

S&P/TSX Venture Composite *Methodology*

April 2020

Table of Contents

Introduction	2
Index Objective	2
Sub-Indices	2
Supporting Documents	2
Partnership	3
Eligibility Criteria	4
Eligibility Factors	4
Index Construction	5
Index Calculations	5
Multiple Classes of Stock	5
Index Maintenance	6
Rebalancing	6
Corporate Actions	6
Currency of Calculation and Additional Index Return Series	7
Other Adjustments	7
Index Governance	8
Index Committee	8
Index Policy	9
Announcements	9
Holiday Schedule	9
Rebalancing	9
Unexpected Exchange Closures	9
Recalculation Policy	9
Contact Information	9
Index Dissemination	10
Tickers	10
Index Data	10
Web site	10
Appendix	11
Methodology Changes	11
Disclaimer	12

Introduction

Index Objective

The S&P/TSX Venture Composite is a market capitalization-weighted index of securities listed on the TSX Venture Exchange which meet certain eligibility requirements, as defined in *Eligibility Criteria*.

Sub-Indices

S&P/TSX Venture Global Industry Classification Standard (GICS®) Sub-Indices. Sub-indices covering sectors, industry groups, industries, and sub-industries are calculated from the securities in the S&P/TSX Venture Composite. Constituents of a sector sub-index must be current constituents of the S&P/TSX Venture Composite classified in the relevant GICS category.

Index	GICS Category	GICS Code	Index Code
S&P/TSX Venture Energy (Sector) Index (CAD)	Sector	10	JX10
S&P/TSX Venture Materials (Sector) Index (CAD)	Sector	15	JX15
S&P/TSX Venture Industrials (Sector) Index (CAD)	Sector	20	JX20
S&P/TSX Venture Consumer Discretionary (Sector) Index (CAD)	Sector	25	JX25
S&P/TSX Venture Consumer Staples (Sector) Index (CAD)	Sector	30	JX30
S&P/TSX Venture Health Care (Sector) Index (CAD)	Sector	35	JX35
S&P/TSX Venture Financials (Sector) Index (CAD)	Sector	40	JX40
S&P/TSX Venture Information Technology (Sector) Index (CAD)	Sector	45	JX45
S&P/TSX Venture Real Estate (Sector) Index (CAD)	Sector	60	JX60
S&P/TSX Venture Pharmaceuticals, Biotechnology & Life Sciences (Industry Group) Index (CAD)	Industry Group	3520	JX3520
S&P/TSX Venture Software & Services (Industry Group) Index (CAD)	Industry Group	4510	JX4510
S&P/TSX Venture Oil, Gas & Consumable Fuels (Industry) Index (CAD)	Industry	101020	JX101020
S&P/TSX Venture Metals & Mining (Industry) Index (CAD)	Industry	151040	JX151040
S&P/TSX Venture Oil & Gas Exploration & Production (Sub Industry) Index (CAD)	Sub-Industry	10102020	JX10102020
S&P/TSX Venture Diversified Metals & Mining (Sub Industry) Index (CAD)	Sub-Industry	15104020	JX15104020
S&P/TSX Venture Gold (Sub Industry) Index (CAD)	Sub-Industry	15104030	JX15104030
S&P/TSX Venture Precious Metals & Minerals (Sub Industry) Index (CAD)	Sub-Industry	15104040	JX15104040

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. References throughout the methodology direct the reader to the relevant supporting document for further information on a specific topic. The list of the main supplemental documents for this methodology and the hyperlinks to those documents is as follows:

Supporting Document	URL
S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology	Equity Indices Policies & Practices
S&P Dow Jones Indices' Index Mathematics Methodology	Index Mathematics Methodology
S&P Dow Jones Indices' Float Adjustment Methodology	Float Adjustment Methodology
S&P Dow Jones Indices' Global Industry Classification Standard (GICS) Methodology	GICS Methodology

Partnership

The S&P/TSX indices are calculated and managed by S&P Dow Jones Indices. The TMX Group Inc. (TMX) is the owner and distributor of all S&P/TSX equity index data.

This methodology was created by S&P Dow Jones Indices to achieve the aforementioned objective of measuring the underlying interest of each index governed by this methodology document. Any changes to or deviations from this methodology are made in the sole judgment and discretion of S&P Dow Jones Indices so that the index continues to achieve its objective.

Eligibility Criteria

Eligibility Factors

Market Capitalization. To be eligible for inclusion in the S&P/TSX Venture Composite, a security must meet the following criteria:

At the end of every calendar quarter, a security must have a relative weight of at least 0.05% of the total capitalization of the S&P/TSX Venture Composite to be in the index, after taking into consideration all share changes, additions and deletions.

Any security that does not qualify because it has not met the minimum 12-month listing requirement (as indicated in the Eligible Securities section below), may qualify for inclusion in the S&P/TSX Venture Composite if it has been listed for at least six full calendar months, as of the effective date of the quarterly revision, and is ranked between 1 and 100 of the current S&P/TSX Venture Composite securities, on a float-adjusted quoted market value (QMV) basis, as of that prior month-end.

Domicile. Securities must be incorporated under Canadian federal, provincial, or territorial jurisdictions and listed on the TSX Venture Exchange.

Eligible Securities. Shares of capital pools and NEX issuers, preferred shares, exchangeable shares, warrants, rights, USD-denominated securities, inactive or suspended issuers and other financial instruments the Index Committee deems inappropriate are not eligible for inclusion in the index. Installment receipts are not eligible for inclusion in the index, but can be used in lieu of common share trading history.

All securities must be listed on the TSX Venture Exchange for at least 12 full calendar months as of the effective date of the quarterly revision before becoming eligible for inclusion in the S&P/TSX Venture Composite.

Shares Outstanding. All classes of common shares (excluding inactive issuers) -- those issued and outstanding shares which represent the residual equity of the earnings in the company -- are eligible for inclusion in the index.

The number of shares of a company used for the calculation of the index is the float-adjusted shares.

For details regarding float methodology, please refer to S&P Dow Jones Indices' Float Adjustment Methodology.

Please refer to the Index Construction section for additional information on the treatment of multiple classes of a security.

Index Construction

Index Calculations

The index is calculated by means of the divisor methodology used for all S&P Dow Jones Indices equity indices.

For more information on the index calculation methodology, please refer to S&P Dow Jones Indices' Index Mathematics Methodology.

Multiple Classes of Stock

All publicly listed multiple share class lines are eligible for index inclusion, subject to meeting the eligibility criteria. For more information regarding the treatment of multiple share classes, please refer to Approach A within the Multiple Share Classes section of the S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Index Maintenance

Rebalancing

The entire constituent list, and their representative total shares outstanding for the S&P/TSX Venture Composite, are reviewed and updated at each calendar quarter ending in April, July, October, and January. IWF's are reviewed and updated annually at the October rebalancing. Outside of the annual IWF review in October, IWFs are not reviewed quarterly, and shares and IWFs are not reviewed for Non-Mandatory Share and Investable Weight Factor (IWF) Updates as detailed in *S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology*. The new index composition is announced on the second Friday of the rebalancing month and becomes effective after the close of business on the third Friday of the month. The review procedure is as follows:

1. All TSX Venture Exchange eligible candidates, as at quarter-end, are combined with current index constituents to form the index universe.
2. All securities in the index universe are ranked by their float-adjusted market capitalization, using their quarter-end shares and last traded board lot price.
3. A cumulative market value is calculated for each security, starting with the largest security and concluding with the smallest security in the universe.
4. A relative weight for each security is calculated with the assumption that the company is the smallest security in the universe.
5. Any security with a relative weight greater than or equal to 0.05% either remains in the index or, if it is not already in the index, is added to the index.
6. Any security previously in the index, with a relative weight less than 0.05%, is removed from the index.

Sub-Index Changes. GICS changes and constituent changes to the S&P/TSX Venture Composite are implemented in the S&P/TSX Venture GICS Sub-Indices simultaneously.

Corporate Actions

1. When a constituent of the S&P/TSX Venture Composite undergoes a reorganization as a result of an asset spin-off, plan of arrangement or the like, the successor company's stock (the Index Committee determines which resulting company is deemed to be the successor) remains in the index subject to the following:
 - a. The security must meet all the Eligibility Criteria, and
 - b. The successor company's relative weight must be greater than 0.05% of the index, calculated including the successor company's market capitalization.

If the successor company remains in the index, an adjustment is made to the index by calculating an assigned value for the distribution and adjusting the last traded board lot price of the affected stock by that amount. This change causes the divisor to be adjusted so that the stock price index level is not impacted by the price change.

The assigned value of such a distribution is determined by either: 1) the spun-off company's closing value on the TSX Venture Exchange (when both spun-off and parent company are listed) or 2) the average of the bid/ask prices that may be available in the over-the-counter market, or 3) a value as determined by S&P Dow Jones Indices.

If the spun-off company ranks between 1 and 100 of the current S&P/TSX Venture Composite securities on a QMV basis (with rankings based on the month-end prior to the

stock replacement review date), it is added to the index at the first practical date, subject to meeting the Eligibility Criteria. Otherwise, the spun-off company is placed in the stock pool of securities eligible for inclusion and must meet all S&P/TSX Venture Composite Eligibility Criteria in order to be considered.

2. A security is removed from the index at the first practical date upon confirmation that a takeover bid for that security is successful.
3. When a stock splits into two new classes or issues, one of the new classes of shares remains in the S&P/TSX Venture Composite subject to the Eligibility Criteria. The float shares of this issue are adjusted to reflect the float shares of both issues on the date the reclassification becomes effective.
4. In the event a company in the index merges or amalgamates with another company or companies, the resulting company is retained subject to the following:
 - a. The company must meet all standards set out in the Eligibility Criteria, and
 - b. The company's relative weight must be greater than 0.05% of the index, calculated including the successor company's market capitalization.
5. In the event a security within the index is declared bankrupt, the security is removed from the index within five trading days. If the security is halted and does not open on the removal date, then S&P Dow Jones Indices determines a removal price.
6. All share capitalization changes, or series of share capitalization changes to individual index constituents, regardless of size, are implemented at the next quarterly review.

For more information, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Currency of Calculation and Additional Index Return Series

The S&P/TSX Venture Composite and sub-indices are calculated in Canadian dollars.

In addition to the indices detailed in this methodology, additional return series versions of the indices may be available, including, but not limited to: currency, currency hedged, decrement, fair value, inverse, leveraged, and risk control versions. For a list of available indices, please refer to [S&P DJI's All Indices by Methodology Report](#).

For information on the calculation of different types of indices, please refer to S&P Dow Jones Indices' Index Mathematics Methodology.

Other Adjustments

1. Securities are removed from the index at the first practical date if they are delisted, become defunct or fail to meet the S&P/TSX Venture Composite Eligibility Criteria related to Domicile and Eligible Securities.
2. In the event a security is halted or suspended from trading for five consecutive trading days, the security becomes subject to review and may be removed at a price determined by S&P Dow Jones Indices.

Index Governance

Index Committee

The S&P/TSX Canadian indices are maintained by the S&P/TSX Canadian Index Committee. The Index Committee is comprised of four members representing S&P Dow Jones Indices and three members representing the Toronto Stock Exchange (“TSX”). The Index Committee is chaired by a member designated by S&P Dow Jones Indices. Meetings are regularly.

The Index Committee is responsible for setting rules and policies for the S&P/TSX Canadian Indices, determining the composition of the Indices and administering the methodology. In fulfilling its responsibilities, the Index Committee has full and complete discretion to amend, apply or exempt the application of the methodology and other index policies as circumstances may require, and add, remove or by-pass any security in determining the composition of any of the indices. In any scenario where the treatment differs from the general rules stated in this document or supplemental documents, clients will receive sufficient notice, whenever possible.

The Index Committee may rely on any information or documentation submitted to or gathered by it that the Index Committee believes to be accurate. Where a public document used by the Index Committee is available in both official languages, the Index Committee shall assume that the contents of both versions are identical. The Index Committee reserves the right to reinterpret publicly available information and to make changes to the index based on a new interpretation of that information at its sole and absolute discretion.

In using trading data to determine any matter relating to the S&P/TSX Venture Composite, including index composition and calculations, the Index Committee relies solely on data resulting from trading on the TSX Venture Exchange.

Index corrections and changes to index composition are implemented at such time and in such manner, as the Index Committee deems appropriate. The timing of any index change made in response to a correction shall be at the sole and absolute discretion of the Index Committee.

S&P Dow Jones Indices considers information about changes to its Canadian indices and related matters to be potentially market moving and material. Therefore, all Index Committee discussions are confidential.

In addition to the daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews the methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, S&P Dow Jones Indices may publish a consultation inviting comments from external parties.

For information on Quality Assurance and Internal Reviews of Methodology, please refer to S&P Dow Jones Indices’ Equity Indices Policies & Practices Methodology.

Index Policy

Announcements

Whenever possible, announcements of additions or deletions of stocks or other index adjustments are made five trading days before the adjustments are implemented. In those cases when it is not possible to trade a stock five days after an announcement, the announcement period may be shortened. However, the implementation of an index adjustment is never earlier than the market close of the day following the announcement.

Announcements of additions and deletions for the S&P/TSX Canadian indices are generally made after market close. Press releases are released to major news services.

In addition, TMX Datalinx offers a fee-based subscription to Index Notices. The Index Notices provide the most detailed and comprehensive coverage of index changes. Complete data for index replication (including share counts, tickers and data on index levels and returns) are also available through TMX Datalinx. In order to subscribe, contact TMX Datalinx by phone at +1.416.947.4778 or by email at marketdata@tmx.com.

Holiday Schedule

The S&P/TSX Canadian indices are calculated when the Canadian equity market is open.

A complete holiday schedule for the year is available on the TMX Web site at www.tmx.com.

Rebalancing

The Index Committee may change the date of a given rebalancing for reasons including market holidays occurring on or around the scheduled rebalancing date. Any such change will be announced with proper advance notice where possible.

Unexpected Exchange Closures

For information on Unexpected Exchange Closures, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Recalculation Policy

For information on the recalculation policy, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

For information on Calculations and Pricing Disruptions, Expert Judgment and Data Hierarchy, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

Contact Information

For any questions regarding an index, please contact: index_services@spglobal.com.

Index Dissemination

The TMX Group (TMX) serves as the distributor of both real-time and historical index data. In addition, index levels are available on S&P Dow Jones Indices' Web site at www.spdji.com, through major quote vendors, through numerous investment oriented Web sites and various print and electronic media.

Tickers

The table below lists headline indices covered by this document. All versions of the below indices that may exist are also covered by this document. Please refer to [S&P DJI's All Indices by Methodology Report](#) for a complete list of indices covered by this document.

Index	Bloomberg	Reuters	Thomson
S&P/TSX Venture Composite	.SPTSXVEN	.SPCDNX	.JX-V

Index Data

Daily constituent and index level data are available from the Toronto Stock Exchange on subscription. Please contact Market Data at 416-947-4778 or, by email, at marketdata@tmx.com.

For further information, please refer to the TMX Web site at www.tmx.com.

Web site

For further information, please refer to S&P Dow Jones Indices' Web site at www.spdji.com.

Appendix

Methodology Changes

Methodology changes since January 1, 2015 are as follows:

Change	Effective Date (After Close)	Previous	Methodology Updated
Multiple Share Class Lines	20-Aug-15	Companies that have more than one class of common stock outstanding were represented only once in the index. The stock price was based on one class, and the share count was based on the total shares outstanding of all classes.	There will no longer be consolidated lines in the S&P Float Market Cap (FMC) indices. Instead, all multiple share class companies that have listed share class lines are adjusted for shares and float such that each share class line only represents that line's shares and float. All multiple share class companies that have an unlisted class line are also adjusted.

Disclaimer

Copyright © 2020 S&P Dow Jones Indices LLC. All rights reserved. STANDARD & POOR'S, S&P, S&P 500, S&P 500 LOW VOLATILITY INDEX, S&P 100, S&P COMPOSITE 1500, S&P MIDCAP 400, S&P SMALLCAP 600, S&P GIVI, GLOBAL TITANS, DIVIDEND ARISTOCRATS, S&P TARGET DATE INDICES, GICS, SPIVA, SPDR and INDEXOLOGY are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"). DOW JONES, DJ, DJIA and DOW JONES INDUSTRIAL AVERAGE are registered trademarks of Dow Jones Trademark Holdings LLC ("Dow Jones"). These trademarks together with others have been licensed to S&P Dow Jones Indices LLC. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. This document does not constitute an offer of services in jurisdictions where S&P Dow Jones Indices LLC, S&P, Dow Jones or their respective affiliates (collectively "S&P Dow Jones Indices") do not have the necessary licenses. Except for certain custom index calculation services, all information provided by S&P Dow Jones Indices is impersonal and not tailored to the needs of any person, entity or group of persons. S&P Dow Jones Indices receives compensation in connection with licensing its indices to third parties and providing custom calculation services. Past performance of an index is not an indication or guarantee of future results.

It is not possible to invest directly in an index. Exposure to an asset class represented by an index may be available through investable instruments based on that index. S&P Dow Jones Indices does not sponsor, endorse, sell, promote or manage any investment fund or other investment vehicle that is offered by third parties and that seeks to provide an investment return based on the performance of any index. S&P Dow Jones Indices makes no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment advisor, and S&P Dow Jones Indices makes no representation regarding the advisability of investing in any such investment fund or other investment vehicle. A decision to invest in any such investment fund or other investment vehicle should not be made in reliance on any of the statements set forth in this document. Prospective investors are advised to make an investment in any such fund or other vehicle only after carefully considering the risks associated with investing in such funds, as detailed in an offering memorandum or similar document that is prepared by or on behalf of the issuer of the investment fund or other investment product or vehicle. S&P Dow Jones Indices LLC is not a tax advisor. A tax advisor should be consulted to evaluate the impact of any tax-exempt securities on portfolios and the tax consequences of making any particular investment decision. Inclusion of a security within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, nor is it considered to be investment advice.

These materials have been prepared solely for informational purposes based upon information generally available to the public and from sources believed to be reliable. No content contained in these materials (including index data, ratings, credit-related analyses and data, research, valuations, model, software or other application or output therefrom) or any part thereof ("Content") may be modified, reverse-engineered, reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written permission of S&P Dow Jones Indices. The Content shall not be used for any unlawful or unauthorized purposes. S&P Dow Jones Indices and its third-party data providers and licensors (collectively "S&P Dow Jones Indices Parties") do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Dow Jones Indices Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON AN "AS IS" BASIS. S&P DOW JONES INDICES PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Dow Jones Indices Parties be

liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

S&P Global keeps certain activities of its various divisions and business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain divisions and business units of S&P Global may have information that is not available to other business units. S&P Global has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

In addition, S&P Dow Jones Indices provides a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.

The Global Industry Classification Standard (GICS®) was developed by and is the exclusive property and a trademark of S&P and MSCI. Neither MSCI, S&P nor any other party involved in making or compiling any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

TSX is a trademark of TSX, Inc. and has been licensed for use by S&P Dow Jones Indices.