

# MARKET CONSULTATION- SOLACTIVE AGTECH & FOOD INNOVATION INDEX V2

06 October 2023



## 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'):

Index	RIC	ISIN
Solactive AgTech and Food Innovation v2 Index	.SOLKROP2	DE000SL0D1Y8
Solactive AgTech and Food Innovation v2 Index GTR	.SOKROP2T	DE000SL0D1Z5
Solactive AgTech and Food Innovation v2 Index PR	.SOKROP2P	DE000SL0D1X0

## Rationale for the Market Consultation

Solactive has determined that the introduction of an ESG screen/filter brings the aforementioned indices in line with other v2 thematic indices with respect to the adherence of UN Global Compact Principles. The filter will ensure the exclusion of securities of companies that are involved in controversial lines of business.

## Proposed Changes to the Index Guideline

The following Methodology changes are proposed in the following points of the Index Guideline [Section 2.2] (ordered in accordance with the numbering of the affected sections):

*The introduction of a Minerva ESG screen. As a result, the following will be added to the guideline and reflected in section 2.2 of the Index Methodology:*

The companies selected after completion of the above steps will be evaluated on the criteria outlined below. The evaluation is based on data provided by the ESG DATA PROVIDER:

- UN Global Compact Principles
  - Non-Compliance with the UNGC
- Controversial Weapons
  - Companies involved in the production development or maintenance of Anti-personnel Mines, Biological or chemical weapons, Cluster munitions, Depleted uranium, Nuclear Weapons, or any other weapon that violate humanitarian principles through normal use
  - Companies that produce or develop key and dedicated components for controversial weapons
  - Companies involved in the production and/or services tailor made for the defence industry or the military
  - Companies that hold  $\geq 20\%$  stake in a company that is involved in controversial weapons



- Companies currently  $\geq 50\%$  owned by a company that is involved in controversial weapons
- Small Arms
  - $>5\%$  of their revenue from the production or distribution of arms, both public and private
- Thermal Coal
  - 10% revenues from the exploration mining or refining of thermal coal
  - Companies that base 30% or more of their operations on thermal coal
  - Companies that produce  $>20$  million tons of thermal- coal annually and are actively expanding
- Conventional Oil & Gas
  - $>5\%$  revenue from conventional oil and gas production, including natural gas, petroleum, and crude oil
  - Companies building or operating pipelines that significantly facilitate export of conventional oil and gas
- Unconventional Oil & Gas
  - $>5\%$  revenues from unconventional oil and gas production, including revenues from oil sands, oil shale, shale gas and oil and gas production in the arctic regions
  - Companies building or operating pipelines that significantly facilitate export of unconventional oil and gas
- Palm Oil
  - Companies that are involved in systematic unsustainable palm oil production
- Prisons
  - Private companies that are involved in management or ownership of prisons
- Adult Entertainment
  - $>0\%$  revenue from production of adult entertainment
  - $>5\%$  revenues from the distribution of adult entertainment
- Recreational Cannabis & Tobacco
  - $>5\%$  revenues from recreational cannabis
  - $>0\%$  revenues from tobacco manufacturing
  - $>5\%$  revenue from tobacco distribution and/or sale of tobacco products
- Alcohol
  - $>0\%$  revenues from the production of alcoholic beverages including ingredients solely used in alcoholic beverages
  - $>5\%$  revenues from the distribution of alcoholic beverages or alcoholic related services
- Gambling
  - $>0\%$  revenues from owning or operating gambling establishments
  - $>5\%$  revenues from providing supporting products/services to gambling operations
  - $>5\%$  revenues from manufacturing specialized equipment used exclusively for gambling



All companies violating any of the exclusion criteria above are excluded. All companies for which an evaluation of these exclusion criteria is not possible due to insufficient and/or missing information or data are excluded.

(...)

“**ESG DATA PROVIDER**” is Minerva Analytics Ltd. For more information, please visit: [www.minerva.info](http://www.minerva.info).

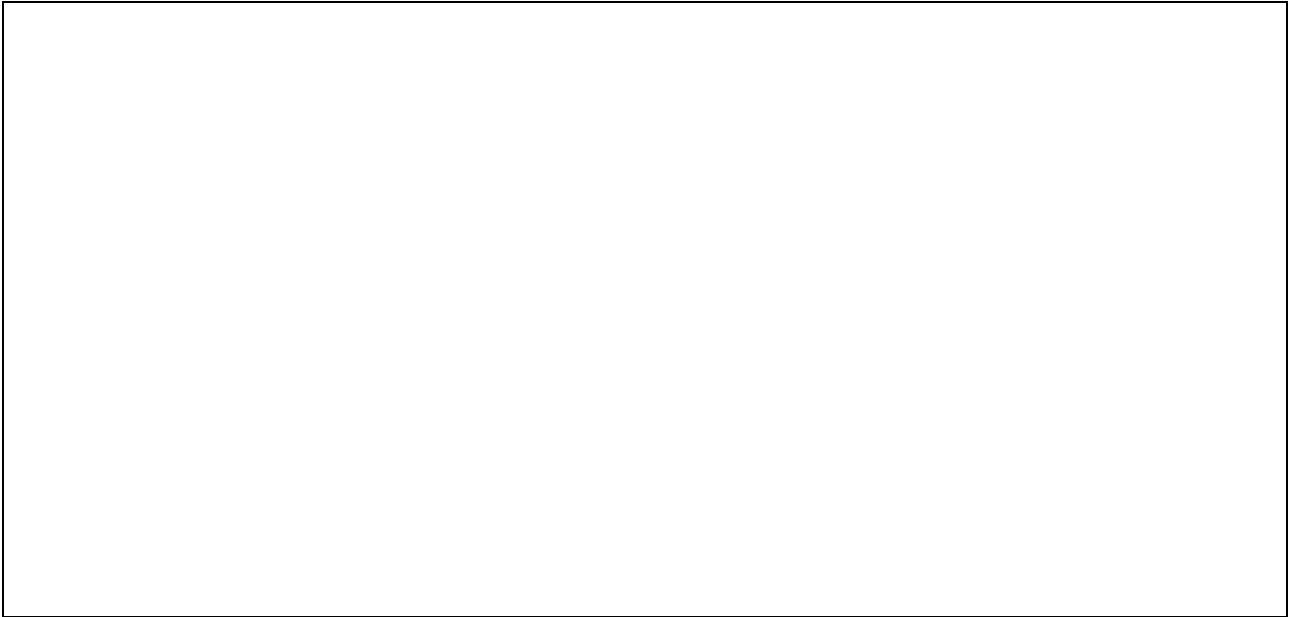
(...)

### 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 AgTech & Food Innovation Index v2 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 October 20, 2023.

Subject to feedback received on this Market Consultation, the changes mentioned above are intended to become effective on November 3, 2023.

Please send your feedback via email to [marketconsultation@solactive.com](mailto:marketconsultation@solactive.com), specifying "Market Consultation- Solactive AgTech & Food Innovation Index v2" 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

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