



*GPR Pure Infrastructure Index  
Construction & Maintenance  
Procedures*

July 2021

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## 1 GLOSSARY

<i>Adjustment factor</i>	A multiplier to correct for changes in the share price not having return implications
<i>Base</i>	Initial value of the index
<i>Carve-out</i>	Situation in which a company disposes part of its portfolio to the public by creating a separate entity, which subsequently may be floated
<i>Compiler</i>	Party responsible for the management and maintenance of the indices
<i>Directors' holdings</i>	Shares held by the management and board of directors of the company
<i>Ex-dividend date</i>	First trading date at which the holder of the stock is no longer entitled to receive the subsequent dividend
<i>Free float</i>	The number of shares outstanding considered to be available for trading on the stock market as a percentage of the total shares outstanding
<i>Gross dividends</i>	Dividends before deduction of withholding taxes
<i>Infrastructure activities</i>	Income generating activities that facilitate the movement of people, goods, energy or information by owning or operating the real asset.
<i>Market capitalization</i>	Number of shares outstanding times the share price
<i>MLP</i>	A Master Limited Partnership is a publicly traded limited partnership
<i>Nominee account</i>	A joint share account held by a financial institution aggregating various separate share holdings
<i>Operational turnover</i>	Recurrent income from activities
<i>Primary stock listing</i>	Quotation of the stock with the highest number of shares traded measured over a period of one year. In case no trading history over the past year is available the compiler will assign a primary stock listing
<i>Spin-off</i>	Situation in which a company disposes part of its portfolio to the existing shareholders by creating a separate entity, which subsequently may be floated.
<i>Suspension of trading</i>	A temporary deferral of regulated trading
<i>Trading volume</i>	Share turnover expressed as the number of shares traded times the price of the shares in US dollars

*GPR Pure Infrastructure Index  
Calculation Procedures*

**May 2016**

## 2 COMPOSITION OF THE GPR PURE INFRASTRUCTURE INDEX

- 2.1 This document contains the rules for the construction and maintenance of the Global Property Research Pure Infrastructure Index (GPR Pure Infrastructure Index).
- 2.2 The GPR Pure Infrastructure Index is a free float weighted index based on shares of the leading infrastructure companies in the world.
- 2.3 The GPR Pure Infrastructure Index is composed in such a way that it is considered to be representative for the movements in the worldwide infrastructure share market.
- 2.4 Companies are included for which at least 50% of operational turnover is derived from infrastructure activities.
- 2.5 Operational turnover is determined using figures of the latest available financial statements of the infrastructure company. If operational turnover cannot be derived from these financial statements, infrastructure assets will serve as the criterion to determine inclusion.
- 2.6 Companies are eligible when the free float market capitalization, calculated as the share price times the shares outstanding times the free float, is over 100 million US dollar for two consecutive months, and when the free float is at least 15%.
- 2.7 Free float is reduced to reflect share holdings of more than 5% of the shares outstanding. Combinations of holdings below five percent never qualify, unless these smaller holdings belong to one fiscal entity. Directors' holdings never qualify as free float, even when these holdings fall below five percent. Nominee accounts are always considered to be part of free float market capitalization. In case shareholders have a lock-up on their shares, then these holdings will not be part of free float, even when these holdings fall below five percent.
- 2.8 The GPR Pure Infrastructure Index includes companies from the sectors Pipelines & Storage, Electricity Transmission, Transportation and Communication. Whenever a company derives at least 50% of operational turnover from one specific infrastructure type, the compiler considers this company to be specialized in this infrastructure sector. The financial information needs to be clear on how the income is derived, from which activities. In case of doubt, the company will not be included.
- 2.9 Country weights are the sum of weighting of individual constituents in every country.
- 2.10 If a company derives over 75% of the operational turnover from one country, not being the country of its primary stock listing thereby not crossing continental borders, the company is placed in the index of the country in which the assets are located.
- 2.11 The stocks included in the GPR Pure Infrastructure Index are assigned a weighting derived from their free float market capitalization on the date of periodic adjustment. The methodology of the GPR Pure Infrastructure Index conforms to the UCITS investment directives set by the EU.
- 2.12 Companies are included if the publication of audited annual reports and press releases on their website are all available in English. An annual report is defined as a current set of accounts consisting of a profit and loss statement, a balance sheet, a directors' review and full notes to the accounts.
- 2.13 In case of exclusion of a company from the GPR Pure Infrastructure Index, the compiler will not assign another company for inclusion.
- 2.14 Only stock exchange quoted companies without restrictions on foreign ownership are eligible for inclusion in the GPR Pure Infrastructure Index.

### 3 CALCULATION OF THE GPR PURE INFRASTRUCTURE INDEX

- 3.1 The value of the GPR Pure Infrastructure Index is based on total return calculations. The components of total return are price return and dividend return.
- 3.2 The inception date of the GPR Pure Infrastructure Index is December 31, 1999 and the base value is 100.00.
- 3.3 Share prices are closing prices established during normal, regulated trading on the stock exchange of primary listing.
- 3.4 Share prices used are most recent closing trade prices.
- 3.5 Changes in free float will be implemented once a month, after close of trading on the third Friday of each month.
- 3.6 Free float changes will be reported at least two weeks before occurrence.
- 3.7 The GPR Pure Infrastructure Index reflects gross dividend payments.
- 3.8 Dividends are included in the GPR Pure Infrastructure Index at the ex-dividend date.
- 3.9 Dividends paid out by a company are immediately reinvested at the first index calculation.
- 3.10 Foreign exchange rates are WM/Reuters London close rates.
- 3.11 If for any reason the stock price or a foreign exchange rate is not known or deemed to be unreliable the compiler will, after proper inquiries have been made with the relevant pricing source, calculate the GPR Pure Infrastructure Index on the basis of the most recent price for that stock or foreign exchange rate which is known to him.

#### 4 PUBLICATION OF THE GPR PURE INFRASTRUCTURE INDEX

- 4.1 The current value of the GPR Pure Infrastructure Index will be published once a day.
- 4.2 Index values calculated will be published on the next trading day.
- 4.3 The compiler of the GPR Pure Infrastructure Index reserves the right to delay publication of values of the index or to suspend or cease publication, if in his opinion circumstances prevail which prevent the proper calculation of the index.
- 4.4 The compiler of GPR Pure Infrastructure Index reserves the right to recalculate values of the index whenever errors or distortions occur that are deemed to be significant. Users of the GPR Pure Infrastructure Index are notified whenever such a recalculation occurs.

## 5 PERIODIC ADJUSTMENT OF THE GPR PURE INFRASTRUCTURE INDEX

### *General Rules*

- 5.1 The aim of the compiler of the GPR Pure Infrastructure Index when making a periodic adjustment is to ensure that the weighting and selection of the component countries and stocks remains in accordance with the basic principles of the GPR Pure Infrastructure Index, as described in chapter 3.
- 5.2 Periodic adjustments to the selection of stocks in the GPR Pure Infrastructure Index will occur semi-annually after trading hours on the third Friday of March and September.
- 5.3 Changes in the selection of stocks will be announced one month before occurrence of the adjustment. The compiler will publish a main index constituents list. Any exclusion from the main list will be reported immediately.
- 5.4 Periodic adjustment to the selection of stocks included in the GPR Pure Infrastructure Index may not change the historic value of the index.
- 5.5 In cases, which are not explicitly defined in the rules for periodic adjustment, periodic adjustment will be carried out in spirit of the aims mentioned in chapter 2. All adjustments must meet the criteria mentioned in chapter 2.



### *Company Structure Changes*

- 5.6 In case of a merger or acquisition in which all of the companies involved are in the GPR Pure Infrastructure Index, only one company will continue to be part of the GPR Pure Infrastructure Index. The weight of this company is dependent on the free float market capitalization of the surviving company. Free float will be adjusted to publications following the offer. The compiler will not assign another company for inclusion. The final return will reflect the offer price.
- 5.7 In case of a merger or acquisition in which one of the companies involved is in the GPR Pure Infrastructure Index and the other company does not meet the criteria as expressed in chapter 2, the company resulting from the activity will have to comply with these criteria in order for the company to remain included in the GPR Pure Infrastructure Index. If the resulting company fails to meet these criteria, the company will be excluded. The final return will reflect the offer price.
- 5.8 After the occurrence of a spin-off of a company included in the GPR Pure Infrastructure Index, both the original and/or the newly created entities will immediately become part of the index whenever the new entities meet the criteria of chapter 2.
- 5.9 After the occurrence of a carve-out of part of a company included in the GPR Pure Infrastructure Index, only the original company will remain part of the index. The carve-out will be treated as an initial public offering.
- 5.10 In case of a suspension of trading in a company, the price of the share will remain the price of the last trade in the companies' shares, reflecting a zero return. The weight of the company in the GPR Pure Infrastructure Index will remain unchanged. In case the suspension eventually leads to a bankruptcy, the loss of the investment will be taken on the filing date. Whenever the suspension continues for more than three consecutive months, the share price will be set at zero, assuming a total loss of the investment.

### *Company Capital Changes*

- 5.11 The amount of shares outstanding will be changed to reflect seasoned offerings and share repurchases at the day of occurrence.
- 5.12 If a company goes bankrupt, the GPR Pure Infrastructure Index will reflect the return by setting the price at zero, in order to reflect a total loss of the investment.
- 5.13 In case of a stock split, a stock dividend, a poison pill, a rights issue or a bonus issue the number of shares will be adjusted. Furthermore, an adjustment factor is implemented to ensure continuity of return calculations.
- 5.14 In case of a merger or acquisition, whereby the target company remains listed on the stock exchange with a free float percentage of at least 15%, this target company will continue to be part of the GPR Pure Infrastructure Index when the offer has been declared unconditional. This article will be superior to articles 5.6 and 5.7.
- 5.15 In the event of a rights issue, an adjustment factor is implemented to ensure continuity of return calculations. If the rights issue is fully underwritten, then the newly issued shares will be included in the GPR Pure Infrastructure Index at the closing price at the end of the ex-right date. If the rights issue is not fully underwritten, then the newly issued shares will be included in the index at the closing price at the end of the first day of trading. In case of doubt, the rights issue will be perceived as not fully underwritten.

## 6 FINAL PROVISIONS FOR THE GPR PURE INFRASTRUCTURE INDEX

- 6.1 Global Property Research acts as the compiler of the GPR Pure Infrastructure Index.
- 6.2 The compiler of the GPR Pure Infrastructure Index is responsible for the daily administration of the index. The compiler of the GPR Pure Infrastructure Index is also responsible for decisions regarding the interpretation of these rules.
- 6.3 In cases for which the rules make no provision, but which require immediate action, the compiler of the GPR Pure Infrastructure Index shall decide to the best of his ability and within the spirit of and in accordance with the aim of the rules.
- 6.4 These rules may be amended, which may also lead to a change in the GPR Pure Infrastructure Index. There must be a period of at least three months between the date of publication of a proposed amendment and the date on which it comes into effect, unless the amendment does not conflict with any interest of the parties involved. No responsibility is accepted for damages arising from an amendment to the rules of the GPR Pure Infrastructure Index.
- 6.5 The compiler of the GPR Pure Infrastructure Index shall make every effort to safeguard the accuracy of the composition, publication and adjustment of the GPR Pure Infrastructure Index in accordance with the applicable rules. However, the compiler of the GPR Pure Infrastructure Index accepts no responsibility whatsoever for any inaccuracy in the share prices, the calculation and publication of the index, the information used to make adjustments neither in the GPR Pure Infrastructure Index nor in the adjustments themselves.
- 6.6 There might be circumstances pursuant to which the compiler can decide to terminate the GPR Pure Infrastructure Index. Before deciding to terminate the Index, the compiler shall consult with the client(s) using the GPR Pure Infrastructure Index. If the compiler, after the consultation, decides to terminate the GPR Pure Infrastructure Index the compiler shall give the client(s) using the GPR Pure Infrastructure Index at least two (2) years prior notice before the GPR Pure Infrastructure Index is terminated. Whenever possible, the compiler shall suggest alternative indices to the client(s) using the GPR Pure Infrastructure Index.

# *Appendix*

## 7 VERSION HISTORY

*January 1, 2018*

- 6.6 There might be circumstances pursuant to which the compiler can decide to terminate the GPR Pure Infrastructure Index. Before deciding to terminate the Index, the compiler shall consult with the client(s) using the GPR Pure Infrastructure Index. If the compiler, after the consultation, decides to terminate the GPR Pure Infrastructure Index the compiler shall give the client(s) using the GPR Pure Infrastructure Index at least two (2) years prior notice before the GPR Pure Infrastructure Index is terminated. Whenever possible, the compiler shall suggest alternative indices to the client(s) using the GPR Pure Infrastructure Index.

### 8.1 Calculating returns for individual companies

The returns for individual companies are calculated as follows:

$$r_{i,t+1} = \frac{P_{i,t+1} + D_{i,t+1} - P_{i,t}}{P_{i,t}}, \text{ where}$$

$r_{i,t+1}$	Return of company $i$ in period $t, t+1$
$P_{i,t+1}$	Price of company $i$ at time $t+1$
$D_{i,t+1}$	Dividend on company $i$ at time $t+1$
$P_{i,t}$	Price of company $i$ at time $t$
$t$	Last trading day

### 8.2 Calculating weights of individual companies

The weight of companies in the index is derived as follows:

$$W_{i,t} = \frac{C_{i,t}}{\sum_{i=1}^{N_t} C_{i,t}}, \text{ where}$$

$W_{i,t}$	Weight of company $i$ at time $t$
$C_{i,t}$	(Free float) market capitalization of company $i$ at time $t$
$N_t$	Number of companies that meet the inclusion criteria at time $t$

### 8.3 Calculating Indices

The index value is calculated by making a sum of all contributions of all companies in the index, multiplied by the index value of the previous trading day. The contribution of a company is calculated by multiplying its return by its respective weight.

The weight of companies in the index is derived as follows:

$$I_{t+1} = I_t \left( 1 + \sum_{i=1}^{N_t} W_{i,t} * r_{i,t+1} \right), \text{ where}$$

$I_{t+1}$       Index value at time t+1

9 EXPLANATION OF HOW ESG FACTORS ARE REFLECTED

Name of the benchmark administrator	Global Property Research B.V.
Type of benchmark or family of benchmarks	Equity
Name of the benchmark or family of benchmarks	GPR Pure Infrastructure Index
Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	No

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