



INDEX METHODOLOGY

KELLY INDUSTRIAL REAL ESTATE INDEX

INDSSCPR

INDEX DESCRIPTION

The Kelly Industrial Real Estate Index is designed to track the performance of a selection of companies, including real estate investment trusts (REITs), in the industrial real estate industry.

SECURITY ELIGIBILITY CRITERIA

Eligible security types

A security must be classified as a common stock, REIT, depositary receipt, limited partnership interest, share or unit of beneficial interest or share of a limited liability company.

If the security is a depositary receipt, references to the “issuer” of the security are references to the issuer of the underlying security shares.

Multiple securities per issuer

One security per issuer is permitted. If an issuer has multiple otherwise-eligible securities, the security with the highest three-month average daily traded value generally is considered for inclusion in the Index.

Industry eligibility

A security’s issuer must be classified by Kelly Benchmark Indexes as belonging to the industrial real estate industry, based on property type and tenant.

Listing exchange eligibility

A security must be listed on The Nasdaq Stock Market, New York Stock Exchange, NYSE American, Cboe BZX Exchange or Toronto Stock Exchange.

Market capitalization

A security must have a market capitalization of at least \$200 million (USD).

Liquidity

A security must have a three-month average daily traded volume of at least 10,000 shares.

Free float

At least 20% of a security's total shares outstanding must be publicly available for trading (float shares).

Other eligibility criteria

If, at reconstitution, Nasdaq becomes aware that an issuer or security will soon undergo a fundamental change that makes it ineligible, Nasdaq will remove the security from consideration. This includes entering into a definitive merger or acquisition agreement or other pending arrangement that would make it ineligible for Index inclusion, a filing of bankruptcy or similar protection from creditors, or other events as described in Section 3 of **Corporate Actions and Events Manual – Equities**.

INDEX CALENDAR

Reconstitution schedule

The Index is reconstituted quarterly in March, June, September and December by applying the constituent selection process described within Constituent Selection.

Reconstitution reference dates

Unless otherwise specified, the Security Eligibility Criteria and Constituent Selection Process are applied using data as of the end of February, May, August and November, respectively.

Reconstitution announcement dates

Index Reconstitutions generally are announced five (5) trading days prior to the Reconstitution Effective Date.

Reconstitution effective dates

Index Reconstitutions become effective at market open on the trading day following the third Friday of March, June, September and December.

Rebalance schedule

The Index is rebalanced quarterly in conjunction with the Reconstitution by applying the constituent weighting process described below. The Rebalance Reference, Effective and Announcement Dates are the same as those of the Reconstitution.

CONSTITUENT SELECTION

Constituent selection process

Every security meeting all applicable Security Eligibility Criteria is included in the Index.

CONSTITUENT WEIGHTING

Constituent weighting scheme

The Index is a modified free float market capitalization-weighted index.

Constituent weighting process

Each Index Security's initial weight is determined by dividing the Index Security's free float market capitalization by the aggregate free float market capitalization of all Index Securities.

Initial index weights are adjusted to meet the following constraints, establishing the final weights:

- No Index Security weight may exceed 15%.
- The aggregate weight of Index Securities whose weights exceed 4.5% may not exceed 45%.

To establish final weights, security weights are reviewed iteratively, largest to smallest by free float market capitalization. In general, if a security's weight exceeds the 4.5% constraint its final weight is set to 4.5% and the security weight review proceeds to the next-largest security; however, a security weight may exceed 4.5% if the collective final weight of the previously reviewed Index Securities (those with larger free float market capitalizations) does not exceed 45%.

For additional information about index weighting, see **Nasdaq Index Weight Calculations**.

INDEX MAINTENANCE

Deletion policy

If, at any time, Nasdaq determines that an Index Security has or will become ineligible for continued inclusion in the Index due to bankruptcy, delisting, or a definitive agreement that would likely result in the security no longer being Index eligible, the security is removed from the Index as soon as practicable and is not replaced. Ordinarily, a security will be removed from the Index at its Last Sale Price. If, however, at the time of its removal the Index Security is halted from trading on its primary listing market

and an official closing price cannot readily be determined, the Index Security may, in Nasdaq's discretion, be removed at a zero price. The zero price will be applied to the Index Security after the close of the market but prior to the time the official closing value of the Index is disseminated, which is ordinarily 17:16:00 ET.

Corporate actions

In the periods between scheduled index reconstitution and rebalancing events, individual Index securities may be the subject to a variety of corporate actions and events that require maintenance and adjustments to the Index. Specific treatment of each type of corporate action or event is described in **Nasdaq Corporate Actions and Events Manual – Equities**, which is incorporated herein by reference.

A special cash dividend announced by the listing exchange will result in an adjustment to the Last Sale Price of an Index Security prior to market open on the ex-date for the special amount distributed. A corresponding adjustment will be made to the Index Shares of the security such that the weight of the Index Security will not change as a result of the action. A special dividend may also be referred to as extra, extraordinary, non-recurring, one-time, unusual, etc.

In certain cases, corporate actions and events are handled according to the weighting scheme or other index construction techniques employed. Wherever alternate methods are described, the Index will follow the "Non-Market Cap Corporate Action Method."

Index share adjustments

Index Share changes arising from stock dividends and stock splits are made to the Index during the evening prior to the effective date of such corporate actions; otherwise, Index Share changes are not made outside of Reconstitution or rebalance events.

ADDITIONAL INFORMATION

Announcements

Nasdaq announces Index-related information via the Nasdaq Global Index Watch (GIW) website at <http://indexes.nasdaqomx.com>.

For more information on the general Index Announcement procedures, please refer to the **Nasdaq Index Methodology Guide**.

Holiday schedules

The Index is calculated Monday through Friday and does not close for holidays, as it is a Global Index.

Unexpected market closures

For information on Unexpected Market Closures, please refer to the **Nasdaq Index Methodology Guide**.

Calculation types

For information on the Index calculation types as well as the mathematical approach used to calculate the Index(es), please refer to the **Calculation Manual – Equities & Commodities**.

Recalculation and restatement policy

For information on the Recalculation and Restatement Policy, please refer to the **Nasdaq Index Recalculation Policy**.

Data sources

For information on data sources, please refer to the **Nasdaq Index Methodology Guide**.

Contact information

For any questions regarding an Index, please contact the Nasdaq Index Client Services team at indexservices@nasdaq.com.

Index dissemination

Index values and weightings information are available through Nasdaq Global Index Watch (GIW) website at <https://indexes.nasdaqomx.com/> as well as the Nasdaq Global Index FlexFile Delivery Service (GIFFD) and Global Index Dissemination Services (GIDS). Similar to the GIDS offerings, Genium Consolidated Feed (GCF) provides real-time Index values and weightings for the Nordic Indexes.

For more detailed information regarding Index Dissemination, see the **Nasdaq Index Methodology Guide**.

Index calculation and dissemination schedule

The Index Value is calculated and disseminated once per second from 9:30:01 to 17:16:00 ET. The closing value of the Index may change up until 17:15:00 ET due to corrections to the Last Sale Price of the Index Securities.

Website

For further information, please refer to Nasdaq GIW website at <https://indexes.nasdaqomx.com/>.

FTP and dissemination service

Index values and weightings are available via FTP on the Nasdaq Global Indexes FlexFile Delivery Service (GIFFD). Index values are available via Nasdaq's Global Index Dissemination Services (GIDS).

GOVERNANCE

Index governance

All Nasdaq Indexes follow the same governance structure. For a detailed list of this information, please see the **Nasdaq Index Methodology Guide**.

Nasdaq Index Management Committee

The Nasdaq Index Management Committee approves all new Index Methodologies. This committee is comprised of full-time professional members of Nasdaq. The committee meets regularly, and reviews items including, but not limited to, pending corporate actions that may affect Index constituents, statistics comparing the composition of the indexes to the market, companies that are being considered as candidates for addition to an Index, and any significant market events.

For a detailed overview of the Index Management Committee, please see the **Nasdaq Index Methodology Guide**.

Internal reviews of methodology

For a detailed description on internal reviews of the Methodology, please see the **Nasdaq Index Methodology Guide**.

Communication with stakeholders and consultations

For a detailed description on Consultations and Communications with Stakeholders, please see the **Nasdaq Index Methodology Guide**.

Index cessation

Nasdaq has a documented procedure that is followed for Index Cessation that includes termination/retirement of an Index or Index Family.

For more information, please refer to the **Nasdaq Index Cessation Policy**.

Discretionary adjustment

This Index Methodology was created by Nasdaq to achieve the aforementioned objective of measuring the underlying purpose of each Index governed by this methodology document. Any deviations from this methodology are made in the sole judgment and discretion of Nasdaq so that the Index continues to achieve its objective.

For more information on potential adjustments including Calculation and Pricing Disruptions, Expert Judgment, and Unexpected Reconstitution/Rebalances, please refer to the **Nasdaq Index Methodology Guide**.

GLOSSARY OF TERMS AS USED IN THIS DOCUMENT

For the glossary of key terms, please refer to the **Nasdaq Index Methodology Guide**.

DISCLAIMER

Nasdaq may, from time to time, exercise reasonable discretion as it deems appropriate to ensure Index integrity, including but not limited to, quantitative inclusion criteria. Nasdaq may also, due to special circumstances, if deemed essential, apply discretionary adjustments to ensure and maintain the high quality of the index construction and calculation. Nasdaq does not guarantee that any Index accurately reflects future market performance.

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APPENDIX: METHODOLOGY CHANGE LOG

Effective Date	Methodology Section	Description or Summary of Changes
June 15, 2022	Additional information: holiday schedule	The holiday schedule changes from US to Global.
March 21, 2022	Security Eligibility Criteria: Listing Exchange Eligibility	Toronto Stock Exchange was added as an eligible exchange.