

CONSULTATION CONCLUSION - SOLACTIVE POST EX-DATE DIVIDEND ADJUSTMENT METHODOLOGY IN STANDARD INDICES

27 October 2020



INTRODUCTION

On 07 September 2020, Solactive AG published a "Market Consultation on the Solactive Post Ex-Date Dividend Adjustment Methodology in Standard Indices" (<https://www.solactive.com/market-consultation-on-the-solactive-post-ex-date-dividend-adjustment-methodology-in-standard-indices/>). The market consultation aimed to collect comments on proposed changes related to the treatment for dividend payments of Japanese and South Korean companies in Standard Indices.

The consultation period ended on 05 October 2020. Solactive AG received a large number of valuable responses and conducted a comprehensive review of each respondent's feedback. This document presents the results of the market consultation.

MARKET FEEDBACK

The feedback was generally positive. Only minor changes were proposed. After an evaluation of these proposals, Solactive AG decided to implement the proposed changes addressed in the market consultation paper with a minor change on Formula (7) and Formula (9) (<https://www.solactive.com/wp-content/uploads/2020/10/Solactive-Post-Ex-Dividend-Adjustment-Methodology-in-Standard-Indices-1.pdf>, Page. 4). Accordingly, the Price Adjustment Factor has been removed from the mentioned Formulae to simplify the methodology and enhance tradability and replicability of the affected indices.

TIMING

For all dividend payments for Japanese and South Korean companies with an Ex-Date as of 01 December 2020, Solactive AG will apply the adjusted methodology.

SCOPE

The Post Ex-Date Dividend Adjustment Methodology in Standard Indices will be applied to all existing and new Standard Indices that are administered by Solactive AG.

For clarification: Even if the index guidelines of the affected indices do not contain an explicit reference to Section 2.1.1.3.3 and 2.1.1.3.4 of the Solactive Equity Index Methodology this section is deemed to be included by reference in the respective index guidelines and is applicable with regard to the treatment of dividend payments in Japan and South Korea (https://www.solactive.com/wp-content/uploads/2020/10/Equity-Index-Calculation-Methodology- v.1.4_26_10_2020.pdf).

The Post Ex-Date Dividend Adjustment Methodology in Standard Indices will only be applied for actively calculated indices but not their Indicative / Pro-Forma calculations. Please find the list of the related indices that will follow the Post-Ex-Date Dividend Adjustment Methodology in Standard Indices on: <https://www.solactive.com/post-ex-date-dividend-adjustment-standard-indices/>



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For other Standard Indices, where Solactive AG is only the calculation agent, the index owner will be approached to decide whether the Post Ex-Date Dividend Methodology in Standard Indices is to be applied for the respective index / indices.

CONTACT

Solactive AG
German Index Engineering

Platz der Einheit 1
60327 Frankfurt am Main
Germany

Tel.: +49 (0) 69 719 160 00

Fax: +49 (0) 69 719 160 25

Email: info@solactive.com

Website: www.solactive.com

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