



Israeli 120 iINDEX IL120GTR

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Introduction

Index Objective

The index is designed to measure the performance of the largest 120 companies in Israel by market capitalization.

Highlights

The Index uses a market capitalization weighting algorithm. Additionally, companies are screened for geographical classification (only Israeli companies are eligible).

Dates

Reference Dates: Same as Weight Date.

Reconstitution Dates: Indexes reconstitute quarterly on the COB of the first Thursday in February, May, August, and November.

Weight Date: 15 trading days prior to the Rebalance/Reconstitution Date.

Rebalance Dates: Indexes rebalance quarterly on the COB of the first Thursday in February, May, August, and November.

Supporting Documents

This methodology is meant to be read in conjunction with supporting documents providing greater detail with respect to the policies, procedures and calculations described herein.

The list of the main supplemental documents for this methodology can be found in the Methodologies and Governance tabs on the [Index Resources](#) page as follows:

Supporting Documents
Index Maintenance Policy
Index Governance
Index Policies
Methodology Policies
Glossary
Index Change and Consultation Policy

Eligibility Criteria and Index Construction

Universe

Equities trading on Tel Aviv Stock Exchange.

Index Construction

Constituent Selection

All companies that meet the following requirements are selected:

- Security types: Common Stocks, Preferred Stocks, REITs.
- Eligible exchanges: Israel.
- Currencies: ILS.
- 3-Month Average Daily Trading Value: 50,000 ILS.
- Float Percent: 20%.
- Free Float Market Cap: 75 million ILS.
- All eligible securities whose issuers incorporated and/or domiciled in Israel are ranked by market capitalization.

Constituent Weightings & Constraints

Constituents are market cap-weighted with the following constraints:

- Number of issuers capped at 120.
- Issuer weights capped at 4%.
- Issuer weights are at least 0.1%.
- Each security's weighting factor can be adjusted in the event that the security issuer recorded a negative annual net profit in two or more of the five years preceding the Rebalance Date: Negative annual net profit in 5 out of the 5 aforementioned years reduces the weighting by 50%; Negative annual net profit in 4 out of the 5 aforementioned years reduces the weighting by 40%; Negative annual net profit in 3 out of the 5 aforementioned years reduces the weighting by 30%; Negative annual net profit in 2 out of the 5 aforementioned years reduces the weighting by 20%.

Excess weights are redistributed proportionally among the rest of the uncapped securities. This redistribution is repeated iteratively until all the capping conditions are met.

Index Maintenance

Rebalancing and Reconstitution

The Indexes are rebalanced on the "Rebalance Date" and additionally reconstituted on the "Reconstitution Date". Pricing used in share weights used for reconstitutions are as of the "Weight Date". Share weights for the rebalanced Indexes are computed as of the "Weight Date". Changes to the Indexes

related to the rebalances are as of the “Rebalance Date”. Additions are only made on reconstitution dates.

Corporate Actions

Please refer to the Index Maintenance Policy document for information on Corporate Action processing.

Index Information

Index history availability, base dates and base values are shown in the table below.

Index	Net Total Return Index	Base Date	Base Value
Israel 120 INDEX	IL120GTR	August 2, 2012	1,000

Methodology Updates and Changes

Date	Version	Previous	New
March 2022	1.0.0	—	Initial Version

Index Calculation

Please refer to the Index Maintenance Policy document for information on index calculations.

Index Governance

The index is governed and administered by iINDEX Research Index Committee, a sub-committee of VettaFi Index Committee for the purpose of meeting the goals of the index. For more information, please refer to the Index Governance document.

Index Policies

Please refer to the Index Policies document for information regarding Announcements, Holiday Schedules, Unexpected Exchange Closures, and Recalculation Policy.

Contact Information

For any questions regarding an index, please contact: info@indx.co.il.