

MARKET CONSULTATION SOLACTIVE CANADIAN HIGH DIVIDEND YIELD INDEX

08 February 2019



Content of the Market Consultation

Solactive AG has decided to conduct a Market Consultation with regard to the change of the industry group classification in the SOLACTIVE CANADIAN HIGH DIVIDEND YIELD INDEX Methodology.

Background

The even distribution of the index components across the three industrial groups (Energy, Finance and Diversified), which is one of the measures taken to achieve the index's objective, could no longer be implemented because of the reclassification of individual companies by Factset. The changes proposed below are intended to restore the original measure with regard to the avoidance of concentration risks.

Proposed changes

The following sentence in section 2.1 b) shall be modified from:

"Each Universe Component is assigned an Industry Group classification (Energy, Finance, Diversified) based on the Economy field defined by FactSet."

To:

"Each Universe Component is assigned an Industry Group classification (Energy, Finance, Diversified) based on the mapping specified in Appendix section 5.1."

Additionally, a new section 5.1 will be included in the Appendix with the following content:

"5.1 Industry Group classification

The Industry Group classification is determined by the mapping provided below, based on the industry classification provided by Factset using the formula "FG_FACTSET_IND".

Factset Industry	Industry Group
Financial Publishing/Services	Finance
Finance/Rental/Leasing	Finance
Financial Conglomerates	Finance
Insurance Brokers/Services	Finance
Investment Banks/Brokers	Finance
Investment Managers	Finance



Investment Trusts/Mutual Funds	Finance
Life/Health Insurance	Finance
Major Banks	Finance
Miscellaneous	Finance
Multi-Line Insurance	Finance
Property/Casualty Insurance	Finance
Real Estate Development	Finance
Real Estate Investment Trusts	Finance
Regional Banks	Finance
Savings Banks	Finance
Specialty Insurance	Finance
Alternative Power Generation	Energy
Electric Utilities	Energy
Gas Distributors	Energy
Oil & Gas Pipelines	Energy
Oilfield Services/Equipment	Energy
Coal	Energy
Integrated Oil	Energy
Oil & Gas Production	Energy
Oil Refining/Marketing	Energy
Advertising/Marketing Services	Diversified
Aerospace & Defense	Diversified
Agricultural Commodities/Milling	Diversified
Air Freight/Couriers	Diversified



Airlines	Diversified
Aluminum	Diversified
Apparel/Footwear	Diversified
Apparel/Footwear Retail	Diversified
Auto Parts: OEM	Diversified
Automotive Aftermarket	Diversified
Beverages: Alcoholic	Diversified
Beverages: Non-Alcoholic	Diversified
Biotechnology	Diversified
Broadcasting	Diversified
Building Products	Diversified
Cable/Satellite TV	Diversified
Casinos/Gaming	Diversified
Catalog/Specialty Distribution	Diversified
Chemicals: Agricultural	Diversified
Chemicals: Major Diversified	Diversified
Chemicals: Specialty	Diversified
Commercial Printing/Forms	Diversified
Computer Communications	Diversified
Computer Peripherals	Diversified
Computer Processing Hardware	Diversified
Construction Materials	Diversified
Consumer Sundries	Diversified
Containers/Packaging	Diversified



Contract Drilling	Diversified
Data Processing Services	Diversified
Department Stores	Diversified
Discount Stores	Diversified
Drugstore Chains	Diversified
Electrical Products	Diversified
Electronic Components	Diversified
Electronic Equipment/Instruments	Diversified
Electronic Production Equipment	Diversified
Electronics Distributors	Diversified
Electronics/Appliance Stores	Diversified
Electronics/Appliances	Diversified
Engineering & Construction	Diversified
Environmental Services	Diversified
Food Distributors	Diversified
Food Retail	Diversified
Food: Major Diversified	Diversified
Food: Meat/Fish/Dairy	Diversified
Food: Specialty/Candy	Diversified
Forest Products	Diversified
Home Furnishings	Diversified
Home Improvement Chains	Diversified
Homebuilding	Diversified
Hospital/Nursing Management	Diversified



Hotels/Resorts/Cruiselines	Diversified
Household/Personal Care	Diversified
Industrial Conglomerates	Diversified
Industrial Machinery	Diversified
Industrial Specialties	Diversified
Information Technology Services	Diversified
Internet Retail	Diversified
Internet Software/Services	Diversified
Major Telecommunications	Diversified
Managed Health Care	Diversified
Marine Shipping	Diversified
Media Conglomerates	Diversified
Medical Distributors	Diversified
Medical Specialties	Diversified
Medical/Nursing Services	Diversified
Metal Fabrication	Diversified
Miscellaneous Commercial Services	Diversified
Miscellaneous Manufacturing	Diversified
Motor Vehicles	Diversified
Movies/Entertainment	Diversified
Office Equipment/Supplies	Diversified
Other Consumer Services	Diversified
Other Consumer Specialties	Diversified
Other Metals/Minerals	Diversified



Other Transportation	Diversified
Packaged Software	Diversified
Personnel Services	Diversified
Pharmaceuticals: Generic	Diversified
Pharmaceuticals: Major	Diversified
Pharmaceuticals: Other	Diversified
Precious Metals	Diversified
Publishing: Books/Magazines	Diversified
Publishing: Newspapers	Diversified
Pulp & Paper	Diversified
Railroads	Diversified
Recreational Products	Diversified
Restaurants	Diversified
Semiconductors	Diversified
Services to the Health Industry	Diversified
Specialty Stores	Diversified
Specialty Telecommunications	Diversified
Steel	Diversified
Telecommunications Equipment	Diversified
Textiles	Diversified
Tobacco	Diversified
Tools & Hardware	Diversified
Trucking	Diversified
Trucks/Construction/Farm Machinery	Diversified



Water Utilities	Diversified
Wholesale Distributors	Diversified
Wireless Telecommunications	Diversified

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Feedback on the proposed changes

If you would like to share your thoughts with Solactive on the proposed postponement, please use this consultation form and provide us with your personal details and those of your organization.

Name	
Function	
Organization	
Email	
Phone	
Confidentiality (Y/N)	

Solactive is inviting all stakeholders and interested third parties to evaluate the proposed changes to the Methodology for the SOLACTIVE CANADIAN HIGH DIVIDEND YIELD INDEX and welcomes any feedback on how this may affect and/or improve their use of the index.



Consultation Procedure

Stakeholders and third parties who are interested in participating in this Market Consultation, are invited to respond until *15 February 2019*.

Please send your feedback via email to compliance@solactive.com, specifying "MARKET CONSULTATION SOLACTIVE CANADIAN HIGH DIVIDEND YIELD INDEX" as the subject of the email, or

via postal mail to: Solactive AG
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Should you have any additional questions regarding the consultative question in particular, please do not hesitate to contact us via above email address.

CONTACT

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