

MARKET CONSULTATION SOLACTIVE GLOBAL PURE GOLD MINERS NET TOTAL RETURN INDEX – CHANGE OF METHODOLOGY

06 June 2023



Content of the Market Consultation

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

NAME	RIC	ISIN
Solactive Global Pure Gold Miners Net Total Return Index	.SOLGLPGM	DE000SLA2PN0

Rationale for Market Consultation

Since especially the gold mining industry is subject to controversies with regards to environmental and social impacts, Solactive proposes to add an UNGC norms filter to the existing selection criteria as well as a monthly review for companies which are currently part of the Affected Index in terms of UNGC norms compliance. Companies which are violating UNGC norms will be removed from the composition to align the exposure of the Affected Index with the unique environmental, social, and ethical challenges of the industry and increasing demand for sustainable and responsible investments. The evaluation for compliance with UNGC norms will be provided by Sustainalytics (For more information, please visit: <https://www.sustainalytics.com/>).

Changes to the Index Guideline

Section 2.2 Ordinary Adjustment

"[...]

From:

The composition of the Index is ordinarily adjusted once a year on the last Business Day in February after the close of business. The composition of the Solactive Global Pure Gold Miners is reviewed on the Selection Day and the appropriate decision made is announced.

The first adjustment will be made in February 2012 based on the Trading Prices of the Index Components on the Adjustment Day.

Solactive AG shall publish any changes made to the Index composition on the Selection Day and consequently with sufficient notice before the Adjustment Day. Companies from Markets ("Eligible Markets"), which are not currently part of the Index, are subject to a provision of up to 6 months notice. Markets, for which a notification period is required prior to be part of the Solactive Global Pure Gold Miners, are specified in Section 4 ("Notification Markets").

[...]"



To:

"[...]"

The composition of the Index is ordinarily adjusted once a year on the last Business Day in February after the close of business. The composition of the Solactive Global Pure Gold Miners is reviewed on the Selection Day and the appropriate decision made is announced.

Additionally, on every UNGC-Review Day, the composition of the Solactive Global Pure Gold Miners is reviewed for compliance with UNGC norms as provided by the Data Provider. In case a company included in the Solactive Global Pure Gold Miners as of the UNGC-Review Day is in violation of UNGC norms, it will be removed on the UNGC-Adjustment Day without replacement. The weight of the removal company will be redistributed on a pro-rata basis to the remaining constituents as of the UNGC-Review Day. This is carried out by implementing the shares as determined on the UNGC-Review Day based on the weights calculated on the UNGC-Review Day.

The first adjustment will be made in February 2012 based on the Trading Prices of the Index Components on the Adjustment Day.

Solactive AG shall publish any changes made to the Index composition on the Selection Day and consequently with sufficient notice before the Adjustment Day. Companies from Markets ("Eligible Markets"), which are not currently part of the Index, are subject to a provision of up to 6 months notice. Markets, for which a notification period is required prior to be part of the Solactive Global Pure Gold Miners, are specified in Section 4 ("Notification Markets").

"[...]"



Section 4 Definitions

"[....]"

From:

"Selection Pool" in respect of a Selection Day are those companies that fulfill the following conditions:

- (a) Listing on a regulated stock exchange in the form of shares tradable for foreign investors without restrictions ("Eligible Markets").
- (b) Significant business operations in the gold mining industry. This implies that
 - a. at least 90% of the company's revenues are generated in gold mining for companies that are currently Index Components and/or
 - b. at least 95% of the company's revenues are generated in gold mining for companies that are currently not Index Components.
- (c) Free Float Market Capitalization of at least 1 billion USD for companies which are not Index Components on the respective Selection Day, at least 750 million USD for companies which are Index Components on the respective Selection Day
- (d) Average daily trading volume in the last three months of at least 2,000,000 USD for companies which are not Index Components on the respective Selection Day, at least 1,000,000 USD for companies which are Index Components on the respective Selection Day
- (e) Average monthly trading volume of at least 75,000 shares in each of the last six months ("Liquidity Criterion")

[...]"



To:

"[...]"

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 - b. at least 95% of the company's revenues are generated in gold mining for companies that are currently not Index Components.
- (c) Free Float Market Capitalization of at least 1 billion USD for companies which are not Index Components on the respective Selection Day, at least 750 million USD for companies which are Index Components on the respective Selection Day
- (d) Average daily trading volume in the last three months of at least 2,000,000 USD for companies which are not Index Components on the respective Selection Day, at least 1,000,000 USD for companies which are Index Components on the respective Selection Day
- (e) Average monthly trading volume of at least 75,000 shares in each of the last six months ("Liquidity Criterion")
- (f) Companies not violating the below exclusion criteria. The evaluation is based on data provided by the "Data Provider":

Category	Exclusion Criterion
International Norms	Non-compliant with UN GC

"[...]"



Adding the following Definitions:

[...]

“Data Provider” is Sustainalytics. For more information, please visit: <https://www.sustainalytics.com/>.

“UNGC-Review Day” is the Business Day 10 Business Days before the UNGC-Adjustment Day.

“UNGC-Adjustment Day” is the last Business Day of every month.

[...]"

Defined terms used in this Market Consultation document, but not defined herein, have the meaning assigned to them in the respective index guideline of the Index.

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 Cannabis Index and welcomes any feedback on how this may affect and/or improve their use of Solactive indices.



Consultation Procedure

Stakeholders and third parties who are interested in participating in this Market Consultation, are invited to respond until May 19th, 2023 (cob).

Please send your feedback via email to marketconsultation@solactive.com, specifying "Market Consultation Solactive Global Pure Gold Miners Net Total Return Index" as the subject of the email, or

via postal mail to: Solactive AG
Platz der Einheit 1
60327 Frankfurt am Main
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

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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