section 3

FTSE Russell Index policies

3. FTSE Russell Index policies

These Ground Rules should be read in conjunction with the following policy documents which can be accessed using the links below:

3.1 Corporate Actions and Events Guide

Full details of changes to constituent companies due to corporate actions and events can be accessed in the Corporate actions and events guide through the following link:

[Corporate Actions and Events Guide.pdf](#)

3.2 Statement of Principles for FTSE Russell Equity Indices (the Statement of Principles)

Indices need to keep abreast of changing markets and the Ground Rules cannot anticipate every eventuality. Where the Ground Rules do not fully cover a specific event or development, FTSE Russell will determine the appropriate treatment by reference to the Statement of Principles which summarises the ethos underlying FTSE Russell's approach to index construction. The Statement of Principles is reviewed annually and any changes proposed by FTSE Russell are presented to the FTSE Russell Policy Advisory Board for discussion before approval by FTSE Russell's Index Governance Board.

The Statement of Principles can be accessed through the following link:

[Statement of Principles.pdf](#)

3.3 Queries, complaints and appeals

A constituent or prospective constituent company (or professional advisor acting on behalf of the company), a national organisation or a group of no fewer than ten users of the Indices from different organisations acting in their professional capacity may appeal against decisions taken by FTSE Russell.

FTSE Russell's complaints procedure can be accessed through the following link:

[Benchmark Determination Complaints Handling Policy.pdf](#)

FTSE Russell's Appeal Process can be accessed through the following link:

[Appeals Against Decisions.pdf](#)

3.4 Index Policy for Trading Halts and Market Closures

Guidance for the treatment of index changes in the event of trading halts or market closures can be found through the following link:

[Index Policy for Trading Halts and Market Closures.pdf](#)

3.5 Index Policy in the Event Clients are Unable to Trade a Market or a Security

Details of FTSE Russell's treatment can be accessed through the following link:

[Index Policy in the Event Clients are Unable to Trade a Market or a Security.pdf](#)

3.6 Recalculation Policy and Guidelines

The FTSE EPRA Nareit Global Real Estate Index Series are recalculated whenever errors or distortions occur that are deemed to be significant. Users of the Index Series are notified through appropriate media.

For further information refer to the FTSE Russell Recalculation Policy and Guidelines document which is available from the FTSE Russell website through the link below or by contacting info@ftserussell.com.

[Recalculation Policy and Guidelines Equity Indices.pdf](#)

3.7 Policy for Benchmark Methodology Changes

Details of FTSE Russell's policy for making benchmark methodology changes can be accessed through the following link:

[Policy for Benchmark Methodology Changes.pdf](#)

3.8 FTSE Russell Governance Framework

To oversee its indices, FTSE Russell employs a governance framework that encompasses product, service and technology governance. The framework incorporates the London Stock Exchange Group's three lines of defence risk management framework and is designed to meet the requirements of the IOSCO Principles for Financial Benchmarks², the European benchmark regulation³ and the UK benchmark regulation⁴. The FTSE Russell Governance Framework can be accessed through the following link:

[FTSE Russell Governance Framework.pdf](#)

3.9 Real Time Status Definitions

3.9.1 For indices which are calculated in real time, please refer to the following guide for details of real time status definitions:

[Real Time Status Definitions.pdf](#)

² IOSCO Principles for Financial Benchmarks Final Report, FR07/13 July 2013.

³ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.

⁴ The Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019.

Section 4

Eligibility criteria

4. Eligibility criteria

4.1 The FTSE EPRA Nareit Global Real Estate Index Series includes only real estate securities that are traded in one of the listed countries see *Appendix 1*. The security must be listed on an official stock exchange. For a list of eligible markets and sources of trading please refer to the FTSE Global Equity Index Series Ground Rules.⁵

4.2 Securities which are subject to surveillance by the stock exchanges and have been assigned to any of the following segments will not be eligible for index inclusion. Where an existing constituent is assigned to an ineligible segment, it will normally be deleted from the index at the next quarterly review and will only be reconsidered for index inclusion after a period of 12 months from its deletion subject to it no longer being under surveillance. For the purposes of the index eligibility it will be treated as a new issue.

Country	Exchange	Segment
China	Shanghai Stock Exchange	Special Treatment (ST)
	Shenzhen Stock Exchange	
Greece	Athens Stock Exchange	Under Surveillance Special Segment
India	Bombay Stock Exchange	Graded Surveillance Measure (GSM)
	National Stock Exchange of India	
Malaysia	Bursa Malaysia	PN17
Poland	Warsaw Stock Exchange	Alert List
Singapore	Singapore Exchange	Watch-list
South Korea	Korea Exchange	Administrative Issues
Taiwan	Taiwan Stock Exchange	Altered Trading Method (ATM)
	Taipei Exchange	
Thailand	Stock Exchange of Thailand	Companies facing possible delisting according to No. 9(6) of SET's Regulations on Delisting of Securities
Türkiye	Borsa Istanbul	Watchlist
UAE	Abu Dhabi Securities Exchange	Second Category Screen
	Dubai Financial Market	Category B Screen

⁵ Note: In addition to the eligible markets listed in the FTSE Global Equity Index Series Ground Rules, securities trading on the Real Estate Investment Trust (REIT) segment of the Tokyo Stock Exchange are eligible for inclusion in the FTSE EPRA Nareit Global Real Estate Index Series.

Securities that are assigned to the above segments after the review announcement date but before the index review effective date are assessed on a case-by-case basis which may generally result in scheduled index review additions, investability weight and shares in issue changes no longer being implemented at the forthcoming review.

- 4.3 A. The initial universe of companies consists of companies with the following ICB Classifications: ICB Real Estate (Industry 35) and ICB Storage Facilities (Subsector 40201050). Additionally, companies with the ICB Classification Home Construction (Subsector 40202010) are eligible for the Emerging Index universe only.

Both the Developed and Emerging Index universe may also include companies with the following ICB Classifications:

- Closed End Investments (Subsector 30204000) if the majority of revenue is derived from Real Estate activities.
- Computer Services (Subsector 10101010) if the majority of the company's revenue comes from owning or operating a Data Center business
- Hotels and Motels (Subsector 40501025) if :
 - i) the company owns at least 75% of the hotels they operate, based on revenues, and
 - ii) provide a revenue breakdown of their portfolio that identifies the room rental income from owned properties.

B. The Initial Universe may be expanded by FTSE Russell with other ICB classified companies with guidance from EPRA, Nareit and the Regional Advisory Committee.

C. Limited Liability Partnerships (LLP), Limited Partnerships (LP), Master Limited Partnerships (MLP), Publically Traded Partnerships (PTP), Limited Liability Companies (LLC) and Business Development Companies (BDC) will not be eligible if they are recognised as such within the official company filing which have been filed in the company's country of listing within the index series.

D. Preference shares are ineligible for index inclusion. Also ineligible are Swedish class 'D' shares, which have the same characteristics as preference shares for the purposes of this index.

- 4.4 Relevant real estate activities are defined as the ownership, trading and development of income-producing real estate.

- 4.5 The following activities will be considered eligible only if the company derives at least 50% of its total EBITDA from traditional real estate activities, i.e. the ownership, trading and development of income-producing real estate as defined in rule 1.2:

- Property and development management services.
- Fund management - Provided the fund invests directly or indirectly in real estate. Management of funds investing in any other asset type will not be considered relevant.

The company must also have at least 50 percent of its total consolidated assets invested in income-producing real estate and/or in companies or funds that develop or invest in real estate. Its annual report must provide enough details to facilitate the analysis of the aforementioned conditions. If insufficient detail is provided, any property, development or fund management revenue will be considered ineligible for the purposes of rule 4.6.

- 4.6 Prospective constituents must have derived, in the previous full financial year covered in the latest annual report or prospectus, at least 75% of their total consolidated EBITDA from relevant real estate activities. Existing constituents that drop below 75% (but remain at 65% or above) will have a further year to meet the 75% threshold. Constituents that report less than 65% of their total EBITDA from relevant real estate activities will be removed without the additional one year grace period.
- 4.7 From June 2023 index review onwards, the construction of residential homes for sale is considered relevant real estate activity in all regions for the purposes of the EBITDA test described in 4.5 above. Any company which generates over 50% of its revenue from home construction activities and is classified within the ICB subsector Home Construction (40202010) will be eligible for the Emerging Index only.
- 4.8 Revenue must be reported in such a way that revenue from ineligible activities can be excluded. The following are not considered relevant real estate activities. For further information please see Appendix 7:
- A. The financing of real estate.
 - B. The provision of construction management, general contracting and project management services.
 - C. The provision insurance, power supply, brokerage and other services.
 - D. Holding companies are excluded from the index. Holding companies are defined as companies that have more than 50 percent of their net assets invested in the securities of other listed companies.
 - E. Storage caverns/units for commodities such as oil & gas. Revenue derived from retail fuel stations is considered eligible.
 - F. Companies for which the ownership of real property is incidental to the primary revenue generating activities, including those companies in the gaming, theme park and other entertainment businesses.
 - G. Infrastructure assets, including transportation assets (roads, bridges, tunnels, airports, etc.), energy and utilities assets (power generation, fuels, etc.), water and waste management assets and communication assets (line-based networks, air-based networks, etc.) and prisons.
 - H. Timberland and farmland.
 - I. Outdoor advertising.
 - J. Data center revenues not labelled colocation or interconnection will be considered ineligible real estate revenues for the purpose of the EBITDA screen.
 - K. Revenue from parking lots and parking services are not considered relevant real estate activities unless such revenues are incidental to real estate activities otherwise considered relevant.
- 4.9 The constituents of the FTSE EPRA Nareit Global Real Estate Index Series are required to meet all of the following criteria where applicable:
- A. A company may only be added to the FTSE EPRA Nareit Global Real Estate Index Series if it publishes a publicly available audited annual report in English*. This is defined as a current set of accounts in English consisting of a profit and loss statement, a balance sheet, directors' review and full notes to the accounts.
 * Audited fiscal reports in Japan in English are also eligible. Reporting requirements in the United States are such that official announcements or filings may be used in addition to annual reports for US companies only, in exceptional circumstances.
 - B. If a company newly introduces English annual reporting it becomes eligible for the indices at the next quarterly review, providing it meets all other index inclusion criteria.
 - C. Existing index constituents are required to produce an eligible annual report, as defined by Rule 4.8A, within 12 months after its fiscal year end. Companies that fail to do this will become ineligible at the next quarterly review.
 - D. If a company meets the EBITDA criteria based on its latest annual report (Rule 4.8A), it becomes eligible for the indices at the next quarterly review, providing it meets all other index inclusion criteria.

- E. If a company fails the EBITDA criteria (see Rule 4.6), it becomes ineligible for the indices at the next quarterly review.
- F. In circumstances where annual reports are published within 20 business day of the review cut-off date, consideration for index inclusion may be deferred until the subsequent review to allow sufficient time for the full analysis of the information provided.
- G. A prospective constituent that derives more than 25% of its total annual EBITDA from Frontier or standalone markets (as classified by FTSE Russell) will not be eligible for inclusion in the FTSE EPRA Nareit Global Real Estate Index Series.

See Appendix 8 for the Eligibility Criteria of Speciality Indices.

4.10 Assignment of nationality

- 4.10.1 Prospective or existing index constituents assigned an Emerging market nationality per the [Determining Nationality Guide](#) (the Guide) will retain that nationality within the FTSE EPRA Nareit Global Real Estate Index Series.
- 4.10.2 A prospective or existing index constituent assigned a Developed market nationality per the Guide that has over each of the previous two years derived less than 75% (prospective) or 50% (existing) of its total annual EBITDA from Developed markets (as classified by FTSE Russell) will not be assigned a Developed market nationality. Instead, provided it trades on an eligible exchange (as defined by FTSE Russell) in a similar regional time-zone to the Emerging market (as classified by FTSE Russell) from which it has derived the greatest percentage of its EBITDA over those two years, the company will be assigned the nationality of that Emerging market. If the company's annual report provides insufficient detail to allow a clear determination of the geographic breakdown of the company's EBITDA, then the preceding calculation will be based upon assets or revenue as appropriate. If the annual report provides insufficient detail to allow a clear determination using EBITDA, assets, or revenue, then the company will not be eligible for the Developed Index due to inadequate reporting.

Prospective constituents that have only one year of audited financial statements in their latest annual report (as defined by Rule 4.8A) or English IPO prospectus will be reviewed and classified based on the most recent available one year audited financial statements.
- 4.10.3 A constituent whose Emerging market nationality was determined by the application of Rule 4.10.2 above may have its nationality changed to that of a different Emerging market if for two consecutive years the greatest percentage of its EBITDA is derived from that Emerging market.
- 4.10.4 A constituent whose Emerging market nationality was determined by the application of Rule 4.10.2 above may have its nationality changed to that assigned in the FTSE Global Equity Index Series if for two consecutive years the company derives more than 75% of its EBITDA from Developed markets.
- 4.10.5 In cases where an existing constituent undergoes a significant corporate event, the nationality of that company may be assessed based on the most recent one year audited financial statements in the latest annual report or restructuring prospectus.

A visual representation of how the nationality rule works for the FTSE EPRA Nareit Global Real Estate Index Series is illustrated in Appendix 10.

Section 5

Qualification criteria & periodic review of constituents

5. Qualification criteria & periodic review of constituents

5.1 Review dates

- 5.1.1 The FTSE EPRA Nareit Global Real Estate Index Series is reviewed on a quarterly basis in March, June, September and December. The review is based on data as at the close of business of the Monday 4 weeks prior to the review effective date, this is the index review cut-off date.
- 5.1.2 Any constituent changes resulting from the periodic review will be implemented after the close of business on the third Friday (i.e. effective Monday) of March, June, September and December. Subsequent adjustments in stock weightings (including free float) will become effective at the same time.
- 5.1.3 FTSE is responsible for publishing the outcome of the periodic review.

5.2 Review process

- 5.2.1 The rules for inserting and deleting securities at the quarterly reviews are designed to provide stability in the selection of constituents of the FTSE EPRA Nareit Global Real Estate Index Series while ensuring that the indices continue to be representative of listed real estate markets by including or excluding those securities which have risen or fallen significantly in value or those companies whose eligible real estate activities have appreciably grown or diminished.
- 5.2.2 All companies that satisfy Rules 4.1 to 4.10 are eligible for inclusion in the FTSE EPRA Nareit Global Real Estate Index Series subject to the three screens detailed below.

5.3 Size rule

- 5.3.1 The size rule of the FTSE EPRA Nareit Global Real Estate Index Series is a relative measure that is expressed as a percentage of the regional index market capitalisation (after the application of investability weightings). Securities that currently are not members of the Index Series are required to meet a basis points threshold for inclusion that is higher than the basis points threshold set for exclusion of existing constituents. The aim of these different size thresholds is to provide a degree of stability in the composition of constituents of the FTSE EPRA Nareit Global Real Estate Index Series while ensuring that the index continues to be representative of the market by including or excluding those securities whose market capitalisation has grown or diminished significantly. The size thresholds are expressed in basis points and are highlighted below.

5.4 Additions to the Index Series

At the quarterly review, non-constituent securities that have an investable market capitalisation (after the application of investability weightings) equal to or greater than the following basis points of their respective regional index will be eligible for index inclusion:

Developed markets

a) Asian Stocks	0.10%
b) EMEA Stocks	0.10%
c) Americas Stocks	0.10%

Emerging markets

a) Asian Stocks	0.30%
b) EMEA Stocks	0.30%
c) Americas Stocks	0.30%

Prospective additions must also have at least 50% of their total assets invested in real estate at the time of entering the index.

5.5 Deletions from the Index Series

At the quarterly review, an existing constituent of the FTSE EPRA Nareit Global Real Estate Index Series is deleted from the Index Series if it has an investable market capitalisation (after the application of investability weightings) of less than the following basis points in their respective region:

Developed markets

a) Asian Stocks	0.05%
b) EMEA Stocks	0.05%
c) Americas Stocks	0.05%

Emerging markets

a) Asian Stocks	0.15%
b) EMEA Stocks	0.15%
c) Americas Stocks	0.15%

5.6 Liquidity

Each security will be tested for liquidity semi-annually in March and September. From December 2023 prospective new constituents will be tested for liquidity each quarter.

- **March review:** liquidity will be tested from the first business day of January to the last business day of December of the previous year.
- **June Review:** Prospective new constituents will be tested from the first business day of May of the previous year to the last business day of April of the current year. The liquidity of existing constituents are not tested at this review.
- **September review:** liquidity will be tested from the first business day of July of the previous year to the last business day of June of the current year.
- **December Review:** Prospective new constituents will be tested from the first business day of November of the previous year to the last business day of October of the current year. The liquidity of existing constituents are not tested at this review.

Each security will be tested for liquidity by calculation of its median daily trading per month.

Security volume data will be taken on trading days from Sunday to Friday (where applicable) when markets are open.

When calculating the median of daily trades per month a minimum of five trading days in each month must exist, otherwise the month will be ignored and not used in the count. The liquidity test will be applied on a pro-rata basis where the testing period is less than 12 months.

For each month, the daily trading volume for each security is calculated as a percentage of the shares in issue for that day adjusted by the free float at the last trading day in the testing period. These daily values are then ranked in descending order and the median is taken by selecting the middle ranking day if there is an odd number of days and the mean of the middle two if there is an even number of days.

Daily totals with zero trades are included in the ranking; therefore, a security that fails to trade for more than half of the days in a month will have a zero median trading volume for that month.

Any period of suspension will not be included in the test.

Only exchange trading days will be included in the calculation i.e. exchange holidays will be excluded.

- A. New issues which do not have a twelve month trading record must have a minimum 20 day trading record when reviewed. Non-constituent securities which do not turnover at least 0.05% of their shares in issue (after the application of any investability weightings) based on their median daily trading volume per month in ten of the twelve months prior to a full market review, will not be eligible for inclusion in the Index Series.
- B. An existing constituent must turnover at least 0.04% of its shares in issue (after the application of any free float weightings) based on its median daily trading volume per month for at least eight of the twelve months prior to a full market review. Where an existing constituent fails this test, it will be subject to a further test whereby the last six months of the testing period will be assessed on a pro-rata basis. If the constituent passes at least four out of the last six months (equating to eight out of 12 months on a pro-rata basis), it will be considered to have passed the liquidity test. Existing constituents which fail both tests will be removed.
- C. New issues which do not qualify as entrants as defined in Rule 6.3.1 will become eligible for inclusion at the next quarterly review providing they trade a minimum of 20 days. They must turnover at least 0.05% of their shares in issue (after the application of any investability weightings) based on their median daily trading volume each month, on a pro-rata basis since listing. For those new issues which do not have at least 50% of total assets invested in real estate, liquidity will be tested from the time the company meets this eligibility criterion. The company should meet these criteria at the time of the review.

An existing constituent of the FTSE EPRA Nareit Global Real Estate Index Series which has been removed from the index as a result of failing the liquidity screen will only be re-considered for inclusion after a period of 12 months from its deletion. For the purposes of index eligibility it will be treated as a new issue. For example, a security deleted in March 2020 would only be re-considered for eligibility at the June 2021 quarterly review at the earliest.

5.7 Free float

5.7.1 The FTSE EPRA Nareit Global Real Estate Index Series are adjusted for free float and foreign ownership limits.

A. Initial weighting

Free float is calculated using available published information rounded to 12 decimal places. Companies with a free float of 5% or below are excluded from the index.

Details on free float restrictions can be accessed through the following link:

[Free Float Restrictions.pdf](#)

B. Foreign ownership restrictions

FTSE Russell's index methodology takes account of the restrictions placed on the equity holdings of foreigners in a company where these have been imposed by a government, regulatory authority or the company's constitution.

Further details of the Foreign ownership restrictions can be accessed through the following link:

[Foreign Ownership Restrictions and Minimum Foreign Headroom Requirement.pdf](#)

C. Minimum foreign headroom requirement

FTSE Russell defines "foreign headroom" as the percentage of shares available to foreign investors as a proportion of the company's Foreign Ownership Limit (FOL), i.e. $(FOL - \text{foreign holdings})/FOL$.

For example, if a company has a foreign ownership limit, of 49%, of which 39% is held by foreign investors, the foreign headroom is calculated as 20.41% i.e. $(49\% - 39\%)/49\%$.

Further details of the minimum foreign headroom requirement can be accessed through the following link:

[Foreign Ownership Restrictions and Minimum Foreign Headroom Requirement.pdf](#)

5.8 Minimum voting rights

5.8.1 Companies assigned a developed market nationality are required to have greater than 5% of the company's voting rights (aggregated across all of its equity securities, including, where identifiable, those that are not listed or trading) in the hands of unrestricted shareholders or they will be deemed ineligible for index inclusion. Shares referenced as "non-voting" or provide legally minimum rights only will be viewed as having no voting power as it relates to the minimum voting rights review. Emerging market securities are not subject to this requirement.

5.8.2 The percentage of a company's voting rights in public hands is calculated as:

$$\frac{\text{The number of votes in the hands of shareholders that are unrestricted as determined by the application of FTSE Russell free float definitions}}{\text{The total number of votes conferred by the shares outstanding of all the company's voting securities including those that have not been admitted to trading on a regulated venue}}$$

For example, Company A has 100m listed Class A shares each conferring one vote, free float is 65%. It also has 300m unlisted Class B shares each conferring 10 votes.

The test to assess whether the listed Class A line has the required greater than 5% of the company's voting rights is as follows:

$$\frac{65\text{m (i.e. } 100\text{m Class A voting rights} \times 65\% \text{ float)}}{3.1\text{bn (i.e. } 100\text{m Class A} + 3\text{bn Class B)}} = 2.097\% \text{ of the company's voting rights in public hands}$$

5.9 US Securities and Exchange Holding Foreign Companies Accountable Act (HFCAA)

5.9.1 Effective from December 2021, the US Securities and Exchange Commission (SEC) adopted the Holding Foreign Companies Accountable Act (HFCAA). The HFCAA requires that the Public Company Accounting Oversight Board (PCAOB) have the ability to conduct an independent audit of companies that are listing on US Stock Exchanges. Failure to comply with the HFCAA for three consecutive years (based on annual filings for the fiscal years 2021, 2022 and 2023) will result in a delisting of the non-compliant security from US Stock Exchanges. Securities that fail to comply with the HFCAA will be listed by the SEC within the "[Conclusive list of issuers identified under the HFCAA](#)" ('Conclusive' list) table.

The following treatment will be applied if a security is listed by the SEC within the 'Conclusive' list for a second consecutive year:

5.9.2 Treatment of index constituents with a local listing

- Where the US-listed index constituent has a local listing, subject to a minimum of four weeks advanced notification being provided, the security will be switched from the US listing to the local listing in conjunction with the next index review. The local listing will not be required to pass the index eligibility liquidity screen.

A local listing is defined as a listing on the following stock exchanges:

- The Stock Exchange of Hong Kong (HKEX) - designated a China P Chip
- The Singapore Exchange (SGX) - designated as China S Chip
- Shanghai Stock Exchange (SSEC) - designated as China A Shares
Eligible for FTSE EPRA Nareit Global Real Estate Index Series if available via Stock Connect
- Shenzhen Stock Exchange (SZSE) - designated as China A Shares
Eligible for FTSE EPRA Nareit Global Real Estate Index Series if available via Stock Connect

5.9.3 Treatment of index constituents without a local listing

- Where a US-listed index constituent does not have a local listing but a local stock exchange has publicly announced a confirmed listing date for a local listing, the US listing will be retained until the local listing has commenced trading, after which and subject to a minimum of four weeks' notice being provided, the US listing will switch to the local listing in conjunction with the subsequent quarterly review. The local listing will not be required to pass the index eligibility liquidity screen.

To avoid the US listing being deleted from FTSE Russell indices, the local listing must commence trading at least four weeks before the third year of non-compliance. For the avoidance of doubt, if the SEC is expected to report the third year of non-compliance by 01 March 2024, the local listing must have commenced trading by 01 February 2024, with the US listing switched to the local listing in advance of the SEC expected reporting date with a minimum of T+5 notification.

- Where a US-listed index constituent does not have a local listing, the index constituent will be retained in FTSE Russell indices for a period of three months from when the security is added to the HFCAA 'Conclusive' list for two consecutive years to allow a local stock exchange to publicly announce a confirmed listing of a local line. If after three months, no public announcement has been issued by a local stock exchange confirming a listing date for a local line, then subject to a minimum of four weeks advanced notification being provided, the US-listed index constituent will be deleted at the next quarterly review.

During the period between when the US-listed index constituent without a local listing is identified on the HFCAA 'Conclusive' list for two consecutive years and its deletion after a period of three months, any voluntary corporate actions resulting in an increase of the index shares of the index constituent, plus any size segment changes resulting from an index review will not be reflected in FTSE Russell indices.

If the local listing commences trading after the US-listed index constituent has been deleted from FTSE Russell indices, for the purposes of index eligibility the local listing will be treated as a new issue.

- Where a US-listed index constituent has been deleted from FTSE Russell indices because of the HFCAA, however it retains its US listing due to compliance with HFCAA at the third testing period. It will be re-considered for inclusion after a period of twelve months from when the security has been removed from the SEC 'Conclusive' list. For the purposes of index eligibility, it will be treated as a new issue.
- Any non-constituent US listing that is identified on the SEC 'Conclusive' list will not be eligible for FTSE Russell indices until after a period of 12 months from when the security has been removed from the SEC 'Conclusive' list.
- If the Accelerated Holding Foreign Companies Accountable Act (AHFCAA), which reduces the compliance timeframe from three years to two years is adopted by the SEC, FTSE Russell will implement the above index treatment from year one of when the US-listed index constituent is identified on the HFCAA 'Conclusive' list.

Please refer to the [Holding Foreign Companies Accountable Act \(HFCAA\) FAQ](#) for additional information on the implementation of the HFCAA within FTSE Russell indices.

5.10 Trading screen

- 5.10.1 Existing and non-constituent securities which have not traded on 60 or more trading days during the past year (up to and including the review cut-off date), will not be eligible for (continued) index inclusion. Regular/ad-hoc market holidays, and unscheduled market closures will not count towards the total; otherwise, the reason(s) for a security's non-trading will not be considered. If a security does not have a full year of trading, the 60 day period will be pro-rated according to the number of available trading days passed since its listing. Please note:
- All standard trading days will be incorporated within the calculation (Friday and Sundays as appropriate);
 - Ad-hoc non-standard trading days will not be incorporated within the calculation (e.g. ad-hoc Saturday trading will not be considered);
 - Where a pro-rata calculation is necessary, the number of available trading days on the underlying market during the previous year up to and including the review cut-off date will be used as the basis of the calculation. For example, Market ABC has 253 available trading days for the annual period to the review cut-off date; therefore the security would not be eligible if for 23.7% (60/253) or more of its available trading days since listing, it did not trade;
 - A security which has been removed from an index as a result of this screen will only be re-considered for inclusion after a period of 12 months from its deletion. For the purposes of index eligibility it will be treated as a new issue.

Section 6

Changes to constituent companies

6. Changes to constituent companies

6.1 Impact of changes to constituents

6.1.1 The composition of the universe on which the FTSE EPRA Nareit Global Real Estate Index Series is based may change as a result of decisions or events which affect one or more of the constituent securities.

6.2 Fast Entry Level

6.2.1 A new issue that has an investable market capitalisation (after the application of any investability weightings) equal to or greater than the following basis points for its respective region will be included in the FTSE EPRA Nareit Global Real Estate Index Series after the close of business on the fifth day of trading. Eligibility will be determined using the closing price on the first day of trading. In the event of the fifth day of trading occurring during the week of the index review, an eligible fast entrant will be added to the index concurrent with the review effective date.

The Fast Entry level for each region will be set at the time of the quarterly review in March, June, September and December. The regional Fast Entry level is based on data as at the close of business of the Monday four weeks prior to the review effective date and will be published by FTSE Russell. Please note where these dates are non-trading days or fall on a Saturday or Sunday then the previous trading day's data will be used.

Developed markets

a) Asian Stocks	0.40%
b) EMEA Stocks	0.20%
c) Americas Stocks	0.15%

Emerging markets

a) Asian Stocks	0.40%
b) EMEA Stocks	0.60%
c) Americas Stocks	0.60%

6.3 Additions outside of a review

6.3.1 Where a company, whether an existing index constituent or not, undertakes an Initial Public Offering of a new equity security, that security will be eligible for fast entry inclusion to the FTSE EPRA Nareit Global Real Estate Index Series if it meets the following conditions:

- The issuing company has at least 50% of its total assets invested in real estate and meets the additional company eligibility criteria in Section 4; and
- The newly issued security meets the security eligibility criteria in Section 4 and has an investable market capitalisation that exceeds the fast entry level for the relevant region (see Rule 6.2.1).

Note: only shares offered at the time of the IPO will be included within the investable market capitalisation calculation for the purposes of evaluating fast entry eligibility, and if eligible, the offering shares only will be included within the index calculation.

Where a company issues more than one line of equity, each equity security will be tested for eligibility individually. Eligible securities will be added to the index after the close of business on the fifth day of trading. In the event of the fifth day of trading being in close proximity to an index review, FTSE Russell may use its discretion to include a fast entrant on the index review date following advance notice.

- 6.3.2 In the case of a security which does not qualify as an immediate fast entrant to the index, it will be re-considered for inclusion at the next review, subject to meeting a minimum 20 trading day rule (see Rule 5.6.1C).
- 6.3.3 In the case of a demutualisation where upon listing the entire free float of a newly eligible security is immediately transferred to private shareholders, the addition of the security will be deferred for one month after trading has commenced — provided that adequate liquidity (as defined under Rule 5.6) is demonstrated at this time.
- 6.3.4 In the case of a constituent company that is split and forms two or more companies by issuing new equity to existing shareholders, then the resulting companies will be eligible to continue as constituents in the same benchmarks within the FTSE EPRA Nareit Global Real Estate Index Series as their predecessor company if they continue to satisfy Rules 5.3 to 5.7.
- 6.3.5 Newly eligible securities, for example a non-constituent moving to an eligible market, will be reviewed for inclusion at the next quarterly review.
- 6.3.6 In the event that a company is reclassified by ICB into an eligible Subsector due to a corporate restructuring or a review of ICB's classification structure, the company will be considered for inclusion at the next quarterly review provided that (a) adequate liquidity (as defined under Rule 5.6) is demonstrated at this time, (b) official documents regarding the restructuring/conversion have been filed within the respective jurisdictions and (c) the company has publicly provided sufficient levels of financial data to establish its level of 'relevant real estate activities'.
- 6.3.7 Fast entries are not eligible for the FTSE EPRA Nareit Global US 55% Capped Indices.
- 6.3.8 Variable, best effort, and direct listing IPOs* will not be considered for fast entry inclusion since FTSE Russell is:
 - unable to confirm if the minimum free float requirement has been met; and
 - unable to assign an accurate free float for the purposes of the index calculation.
- 6.3.9 Variable, best effort and direct listing IPOs will be considered for index inclusion at the next review if, by the review cut-off date, a public disclosure* (which has been published post-IPO) is available confirming the IPO updated shareholder structure. Index inclusion remains subject to meeting all other eligibility criteria. If the post-IPO shareholder structure has not been disclosed by the review cut-off date, the evaluation of the company will be deferred to a subsequent review.

*A public disclosure is typically by way of a company filing, stock exchange notice or shareholding regulatory announcement.

6.4 Deletions

- 6.4.1 A stock will be deleted from the list of constituents when the constituent is delisted from its stock exchange, enters bankruptcy, becomes insolvent or is liquidated.

6.4.2 Deletion on the effective date

If an existing constituent is acquired for cash or ineligible paper or by a non-quoted company in its own or another country, then the existing constituent is deleted on the effective date of the acquisition.

6.4.3 Deletion after confirmation

A company deleted following a takeover, with a remaining free float of 15% or less, will not be reconsidered for index inclusion until completion of a one year trading record.

Section 7

Corporate actions and events

7. Corporate actions and events

- 7.1 Full details of changes to constituent companies due to corporate actions and events can be accessed in the corporate actions and events guide through the following link:

[Corporate Actions and Events Guide.pdf](#)

Details of the treatment of corporate actions and events in the FTSE EPRA Nareit Global Real Estate Index Series can be accessed through the following link:

[Treatment of Corporate Actions and Events](#)

A corporate 'Action' is an action on shareholders with a prescribed ex date. The share price will be subject to an adjustment on the ex date. These include the following:

- Capital repayments
- Rights issues/entitlement offers
- Stock conversion
- Splits (sub-division)/Reverse splits (consolidation)
- Scrip issues (Capitalisation or Bonus Issue)

A corporate 'Event' is a reaction to company news (event) that may impact the index depending on the index rules. For example, a company announces a strategic shareholder is offering to sell their shares (secondary share offer) which could result in a free float weighting change in the index. Where an index adjustment is required, FTSE Russell will provide notice advising of the timing of the change.

7.2 Shares in Issue

- 7.2.1 Changes to the number of shares in issue for constituent securities are covered in the corporate actions and events guide.

7.3 Investability weightings

- 7.3.1 Changes to free float for constituent securities are covered in the corporate actions and events guide.

7.4 Spin-offs

- 7.4.1 If a constituent company is split and forms two or more companies by issuing new equity to existing shareholders, then the resulting companies may be eligible to continue as constituents in the same indices within the FTSE EPRA Nareit Global Real Estate Index Series as their predecessor company. Where eligible to continue as a constituent, the spin-off entity (entities) will remain in the same indices as the parent company until the next quarterly review, where subject to there being a minimum 20 trading day record, it will be tested for size (Rule 5.3), liquidity (Rule 5.6) and EBITDA (Rule 4.6) to assess continuing index eligibility. Note that based on data availability and timing of the review, sector membership may be updated without a 20 day trading record.

For further details please refer to the corporate actions and events guide.

7.5 Mergers and takeovers

7.5.1 The treatment of takeovers, mergers and demergers can be found within the corporate actions and events guide.

7.5.2 See Appendix 8 for Changes to Constituents of Speciality Indices.

7.6 Suspension of dealing

Suspension of dealing rules can be found within the corporate actions and events guide.

Section 8

Algorithms and calculation methods

8. Algorithms and calculation methods

8.1 Prices

- 8.1.1 The FTSE EPRA Nareit Global Real Estate Index Series uses actual closing mid-market or last trade prices, where available, for securities with local bourse quotations.
- 8.1.2 WMR FX Benchmarks real time exchange rates are used in the index calculations which are disseminated in real-time. Exchange rates used in the End-of-Day calculations are WMR FX Benchmarks Closing Spot Rates™ at 16:00 UK time (see Appendix 4). Exchange rates used in the End-of-Day calculations of the FTSE EPRA Nareit Developed Asia 33 Index are WMR FX Benchmarks Spot Rates™, collected at 09:00 UK time (see Appendix 4).

8.2 Calculation frequency

- 8.2.1 Please see Appendix 5 for the calculation schedule for the FTSE EPRA Nareit Global Real Estate Index Series.

8.3 Algorithm

- 8.3.1 The FTSE EPRA Nareit Global Real Estate Index Series is calculated using the chained Paasche methodology.
- 8.3.2 The performance of the FTSE EPRA Nareit Global Real Estate Index Series on a given day is determined by calculating the percentage difference between:
- the index's market capitalisation as at the close of that day and
 - the market capitalisation at the start of that day.
- "Start of the day" is defined as the previous day's close adjusted for capital changes, investability weight changes, additions and deletions.
- 8.3.3 Adjustments are applied whenever capital changes take place, so that the performance of the FTSE EPRA Nareit Global Real Estate Index Series reflects the experience of investors.

Appendix 1

Classification of eligible markets

Classification of eligible markets

In principle, companies are allocated to the country in which the company is incorporated and listed at the time of the company's listing.

FTSE EPRA Nareit Global Real Estate Index Series

Region	Country	Developed	Emerging
Americas	Brazil		X
	Canada	X	
	Chile		X
	Colombia		X
	Mexico		X
	Peru		X
	United States	X	

Region	Country	Developed	Emerging
Asia Pacific	Australia	X	
	China ⁶		X
	Hong Kong	X	
	India		X
	Indonesia		X
	Japan	X	
	Malaysia		X
	New Zealand	X	
	Pakistan		X
	Philippines		X
	Singapore	X	
	South Korea	X	
	Taiwan		X
	Thailand		X

⁶ Effective from the FTSE Global Equity Index Series March 2019 semi-annual review, the different China Share classes will be reviewed as a standalone region. China A Shares (available under the Northbound China Stock Connect Scheme): Phase 1 implementation completed June 2020 representing 25% of each security's investability weight.

Region	Country	Developed	Emerging
Europe, Middle East & Africa	Austria	X	
	Belgium/Luxembourg	X	
	Czech Republic		X
	Denmark	X	
	Egypt		X
	Finland	X	
	France	X	
	Germany	X	
	Greece		X
	Hungary		X
	Iceland*		X
	Ireland	X	
	Israel	X	
	Italy	X	
	Kuwait		X
	Netherlands	X	
	Norway	X	
	Poland	X	
	Portugal	X	
	Qatar		X
	Romania		X
	Saudi Arabia		X
	South Africa		X
	Spain	X	
	Sweden	X	
	Switzerland	X	
	Türkiye		X
	UAE		X
	United Kingdom	X	

South Korea became eligible for inclusion in Developed indices from September 2009.

Israel became eligible for inclusion in Developed indices from March 2009.

UAE became eligible for inclusion in Emerging indices from September 2010.

Argentina became ineligible for inclusion in the FTSE EPRA Nareit Global Real Estate Index Series in September 2010.

Morocco became ineligible for inclusion in the FTSE EPRA Nareit Global Real Estate Series in June 2015.

Greece moved from Developed to Emerging market status in March 2016.

Qatar moved from Frontier to Emerging market status in September 2016.

Poland moved from Advanced Emerging to Developed market status in September 2018.

Kuwait moved from Unclassified to Emerging market status in September 2018.

Saudi Arabia became eligible for inclusion in Emerging indices in March 2019.

Romania become eligible for inclusion in Emerging indices from September 2020

FTSE Russell announced the deletion of Russia from the FTSE equity indices effective 7 March 2022.

*Iceland reclassified from Frontier market to Secondary Emerging market status in September 2022. The inclusion of Iceland will be implemented in three tranches in September 2022, December 2022 and March 2023.

For a list of eligible markets and sources of trading, please refer to the FTSE Global Equity Index Series Ground Rules⁷.

⁷ Note: In addition to the eligible markets listed in the FTSE Global Equity Index Series Ground Rules, securities trading on the Real Estate Investment Trust (REIT) segment of the Tokyo Stock Exchange are eligible for inclusion in the FTSE EPRA Nareit Global Real Estate Index Series.

Appendix 2

Index breakdown

Index breakdown

The flagship index for the family is the FTSE EPRA Nareit Global Index 1. Indices marked with 2 were renamed to include Developed in March 2009⁸.

The regions breakdown as follows:

Global

The FTSE EPRA Nareit Global Real Estate Index Series includes:

Global Index¹

Global ex-US Index¹

Americas

The FTSE EPRA Nareit Americas Series includes:

Americas^{1*}

North America*

Canada	United States *
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Emerging Americas*

Brazil	Mexico
Chile	Peru ⁹
Colombia	

⁸ The flagship index for the family is the FTSE EPRA Nareit Global Index¹. Indices marked with ² were renamed to include Developed in March 2009.

⁹ Peru reclassified from Secondary Emerging to Frontier market status in September 2020.

Asia

The FTSE EPRA Nareit Asia Series includes:

Asia Pacific^{1*}

Developed Asia Pacific^{2*}

Australia	New Zealand
Hong Kong*	Singapore
Japan	South Korea

Emerging Asia Pacific*

China ¹⁰	Pakistan
India	Philippines
Indonesia	Taiwan
Malaysia	Thailand

¹⁰ China A Shares (available under the Northbound China Stock Connect Scheme): Phase 1 implementation completed June 2020 representing 25% of each security's investability weight.

EMEA

The FTSE EPRA Nareit EMEA Series includes:

EMEA^{1*}

Developed Europe ^{2*}	Austria
Developed Europe ex-UK ^{2*}	Belgium/Luxembourg
Developed EMEA	Denmark
Developed Middle East & Africa	Finland
Eurozone*	France
Developed Eurozone	Germany
Emerging Eurozone	Ireland
	Israel ¹
	Italy
	Netherlands
	Norway
	Poland
	Portugal
	Spain
	Sweden
	Switzerland
	UK*

Emerging Europe, Middle East & Africa *

Emerging Europe *

Emerging Middle East & Africa*

Czech Republic	Egypt
Greece	Hungary
Kuwait	Iceland ¹¹
Qatar	Saudi Arabia
Romania	South Africa
Türkiye	UAE

¹¹ Iceland reclassified from Frontier market to Secondary Emerging market status in September 2022. The inclusion of Iceland will be implemented in three tranches in September 2022, December 2022 and March 2023.

Other Indices

Developed Europe (UK restricted) ² *	Developed Asia Pacific Select REITs
Developed Europe Liquid 40 ex-UK ²	Developed Europe Liquid 40 ²
Pure Australia ²	Pure Developed Asia ²
Global Non-REIT	Global REIT
Global ex-US Non-REIT	Global ex-US REIT
Americas Non-REIT	Americas REIT
Asia Pacific Non-REIT	Asia Pacific REIT
EMEA Non-REIT	Asia ex-Japan REITs ¹²
Europe Non-REIT	EMEA REIT
MEA Non-REIT	Europe REIT
Developed Non-REIT ²	MEA REIT
Developed ex-Asia Non-REIT ²	Developed REIT ²
Developed ex-Europe Non-REIT ²	Developed ex-Asia REIT ²
Developed ex-US Non-REIT ²	Developed ex-Europe REIT ²
Developed Asia Non-REIT ²	Developed ex-US REIT ²
Developed Europe Non-REIT ^{2*}	Developed Asia REIT ²
Emerging Non-REIT	Developed Europe REIT ^{2*}
Emerging Asia Pacific Non-REIT	Emerging REIT
Emerging EMEA Non-REIT	Emerging Americas Non-REIT
Emerging Europe Non-REIT	Emerging EMEA REIT
Emerging MEA Non-REIT	Emerging Europe REIT
UK REIT	Emerging MEA REIT
Developed Dividend+ ^{2*}	UK Non-REIT
Developed Asia Dividend+ ^{2*}	Developed Europe ex-UK Dividend+ ^{2*}
Developed Asia 33 ^{2*}	US Dividend+ *

¹² Singapore Tax stance.

Specialist

The FTSE EPRA Nareit Specialist Series includes:

Investment focus

- a. Developed²
- b. Developed Asia²
- c. Developed Europe²
- d. North America
- e. Australia
- f. Hong Kong
- g. Japan
- h. UK
- i. United States

Property sector

- a. Developed²
- b. Developed Asia²
- c. Developed Europe²
- d. Eurozone
- e. North America
- f. UK
- g. United States
- h. Emerging (launched in May 2011)

Super liquid

- a. Developed Super Liquid
- b. Developed Europe Super Liquid
- c. Developed Asia Super Liquid
- d. US Super Liquid

Capped indices

To serve investors, capped versions of certain indices are calculated, with a weighting cap placed on individual constituents at each review:

FTSE EPRA Nareit Eurozone Capped Index*

FTSE EPRA Nareit Developed Europe Capped Index^{2*}

FTSE EPRA Nareit Developed Europe ex-UK Capped Index^{2*}

FTSE EPRA Nareit Developed Europe Liquid 40 Capped Index²

FTSE EPRA Nareit Developed Europe ex-UK Liquid 40 Capped Index²

FTSE EPRA Nareit Global 55% US Capped Index

FTSE EPRA Nareit Global REITs 55% US Capped Index

FTSE EPRA Nareit Developed 55% US Capped Index

FTSE EPRA Nareit Developed REITS 55% US Capped Index

FTSE EPRA Nareit Developed Rental 55% Capped Index

Please see Appendix 6 for details of the capping methodology.

The FTSE EPRA Nareit Global Real Estate Indices which are calculated in real time are marked with an asterisk (*). All other indices are calculated on an end-of-day basis.

Times are in UK hours.

During real-time calculations, Thomson Reuters Spot rates are used in calculating Foreign Exchange rates.

Appendix 3

Dividends used in the total return calculation and dividend withholding tax rates

Dividends, using their ex-dividend dates, are used to calculate the total return indices in the FTSE EPRA Nareit Global Real Estate Index Series. All dividends are applied as declared.

A series of net of tax total return indices are also calculated based on the maximum withholding tax rates applicable to dividends received by institutional investors who are not resident in the same country* as the remitting company and who do not benefit from double taxation treaties.

The underlying tax rate information is available from FTSE Russell.

* The FTSE nationality assigned to the company as set out in the FTSE Global Equity Index Series Ground Rules.

Withholding tax rates used in the net-of-tax indices can be accessed through the following link:

[Withholding Tax Service](#)

Please also refer to the FTSE Russell Withholding Tax Guide which can be accessed through the following link:

[FTSE_Russell_Withholding_Tax_Guide.pdf](#)

Appendix 4

Foreign exchange rates

The foreign exchange rates used in the calculation of the FTSE EPRA Nareit Global Real Estate Index Series are the WM/Reuters Closing Spot Rates™ compiled by The WM Company. The service, which was world in consultation with leading financial market practitioners, sets a daily standard for the foreign exchange rates required for index calculation, investment management and portfolio valuation.

At short intervals before and after 16:00 UK time, representative bid and offer rates against the US dollar for some 112 currencies are selected from a wide range of contributing banks and foreign exchange dealers. Anomalous data are screened out, and the median rate is selected for each currency.

The choice of 16:00 UK time as the reference time for foreign exchange rates captures a large selection of timely quotes from Continental European contributors to the Thomson Reuters system and reflects the peak trading period for the London and New York foreign exchange markets. The rates include contributions on a global basis, making them relevant for valuation purposes in all the world's time zones. In the event that WM/Reuters Closing Spot Rates are not published by the WM Company, the previous day's rates will be used to calculate the FTSE EPRA Nareit Global Real Estate Index Series.

The FTSE EPRA Nareit Developed Asia 33 Index uses foreign exchange rates received from Thomson Reuters at the closing time of the index (09:00 UK time).

Appendix 5

Calculation schedules

A. Normal schedule

The Index Series are calculated once daily at approximately 21:30 - 22:00 UK time (GMT), shortly after the close of North American securities markets. Selected indices within the series are calculated on a real time basis.

The Index Series are calculated every week day, when one or more of the constituent markets are open. However, on January 1st, the indices may not be disseminated. There is no separate calculation to accommodate the weekend opening of any market. In cases where a market has ad-hoc weekend trading and a market holiday on the Monday following that ad-hoc trading, FTSE Russell will use the closing prices of the weekend trading in Monday's end-of-day index calculation. For the avoidance of doubt, markets which routinely trade at the weekend (e.g most Middle Eastern markets) will not have their weekend closing prices used in the calculation on a Monday market holiday.

Index	Open	Close
Global Index*	00:00	21:10
Developed Index**	00:00	21:10
Emerging Index	00:00	21:10
Global ex-US Index*	00:00	21:10
Developed ex-US Index**	00:00	21:10
Developed Dividend+ Index**	00:00	21:10
Developed ex-Middle East and Africa Index	00:00	21:10
Asia Pacific Index*	00:00	10:00
Developed Asia Index**	00:00	09:00
Developed Asia Dividend+ Index**	00:00	09:00
Developed Asia 33 Index**	00:00	09:00
Developed Asia Pacific Select REITs	00:00	09:00
Emerging Asia Pacific Index	00:00	10:00
Australia Index	00:00	07:15
Hong Kong Index	02:00	08:00
Japan Index	00:00	06:40
Americas Index*	13:00	21:10
North America Index	14:30	21:10
Emerging Americas	13:00	21:10
US Index	14:30	21:10
US Dividend+ Index	14:30	21:10
EMEA Index*	07:00	16:30

Index	Open	Close
Developed EMEA*/**	07:45	16:30
Emerging EMEA	07:00	16:00
Europe Index*	08:00	16:30
Developed Europe Index **	08:00	16:30
Developed Europe Capped Index**	08:00	16:30
Developed Europe (UK Restricted) Index**	08:00	16:30
Developed Europe REITs Index**	08:00	16:30
Developed Europe Non-REITs Index**	08:00	16:30
Developed Europe ex-UK Index**	08:00	16:30
Developed Europe ex-UK Capped Index**	08:00	16:30
Developed Europe ex-UK Dividend+ Index**	08:00	16:30
Eurozone Index	08:00	16:30
Eurozone Capped Index	08:00	16:30
Emerging Europe Index	08:00	16:00
Middle East and Africa Index**	07:00	15:40
Emerging Middle East and Africa Index	07:00	15:40
UK Index	08:00	16:30

Notes:

1. Times are in UK hours.
 2. During real-time calculations, Thomson Reuters Spot rates are used in calculating Foreign Exchange rates.
- * Indices launch in March 2009.
- ** Indices are renamed from Global to Developed or have Developed included in the region in March 2009.

Appendix 6

Capping methodology for the capped indices (see Appendix 2)

Capping is applied to the constituents of an index by the following methodology:

The constituents in the index are ranked by investible market capitalisation and the weight for each constituent in the index is determined.

Stage 1

Any companies whose weights are greater than 10% are capped at 10%. The weights of all lower ranking companies are increased correspondingly. The weights of lower ranking companies are then checked and if they exceed 10% they are also capped at 10%. This process is repeated until no constituent weight exceeds 10%.

Stage 2

a. Capping the largest company at 10%

If more than one company is capped at 10% in Stage 1, then weights of all subsequent companies previously capped at 10% are changed in accordance with the rules detailed below.

For example, if the second largest company is capped at 10% its weight will be reduced to 9% as detailed in Stage 2b below. Thus only one company will have a 10% weight in the index.

b. Capping the second largest company at 9%

If the weight of the second largest company is greater than 9%, the company's weight is capped at 9% and the weights of the remaining companies are increased correspondingly.

Following this procedure, if the total index weight of those companies whose individual weights exceed 5% is **NOT** greater than 40% then no further capping is required.

However, if the total index weight of those companies whose individual weights exceed 5% **IS** greater than 40%, then the procedure moves onto stage 2c.

Please note: where the 40% threshold is breached we move to stage 2c even if the second largest company has not been capped.

c. Capping the third largest company at 8%

If the weight of the third largest company is greater than 8%, the company's weight is capped at 8% and the weights of the remaining companies are increased correspondingly.

Following this procedure if the total index weight of those companies whose individual weights exceed 5% is **NOT** greater than 40%, then no further capping is required.

However, if the total index weight of those companies whose individual weights exceed 5% **IS** greater than 40%, then the procedure moves onto stage 2d.

Please note: where the 40% threshold is breached we move to stage 2d even if the third largest company has not been capped.

d. Capping the fourth largest company at 7%

If the weight of the fourth largest company is greater than 7%, the company's weight is capped at 7% and the weights of the remaining companies are increased correspondingly.

Following this procedure, if the total index weight of those companies whose individual weights exceed 5% is **NOT** greater than 40% then no further capping is required.

However, if the total index weight of those companies whose individual weights exceed 5% **IS** greater than 40%, then the procedure moves onto stage 2e.

Please note: where the 40% threshold is breached we move to stage 2e even if the fourth largest company has not been capped.

e. Capping the fifth largest company at 6%

If the weight of the fifth largest company is greater than 6% the company's weight is capped at 6% and the weights of the remaining companies are increased correspondingly.

Following this procedure if the total index weight of those companies whose individual weights exceed 5% is **NOT** greater than 40%, then no further capping is required.

However, if the total index weight of those companies whose individual weights exceed 5% **IS** greater than 40%, then the procedure moves onto stage 2f.

Please note: where the 40% threshold is breached we move to stage 2f even if the fifth largest company has not been capped.

f. Capping the sixth largest company at 4%

If the weights of the sixth largest company and any lower ranking companies are greater than 4%, those companies' weights are capped at 4% and the weights of lower ranking companies are increased correspondingly.

The process then moves to Stage 3.

Stage 3

Following the application of Stage 2, the weights of each company are checked. If the total index weight of those companies whose individual weights exceed 5% is greater than 40% in aggregate, then further capping is required and Stage 2 is repeated.

Companies are capped using prices as at the close of business on the second Friday in March, June, September and December and shares in issue and free float adjusted for corporate actions, as at the Monday after the third Friday. The capping is implemented after the close of business on the third Friday of March, June, September and December.

Capping Process for FTSE EPRA Nareit Global 55% US Capped Indices

FTSE EPRA Nareit Global 55% US Capped Indices are capped as follows:

Constituents of the United States are capped on a quarterly basis at 55% of the index weight.

Capping is applied using prices as at the close of business on the second Friday in March, June, September and December and shares in issue and free float adjusted for corporate actions as at the Monday after the third Friday. The capping is implemented after the close of business on the third Friday of March, June, September and December.

Corporate actions/events announced after the second Friday of the review month that become effective up and including the review effective date will not result in any further adjustment.

For constituents that do not trade on Friday, the previous day's closing prices are used and the capping implemented after close on the third Friday of the review month (i.e. effective from the open the following Monday).

Appendix 7

EBITDA screening

While real estate EBITDA has a relationship with EBITDA as used in common finance parlance, the real estate EBITDA test/screen is conducted using the guidelines specified in the FTSE EPRA Nareit Global Real Estate Index Series Ground Rules (this document) and the financial information provided in audited annual reports. EBITDA figures reported by the company are not used for the real estate EBITDA screen.

Real estate EBITDA equals the share of relevant earnings accounted for by real estate (RE) activities. Real estate EBITDA can be written as:

$$(1) \text{ Real Estate EBITDA} = \frac{RE \text{ Income} - RE \text{ Expenses}}{RE \text{ Income} + \text{Non-RE Income} - RE \text{ Expenses} - \text{Non-RE Expenses}}$$

where *RE and Non-RE Income and Expenses* constitute a subset of total income and expenses. Items not included in *RE and Non-RE Income and Expenses* are termed *Excluded Items*.

As described in more detail below, *Excluded Items* include depreciation and amortisation (in GAAP), unrealised gains and losses, taxes, and interest expense.

Real Estate EBITDA screening		
Real Estate	Non-Real Estate	Excluded Items
Revenues		
Gross Rental Revenue	Non-Rental Revenues	Unrealised Gain/Loss
Service cost reimbursements from tenants	Interest on finance leases	Income from banking interest, FX gains/losses, gains on hedging instruments, and change in fair value of financial assets and any other financial revenue derived from cash and risk management activities when not clearly identified as a business segment (Note H)
	Other operating revenue, including third party fees (Note D)	
Provision of fund, property and development management services under conditions established in rule 4.5	Provision of construction management, general contracting and project management services	
The construction of residential homes for sale is considered relevant real estate activity	Companies which generate 50% of their revenue (or more) from Home Construction activities are not eligible for Developed Index inclusion (see rule 4.3)	
Gain loss on sale of investment properties (Note C)	Gain loss on sale of properties acquired for sale (Note C)	
Share of net property income from unconsolidated affiliates (Note A)		
Capital gains and dividends from non-consolidated equity investments in real estate companies/activities (Note I)	Capital gains and dividends from non-consolidated equity investments in non-real estate companies/activities (Note I)	

Real Estate EBITDA screening		
Real Estate	Non-Real Estate	Excluded Items
	Income from banking interest, FX gains/losses, gains on hedging instruments, change in fair value of financial assets, and any other financial revenue derived from cash and risk management activities when clearly identified as a business segment or is a material component of revenue generation (Note H)	
Expenses		
Property operating expenses	Non-RE Activity Expenses	Depreciation and Amortisation
Ground rent expense	Other operating expenses, (Note E & F)	Taxes
Expenses related to fund, property and development management services (see rule 4.5)	Expenses related to other services considered non-relevant real estate activities	
G&A related to eligible RE activities (Note F)	G&A related to non-RE activities (Note F)	Interest Expenses

Note A – (Consolidation and inter-segment transactions)

The model accommodates the possibility that the proportionate method of consolidation may not be available in the future under IFRS. If this is the case, to report a consolidated measurement of the important industry metrics, Net Property Income and Income from Operations, the model statement reports the company's share of these same metrics generated by unconsolidated affiliates in the appropriate sections of the statement.

If the proportionate share method of consolidation is available, the individual line items will reflect the proportionate share of results of unconsolidated affiliates for those that qualify for the proportionate method of consolidation.

In addition, for significant unconsolidated affiliates that may not be reported under the proportionate share method of consolidation, the model allows the share of these significant affiliates to be reported in the appropriate sections of the statement, at management's discretion.

As a main principle of consolidation, all the intra-entity transactions should be eliminated for consolidation purposes. This includes all the transactions between the parent company, subsidiaries, associates, and joint ventures that can be considered as inter-segment transactions. Therefore, the model takes in account all the lines as net of eliminations before computing the relevant real estate EBITDA and total EBITDA. Should the company apply the Equity Method for consolidating some of its subsidiaries, while also using the Proportionate Consolidation Method for segment reporting, an appropriate reconciliation between the two methods should be provided in the annual report. The approach to inconclusive or unclear reporting will apply if a reconciliation of the two accounting methods is not specified.

Note B – (Net Property Income)

Reporting Net Property Income is optional.

Note C – (Unrealised gains/losses and the treatment of corporate disposals and discontinued operations)

Realised gains/losses on sales of investment properties will be included in the real estate EBITDA computations and considered a relevant real estate activity. Unrealised gains/losses on fair value change of investment properties, properties under development, or properties in inventory will be excluded from the real estate EBITDA test.

Where gains/losses on the sales of properties acquired for sale are significant, the statement should report sales proceeds and cost of sales separately on the face of the statement. An example of this type of gain/loss would result from significant merchant building sales. What is 'significant' will be determined by a company's disclosures and should be labelled accordingly.

Net income related to partial or entire disposal of subsidiaries, associates, and joint ventures, and any other revenue or expense related to changes in the corporate structure of the group, are excluded from the real estate EBITDA test. Net income from discontinued operations is also excluded.

Note D – (Other Non-eligible operating income – Fees)

Examples would include third party management, development and leasing fees that do not meet the criteria described in rule 4.5.

Note E – (Other Non-eligible operating income – Other property income)

This would include operating expenses not directly associated with operating properties.

Note F – (Proportionate allocations)

Where there is no clear allocation of either General and Administrative, Corporate, Overhead or other operating expenses to any of the reporting segments in the annual report, the model will take into account a proportionate allocation based on the revenue breakdown of the different operating segments.

Note G – (Fees from Property Funds)

Any share of Net Operating Income from property funds managed by the company is considered eligible income if the nature of the fund, the ownership, and the operational income break down are disclosed sufficiently. Profit/loss from property revaluations, fair value adjustments and management fees will be excluded.

Note H – (Interest, FX gain/loss, change in fair value of financial assets and other operating income)

Income from banking interest, FX gains/losses, gains on hedging instruments, change in the fair value of financial assets, and any other financial revenue derived from cash and risk management activities are excluded from the real estate EBITDA computation, unless the company under assessment lists clearly a specific financial activities business segment in its latest annual report or the income represents a material contribution to the revenue generated by the company. In such cases, the financial income related to such a segment will be included in the real estate EBITDA computation and considered as non-relevant real estate income.

Note I – (Dividend income/income from equity financial investments)

Capital gains and dividends from non-consolidated equity investments, including equity funds and equity-oriented investment vehicles, are included in the real estate EBITDA computation and considered non-relevant real estate income. If such equity investments correspond to investments in companies operating relevant real estate activities as described in rules 4.4 to 4.8, such income will be considered relevant real estate income.

Note J – (Treatment of companies with insufficient revenue breakdowns or data for determining nationality)

No addition or deletion will be implemented unless the information supporting such decision is clear and accurate; this is to prioritise the stability and quality of the index series. Revenues that are not reported clearly or explicitly will not be considered eligible for the real estate EBITDA screen and may affect an inclusion or exclusion decision.

For potential constituents, in cases where the company's annual report does not provide enough detail on the nature or composition of revenues or profits that combine relevant real estate activities with other activities, such revenues or profits will be considered entirely as non-relevant real estate activities.

If the same situation is observed in the assessment of a current index constituent, the index partners will use a proxy variable that allows for the identification of an estimated breakdown for such revenues or profits, instead of considering the entire line as a non-relevant real estate activity. The same logic will be applied when conducting the nationality assessment for both current and potential index constituents. Please note that the proxy approach will be adopted until the company's subsequent annual report is published and assessed for potential exclusion/inclusion ahead of the following index review.

Other notes (language requirements)

The real estate EBITDA test is conducted using the guidelines specified in the Appendix 7 and the financial information provided in audited English language annual/fiscal reports.

Appendix 8

Eligibility, qualification criteria, periodic review and changes to constituent companies of specialist indices

Eligible securities for specialist indices

In addition to the regional and country indices, FTSE Russell has expanded the FTSE EPRA Nareit series to include new and innovative benchmarks. These indices and their qualification criteria are listed below.

1. FTSE EPRA Nareit Pure Developed Asia and FTSE EPRA Nareit Pure Australia Indices

- a. The underlying universe is the FTSE EPRA Nareit Global Real Estate Series.
- b. The FTSE EPRA Nareit Pure Developed Asia Index contains Asian companies who have derived, in the previous full financial year, at least 60% of its EBITDA from relevant real estate activities in Asia. The FTSE EPRA Nareit Pure Australia Index contains Australian companies that are included in the FTSE EPRA Nareit Pure Developed Asia Index.

2. FTSE EPRA Nareit Developed Europe Liquid 40 and FTSE EPRA Nareit Developed Europe Liquid 40 ex-UK Indices

- a. The underlying universe for the FTSE EPRA Nareit Developed Europe Liquid 40 Index and the FTSE EPRA Nareit Developed Europe Liquid 40 ex-UK Index is the FTSE EPRA Nareit Developed Europe Index. The rules for these two indices are identical to the standard rules of the FTSE EPRA Nareit Global Real Estate Index Series. Both indices consist of the 40 stocks with the highest volume traded and/or market capitalisation within the FTSE EPRA Nareit Developed Europe Index.

3. FTSE EPRA Nareit Developed Europe (UK Restricted) Index

- a. The FTSE EPRA Nareit Developed Europe (UK Restricted) Index is derived from the FTSE EPRA Nareit Developed Europe Index. The weight of the UK companies is adjusted, according to the UK's GDP compared against Europe's GDP. This ratio is applied to the market capitalisation of the UK companies in the index. The calculation and composition is identical to the FTSE EPRA Nareit Developed Europe Index and, as a result, it has the same constituents. Further details on the ratio can be found in Appendix 8.12d.

4. FTSE EPRA Nareit Global/Developed/Emerging REIT & Non-REIT Indices

The rules for this index series are identical to the standard rules of the FTSE EPRA Nareit Global Real Estate Index Series. FTSE Russell, EPRA and Nareit will make the following selection to determine the stocks that will make up the FTSE EPRA Nareit Global REIT & Non-REIT Index Series after the current review:

- a. FTSE EPRA Nareit Global/Developed/Emerging REIT Index Series:
 - Recognised REIT legislation must be in operation in the country in which the constituent is domiciled, and
 - The FTSE EPRA Nareit Global/Developed/Emerging REIT Index consists of all constituents operating as a REIT in their country of domicile according to their latest published financial accounts or regulatory announcements as verified by the Index Partners (FTSE, EPRA & Nareit).
- b. FTSE EPRA Nareit Global/Developed/Emerging Non-REIT Index series:
 - Recognised REIT legislation does not exist in the country in which the constituent is domiciled, or
 - The FTSE EPRA Nareit Global/Developed/Emerging Non-REIT Index consists of all constituents that do not qualify for REIT status according to their latest published financial accounts or regulatory announcements as verified by the Index Partners (FTSE, EPRA & Nareit) or the constituent makes a formal announcement that it fails to comply with REIT legislation in its country of domicile.

5. FTSE EPRA Nareit Investment Focus Index Series

- a. An Investment Focus Index Series has been introduced to enhance the existing FTSE EPRA Nareit Global Real Estate Index Series and broaden the market approach to the industry. The idea behind the Investment Focus Index Series is to distinguish the cohorts of listed real estate equities. Each constituent of the FTSE EPRA Nareit Global Real Estate Index Series will be classified as Rental or Non-Rental. The classification by Investment Focus will be based on the sources of a company's EBITDA, as disclosed in the latest published annual financial statements. If sources of EBITDA within published financial statements are not disclosed in sufficient detail as to make a determination, sources of revenue will be used instead to assess Rental or Non-Rental classification. The classification will be determined as follows:
- b. A company will be classified as Rental if the EBITDA or revenue from properties is greater than or equal to 70% of the total EBITDA or revenue both years individually of a two year period.
- c. A company will be classified as Non-Rental if the EBITDA or revenue from properties is less than 70% of the total EBITDA or revenue both years individually of a two year period.
- d. Should a company undergo a significant corporate restructuring, the classification of that company may be assessed using the latest information instead.
- e. If two years worth of information on EBITDA or revenue sources is not available, the latest information will be used in its absence.

6. FTSE EPRA Nareit Developed and Emerging Property Sector Index Series

- a. The underlying universe for the Property Sector Index Series is the FTSE EPRA Nareit Developed Real Estate Index and the FTSE EPRA Nareit Emerging Real Estate Index. The idea behind the Property Sectors Index Series is to distinguish the cohorts of listed real estate equities by separating the existing constituents into 11 distinct Property Sectors based on gross invested book assets. The purpose is to provide investors with a mechanism to manage their exposure to different risk-reward profiles in relation to the different aspects of the real estate business, including office buildings, retail centres, industrial facilities, lodging/resorts, residential buildings and other types of properties.
- b. The classification by Property Sector will be based on the gross invested book assets as disclosed in the latest published financial statement. Each constituent of the FTSE EPRA Nareit Developed Real Estate Index and the FTSE EPRA Nareit Emerging Real Estate Index will be classified in one of the Property Sectors listed below:
- c. A company is classified in one of the following Property Sectors:
 - i. Health Care

Real estate investment trusts or corporations (REITs) or listed property trusts (LPTs) where 75% or more of their gross invested book assets are invested in health care properties.

ii. Self Storage

Real estate investment trusts or corporations (REITs) or listed property trusts (LPTs) where 75% or more of their gross invested book assets are invested in self storage properties.

iii. Industrial

Real estate investment trusts or corporations (REITs) or listed property trusts (LPTs) where 75% or more of their gross invested book assets are invested in industrial warehouses and distribution facilities.

iv. Office

Real estate investment trusts or corporations (REITs) or listed property trusts (LPTs) where 75% or more of their gross invested book assets are invested in offices.

v. Industrial/Office Mixed

Real estate investment trusts or corporations (REITs) or listed property trusts (LPTs) that are not members of property sectors Industrial (N741) or Office (N742) but have a combined total of 75% or more of their gross invested book assets invested in industrial warehouses, distribution facilities and offices.

vi. Residential

Real estate investment trusts or corporations (REITs) or listed property trusts (LPTs) where 75% or more of their gross invested book assets are invested in residential home properties. That includes apartment buildings and residential communities.

vii. Retail

Real estate investment trusts or corporations (REITs) or listed property trusts (LPTs) where 75% or more of their gross invested book assets are invested in retail properties. That includes malls, neighbourhood and community shopping centres and factory outlets.

viii. Lodging/Resorts

Real estate investment trusts or corporations (REITs) or listed property trusts (LPTs) where 75% or more of their gross invested book assets are invested in lodging & resort properties.

ix. Data centers

Real estate investment trusts or corporations (REITs) or listed property trusts (LPTs) where 75% or more of their gross invested book assets are invested in data centers.

x. Specialty

Real estate investment trusts or corporations (REITs) or listed property trusts (LPTs) which have 75% or more of their gross invested book assets invested in a single property sector not listed in i) to ix) above.

xi. Diversified

Real estate investment trusts or corporations (REITs) or listed property trusts (LPTs) which own, manage and lease substantial assets across two or more property sectors where none meet the 75% gross invested book assets threshold for any single property sector.

7. FTSE EPRA Nareit Developed Dividend+ Index Series

- a. The FTSE EPRA Nareit Developed Dividend+ Index Series is designed to measure the performance of higher yielding stocks within the universe of the FTSE EPRA Nareit Developed Real Estate Index Series.
- b. The FTSE EPRA Nareit Developed Dividend+ Index Series was created to allow investors to capture the long-term effect of higher compounding returns and benefit from the lower correlations to traditional market cap weighted indices.

8. FTSE EPRA Nareit Developed Asia 33 Index

- a. The FTSE EPRA Nareit Developed Asia 33 Index has been designed to represent the performance of the largest and most liquid real estate companies from Australia, Hong Kong, Singapore, New Zealand and Japan.

- b. The FTSE EPRA Nareit Developed Asia 33 Index is a tradable index, covering the top 33 constituents of developed countries in the Asia Pacific region by market capitalisation with a selection process that firstly includes companies listed as REITs. Where the total number of constituents is less than 33 then Non-REITs are added.

9. FTSE EPRA Nareit Asia ex-Japan REITs 10% Capped JPY Index

- a. The FTSE EPRA Nareit Asia ex-Japan REITs 10% Capped JPY Index has been designed to represent the performance of REITs from China, Hong Kong, India, Indonesia, Malaysia, Pakistan, Philippines, Singapore, South Korea, Taiwan and Thailand.
- b. The FTSE EPRA Nareit Asia ex-Japan REITs 10% Capped JPY Index is a tradable index covering the constituents of developed and emerging countries in the Asia region by market capitalisation with a selection process that includes only companies listed as REITs.
- c. The FTSE EPRA Nareit Asia ex-Japan REITs 10% Capped JPY Index is calculated net of tax using a Singapore tax stance and constituents are capped at 10%.

10. FTSE EPRA Nareit Developed Asia Pacific Select REITs Index

- a. The FTSE EPRA Nareit Developed Asia Pacific Select REITs Index has been designed to represent the performance of REITs from Australia, Singapore and Hong Kong.
- b. FTSE EPRA Nareit Developed Asia Pacific Select REITs is a tradable index that applies additional liquidity screening to exclude the companies with lowest trading value within the select universe indicated above.

Qualification criteria & periodic review of constituents of specialist indices

11. FTSE EPRA Nareit Pure Developed Asia and FTSE EPRA Nareit Pure Australia Indices

- a. The indices will be reviewed quarterly in March, June, September and December as part of the FTSE EPRA Nareit Global Real Estate Index Series.
- b. The quarterly reviews will use data based on the close of business on the Monday 4 weeks prior to the review effective date.
- c. The quarterly reviews will be implemented in line with the FTSE EPRA Nareit Global Real Estate Index Series after the close of business on the third Friday (i.e. effective Monday) of March, June, September and December.

12. FTSE EPRA Nareit Developed Europe Liquid 40 and FTSE EPRA Nareit Developed Europe Liquid 40 ex-UK Indices

- a. The indices will be reviewed quarterly in March, June, September and December as part of the FTSE EPRA Nareit Global Real Estate Index Series.
- b. The quarterly reviews will use data based on the close of business on the Monday 4 weeks prior to the review effective date.
- c. The quarterly reviews will be implemented in line with the FTSE EPRA Nareit Global Real Estate Index Series after the close of business on the third Friday (i.e. effective Monday) of March, June, September and December.
- d. At review the universe for both indices will consist of constituents from the FTSE EPRA Nareit Developed Europe series. The FTSE EPRA Nareit Developed Europe Liquid 40 Index consists of the 40 stocks with the highest turnover and/or market capitalisation within the FTSE EPRA Nareit Developed Europe index. Using the same data, the compiler (FTSE Russell) will make the following selection to determine the 40 stocks that will make up the index after the current review:
 - i. All companies included in the FTSE EPRA Nareit Developed Europe index as a result of the current review will be ranked according to both trading volume and market capitalisation (after the application of any investability weightings). Trading volume is based on the two quarters preceding the review.
 - ii. Constituents are selected as the highest ranking in terms of value* traded, followed by the highest ranking in terms of market capitalisation, then the second ranking in terms of value traded, followed by the second ranking in terms of market capitalisation, etc. until 40 securities are selected.

* Value traded is calculated by taking the daily volume traded multiplied by the daily closing price.

- iii. Current index constituents that are not included in the selection under (b) are only deleted from the index if their highest rank (either volume traded or market capitalisation) is more than ten places lower than the last selected constituent.
- iv. Companies that are removed from the index are not eligible for inclusion during the following quarterly review. Companies that are newly included in the index may not be deleted from the index during the following quarterly review.
- v. The resulting constituents from the review methodology stated above will comprise the FTSE EPRA Nareit Developed Europe Liquid 40 Index. At the time of the review a further screen is applied that excludes all UK listed companies. The remaining constituents will comprise the FTSE EPRA Nareit Developed Europe Liquid 40 ex-UK Index.

13. FTSE EPRA Nareit Developed Europe (UK Restricted) Index

- a. The index will be reviewed annually in June as part of the quarterly FTSE EPRA Nareit Developed Europe series review.
- b. The annual review will use data based on the close of business on the Monday 4 weeks prior to the review effective date.
- c. The annual review will be implemented in line with the FTSE EPRA Nareit Developed Europe series after the close of business on the third Friday (i.e. effective Monday) of June.
- d. The FTSE EPRA Nareit Developed Europe (UK Restricted) Index is derived from the FTSE EPRA Nareit Developed Europe Index. At annual review the weight of the UK companies is adjusted, according to the ratio of the UK's GDP divided by Europe's GDP. This ratio is applied to the full market capitalisation of the UK companies in the index. This capping factor/ratio is supplied annually by EPRA. The GDP figures are published in the annual OECD Main Economic Indicators and published on <https://data.oecd.org>. The review process uses the previous calendar year-end GDP figures and previous calendar year-end exchange rates.

14. FTSE EPRA Nareit Global/Developed/Emerging REIT & Non-REIT Indices

- a. The indices will be reviewed quarterly in March, June, September and December as part of the FTSE EPRA Nareit Global Real Estate Index Series.
- b. The quarterly reviews will use data based on the close of business on the Monday 4 weeks prior to the review effective date.
- c. The quarterly reviews will be implemented in line with the FTSE EPRA Nareit Global Real Estate Index Series after the close of business on the third Friday (i.e. effective Monday) of March, June, September and December.
- d. The FTSE EPRA Nareit Global/Developed/Emerging REIT & Non-REIT Indices are derived from the FTSE EPRA Nareit Global Real Estate Index Series. Hence, at the quarterly review the series are adjusted to represent the changes implemented to the FTSE EPRA Nareit Global Real Estate Index Series. Furthermore, each constituent is assigned a REIT or Non-REIT status making it a member of either index. FTSE Russell, with the assistance of EPRA and Nareit, screens all stocks and assigns the relevant classification on a quarterly basis (see Appendix 8.4).

15. FTSE EPRA Nareit Investment Focus Index Series

- a. The indices will be reviewed quarterly in March, June, September and December as part of the FTSE EPRA Nareit Global Real Estate Index Series.
- b. The quarterly reviews will use data based on the close of business on the Monday 4 weeks prior to the review effective date.
- c. The quarterly reviews will be implemented in line with the FTSE EPRA Nareit Global Real Estate Index Series after the close of business on the third Friday (i.e. effective Monday) of March, June, September and December.
- d. The FTSE EPRA Nareit Investment Focus Indices are derived from the FTSE EPRA Nareit Global Real Estate Index Series. Hence, at the quarterly review the series is adjusted to represent the changes made to the FTSE

EPRA Nareit Global Real Estate Index Series. Furthermore, each constituent will be classified as Rental or Non-Rental. EPRA screens all stocks and assigns the relevant classification as detailed in Appendix 8.5. A company's Investment Focus classification will be reviewed on an annual basis according to its latest published annual accounts and implemented at the next quarterly review.

16. FTSE EPRA Nareit Global Sectors Index Series

- a. The indices will be reviewed quarterly in March, June, September and December as part of the FTSE EPRA Nareit Global Real Estate Index Series.
- b. The quarterly reviews will use data based on the close of business on the Monday 4 weeks prior to the review effective date.
- c. The quarterly reviews will be implemented in line with the FTSE EPRA Nareit Global Real Estate Index Series after the close of business on the third Friday (i.e. effective Monday) of March, June, September and December.
- d. The FTSE EPRA Nareit Global Sector Indices are derived from the FTSE EPRA Nareit Global Real Estate Index Series. Hence, at the quarterly review the series are adjusted to represent the changes made to the FTSE EPRA Nareit Global Real Estate Index Series. A company's Property Sector classification will be reviewed on an annual basis according to its latest published annual accounts and implemented at the next quarterly review. FTSE Russell, with the assistance of EPRA and Nareit, screens all stocks and assigns the relevant classification as detailed in Appendix 8 6.

17. FTSE EPRA Nareit Developed Dividend+ Index Series

- a. The indices will be reviewed on an annual basis in September in line with the quarterly review of the FTSE EPRA Nareit Global Real Estate Index Series.
- b. The annual reviews will use data based on the close of business on the Wednesday before the first Friday of September, taking into account constituent changes in the September quarterly review of the FTSE EPRA Nareit Global Real Estate Index Series.
- c. The annual review will be implemented in September after the close of trading on the third Friday (i.e. effective Monday), in line with the FTSE EPRA Nareit Global Real Estate Index Series.
- d. At the time of each review, constituents of the FTSE EPRA Nareit Global Real Estate Index Series that have available a forecast/estimate one-year dividend yield (see Appendix 8.16.f) of two percent or greater are eligible for inclusion into the FTSE EPRA Nareit Dividend+ Index Series. If a forecast/estimate one-year dividend yield is not available, FTSE Russell's historical dividend yield data are used.
- e. The FTSE EPRA Nareit Dividend+ Indices will not have a fixed number of constituents.
- f. Forecast/estimate one year dividend yield data are sourced from Thomson Reuters I/B/E/S. For the review, universe constituents that do not have available this information, FTSE Russell's historical dividend yield data are used. Dividend yields are calculated by dividing the one-year dividends per share forecast/estimates by the underlying FTSE Russell stock price at the review data cut-off date. Thomson Reuters I/B/E/S data will be taken from the close of business on the third Thursday of August.

18. FTSE EPRA Nareit Developed Asia 33 Index

- a. The FTSE EPRA Nareit Developed Asia 33 Index will be reviewed semi-annually in June and December.
- b. The Index constituents will be compiled using data after the close of business on the Monday 4 weeks prior to the review effective date, taking into account any changes that would be implemented at the semi-annual review.
- c. The index review would be implemented in line with the FTSE EPRA Nareit Global Index Series, i.e. after the close of business on the third Friday (i.e. effective Monday) of June and December.

- d. At review, the eligible stocks are ranked by their investable market capitalisation (after free float). Any company with REIT status which has an investable market capitalisation of greater or equal to 0.40% of the FTSE EPRA Nareit Developed Asia Index will be included into the index until 33 constituents have been selected. If no more REITs satisfy the size rule, Non-REITs are ranked by investable market capitalisation and the next highest company is added until 33 constituents are selected.
- e. To provide stability and reduce turnover and costs at review a buffer of 5 stocks either side of the 33 cut-off is implemented.
 - I. A company will be inserted at the periodic review if it rises above the 28th position, when eligible companies are ranked by investable market capitalisation.
 - II. A company will be deleted at the periodic review if it falls below the 38th position, when eligible companies are ranked by investable market capitalisation.
- f. At review a constant number of constituents will be maintained. Where a greater number of companies qualify to be inserted in the index than those qualifying to be deleted, the lowest ranking constituents presently included in the index will be deleted to ensure that an equal number of companies are inserted and deleted at the semi-annual review. Likewise, where a greater number of companies qualify to be deleted than those qualifying to be inserted, the securities of the highest ranking companies which are presently not included in the Index will be inserted to match the number of companies being deleted at the semi-annual review.
- g. The index will be capped at review, with no stock having a weight greater than 10% of the index and no country greater than 40% of the index. The capping will be calculated using the second Friday's closing prices adjusted for corporate actions, with the constituent shares and investability weightings from the start of trading on the review implementation date (i.e. the next working day following the third Friday).

19. FTSE EPRA Nareit Asia Ex-Japan REITS 10% Capped JPY Index

- a. The indices will be reviewed quarterly in March, June, September and December as part of the FTSE EPRA Nareit Global Real Estate Index Series.
- b. The quarterly reviews will use data based on the close of business on the Monday 4 weeks prior to the review effective date.
- c. The quarterly reviews will be implemented in line with the FTSE EPRA Nareit Global Real Estate Index Series after the close of business on the third Friday (i.e. effective Monday) of March, June, September and December.
- d. The index will be capped at review, with no stock having a weight greater than 10% of the index. The capping will be calculated using the second Friday's closing prices adjusted for corporate actions, with the constituent shares and investability weightings from the start of trading on the review implementation date (i.e. the next working day following the third Friday).

20. FTSE EPRA Nareit Developed Asia Pacific Select REITs Index

- a. The index will be reviewed quarterly in March, June, September and December as part of the FTSE EPRA Nareit Global Real Estate Index Series.
- b. The quarterly reviews will use data based on the close of business on the Monday 4 weeks prior to the review effective date. For the avoidance of doubt, this clause is also applicable to the ADTV Data referenced in (d) below.
- c. The quarterly reviews will be implemented in line with the FTSE EPRA Nareit Global Real Estate Index Series after the close of business on the third Friday (i.e. effective Monday) of March, June, September and December.
- d. At review the universe for the index will consist of constituents from Australia, Hong Kong and Singapore in the FTSE EPRA Nareit Developed REITs Index. Eligible securities in this select universe will be ranked according to their last 252 trading days average daily traded value data (the "ADTV Data"). The securities ranked in the lowest 25% by ADTV Data will be excluded from the index.

Changes to Constituent Companies of Specialist Indices

21. FTSE EPRA Nareit Pure Developed Asia and FTSE EPRA Nareit Pure Australia Indices

- a. Additions into the index series will be applied at the fifth day of trading of the eligible stock.
- b. Intra-review changes will be in line with the underlying FTSE EPRA Nareit Developed Asia Index Series. A constituent will be removed from the FTSE EPRA Nareit Pure Developed Asia and FTSE EPRA Nareit Pure Australia Indices if it is also removed from the underlying FTSE EPRA Nareit Developed Asia Index Series.
- c. If a constituent is acquired by a non-constituent, the constituent will be removed from the indices.

22. FTSE EPRA Nareit Developed Europe Liquid 40 and FTSE EPRA Nareit Developed Europe Liquid 40 ex-UK Indices

- a. If, due to a corporate action, the number of constituents deviates from 40, the index is only rebalanced at the quarterly review and not at the time of the corporate action. Hence additions into the indices will only be applied at the quarterly review since the number of constituents is not fixed at 40 intra-review.
- b. Intra-review changes will be in line with the underlying FTSE EPRA Nareit Developed Europe Index. A constituent will be removed from the indices if it is also removed from the underlying FTSE EPRA Nareit Developed Europe Index.

23. FTSE EPRA Nareit Developed Europe (UK Restricted) Index

- a. Changes and additions into the index series will be applied in line with the FTSE EPRA Nareit Europe Index series.
- b. A constituent will be removed from the FTSE EPRA Nareit Developed Europe (UK restricted) Index if it is also removed from the underlying FTSE EPRA Nareit Developed Europe Index.
- c. If a constituent is acquired by a non-constituent, the constituent will be removed from the FTSE EPRA Nareit Developed Europe (UK restricted) Index.
- d. Where two index constituents merge, or one index constituent is acquired by another constituent, the factor that is applied to the investable market capitalisation is adjusted so that the new entity remains the same weight within the index as the combined remerged index weights. If an index constituent has a complex reorganisation or de-merger, the newly spun-off company will remain eligible for inclusion into the index as long as it remains a constituent in the FTSE EPRA Nareit Developed Europe Index. The new spun-off company will retain the same factor as its parent company until the next annual review.

24. FTSE EPRA Nareit REIT & Non-REIT Indices

- I. In the case of an initial public offering, when the REIT status of a constituent is unknown, the constituent will enter the FTSE EPRA Nareit Non-REIT Index unless:
 - a. The constituent makes a formal announcement that it opts, or complies with, REIT legislation in its country of domicile.
 - b. Or, the constituent qualifies for REIT status in its latest published set of annual accounts.
- II. Intra-review changes will be in line with the underlying FTSE EPRA Nareit Global Real Estate Index Series. A constituent will be removed from the FTSE EPRA Nareit REIT & Non-REIT Indices if it is also removed from the underlying FTSE EPRA Nareit Index.
- III. Classification changes:
 - a. Changes to the classification of a company will be advised by FTSE Russell and the necessary adjustments will be made at the same time that the constituent changes are implemented.
 - b. Where a constituent is the subject of a merger, restructure or complex takeover which results in a constituent (or part of a constituent) being absorbed by another constituent, the REIT status of the resulting constituent(s) will be reviewed by FTSE Russell.
 - c. Any adjustment resulting from a change in a company's classification will be implemented at the same time that any relevant constituent changes are implemented in the Index.

25. FTSE EPRA Nareit Investment Focus Index Series

- I. Additions into the index series will be applied in line with the FTSE EPRA Nareit Developed Index.
- II. Intra-review changes will be in line with the underlying FTSE EPRA Nareit Global Real Estate Index Series. A constituent will be removed from the FTSE EPRA Nareit Investment Focus Index Series if it is also removed from the underlying FTSE EPRA Nareit Developed Index.
- III. Classification changes:
 - a. Changes to the classification (Rental/Non-Rental) of a company will be advised by FTSE Russell and the necessary adjustments will be made at the same time that the constituent changes are implemented.
 - b. Where a constituent is the subject of a merger, restructure or complex takeover which results in a constituent (or part of a constituent) being absorbed by another constituent, the Rental/Non-Rental classification of the resulting constituent(s) will be reviewed by FTSE Russell.
 - c. Any adjustment resulting from a change in a company's classification will be implemented at the same time that any relevant constituent changes are implemented in the Index.

26. FTSE EPRA Nareit Global Sector Index Series

- a. Additions into the Index Series will be applied in line with the FTSE EPRA Nareit Developed Index.
- b. Intra-review changes will be in line with the underlying FTSE EPRA Nareit Developed Index. A constituent will be removed from the FTSE EPRA Nareit Global Sector Index Series if it is also removed from the underlying FTSE EPRA Nareit Developed Index.
- c. Classification changes
 - I. Changes to the classification of a company will be advised by FTSE Russell and the necessary adjustments will be made at the same time that the constituent changes are implemented.
 - II. Where a constituent is the subject of a merger, restructure or complex takeover which results in a constituent (or part of a constituent) being absorbed by another constituent, the industry classification of the resulting constituent(s) will be reviewed by FTSE Russell.
 - III. Any adjustment resulting from a change in a company's classification will be implemented at the same time that any relevant constituent changes are implemented in the Index.

27. FTSE EPRA Nareit Developed Dividend+ Index Series

- a. Additions into the index series will only be applied at the annual review in September.
- b. Intra-review deletions will be in line with the underlying FTSE EPRA Nareit Global Index Series. A constituent will be removed from the FTSE EPRA Nareit Developed Dividend+ Index Series if it is also removed from the underlying FTSE EPRA Nareit Developed Index Series.

28. FTSE EPRA Nareit Developed Asia 33 Index

- a. When a constituent is added to the FTSE EPRA Nareit Global Index Series, it will be considered for inclusion at the next semi-annual review. However, a fast entry rule has been put in place to capture any substantial IPOs.
- b. A new issue will be included intra review if the company has a REIT status and is equal or greater than the 10th position company in the index, when companies are ranked by investable market capitalisation. The addition of a new security will be implemented after the close of business on the fifth day of trading and the index will need to be re-capped.
- c. If a constituent of the underlying universe is removed, the constituent will be removed from the Index, where applicable. Where a constituent is removed from the index, it will not be replaced until the next periodic review.
- d. If an index constituent has a complex reorganisation or demerger, the newly spun-off company will not be considered for inclusion in the index unless it remains part of the eligible universe and its investable market capitalisation is greater than the smallest index constituent. If it is eligible for inclusion, the index may have more than 33 constituents until the next semi-annual review.

- e. Where two index constituents merge or one Index constituent is acquired by another constituent, a vacancy will be created. The vacancy will not be filled and the index will remain with less than 33 constituents until the next semi-annual review. If an index constituent acquires or merges with a non-constituent, the new entity will remain in the index. If an existing constituent is acquired by a non-constituent, the newly created non-constituent will be considered for entry only if it meets all the eligibility criteria.

29. FTSE EPRA Nareit Super Liquid Index Series

- a. The FTSE EPRA Nareit Super Liquid Index Series will be reviewed annually in March and will consist of the following indices:
 - FTSE EPRA Nareit Developed Super Liquid Index
 - FTSE EPRA Nareit Developed Europe Super Liquid Index
 - FTSE EPRA Nareit Developed Asia Super Liquid Index
 - FTSE EPRA Nareit US Super Liquid Index
- b. Intra-review changes will be in line with the underlying FTSE EPRA Nareit Index. A constituent will be removed from the FTSE EPRA Nareit Super Liquid Index Series if it is also removed from the underlying FTSE EPRA Nareit Index.
- c. Please refer to the FTSE Super Liquid Index Series Ground Rules for more information.

30. FTSE EPRA Nareit Asia Ex-Japan REITS 10% Capped JPY Index

- a. Additions into the index series will be applied in line with the FTSE EPRA Nareit Global Real Estate Index.
- b. Intra-review changes will be in line with the underlying FTSE EPRA Nareit Global Real Estate Index Series.

31. FTSE EPRA Nareit Developed Asia Pacific Select REITs Index

- a. When a constituent is added to the FTSE EPRA Nareit Global Index Series, it will be considered for inclusion at the next quarterly review.
- b. Intra-review changes will be in line with the FTSE EPRA Nareit Global Index Series. A constituent will be removed from the index if it is also removed from the underlying universe.

Appendix 9

Status of real time indices

The FTSE EPRA Nareit Global Real Estate indices may be calculated in real time (see Appendix 2).

For further details of real time definitions please refer to the following guide:

[Real Time Status Definitions.pdf](#)

Appendix 10

Nationality

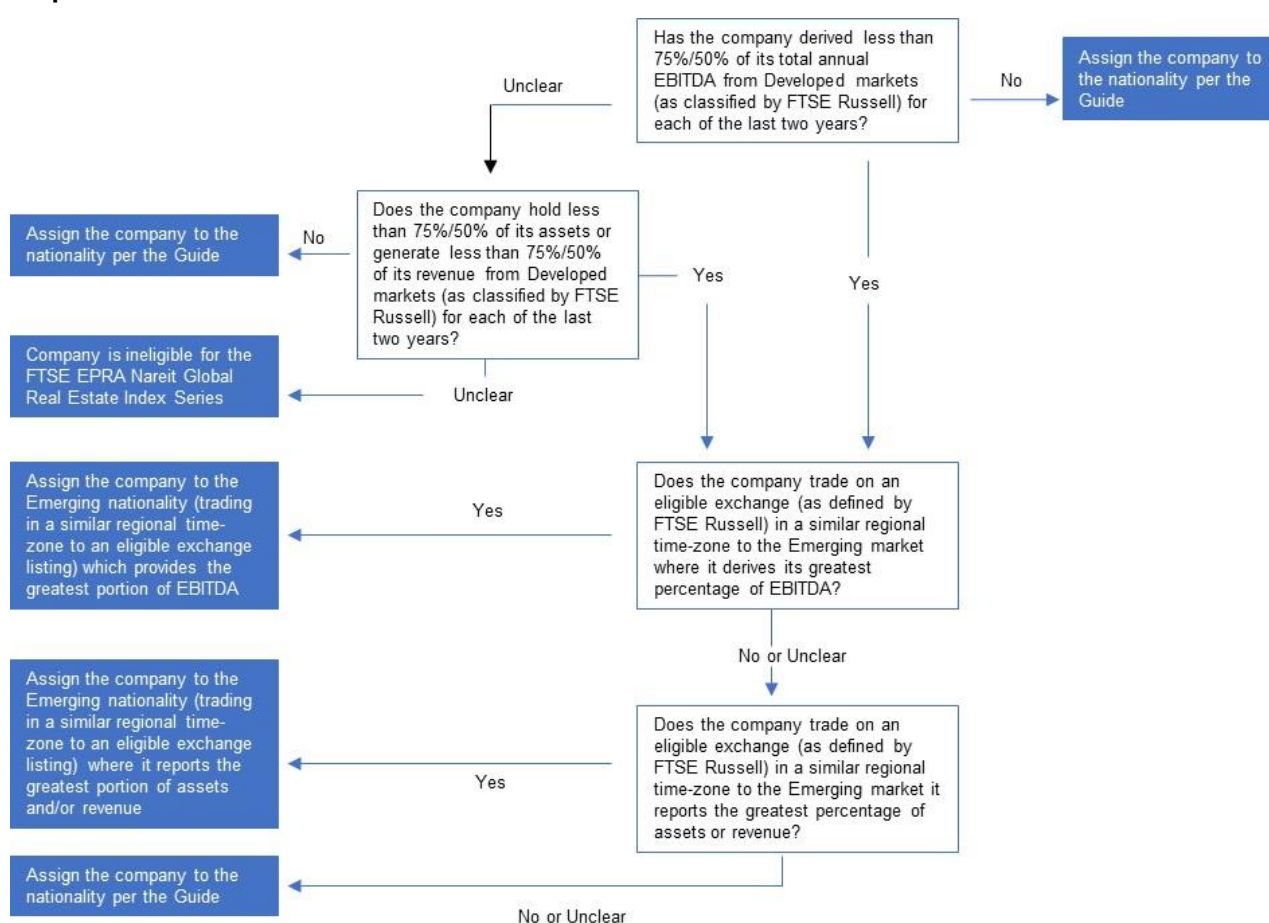
Nationality within the FTSE EPRA Nareit Global Real Estate Index Series:

Step 1

Prospective or existing index constituents assigned an Emerging market nationality per the Determining Nationality Guide (the Guide) will retain that nationality within the FTSE EPRA Nareit Global Real Estate Index Series. Step 2 below is applied to all companies assigned a Developed market nationality per the Guide.

Note that the thresholds are different within these tests depending on whether the company is a prospective or existing constituent of the FTSE EPRA Nareit Global Real Estate Index Series.

Step 2



A constituent whose Emerging market nationality was determined by Step 2 may have its nationality changed to that of a different Emerging market if, for two consecutive years, the greatest percentage of its EBITDA is derived from that Emerging market.

A constituent whose Emerging market nationality was determined by Step 2 may have its nationality changed to that assigned in the FTSE Global Equity Index Series if, for two consecutive years, the companies derives 75% or more of its EBITDA from Developed markets.

In cases where an existing constituent undergoes a significant corporate event, the nationality of that company may be assessed based on the most recent on year audited financial statements in the latest annual report or restructuring prospectus.

Appendix 11

Further information

A glossary of terms used in FTSE Russell's Ground Rule documents can be found through the following link:

[Glossary.pdf](#)

Further information on the FTSE EPRA Nareit Global Real Estate Index Series is available from FTSE Russell on www.lseg.com/en/ftse-russell/. Contact details can also be found on this website.

EPRA

Further information on the real estate screening criteria and EPRA are available on www.epra.com. Contact details can also be found on this website.

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