

Index Guideline

Top 5 Digital Assets ETP Index



NARO^{IX}

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INTRODUCTION

This document sets out the methodology and rules for the composition, calculation, and ongoing maintenance of the **Top 5 Digital Assets ETP Index**. Any amendments to these rules are subject to approval by the oversight committee described in Section 10.4.

NarolX is committed to maintaining high standards of transparency, integrity, and governance in the administration of its indices. Index methodologies and internal control frameworks are designed in accordance with recognised market best practices and are aligned with the IOSCO Principles for Financial Benchmarks.

Although NarolX indices are not subject to the EU Benchmark Regulation under the current regulatory framework, governance and calculation processes are structured to reflect established benchmark administration standards.

1 VERSION HISTORY

Version	Editor	Date	Change
1.0	Head of Indexing	30.04.2026	Index Guideline Creation

2 DEFINITIONS

Altcoins are all cryptocurrencies other than Bitcoin, typically representing alternative blockchain networks or token-based systems that offer additional or differentiated technological, economic, or functional features.

Average Daily Value Traded (ADV) is a metric used to measure the average amount of money that is traded in a particular security or market on a daily basis. It provides insight into the liquidity and trading activity of a financial instrument.

Benchmark Regulation (BMR) is a European Union regulation that aims to ensure the integrity and reliability of benchmarks used in financial markets.

Bitcoin is the first and largest decentralized digital currency, operating on a peer-to-peer blockchain network and serving as the foundational cryptocurrency from which the broader digital asset ecosystem has evolved.

Blockchain is a distributed digital ledger that records transactions in sequential, cryptographically linked blocks. It provides a transparent, tamper-resistant record of data that is maintained collectively by network participants rather than a central authority.

Business Day is considered to be a Business Day if at least one of the exchanges considered in the Index is open for trading.

CoinMarketCap.com is one of the industry's leading and most widely referenced digital asset data platforms.

Cryptocurrency is a digitally native asset recorded on a blockchain and secured through cryptographic methods. It functions as a transferable unit of value within a decentralized network and is not issued or backed by a central authority. For the purposes of this Index, cryptocurrencies refer to native blockchain assets, excluding stablecoins, synthetic or wrapped tokens, centralized exchange tokens, and similar non-native representations.

Decentralized Network is a system in which data validation, control, and decision-making are distributed across multiple independent participants, rather than being governed by a single centralized entity. This structure enhances resilience, transparency, and security.

End-of-Day (EoD) calculation typically refers to the process of determining the final value or position of a financial instrument at the close of the trading day.

Eligible Exchange refers to a stock exchange that meets NaroIX's requirements and standards. Eligible Exchanges are mentioned in the NaroIX Eligible Exchanges Policy on the NaroIQ website at <https://www.naroiq.com/governance>.

ETC (Exchange-Traded Commodity) is a collateralized, exchange-traded instrument that provides exposure to a specific commodity or basket of commodities. It is typically backed by physical assets or secured collateral and trades similarly to other exchange-listed products.

ETF (Exchange-Traded Fund - Passive) is a regulated investment fund that tracks an index and holds its underlying assets. It offers high transparency, diversification, and operates as protected segregated fund capital.

ETN (Exchange-Traded Note) is an unsecured, exchange-listed debt instrument that provides exposure to a specific asset or index. It carries Issuer risk but allows flexible access to asset classes that are not UCITS-eligible.

ETP (Exchange-Traded Product) is a broad category of exchange-traded securities, including ETFs, ETNs and ETCs, that deliver exposure to various asset classes via a standardized, rule-based structure.

Fixing Day refers to the Selection Day.

Foreign Exchange (FX) Rate is the price of one currency expressed in terms of another. For the purpose of Index calculation, NAROIX utilizes [e.g., WM/Refinitiv 4 PM London] closing spot rates to convert non-base currency constituent data into the Index Currency. These rates are applied consistently across all constituents to ensure contemporaneous valuation across different time zones and markets.

Free-Float Share Market Capitalization is the market value of a security's eligible share class adjusted for free float. It is calculated on the selection day by multiplying the closing price by the number of shares freely available for public trading, excluding insider, government, or locked-up holdings. The definition of free float may vary by data provider.

Gross Total Return Index (GTR): This version replicates the total return of the components by reinvesting the full gross amount of all cash dividends (ordinary and special). No tax deductions or expenses are applied, representing the performance of a portfolio that can reclaim all withholding taxes.

Index Divisor is a mathematical factor used in the calculation of an index. It serves as a normalization factor to adjust the index value over time, ensuring that changes in the index reflect the underlying performance of the assets it represents, rather than simply changes in the total value of the assets.

Index Component is each security that is included in the index.

Index Currency is the base denomination in which the Index Level is calculated and reported (e.g., EUR, USD). All constituent prices, dividends, and market capitalization values

denominated in local currencies are converted into the Index Currency to ensure a uniform and comparable valuation of the Index portfolio.

Index Requirements specific criteria or characteristics that an index must meet to be considered effective and valuable for its intended purpose. The Index Requirements are mentioned in section 4.

Index Universe pool of securities that are eligible to be included in the index. It represents the potential components from which the index's constituents are selected.

Institutional-grade refers to financial instruments or issuers that demonstrate high standards of operational reliability, transparency, regulatory oversight, liquidity, and risk management, making them suitable for use by professional and institutional investors.

IOSCO Principles for Financial Benchmarks refer to the internationally recognised principles published by the International Organization of Securities Commissions (IOSCO), which set out best practice standards for benchmark governance, methodology, data integrity, transparency, and accountability in index administration.

IPO (Initial Public Offering) is the process through which a private company offers its shares to the public for the first time on a regulated stock exchange, thereby becoming a publicly listed and tradable entity.

Issuer is a financial institution or asset management company that issues and administers an Exchange Traded Product (ETP), including responsibility for the product's structure, custody arrangements, ongoing operations, and regulatory compliance.

Meme Coin is a cryptocurrency whose value and adoption are primarily driven by social media trends, online communities, or viral cultural narratives rather than fundamental utility or technological innovation. For the purposes of this Index, meme coins are excluded from eligibility.

Net Total Return Index (NTR): This version mirrors the total return of a portfolio by reinvesting dividends after the deduction of applicable withholding taxes. The tax rate is generally based on the maximum rate for non-resident individuals in the component's country of incorporation, and reinvestment occurs on the Ex-Date.

Price Return Index (PR): This version tracks only the market price movements of the index components. Ordinary cash dividends are excluded from the calculation, but Special Cash Dividends are typically reinvested to maintain price continuity and prevent an artificial drop in the index level.

Rebalancing Day is the specific day on which the index is adjusted to restore its target weights or allocations. This process involves buying or selling securities to bring the portfolio back in line with its predetermined asset allocation.

Reconstitution Day is the same as Rebalancing Day.

Share Market Capitalization is the market value of a company's eligible outstanding share class. It is calculated on the relevant selection day by multiplying the closing price by the number of outstanding shares of that share class. Depending on data provider conventions, this measure may refer only to common shares and typically excludes non-traded and ineligible share classes.

Selection Day refers to the specific day on which the constituents of the index are selected.

Stablecoin is a cryptocurrency designed to maintain a stable value relative to a reference asset, such as a fiat currency, commodity, or basket of assets. Its price stability is typically achieved through collateralization or algorithmic mechanisms. For the purposes of this Index, stablecoins are excluded from eligibility.

Total Market Capitalization is the aggregate market value of a company's outstanding equity securities across all share classes. It is calculated on the relevant selection day by multiplying the closing price of each share class by its respective number of outstanding shares. This measure includes both traded and non-traded shares.

Trading Day refers, for an index component on a given trading day, to the most recent published price at which that component was traded on its respective exchange. Trading days typically exclude weekends and holidays.

Trading Price is the price at which a security is currently being bought and sold in the marketplace.

3 INDEX SPECIFICATIONS

The **Top 5 Digital Assets ETP Index** is a fully rules-based index designed to provide transparent and diversified exposure to exchange-traded products (ETPs) whose performance is linked to one of the five largest investable cryptocurrencies (each an “underlying asset”). The Index explicitly excludes ETPs referencing stablecoins, meme coins, centralized-exchange tokens, synthetic or derivative-based crypto exposures, and other comparable structures. This ensures that only ETPs whose underlying assets represent native, economically meaningful, and market-established cryptoassets are eligible for inclusion.

The objective of the Index is to capture a balanced representation of leading Layer-1 blockchain networks and widely adopted digital assets. In doing so, the Index reflects both the maturity and ongoing evolution of the digital asset ecosystem and includes only those underlying assets that represent foundational and currently relevant blockchain technologies.

To qualify as eligible, each underlying asset must be supported by at least two physically backed, institutional-grade ETPs listed on regulated European trading venues. All eligible ETPs must provide direct, unleveraged 1:1 exposure to the underlying asset and must not employ derivatives, synthetic replication, or wrapped token structures. Mandatory physical delivery is excluded; therefore, ETPs requiring physical receipt or delivery of the underlying cryptocurrency as part of their structure are not eligible for inclusion.

The Index Universe is determined using data from CoinMarketCap.com and includes only those cryptoassets that satisfy strict eligibility requirements, including reliable and transparent market-data availability, verifiable circulating-supply information, and demonstrated institutional accessibility.

At each monthly rebalancing, all underlying assets that meet the eligibility requirements of Section 4.1 are ranked by market capitalization as of the Selection Date. The ETPs linked to the five largest eligible underlying assets, as determined in accordance with Section 4.4, are selected for inclusion in the Index. Each Index Component is therefore a physically backed, institutional-grade ETP providing direct 1:1 exposure to its corresponding underlying asset.

The Index consists of a basket of such ETPs. Weighting is based on the market capitalization of their respective underlying assets and is subject to the following limits: a maximum weight of 35% for the largest underlying asset and a maximum of 20% for each of the remaining underlying assets. If the unconstrained market-capitalization weight of any component exceeds its applicable cap, the weight is reduced to the permitted maximum, and the resulting excess is redistributed proportionally among the remaining uncapped components based on their relative market capitalizations. This ensures that the Index remains both representative of the eligible cryptoasset market and appropriately diversified.

The Index is calculated, administered, and published by NaroIX GmbH (“NaroIX”).

3.1 GENERAL INFORMATION

The Index is calculated exclusively as a Net Total Return (NTR) index. All index values are determined and disseminated in EUR.

Category	Description
Asset Class	Exchange Traded Products (ETPs)
Currency	EUR
Rebalancing Frequency	Monthly
Weighting Scheme	Total Market Capitalization Weighted
Weighting Cap	(Section 4.3)

3.2 IDENTIFIERS AND PUBLICATION

The Index is published under the following Identifiers:

Name	ISIN	Currency	Type
Top 5 Digital Assets ETP Index	DE000A4AUZX7	EUR	NTR*

*PR, NTR and GTR means that the Index is calculated as price return, net total return and gross total return Index as described in the Equity Index Methodology, which is available on the NaroIQ.com website: <https://ix.naroiq.com/>

3.3 INITIAL INDEX BASE VALUE

The Index Base Value is set at 100 as of 01.01.2023 (Index Base Date), which marks the beginning of the back-testing period. The Index has been calculated on a live basis since the Index Inception Date of 01.05.2026. Index levels published prior to the Index Inception Date are back-tested values and do not constitute a live performance track record.

3.4 INDEX CALCULATION DAYS

Index Calculation Days are business days, Monday to Friday. A day is considered to be a Business Day if Deutsche Boerse - Xetra is open for trading.

3.5 CALCULATION METHODOLOGY

The index is based on the Laspeyres formula, which links each successive weighted basket of securities in the index with the preceding basket. This translates into a unique index "Divisor" for each index, which is adjusted to maintain the continuity of the index's values across changes due to corporate actions.

INDEX FORMULA

$$Index_t = \frac{MC_t}{D_t} = \frac{\sum_{i=1}^n P_{i,t} * FX_{i,t} * S_{i,t}}{D_t}$$

INDEX DIVISOR FORMULA

$$D_{t+1} = \frac{D_t * Index_t - \Delta MC_{t+1}}{Index_t}$$

Where:

$Index_t$	Index Level at time (t)
D_t	Divisor of the index at time (t)
D_{t+1}	Divisor of the index at time (t+1)
$FX_{i,t}$	Exchange rate from local currency into index currency for ETP (i) at time (t)
n	Number of components in the index
$P_{i,t}$	Price of component (i) at time (t)
$S_{i,t}$	Number of shares of ETP (i) at time (t)
t	Time the index is calculated
MC_t	Market capitalization of the index at time (t)
ΔMC_{t+1}	Difference between the closing market capitalization of the index and the adjusted closing market capitalization of the index for ETPs with corporate actions effective at time (t+1).

3.6 INDEX CALCULATION

The official index closing level is calculated once, each Business Day (EoD calculation) and based on the closing prices of the respected ETPs traded on Deutsche Boerse - Xetra. The most recent prices of all Index Components are used. Should there be no current trading price for an Index Component, the most recent closing price or the last available trading price for the preceding trading day is used in the calculation. Trading Prices of Index Components not listed in the index currency are converted using the 04:00 pm London time WMR closing spot rates, provided by WM/Refinitiv.

3.7 DISSEMINATION FREQUENCY & DISTRIBUTION

The Index is calculated continuously throughout each business day, with updates every 5 seconds, between 9:00 AM to 18:00 PM CET. It can be published via various pricing service providers. If data cannot be delivered to the pricing providers, the Index distribution will be unavailable.

3.8 PUBLICATION

All specifications and information relevant to calculating the Index are made available on the <https://ix.naroiq.com/> web page and sub-pages.

4 INDEX SELECTION AND CONSTRUCTION

The Index is designed to replicate a predefined universe of exchange-traded products (ETPs). It therefore reflects the performance of financial instruments whose values are linked to the price development of their respective underlying cryptocurrencies.

On each Selection Day, NaroIX applies the eligibility methodology defined in this Section 4 to determine the eligible Cryptocurrencies Universe (see Section 4.1), which forms the basis for identifying the investable ETPs used for index replication (see Section 4.2). In a first step, the Cryptocurrencies Universe is established in accordance with Section 4.1 and comprises all cryptocurrencies that fulfil the eligibility requirements as defined therein.

The entire process is fully rules-based, ensuring that all eligible ETPs are identified in a consistent and repeatable manner. Eligibility assessments rely exclusively on publicly available information, applying the same methodology, identical data cut-off dates, and no discretionary judgement. This guarantees transparency, consistency, and comparability across all assessed assets.

The Index reflects the performance of ETPs providing direct economic exposure to their corresponding underlying cryptocurrencies. Accordingly, the Index reflects the performance of a basket of individual cryptocurrency exposures rather than the overall global cryptocurrency market.

Following the identification of eligible cryptocurrencies, NaroIX determines the corresponding investable ETPs in accordance with Section 4.2 and Section 4.3.

4.1 CRYPTOCURRENCIES UNIVERSE DEFINITION

The cryptocurrencies universe comprises eligible Cryptocurrencies listed on CoinMarketCap.com, one of the industry's leading and most widely referenced digital asset data platforms ("Cryptocurrencies Universe"). Eligibility is assessed using market data as of the Selection Date, ensuring that the Index Universe and therefore the index reflects the current structure of the Cryptocurrencies market.

To be included in the Cryptocurrencies Universe, Cryptocurrencies must meet the following criteria with regards to its listing on CoinMarketCap.com:

1. Market Capitalisation & Data Quality Requirements

A Cryptocurrency must have:

- A reliably reported market capitalisation,
- A transparent and consistently updated circulating supply, and
- Verifiable and continuously published pricing data.

Cryptocurrencies with insufficient, inconsistent, manipulated, or unverifiable data may be excluded at the discretion of the rules (not subjective judgement).

2. Asset Type Exclusions

To ensure replicability and alignment with the investment objective, the following categories of cryptoassets are excluded from the Cryptocurrencies Universe:

- Stablecoins (e.g., USDT, USDC)
- Centralised Exchange Tokens (e.g., BNB, CRO, BGB)
- Meme Coins (e.g., DOGE, SHIB, PEPE)
- Synthetic, wrapped, bridged, or derivative representations of other assets based on the blockchain technology (e.g., WBTC, stETH, tokenised proxies)

3. Institutional Investability Requirements

- At least two physically-backed, institutional-grade ETPs referencing the asset must be listed on regulated European markets.
- Eligible ETPs must provide direct, 1:1 unleveraged exposure; Currency Hedged ETPs are explicitly excluded to reflect pure price performance.
- Mandatory physical delivery is excluded; ETPs involving any obligation for the investor to physically receive or deliver the underlying cryptocurrency are not eligible for inclusion.

4. Operational & Regulatory Constraints

A Cryptocurrency may be excluded from the Cryptocurrencies Universe if it is subject to:

- Exchange delistings or suspensions,
- Severe regulatory restrictions,
- Material technical failures or security breaches, or
- Any condition that materially impairs consistent and reliable index replication.

The method applies a structured and fully rules-based screening process to identify the top five eligible Cryptocurrencies from the Cryptocurrencies Universe at each Selection Date. The screening criteria ensure that only liquid, investable, and institutionally accessible assets, consistent with the requirements defined in this Section, are considered for inclusion.

4.2 INDEX UNIVERSE SELECTION

For each eligible Cryptocurrencies Universe identified in Section 4.1, the Index Universe maintains a set of physically backed, European-listed, institutional-grade Exchange Traded Products (ETPs) that qualify as investable instruments under this methodology. Only ETPs that provide direct, 1:1 exposure to their respective underlying cryptocurrency are eligible for the Index Universe, unless otherwise amended in accordance with the methodology's revision procedures.

Based on the Cryptocurrency Universe defined in Section 4.1, the Index Universe, as well as any constituent changes for an ordinary rebalancing, is determined on the Selection Day. The data used for index reconstitution and rebalancing is taken as of the close of the last Wednesday of each month ("Selection Day"). The Index is rebalanced monthly after the close of the first Wednesday of each month.

Criteria	Index Requirements
Frequency	Monthly
Selection Day	Last Wednesday of each months
Rebalancing Day	First Wednesday of each months

If any existing or newly selected Index Component is not trading on the scheduled Reconstitution Day or Rebalancing Day due to an exchange holiday or other operational constraint, the reconstitution or rebalance is deferred to the next available Business Day.

4.3 WEIGHTING OF THE INDEX COMPONENTS

The index composition out of the Cryptocurrencies Universe and the Index Universe is reliant on certain rule-based limitations to ensure that index replicates the market in a proper manner. This screening ensures that the index consistently captures the largest, most established, and most investable segment of the Cryptocurrencies market while remaining transparent, repeatable, and free of discretionary judgement.

4.3.1 MARKET CAP WEIGHTING

All Cryptocurrencies that meet the eligibility requirements of Section 4.1 are ranked by market capitalization, using data sourced from CoinMarketCap.com as of the Selection Date. Only the top five Cryptocurrencies by market capitalization within the Cryptocurrencies Universe are determining for the Index Components.

On each Selection Day, each eligible Cryptocurrency is assigned an initial weight based on its proportion of the total market capitalization of all Cryptocurrencies listed on

CoinMarketCap.com, ranked in descending order. These initial weights reflect the relative size of each Cryptocurrency within the broader cryptoasset market.

In order to ensure adequate diversification and to comply with the concentration limits applicable to UCITS-/OGAW-regulated investment vehicles, maximum weight caps are applied to the underlying Cryptocurrencies. The largest Cryptocurrency may receive a maximum weight of 35%, while each of the remaining Cryptocurrencies may receive a maximum weight of 20%. Where the initial weight of a Cryptocurrency exceeds its applicable cap, the excess portion is removed and redistributed among the remaining Cryptocurrencies whose weights do not exceed their respective caps. Redistribution is carried out on a pro-rata basis, using the initial market-capitalization weights of the eligible constituents.

Criteria	Requirements and Cappings
Initial Weighting Scheme	Total Market Capitalization Weighted
$i_1 = \text{Cryptocurrency 1}$	$C_1^{max} = 35\%$
$i_2 = \text{Cryptocurrency 2}$ $i_3 = \text{Cryptocurrency 3}$ $i_4 = \text{Cryptocurrency 4}$ $i_5 = \text{Cryptocurrency 5}$	$C_2^{max} = C_3^{max} = C_4^{max} = C_5^{max} = 20\%$

Weighting Methodology

Initial Weights by Market Cap:

$$W_i^{(0)} = \frac{MC_{i,t}}{TM_t}$$

This weight reflects the relative market capitalization of (*i*) within the Top 5 eligible cryptocurrencies to the Total Market Capitalization of all listed Cryptocurrencies on CoinMarketCap.com at time (*t*).

Maximum Weighting Caps

Maximum allowable weight cap for Cryptocurrency (*i*), as defined by the index rules and applicable regulatory constraints specified for this index.

$$C_1^{max} = 35\%, \quad C_2^{max} = C_3^{max} = C_4^{max} = C_5^{max} = 20\%,$$

if at any stage $w_i^{(k+1)} > C_i^{max}$ the asset i is capped at C_i^{max}

Iterative Redistribution Formula

When one or more assets are capped, the excess weight must be redistributed proportionally among the remaining uncapped assets. This process is repeated in iterations (k) until all constraints are met.

For assets in the Capped Set ($i \in C$):

$$w_i^{(k+1)} = C_i^{max}$$

For assets in the Uncapped Set ($i \in U$):

$$w_i^{(k+1)} = \frac{w_i^{(k)}}{\sum_{j \in U} w_j^{(k)}} * (1 - \sum_{m \in C} C_m^{max})$$

The iterative process (k) stops when:

The iterative process (k) stops when the following condition is satisfied for all components in the index:

$$w_i^{(k+1)} \leq C_i^{max} \quad \text{for all } i.$$

Where:

- $MC_{i,t}$ Market Capitalization of cryptocurrency (i) at time (t)
- TM_t Total Market Capitalization of all listed Cryptocurrencies on CoinMarketCap.com at time (t)
- C_i^{max} Maximum allowable weight cap for cryptocurrency (i)
- $w_i^{(0)}$ Initial uncapped weight of cryptocurrency (i)

$w_i^{(k+1)}$	Next iteration weight after redistributing available weight proportionally to the initial weights of cryptocurrency (i)
$\sum_{j \in U} w_j^{(k)}$	Sum of weights of all currently uncapped Cryptocurrencies
$\sum_{m \in C} C_m^{max}$	Cumulative weight of all capped Cryptocurrencies

Each calculated Cryptocurrency weight sets a limitation to the selection of the ETPs as Index Components out of the Index Universe. The ETPs linked to the respective Cryptocurrency as defined in Section 4.4 can only become Index Components in case the market cap weights under this Section 4.3.1 are represented through the Index Components in total.

4.3.2 ISSUER SELECTION FOR INDEX COMPONENTS

To support consistent, transparent, and UCITS-compliant index replication, the Index assigns exposure exclusively to ETPs issued by financially stable, reputable, and institutionally established providers. The Issuer selection framework reflects both the applicable regulatory requirements and the practical considerations necessary for replication by UCITS-/OGAW-regulated investment vehicles, ensuring that Index Components remain investable, diversified, and operationally resilient at all times.

The Index allocates exposure to Exchange Traded Products (ETPs) in a manner that ensures robust diversification, operational reliability, and full compliance with the Issuer concentration limits set out in Article 52 of the UCITS Directive, §206 KAGB, and §209 KAGB.

4.3.2.1 ISSUER ALLOCATION

To ensure consistency and transparency, issuer selection for the Index Components is predefined through the market-capitalization-based weighting framework described in Section 4.3.1.

Index Components (ETPs) directly linked to Bitcoin may only be issued by **iShares, VanEck, Fidelity, and Invesco**. These issuers are among the largest and most established global asset managers and are characterized by:

- physically backed 1:1 structures,
- high operational resilience,
- deep market experience,
- strong balance sheets and governance structures, and
- significant institutional-scale infrastructure.

This ensures that the Index's largest exposure is supported by ETPs from highly reliable and systemically recognized providers.

Index Components (ETPs) directly linked to Altcoins may only be issued by **21Shares, Bitwise, CoinShares, Deutsche Digital Assets, Global X, Hashdex, Issuance Swiss, nxtAssets, Valour, Virtune, WisdomTree and Xtrackers** (currently “C2-ETPs” through “C5-ETPs”). These issuers are recognized leaders in the digital-asset ETP market and offer:

- physically backed 1:1 structures,
- regulated European listings,
- strong liquidity profiles, and
- broad institutional usage.

Their specialization in digital-asset products ensures that the remaining Index exposures are supported by ETPs with high product availability and sufficient issuer breadth to satisfy diversification and regulatory requirements.

The list of eligible issuers for Bitcoin and Altcoins is reviewed and, where necessary, updated on an annual basis each September. Only Crypto-ETPs listed on [Deutsche Börse](#) are considered eligible for inclusion in the Index.

4.3.2.2 ALLOCATION OF C1-ETPs

To maintain issuer diversification and ensure full regulatory compliance, the maximum allowable allocation per issuer for C1-ETPs is therefore:

$$\frac{35\%}{4} = 8.75\% \text{ per Issuer}$$

4.3.2.3 ALLOCATION OF C2-ETPs THROUGH C5-ETPs

To maintain issuer diversification and ensure compliance with concentration limits, the exposures of the second through fifth largest underlying assets (C2–C5) are allocated evenly across four approved issuers. The selection of eligible Crypto-ETPs for each underlying asset is conducted based on Assets Under Management (AUM), ranked in descending order, with preference given to the largest and most liquid instruments.

The maximum allowable allocation per issuer for C2-ETPs through C5-ETPs is therefore:

$$\frac{20\%}{4} = 5\% \text{ per Issuer}$$

If any digital asset has an assigned weight below 10%, it may be represented by a single ETP from one of the approved issuers, selected based on the highest available AUM.

At all times during the rebalancing process, it must be ensured that no issuer exceeds 35% exposure for C1-ETPs or 20% exposure for C2-ETPs through C5-ETPs.

4.3.2.4 REPLACEMENT OF ETPs

If an issuer ceases to provide an eligible ETP, the Index Administrator shall identify and select a suitable replacement ETP that meets all eligibility criteria defined in Section 4.1 and 4.2. If no eligible replacement ETP is available, the allocation is temporarily redistributed to the remaining eligible issuers on a pro-rata basis until a qualifying replacement becomes available. If, after a reasonable assessment period, fewer than two eligible ETPs exist for the underlying asset, the asset becomes ineligible in accordance with Section 4.1 and shall be removed at the next scheduled rebalancing.

4.4 SAMPLE INDEX COMPOSITION

The sample portfolio below illustrates the application of the under Section 4 described rules. This structure demonstrates how the Index achieves diversification across both underlyings, Index Components and Issuers while maintaining full compliance with UCITS/KAGB concentration limits.

Underlying	Issuer	Name	ISIN	Ticker	Allocation
BTC	iShares	iShares Bitcoin ETP	XS2940466316	IB1T-XEX	8.750%
BTC	VanEck	VanEck Bitcoin ETN	DE000A28M8D0	VBTC-XEX	8.750%
BTC	Invesco	Invesco Physical Bitcoin	XS2376095068	BTIC-XEX	8.750%
BTC	Fidelity	Fidelity Physical Bitcoin ETP	XS2434891219	FBTC-XEX	8.750%
ETH	CoinShares	CoinShares Physical Staked Ethereum	GB00BLD4ZM24	CETH-XEX	5.000%
ETH	21Shares	21shares Ethereum Staking ETP	CH0454664027	ETHA-XEX	5.000%
ETH	Bitwise	Bitwise Ethereum Staking ETP	DE000A3G90G9	ET32-XEX	5.000%
ETH	WisdomTree	WisdomTree Physical Ethereum	GB00BJYDH394	WETH-XEX	5.000%
XRP	21Shares	21shares XRP ETP	CH0454664043	21XP-XEX	5.000%
XRP	CoinShares	CoinShares Physical XRP	GB00BLD4ZN31	XRRL-XEX	5.000%
XRP	Bitwise	Bitwise Physical XRP ETP	DE000A3GYNB0	GXRP-XEX	5.000%
XRP	Virtune	Virtune XRP ETP	SE0021486156	VRTX-XEX	5.000%
SOL	21Shares	21shares Solana Staking ETP	CH1114873776	ASOL-XEX	5.000%
SOL	CoinShares	CoinShares Physical Staked Solana	GB00BNRRFY34	SLNC-XEX	5.000%
SOL	WisdomTree	WisdomTree Physical Solana	GB00BNGJ9G01	DSOL-XEX	5.000%
SOL	Bitwise	Bitwise Solana Staking ETP	DE000A4A59D2	BSOL-XEX	5.000%
ADA	21Shares	21Shares Cardano ETP	CH1102728750	ADAA-XEX	5.000%

5 REBALANCING SCHEDULE

5.1 ORDINARY REBALANCING

The Index undergoes an ordinary monthly rebalancing after the close of the first Wednesday of each month. The rebalancing reflects the updated selection and weighting of Index Components determined on the Selection Day, in accordance with Section 4.

The rebalancing is implemented using the target weights established on the Selection Day, with all adjustments becoming effective as of the close of the Rebalancing Day.

If any existing or newly selected Index Component is not available for trading on the scheduled Reconstitution or Rebalancing Day due to an exchange holiday or market closure, the rebalancing will be deferred to the next Business Day on which trading resumes.

NarolX will publish all index component changes in advance of the Rebalancing Day on the NarolQ website <https://ix.naroiq.com/>, ensuring appropriate notice and full transparency for index users.

5.2 EXTRAORDINARY REBALANCING

Extraordinary rebalancings will not be made.

6 CALCULATION ACCURACY

The index level is rounded to two decimal places.

7 INDEX ADJUSTMENTS

The value of an index can be influenced by many events. In the following, events are mentioned that NarolX considers as corporate actions, relevant for index maintenance. The detailed handling of corporate actions can be found in the NarolX Corporate Actions Guide on the NarolQ website at <https://www.naroiq.com/governance>.

7.1 ORDINARY CORPORATE ACTIONS

NarolX considers the following ordinary corporate actions as relevant for the index maintenance:

- **Stock Splits / Unit Splits** (dividing shares into more shares)
- **Reverse Splits** (merging shares into fewer shares)

7.2 EXTRAORDINARY CORPORATE ACTIONS

Extraordinary corporate actions will not be made.

8 RECALCULATION

NarolX endeavors at all times to provide its indices to the fullest satisfaction of all stakeholders. Nevertheless, it cannot be ruled out that certain errors may occur in the index creation process that require corrective action.

The possible errors and the time frame in which they are corrected by NarolX can be found in the NarolX Index Correction & Termination Policy on the NarolQ website at <https://www.naroiq.com/governance>.

9 MARKET DISRUPTION

In times of market stress that may lead to inaccurate market prices, delayed data inputs, illiquid constituents or fragmented markets, NarolX calculates its indices according to predefined procedures. The detailed procedure in the event of market disruptions can be found in the NarolX Index Correction & Termination Policy on the NarolQ website at <https://www.naroiq.com/governance>.

10 INDEX GOVERNANCE AND OTHER

10.1 METHODOLOGY REVIEW

The index methodology is checked annually for changes and adapted if necessary. Changes may be necessary, for example, if assumptions made at the beginning are no longer valid because economic conditions have changed.

Changes are always made in accordance with the Index Policy. The changes will be published under <https://ix.naroiq.com> on the NarolQ website.

10.2 CHANGES IN CALCULATION METHOD

NarolX has the final authority on how to calculate the Index, using the method described in this document. While they will typically follow this method, they may need to make adjustments due to changes in the market, regulations, or other factors. They can also modify the terms and conditions of the Index or the calculation method to correct errors or improve the Index. However, they are not obligated to notify others about these changes. Even with modifications, NarolX will ensure that the calculation method remains consistent with the original method.

10.3 TERMINATION OF THE INDEX

NarolX endeavors at all times to provide its indices to the fullest satisfaction of all stakeholders. Nevertheless, it cannot be ruled out that situations may arise that require the index to be terminated.

This includes, among others:

- Insufficient number of users
- Regulatory changes that no longer allow index provision
- Multiple indices that have similar/same index concepts

10.4 OVERSIGHT FUNCTION

The NarolX Oversight Committee is responsible for the supervision and control of all aspects of the index administration process. This includes the regular review and formal authorization of any proposed amendments to the index rules or the Index Guideline to ensure the ongoing integrity of the benchmark.

To maintain the highest levels of transparency and reliability, all oversight activities and methodological changes are conducted in strict accordance with the NarolX Methodology Policy and are aligned with the IOSCO Principles for Financial Benchmarks. The Oversight Committee ensures that the index remains robust, rules-based, and representative of the underlying market it intends to measure.

The applicable NarolX Methodology Policy is available for public consultation on the NarolQ website at: <https://www.naroiq.com/governance>.

11 DISCLAIMER

The information contained in this Index Guideline is provided for informational purposes only and does not constitute investment advice, a recommendation, or an offer to buy or sell any financial instrument.

While reasonable care has been taken in the preparation of this document, NarolX makes no representation or warranty, express or implied, as to the accuracy, completeness, or timeliness of the information contained herein and accepts no liability for any errors or omissions.

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Past performance, whether actual or back-tested, is not indicative of future results. The value of the Index may fluctuate, and investments referencing the Index may be subject to market and other risks.

For more information visit:

<https://www.naroiq.com/governance>

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