



EPRA



FTSE EPRA/NAREIT Dividend+ Index Series

v1.6



EPRA



Contents

1.0	Introduction.....	3
2.0	Management Responsibilities	5
3.0	Annual Review of Constituent Companies.....	7
4.0	Intra-review Constituent Changes.....	8
5.0	Calculation Methodology	9
6.0	Index Opening and Closing Times	10
	Appendix A: Status of Indexes.....	11
	Appendix B: Further Information	12



EPRA



Section 1

Introduction

1.0 Introduction

- 1.1 This methodology is to be read in conjunction with the FTSE EPRA/NAREIT Global Real Estate Index Series Ground Rules, which are available at www.ftserussell.com.
- 1.2 The FTSE EPRA/NAREIT Dividend+ Index Series is designed to measure the performance of higher yielding stocks within the universe of the FTSE EPRA/NAREIT Global Real Estate Index Series.
- 1.3 The FTSE EPRA/NAREIT Global Real Estate Index Series is structured in such a way that it represents general trends in all eligible real estate stocks world-wide. The Index Series is designed to reflect the stock performance of companies engaged in specific aspects of the real estate markets as perceived by institutional investors. Relevant real estate activities are defined as the ownership, disposal and development of income-producing real estate.
- 1.4 The FTSE EPRA/NAREIT Dividend+ Index Series comprises of the following indexes:-
 - FTSE EPRA/NAREIT Global Dividend+ Index
 - FTSE EPRA/NAREIT Europe ex UK Dividend+ Index
 - FTSE EPRA/NAREIT Asia Dividend+ Index
 - FTSE EPRA/NAREIT US Dividend+ Index
- 1.5 The FTSE EPRA/NAREIT Dividend+ Index Series is based on the developed markets of the FTSE EPRA/NAREIT Global Real Estate Index Series excluding Greece.
- 1.6 The indexes are calculated on a real-time basis every 15 seconds.
- 1.7 FTSE considers that the FTSE EPRA/NAREIT Dividend+ Index Series meets the IOSCO Principles for Financial Benchmarks as published in July 2013.
- 1.8 **FTSE Russell**
 - 1.8.1 FTSE Russell is a trading name of FTSE International Limited (FTSE), Frank Russell Company (Russell), FTSE TMX Global Debt Capital Markets Inc. and FTSE TMX Global Debt Capital Markets Limited (together, "FTSE TMX") and MTSNext Limited. FTSE, Russell and FTSE TMX are each benchmark administrators of indexes. References to FTSE Russell should be interpreted as a reference to the relevant benchmark administrator for the relevant index.

1.9 Statement of Principles for FTSE Russell Market Capitalisation Weighted Equity Indexes (the Statement of Principles)

Indexes need to keep abreast of changing markets and the Ground Rules cannot anticipate every eventuality. Where the 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 are presented to the FTSE Russell Index Policy Advisory Board for discussion before approval by FTSE Russell's Governance Board.

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

http://www.ftse.com/products/downloads/Statement_of_Principles.pdf

- 1.10** FTSE Russell hereby notifies users of the index that it is possible that factors, including external factors 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 should be able to withstand, or otherwise address the possibility of changes to, or cessation of, the index.
- 1.11** 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 or any members of the FTSE EPRA/NAREIT Global Index Advisory Committee (or any person concerned with the preparation or publication of these Ground Rules) for any losses, damages, claims and expenses suffered by any person as a result of:
- any reliance on these Ground Rules, and/or
 - any errors or inaccuracies in these Ground Rules, and/or
 - any non-application or misapplication of the policies or procedures described in these Ground Rules, and/or
 - any errors or inaccuracies in the compilation or any constituent data in the Index.



EPRA



Section 2

Management Responsibilities

2.0 Management Responsibilities

- 2.1.1 FTSE is the Benchmark Administrator as defined by the IOSCO Principles for Financial Benchmarks published in July 2013.
- 2.1.2 FTSE acts as the compiler of the FTSE EPRA/NAREIT Dividend+ Index Series. The FTSE EPRA/NAREIT Global Real Estate Index Series Supervisory Committee and Advisory Committees act as advisory bodies for the compiler when changing these rules.

2.2 FTSE EPRA/NAREIT Supervisory Committee

- 2.2.1 The FTSE EPRA/NAREIT Global Real Estate Index Supervisory Committee has been established to oversee a consistent approach to the global development of the FTSE EPRA/NAREIT Index Series.
- 2.2.2 The Terms of Reference of the FTSE EPRA/NAREIT Global Real Estate Index Supervisory Committee are set out on the FTSE Russell website.

2.3 Advisory Committees

- 2.3.1 To assist in the oversight of the indexes three FTSE EPRA/NAREIT regional committees have been established.
- The FTSE EPRA/NAREIT Asia Index Advisory Committee
 - The FTSE EPRA/NAREIT EMEA Index Advisory Committee
 - The FTSE EPRA/NAREIT Americas Advisory Committee

The Terms of Reference of the FTSE EPRA/NAREIT Advisory Committees are set out on the FTSE Russell website.

- 2.4 FTSE is responsible for the day-to-day management of the FTSE EPRA/NAREIT Global Real Estate Index Series and for decisions regarding the interpretation of these ground rules.

2.5 Queries, Complaints and Appeals

- 2.5.1 A constituent or prospective constituent company (or professional advisor acting on behalf of the company), a national organisation or a group of no fewer than ten users of the Indexes from different organisations acting in their professional capacity may appeal against decisions taken by FTSE Russell.

FTSE Russell's complaints procedure can be accessed using the following link:

http://www.ftse.com/products/downloads/Queries_and_Complaints_Policy.pdf

FTSE Russell's Appeal Process can be accessed using the following link:

http://www.ftse.com/products/downloads/Appeals_Against_Decisions.pdf

2.6 Amendments to these Ground Rules

- 2.6.1 These Ground Rules shall be subject to regular review (at least once a year) by FTSE Russell to ensure that they continue to meet the current and future requirements of investors and other index users. The review process will include consultation on any proposed changes with the relevant FTSE EPRA/NAREIT Regional Advisory Committee.
- 2.6.2 As provided for in Rule 1.9, where FTSE Russell or the FTSE EPRA/NAREIT Regional Advisory Committee determines that the Ground Rules are silent or do not specifically and unambiguously apply to the subject matter of any decision, any decision shall be based as far as practical on the Statement of Principles. After making any such determination, FTSE Russell shall advise the market of its decision at the earliest opportunity. Any such treatment will not be considered as an exception or change to the Ground Rules, or to set a precedent for future action, but FTSE Russell will consider whether the Rules should subsequently be updated to provide greater clarity.

2.7 Status of These Ground Rules

- 2.7.1 These Ground Rules set out the methodology and provide information about the publication of the FTSE EPRA/NAREIT Dividend+ Index Series.



EPRA



Section 3

Annual Review of Constituent Companies

3.0 Annual Review of Constituent Companies

3.1 The FTSE EPRA/NAREIT Dividend+ Index Series is reviewed on an annual basis in September in line with the quarterly review of the FTSE EPRA/NAREIT Global Real Estate Index Series.

3.2 Annual review (Data cut-off date)

3.2.1 The annual review will use data based on the close of business on the Wednesday before the first Friday of September, taking into account constituent changes in the September quarterly review of the FTSE EPRA/NAREIT Global Real Estate Index Series.

3.3 Annual review (Implementation date)

3.3.1 The annual review will be implemented in September after the close of business on the third Friday (i.e. effective Monday), in line with the FTSE EPRA/NAREIT Global Real Estate Index Series.

3.4 Review methodology

3.4.1 Within each review universe constituents that have a forecast/estimate one-year dividend yield (see Rule 3.5) of two per cent or greater are eligible for inclusion into the Index Series. If a forecast/estimate one-year dividend yield is not available, FTSE Russell's historical dividend yield data is used.

3.4.2 The FTSE EPRA/NAREIT Dividend+ Index Series constituents are not fixed at review so can change in number prior to the next annual review.

3.4.3 The FTSE EPRA/NAREIT Dividend+ Index Series constituents are screened for liquidity in line with the FTSE EPRA/NAREIT Global Real Estate Index Series review.

3.4.4 Adjustments in stock weightings (including free float and shares in issue) will be in line with the FTSE EPRA/NAREIT Global Real Estate Index Series.

3.5 Forecast/Estimate One-year Dividend Yields

3.5.1 The dividend yield data used in the review calculation is based on one-year dividends per share forecast/estimates from Thomson Reuters I/B/E/S. For the review universe constituents that do not have this information, FTSE Russell's historical dividend yield data is used. To be able to rank the review universe the one-year dividends per share forecast/estimates are divided by the underlying FTSE stock price at the review data cut-off date. Thomson Reuters I/B/E/S data will be taken from the close of business on the third Thursday of August.



EPRA



Section 4

Intra-review Constituent Changes

4.0 Intra-review Constituent Changes

4.1 Intra-review Additions

4.1.1 Additions into the Index Series will only be applied at the annual review in September.

4.2 Intra-review Deletions

4.2.1 A constituent will be removed from the FTSE EPRA/NAREIT Dividend+ Index Series if it is also removed from the underlying FTSE EPRA/NAREIT Global Real Estate Index Series.

4.3 If a constituent is acquired by a non-constituent, it will be removed from the relevant FTSE EPRA/NAREIT Dividend+ Index. If a constituent merges with another constituent, or in the event of a complex reorganisation, or demerger (spin-off), the company will remain eligible for inclusion into the FTSE EPRA/NAREIT Dividend+ Index, providing the new entity is included into the FTSE EPRA/NAREIT Global Real Estate Index Series.

4.4 Treatment of suspended companies will be in line with the FTSE EPRA/NAREIT Global Real Estate Index Series.



EPRA



Section 5

Calculation Methodology

5.0 Calculation Methodology

- 5.1 The FTSE EPRA/NAREIT Dividend+ Index Series is calculated using the same methodology as the FTSE EPRA/NAREIT Global Real Estate Index Series.
- 5.2 The FTSE EPRA/NAREIT Global Dividend+ Index, the FTSE EPRA/NAREIT Asia Dividend+ Index and the FTSE EPRA/NAREIT US Dividend+ Index will be calculated in US dollars on a real-time basis every 15 seconds.
- 5.3 The FTSE EPRA/NAREIT Europe ex UK Dividend+ Index will be calculated in Euro on a real-time basis every 15 seconds.
- 5.4 A Euro, Sterling, US Dollar and Japanese Yen index value will also be calculated on an end-of-day basis for each Index.



EPRA



Section 6

Index Opening and Closing Times

6.0 Index Opening and Closing Times

Index	Open	Close
FTSE EPRA/NAREIT Global Dividend+ Index	00:30	21:10
FTSE EPRA/NAREIT Europe ex UK Dividend+ Index	08:00	16:30
FTSE EPRA/NAREIT Asia Dividend+ Index	00:30	13:30
FTSE EPRA/NAREIT US Dividend+ Index	14:30	21:10

Notes:

Closing values at 21:10 will be disseminated at 21:30.

Timings are UK hours.

During Real Time calculations, Reuters Spot rates are used in calculating Foreign Exchange rates.



EPRA



Appendix A: Status of Indexes

The FTSE EPRA/NAREIT Dividend+ Index Series are calculated on a real time basis and may exist in the following states.

A) Firm

- i) The indexes are being calculated during Official Market Hours. No message will be displayed against the index value.
- ii) The Official Closing Price for the FTSE EPRA/NAREIT Dividend+ Index Series will be the Exchange Official Closing Price for each relevant market.

B) Closed

The indexes have ceased all calculations for the day. The message 'CLOSE' will be displayed against the index value calculated by FTSE Russell.

C) Held

During Official Market Hours, an index has exceeded pre-set operating parameters and the calculation has been suspended pending resolution of the problem. The message 'HELD' will be displayed against the last index value calculated by FTSE Russell.

D) Indicative

If there is a system problem or situation in the market that is judged to affect the quality of the constituent prices at any time when an index is being calculated, the index will be declared indicative (e.g. normally where a 'fast market' exists in the equity market). The message 'IND' will be displayed against the index value calculated by FTSE Russell.



EPRA



Appendix B: Further Information

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

<http://www.ftse.com/products/downloads/Glossary.pdf>

Further information on the FTSE EPRA/NAREIT Dividend+ Index Series is available from FTSE Russell.

For contact details please visit the FTSE Russell website or contact FTSE Russell Client Services at info@ftse.com.

Website: www.ftserussell.com

© 2016 London Stock Exchange Group plc and its applicable group undertakings (the "LSE Group"), the European Public Real Estate Association ("EPRA") and the National Association of Real Estate Investment Trusts ("NAREIT"). The LSE Group includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE TMX Global Debt Capital Markets Inc. and FTSE TMX Global Debt Capital Markets Limited (together, "FTSE TMX") and (4) MTSNext Limited ("MTSNext"). All rights reserved.

The FTSE EPRA/NAREIT Dividend+ Index Series is calculated by FTSE or its agent. All rights in the Index Series vest in FTSE, EPRA and NAREIT.

FTSE Russell® is a trading name of FTSE, Russell, FTSE TMX and MTS Next Limited. "FTSE®", "Russell®", "FTSE Russell®", "MTS®", "FTSE TMX®", "FTSE4Good®" and "ICB®" and all other trademarks and service marks used herein (whether registered or unregistered) are trade marks and/or service marks owned or licensed by the applicable member of the LSE Group or their respective licensors and are owned, or used under licence, by FTSE, Russell, MTSNext, or FTSE TMX. "EPRA®" is a trade mark of the European Public Real Estate Association and "NAREIT®" is a trademark of the National Association of Real Estate Investment Trusts.

All information is provided for information purposes only. Every effort is made to ensure that all information given in this publication is accurate, but no responsibility or liability can be accepted by any member of the LSE Group nor their respective directors, officers, employees, partners or licensors for any errors or for any loss from use of this publication or any of the information or data contained herein.

No member of the LSE Group nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE EPRA/NAREIT Dividend+ Index Series or the fitness or suitability of the Index Series for any particular purpose to which it might be put.

No member of the LSE Group nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of the LSE Group nor their respective directors, officers, employees, partners or licensors make any representation regarding the advisability of investing in any asset. A decision to invest in any such asset should not be made in reliance on any information herein. Indexes cannot be invested in directly. Inclusion of an asset in an index is not a recommendation to buy, sell or hold that asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of the LSE Group. Use and distribution of the LSE Group index data and the use of their data to create financial products require a licence with FTSE, Russell, FTSE TMX, MTSNext and/or their respective licensors.