

MARKET CONSULTATION SOLACTIVE CLEAN WATER INDEX



Content of the Market Consultation

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

NAME	RIC	ISIN
SOLACTIVE CLEAN WATER INDEX PR	.SOLWATRP	DE000SLA8HB9
SOLACTIVE CLEAN WATER INDEX NTR	.SOLWATR	DE000SLA6Z81
SOLACTIVE CLEAN WATER INDEX TR	.SOLWATRT	DE000SLA8HC7

Rationale for Market Consultation

The market for companies offering water technology and/or digital solutions is evolving fast (since creation of the Indices the Index Universe provided by Global Water Intelligence (GWI) has tripled) and companies in the Index Universe have seen their water related revenue shares increasing over time. Hence, companies engaged in this specific segment are becoming purer. An increase in the relevant water revenue share threshold will thus addresses this development accurately.

The proposed change to the Index Methodology is in line with the objective of the Indices as it would make the selected basket purer to the overall index theme.

Proposed Change to the Index Methodology

The following Index Methodology changes are proposed in the following sections:

Section 2.1.4 b:

From (old version):

"[...]

ii the company is determined not to have Expertise in "Engineering", and 1. has Expertise in "Technology" or "Digital"; and a minimum Water Revenue Share of 5%; unless such Eligible Security is an existing Index Component in which case it shall have a minimum Water Revenue Share of 3%;

[...]."



To (new version):

"[...]

ii the company is determined not to have Expertise in "Engineering", and has Expertise in "Technology" or "Digital"; and a minimum Water Revenue Share of 10%; unless such Eligible Security is an existing Index Component which previously had a Water Revenue Share of greater than or equal to 10%, in which case it shall only be excluded when its Water Revenue Share falls below 8%.

[...]."

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.

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 CLEAN WATER INDEX and welcomes any feedback on how this may affect and/or improve their use of Solactive indices.



Consultation Procedure		

Consultation Procedure

Stakeholders and third parties who are interested in participating in this Market Consultation, are invited to respond until 3rd of March, 2021, in case of no feedback or positive feedback, the proposed changes will become effective 5th of March, 2021.

Please send your feedback via email to compliance@solactive.com, specifying "Market Consultation SOLACTIVE CLEAN WATER INDEX INCREASING MINIMUM WATER REVENUE SHARE as the subject of the email, or

via postal mail to: Solactive AG

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Germany

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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