Ground Rules

August 2026

FTSE Private Credit BDC Composite Index

v1.0

The FTSE Private Credit BDC Composite Index is not, and is not intended to be, used by supervised entities in the European Union or the United Kingdom and accordingly, the European Benchmark Regulation* and the UK Benchmark Regulation# do not apply to the index. Consequently, supervised entities within the European Union and the United Kingdom are not permitted to use the index as a benchmark as set out in article 3(1)(7) of the European Benchmark Regulation.

For the avoidance of doubt, neither FTSE International Limited nor any other member of the London Stock Exchange Group plc group of companies, is the benchmark administrator (as defined in article 3(1)(6) of the European Benchmark Regulation) of the index.

* *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 Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019 (which amends the European benchmark regulation in the United Kingdom)

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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 Private Credit BDC Composite Index.

The FTSE Private Credit BDC Composite Index is designed to reflect the performance of public and private business development companies (BDC).

1.2 The FTSE Private Credit BDC Composite Index is calculated in United States Dollars.

1.3 The total return index is published at the end of each working day. The total return indices are based on ex- dividend adjustments.

1.4 Unless specifically detailed in this document, all areas of the methodology regarding the management of the FTSE Private Credit BDC Composite Index follow the Refinitiv Global Equity Indices Index Methodology. The FTSE Private Credit BDC Composite Index methodology should therefore be read in conjunction with the Refinitiv Global Equity Indices Index Methodology. These rules are available using the following link: **global-equity-index-methodology.pdf**

1.5 FTSE Russell

1.5.1 FTSE Russell is a trading name of FTSE International Limited, Frank Russell Company, FTSE Global Debt Capital Markets Limited (and its subsidiary FTSE Global Debt Capital Markets Inc.,) FTSE Fixed Income LLC, FTSE (Beijing) Consulting Limited.

1.5.2 FTSE Russell hereby notifies users of the index 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 and therefore, any financial contracts or other financial instruments that reference the index or investment funds which use the index to measure their performance should be able to withstand, or otherwise address the possibility of changes to, or cessation of, the index.

1.5.3 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 for any losses, damages, claims and expenses suffered by any person as a result of:

– any reliance on these Ground Rules;
– any inaccuracies in these Ground Rules;
– 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.

Section 2

Management responsibilities

2. Management responsibilities

2.1 FTSE International Limited (FTSE)

2.1.1 FTSE is the benchmark administrator of the index[1].

2.1.2 FTSE is responsible for the daily calculation, production and operation of the index 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; and
- disseminate the indices.

2.2 Status of these Ground Rules

2.2.1 This document sets out the construction and maintenance of the FTSE Private Credit BDC Composite Index.

2.3 Amendments to these Ground Rules

2.3.1 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. Any proposals for significant amendments to these Ground Rules will be subject to consultation with FTSE Russell advisory committees and other stakeholders if appropriate. The feedback from these consultations will be considered by the FTSE Russell Index Governance Board before approval is granted.

[1] FTSE is not the benchmark administrator of the Index Series as the term administrator is defined in the IOSCO Principles for Financial Benchmarks and 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).

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

3.1.1 Full details of changes to constituent companies due to corporate actions and events can be accessed in the Corporate Actions and Events Guide using 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 the FTSE Russell Product governance board.

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

Statement_of_Principles.pdf

3.3 Index Policy for Trading Halts and Market Closures

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

Index_Policy_for_Trading_Halts_and_Market_Closures.pdf

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

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

Index_Policy_in_the_Event_Clients_are_Unable_to_Trade_a_Market_or_a_Security.pdf

3.5 Recalculation Policy and Guidelines

3.5.1 Where an inaccuracy is identified, FTSE Russell will follow the steps set out in the FTSE Russell Index recalculation guidelines when determining whether an index or index series should be recalculated and/or associated data products reissued. Users of the FTSE Private Credit BDC Composite Index will be 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 using the link below or by contacting info@ftserussell.com.

Recalculation_Policy_and_Guidelines_Equity_Indices.pdf

3.6 Policy for Benchmark Methodology Changes

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

Policy_for_Benchmark_Methodology_Changes.pdf

3.7 FTSE Russell Governance Framework

3.7.1 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 Benchmarks[2], the European benchmark regulation[3] and the UK benchmark regulation[4]. The FTSE Russell Governance Framework can be accessed using the following link:

FTSE_Russell_Governance_Framework.pdf

3.8 Real Time Status Definitions

3.8.1 Please refer to the following guide for details of real time status definitions for indices which are calculated in real time.

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

Eligible securities

4. Eligible securities

4.1.1 The universe of eligible constituents is all the BDC companies covered in the BDC Collateral.

4.2 BDC Collateral

4.2.1 BDC Collateral provides a standardized view of the BDC asset class, providing investors, arrangers, managers and lenders with data on nearly 250 public and private BDCs. That data is enhanced with exclusive analysis from across the universe of LSEG LPC offerings, including LoanConnector, DealScan, LPC Collateral, Eikon and the LSTA/ LPC Mark-to-Market pricing service. BDC Collateral | Data Analytics

Section 5

Index qualification criteria

5. Index qualification criteria

5.1 To be included in the index, a company must be covered by the BDC Collateral.

5.2 Private BDC's that have two net asset value (NAV) data reports prior to the current review period will be eligible for entry to the index on the third report. Eligible private BDCs must have an NAV greater than or equal to $100M.

Section 6

Periodic review of constituent companies

6. Periodic review of constituent companies

6.1 Review dates

6.1.1 The FTSE Private Credit BDC Composite Index will be reviewed quarterly in January, April, July, and October using market data at the close of business on the Wednesday before the first Friday of the review month.

6.1.2 Changes to the index will be implemented after the close of business on the third Friday (i.e. effective from the open on Monday) of January, April, July, and October.

6.1.3 An annual reconstitution will occur during the September review. Privately traded BDC's that have two NAV data reports prior to the current review period will be eligible for entry to the index on the third report. Eligible private companies must have an NAV greater than or equal to $100M.

6.1.4 A private company that is a constituent of the index but does not report a NAV will be deleted from the index at the next review.

6.1.5 FTSE Russell will be responsible for publicising the outcome of the periodic review.

6.2 Constituent weight calculation

6.2.1 Public BDC's:

$$w_{i,t} = \frac{\sqrt{p_{i,t} \times s_{i,t} \times f_{i,t}}}{\sum_i \sqrt{p_{i,t} \times s_{i,t} \times f_{i,t}}}$$

Where:

$p_{i,t}$: close price of constituent i on day t

$s_{i,t}$: number of shares of constituent i on day t

$f_{i,t}$: free float of constituent i on day t

$w_{i,t}$: index weight of constituent i on day t

6.2.2 Private BDC's

$$w_{i,t} = \frac{\sqrt{NAV_{i,t}}}{\sum_i \sqrt{NAV_{i,t}}}$$

Where:

$NAV_{i,t}$: reported net asset value of constituent i on day t

$w_{i,t}$: index weight of constituent i on day t

6.3 Index calculation

6.3.1 Public BDC:

$$I_t^{public} = \frac{\sum_i (p_{i,t} \times q_{i,t}) + (DIV_{i,t} \times q_{i,t})}{Divisor_t}$$

Where:

$p_{i,t}$: price of constituent i on day t

$q_{i,t}$: float adjusted shares outstanding of constituent i on day t

$DIV_{i,t}$: per share dividend on ex-date

I_t^{public}: public BDC index value on day t

6.3.2 Private BDC:

The private BDC index value is updated one business day prior to the effective date using the reported quarterly return on NAV, otherwise the index value is unchanged.

$$I_t^{private} = \frac{\sum_i NAV_{i,t^*}}{Divisor_{t^*}}$$

Where:

NAV_{i,t^*}: reported NAV of constituent i on day t* which is one business day prior to the rebalance effective date

$I_t^{private}$: private BDC index value on day t

6.3.3 Composite Index:

$$I_t = (0.3 \times I_t^{public}) + (0.7 \times I_t^{private})$$

Section 7

Changes to constituent companies

7. Changes to constituent companies

7.1 New issues

7.1.1 The FTSE Private Credit BDC Composite Index will not have intra-review additions.

7.1.2 Any new issues will be reviewed for index inclusion at the next quarterly review. When a stock is added to the universe i.e. BDC Collateral, it will be considered for inclusion at the next quarterly review of the FTSE Private Credit BDC Composite Index.

7.2 Intra-review changes (deletions)

7.2.1 A constituent will be deleted from the FTSE Private Credit BDC Composite Index when it is removed from the BDC Collateral. During the review, the current set of index constituents are compared to non-listed BDCs that have filings, and any non-listed BDC that does not have a filing for the relevant period is removed.

Public BDCs will be treated in line with corporate action guide (Refinitiv).

Appendix A

Further information

A Glossary of Terms used in FTSE Russell's Ground Rule documents can be found using the following link:

Glossary.pdf

Further information on the FTSE Private Credit BDC Composite Index is available from FTSE Russell.

For contact details please visit the FTSE Russell website or contact FTSE Russell client services at info@ftserussell.com.

Website: www.lseg.com/en/ftse-russell/