

MARKET CONSULTATION  
SOLACTIVE GLOBAL GOLD  
EXPLORERS & DEVELOPERS  
TOTAL RETURN INDEX –  
CHANGE OF METHODOLOGY

06 February 2024

## Content of the Market Consultation

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

NAME	RIC	ISIN
Solactive Global Gold Explorers & Developers Total Return Index	.SOLGOEX	DE000SLA2PP5

## Rationale for Market Consultation

To ensure that the composition of the Solactive Global Gold Explorers & Developers Total Return Index is aligned with financial products regulation and diversification requirements, Solactive proposes to adjust the current weighting mechanism as reflected in Section 2.3.2) and add an additional quarterly weight review, to ensure the index composition is in compliance with mentioned requirements and corresponding replicability.

## Changes to the Index Guideline

### 2.3. WEIGHTING OF THE INDEX COMPONENTS

From (current wording):

“[...]”

On each SELECTION DAY each INDEX COMPONENT of the Solactive Global Gold Explorers & Developers Total Return Index is weighted proportionally according to its FREE FLOAT MARKET CAPITALIZATION, the following caps and weight restrictions are then applied:

- 1) The percentage weight of an INDEX COMPONENT that produce more than 300,000 ounces of gold in two out of last three years\* will be capped at 4%. The percentage weight of the INDEX COMPONENT that do not fulfil these requirements are capped at 7%.
- 2) The aggregate percentage weight of the resulting seven biggest INDEX COMPONENTS is capped at 45%, all other remaining INDEX COMPONENTS that are not part of the seven biggest INDEX COMPONENTS are capped at 4.75% on SELECTION DAY. The capping methodology may be amended by the OVERSIGHT COMMITTEE from time to time to ensure appropriate INDEX representation and INDEX compliance with financial product regulations in the United States.

“[...]”

To (new wording)

“[...]”

On each SELECTION DAY each INDEX COMPONENT of the Solactive Global Gold Explorers & Developers Total Return Index is weighted proportionally according to its FREE FLOAT MARKET CAPITALIZATION, the following caps and weight restrictions are then applied:

- 1) The percentage weight of an INDEX COMPONENT that produce more than 300,000 ounces of gold in two out of last three years\* will be capped at 4%. The percentage weight of the INDEX COMPONENTS that do not fulfil these requirements are capped at 5%.
- 2) The aggregate percentage weight of INDEX COMPONENTS exceeding 4% will be capped at 20% while remaining INDEX COMPONENTS will be capped at a weight of 4%. Any residual weight resulting from this procedure will be redistributed on a pro-rata basis to all the INDEX COMPONENTS which are not

capped. The capping methodology may be amended by the OVERSIGHT COMMITTEE from time to time to ensure appropriate INDEX representation and INDEX compliance with financial product regulations in the United States.

[...]"

#### Adding Section 2.4:

#### 2.4. QUARTERLY DIVERSIFICATION REVIEW

On each REVIEW DAY the index composition will be reviewed for a breach of the following criteria:

1. The maximum aggregate weight of the INDEX COMPONENTS exceeding a weight of 4% must not exceed 20%.
  - a. If this criterion is breached, any INDEX COMPONENT exceeding a weight of 5% will be capped at 5% while INDEX COMPONENTS exceeding 4% will be capped at 20% in aggregate. Remaining INDEX COMPONENTS will be capped at a weight of 4%. Any residual weight resulting from this procedure will be redistributed on a pro-rata basis to all the INDEX COMPONENTS which are not capped until above mentioned conditions are satisfied.

#### Adding the following Definitions to Section 6. "DEFINITIONS":

**"REVIEW DAY"** is 10 BUSINESS DAYS before the last Business Day in in January and July.

**REVIEW ADJUSTMENT DAY"** is the last Business Day in January and July.

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 Solactive Global Gold Explorers & Developers Total Return 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 February 16<sup>th</sup>, 2024 (cob).

Please send your feedback via email to [marketconsultation@solactive.com](mailto:marketconsultation@solactive.com), specifying "Market Consultation Solactive Global Gold Explorers & Developers 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

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