



## Index Guidelines for Harris Index

**Date:** October 11, 2024

### **Introduction**

This document outlines Agora Intelligence Inc. (d.b.a. Tilt)'s individual Index Guidelines for creating and maintaining a rules-based thematic Index regarding on the theme specified herein, including the processes for constituent selection, weighting, and rebalancing. The Index aims to provide a transparent benchmark that reflects the performance of its constituents.

In addition, the policies and procedures contained in Tilt's General Index Methodology apply to all securities in this Index. However, in the event of a conflict between these Index Guidelines and the General Index Methodology, these Index Guidelines shall govern.

### **Index Specification**

The constituents contained within the Index have been selected on the expectation of containing thematic exposure to the following theme:

**THEME:** HARRIS (DEMOCRATIC) CAMPAIGN POLICIES ("HARRIS INDEX")

And utilizing an additional weighting criteria:

**WEIGHTING:** Direct Score Weight

And subject to the following concentration limits:

**MAX POSITION WEIGHT:** 30%

**TOP N POSITIONS:** 5

**TOP N POSITION WEIGHT:** 60%

With Index Weights rebalanced by the rebalancing period:

**INDEX REVIEW AND REBALANCE PERIOD:** Quarterly

INDEX REVIEW AND REBALANCE DATE: 10/11/2024

And updated periodically at the following frequency:

INDEX UPDATE FREQUENCY: 1 Minute

## 1. Index Objective

The objective of this Index is to track the performance of a defined set of stocks, selected by an estimated exposure to the THEME, weighted by WEIGHTING methodology. The Index is reviewed and rebalanced by INDEX REVIEW AND REBALANCE PERIOD and was most recently reconstituted and rebalanced on the INDEX REBALANCE DATE to ensure it accurately represents the market dynamics of the intended exposures.

## 2. Constituent Selection

### Eligibility Criteria:

- **Listing Requirements:** Stocks must be listed on a major U.S. stock exchange.
- **Market Capitalization:** Only stocks with a minimum market capitalization of \$100 million are eligible.
- **Liquidity:** The lowest weighted component securities comprising 25% of the Index's weighting have an aggregate dollar value of average daily trading volume of \$50 million or more (or, if the Index has 15 or more component securities, \$30 million) over the last 6 months.
- **Financial Health:** Companies must not be undergoing bankruptcy proceedings.

### Selection Process:

- A list of eligible stocks is compiled based on expected exposure to the theme contained within the Index Specification and subject to the eligibility criteria listed above.
- A list of stocks selected based on intended thematic exposure are listed in Appendix A.

## 3. Index Calculation

### Index Weighting Methodologies:

**Index Weight is determined by a product of the estimated thematic score and the weighting methodology selected in the WEIGHTING parameter of the Index specification.**

- **Market Capitalization:** Market capitalization for each stock is calculated as:

$$\text{Market Capitalization}_i = \text{Number of Shares Outstanding}_i \times \text{Stock Price}_i$$

$$\text{WeightingScore}_i = \text{Market Capitalization}_i$$

- **Direct Score Weight:** For Direct Score Weighted baskets, the weighting score for each asset is set to 1

$$WeightingScore_i = 1$$

**Index Weight Calculation:** The weight of each stock in the Index is calculated as:

$$Index\ Weight_i = \frac{ThematicScore_i \times WeightingScore_i}{\sum_{j=1}^n Abs(ThematicScore_j) \times WeightingScore_j}$$

where  $Abs()$  is a function that determines the absolute value of the  $ThematicScore_j$  and  $WeightingScore_i$  is specified above in the Index Weighting Methodology section for stock  $i$ , and  $n$  is the total number of stocks in the thematic score list.

**Concentration Limit Adjustment:** The Index Weights calculated above are checked for the following concentration limits:

- **Maximum position concentration weight limit:**
  - o  $Index\ Weight_i \leq \text{MAX POSITION WEIGHT}$
- **Largest position concentration group limit:**
  - o  $\sum_{i=1}^N Index\ Weight_i \leq \text{Top } N \text{ Position Weight}$ , where  $N$  is the number of the largest Index Weights, ranked by magnitude

If either the maximum position concentration weight or the largest position concentration group limits are exceeded, the Index Weights will be revised by the following iterative algorithm:

$$Adj\ Index\ Weight_i = Index\ Weight_i^{(1-0.02C)}$$

$$Index\ Weight_i = \frac{Adj\ Index\ Weight_i}{\sum_{j=1}^n Adj\ Index\ Weight_j}$$

where  $C$  is the number of capping weight decay iterations necessary to achieve a set of *Final Index Weights* that meet and satisfy the Index concentration limits.

If the Index meets the required concentration limits without need for an adjustment,  $C = 0$ .

#### 4. Index Review and Rebalance

### **Review and Rebalance Frequency:**

- The Index is rebalanced by the defined Review and rebalance period above in the REVIEW AND REBALANCE PERIOD parameter of the Index specification. Index Review and Rebalance is performed on the last trading day of the period in the table below:

<b>Rebalancing Period</b>	<b>Index Rebalance Day is the Last Trading Day of the ...</b>
Bi-Weekly	1st and 3rd Week of the Month
Monthly	Month
Quarterly	Last Month of the Quarter

### **Review and Rebalance Process:**

- On the review and rebalance date, any changes in the list of thematic stock scores are updated, with Index Weights recalculated based on the Index Calculation in Section 3 .
- The new weights are applied to the Index starting from the first trading day of the following month.

### **Handling Corporate Events:**

Please see Tilt's General Index Methodology for how certain Corporate Events shall be treated for impact upon the Index.

## **5. Index Output**

### **Final Index Weight Calculation:**

- The Index Weight of each stock in the Index on the rebalance date is provided in Appendix A, under column "Index Weight (%)".
- The actual weights of the individual stocks will drift away from their Index Weights set on the rebalance date in accordance with the relative performance of the stocks contained within the Index, and will be reset and rebalanced on the next Index rebalance period.

## **6. Data and Index Maintenance**

### **Data Sources:**

- Stock prices and shares outstanding data are obtained from reputable third party financial data providers, with ongoing data validation to ensure accuracy and consistency.
- Thematic Scores and supporting research documentation are provided by Tilt Pro and will either be emailed to you directly or made available on the Trump Index subscription page on the company's website.

## **Maintenance:**

- The index committee reviews the *general index methodology* **annually**. Please see Tilt's General Index Methodology for more information on this review.
- The index committee reviews the *thematic constituent list* **quarterly**. Adjustments to the Index Guidelines and constituent list are made transparently and communicated to stakeholders. Changes and adjustments to the Index will either be emailed to you directly or made available on the Trump Index subscription page on the company's website.

## **7. Governance and Transparency**

### **Index Committee:**

- An index committee oversees the Index, ensuring it adheres to the Index Guidelines and its intended objectives, as specified by Tilt's General Index Methodology and the specific thematic constituent list.
- The committee meets **quarterly** to review the Index and address any issues.

### **Transparency:**

- Detailed reports on Index performance, Index composition, and all changes and adjustments to the Index Guidelines and Index will either be emailed to you directly or made available on the Trump Index subscription page on the company's website.

## APPENDIX A

### Thematic Portfolio Weights

Tilt Pro “HARRIS INDEX” — 10/11/2024

Trump Index, SCORE WEIGHT, FINAL, 10_11_2024				
Stock	Ticker	Thematic Score	Theme	Normalized Wt (%)
1	ACB	0.33333	Cannabis	4.17%
2	ARRY	0.33333	Renewables / Cleantech	4.17%
3	BABA	0.33333	Chinese Stocks	4.17%
4	BEKE	0.33333	Chinese Stocks	4.17%
5	BIDU	0.33333	Chinese Stocks	4.17%
6	BILI	0.33333	Chinese Stocks	4.17%
7	BZ	0.33333	Chinese Stocks	4.17%
8	CGC	0.33333	Cannabis	4.17%
9	CSIQ	0.33333	Renewables / Cleantech	4.17%
10	ENPH	0.33333	Renewables / Cleantech	4.17%
11	FLNC	0.33333	Renewables / Cleantech	4.17%
12	FSLR	0.33333	Renewables / Cleantech	4.17%
13	JD	0.33333	Chinese Stocks	4.17%
14	JKS	0.33333	Renewables / Cleantech	4.17%
15	NOVA	0.33333	Renewables / Cleantech	4.17%
16	NTES	0.33333	Chinese Stocks	4.17%
17	PLUG	0.33333	Renewables / Cleantech	4.17%
18	RIVN	0.33333	Renewables / Cleantech	4.17%
19	RUN	0.33333	Renewables / Cleantech	4.17%
20	SEDG	0.33333	Renewables / Cleantech	4.17%
21	SHLS	0.33333	Renewables / Cleantech	4.17%
22	TAL	0.33333	Chinese Stocks	4.17%
23	TLRY	0.33333	Cannabis	4.17%
24	VIPS	0.33333	Chinese Stocks	4.17%