

Market Consultation Knights OF Columbus U.S. All CAP Index

09 March 2020

Content of the Market Consultation

Solactive AG has decided to conduct a Market Consultation with regard to changing the Index Methodology of the following Index (the ‘Index’):

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| **NAME** | **RIC** | **ISIN** |
| Knights Of Columbus U.S. All CAP Index | .KOFCUSAC | DE000SLA99Y6 |

Rationale for Market Consultation

The goal of the Index is to include all the securities in the Solactive U.S. Broad Market Index, then exclude those companies whose policies and practices are inconsistent with the United States Conference of Catholic Bishops’ Socially Responsible Investing Guidelines. In evaluating the Original Screening Criteria and the resulting securities included in the Index, a limited number of discrepancies were identified between the goal and the screening methodology. In order to align better with the objective of the Index, the following changes are proposed.

Proposed Changes to the Index Guideline

The following Methodology changes are proposed in the following points of the Index Guideline

* *Exclude stocks that have any ties to production of technology for human stem cell research*
* *No longer exclude companies that have any ties to Nuclear Weapons or Nuclear Weapons outside of the Non-Proliferation Treaty. A revenue shares greater than 5% is now required for exclusion.*
* *For Military Equipment and Services, the maximum revenue share is now allowed to be 50%, compared to 5% before.*

*From (old):*

Engagement in human embryonic stem cell (HESC), fetal tissue, cloning research or research organizations contracted to conduct human, embryonic, fetal or adult stem cell research.

Receives a Red Flag or Amber Flag rating from the designated screening resource for involvement in anti-personnel mines, biological weapons, chemical weapons, cluster munitions, depleted uranium, nuclear weapons, nuclear weapons outside of the Non-Proliferation Treaty (NPT) or percentage share of revenues derived from involvement in military equipment or services greater than 5%.

*to (new):*

Engagement in human embryonic stem cell (HESC), fetal tissue, cloning research or research organizations contracted to conduct human, embryonic, fetal or adult stem cell research, development or production of technology specially designed/applied for human stem cell research.

Receives a Red Flag or Amber Flag rating from the designated screening resource for involvement in anti-personnel mines, biological weapons, chemical weapons, cluster munitions, percentage share of revenues derived nuclear weapons and nuclear weapons outside of the Non-Proliferation Treaty (NPT) greater than 5% or involvement in military equipment or services greater than 50%.

Feedback on the proposed changes

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

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| --- | --- |
| 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 KNIGHTS OF COLUMBUS U.S. ALL CAP INDEX and welcomes any feedback on how this may affect and/or improve their use of Solactive indices.

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Consultation Procedure

Stakeholders and third parties who are interested in participating in this Market Consultation, are invited to respond until March 20th, 2020 (cob).

Please send your feedback via email to [compliance@solactive.com](mailto:compliance@solactive.com), specifying “ MARKET CONSULTATION KNIGHTS OF COLUMBUS U.S. ALL CAP INDEX as the subject of the email, or

via postal mail to: **Solactive AG**

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Germany

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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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