O’Shares International Developed Quality Dividend Index

OEFAX

May 2025

Table of Contents

Introduction

Index Objective

The O'Shares International Developed Quality Dividend Index selects the top 50 highest weight sector specific companies in the Large/Mid Cap Developed ex US market whose company weights are adjusted based on Quality, Volatility, Dividend Yield, and Dividend Quality factors.

Highlights

Company float market cap is adjusted by its product with the company's factor scores.

Dates

Reference Dates: Close of the last date of the month preceding the rebalance month.

Weight Date: The close of trading on the day before the second Friday of the reconstitution month.

Reconstitution Dates: Indexes are reconstituted annually on the close of trade of the third Friday of September.

Rebalance Dates: Indexes are partially rebalanced quarterly on the close of trade of the third Friday of each calendar quarter to recap any security with a weight exceeding 6% on the Reference Date.

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

Constituents of the VettaFi Developed World ex United States Index (VFDXUS). Companies (although their ADRs or GDRs may still be considered) whose country of listing, domicile or incorporation imposes trading costs, idiosyncratic dividend policies, transferability restrictions, or other impediments that could diminish the portfolio performance will be excluded.

Index Construction

Constituent Selection

Companies must be constituents of the following ICE sectors:

- Consumer Discretionary
- Consumer Staples
- Financials
- Health Care
- Industrials
- Media and Communications
- Technologies
- Utilities

Index constituents are selected by the ranking of their score modified market cap weight. The score consists of the following factors: quality, volatility, dividend yield and dividend quality. The following steps are taken to select the holdings:

1) Calculate the percentile ranks of the metrics used in each factor (multiple metric ranks within a factor are averaged using the noted weights):

Quality

a. 70% weight (100% weight for Financials): Return on Assets (ROA) in the trailing 12 months (in descending order)

b. 30% weight (0% weight for Financials): Total Net Debt / EBITDA (in ascending order)

Volatility

c. Trailing-5-year weekly volatility (in ascending order)

Dividend Yield

d. Dividend yield score is equal to 1 if the trailing 12-month regular cash dividend yield is greater than 0. Otherwise, it is equal to 0.

Dividend Quality

e. 50% weight — Income Available to Common Shareholders / Gross Dividends (in descending order)

f. 50% weight — Trailing-5-year regular cash dividend growth (in descending order)

2) Calculate the percentile rank for each factor to produce the factor's Score

3) Calculate the score-modified float market cap in the following way:

Float market cap * (Quality Score)2 * (Volatility Score)2 * Yield Score * Dividend Quality Score

4) Weight all companies by score-modified float market cap resulting from (3)

5) Select the top 50 highest-weighted companies

Constituent Weightings & Constraints

During a reconstitution, the selected companies are weighted as follows:

1) Weight (summed to 100%) using score-modified float market cap

2) Apply sector constraints by limiting each sector's weight to a) no greater than 1.4 times the same sector's weight in the starting universe, and b) no greater than 22%

3) Apply country constraints by limiting each country's weight to between 1.4 and 0.6 times the same country's weight in the starting universe

4) Apply currency constraints by limiting each currency's weight to between 1.4 and 0.6 times the same currency's weight in the starting universe

5) Cap each constituent's weight at the lesser of a) 5% and b) the sum of 2% and the ratio of that constituent's float-adjusted market capitalization to the sum of all the float-adjusted market capitalizations of the constituents of the VettaFi Developed World ex United States Index (VFDXUS) as of the Reference Date.

During a quarterly rebalancing apart from a reconstitution, only the constituent weight cap of 5% is applied; the preceding steps are not taken. Such rebalancings are only done if at least one constituent's weight has exceeded 6% as of the Reference Date

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	Base Currency	Price Index	Base Date	Base Value	Total Return Index	Base Date	Base Value
O'Shares International Developed Quality Dividend Index	USD	OEFAX	12/21/2007	1000	OEFAXT	12/21/2007	1000

Methodology Updates and Changes

Date	Version	Previous	New
May 2025	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 managed by a 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: index.production@vettafi.com