

MARKET CONSULTATION
SOLACTIVE AZTLAN GLOBAL
DEVELOPED MARKETS SMID
CAP INDEX

19 September 2024



Content of the Market Consultation

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

NAME	RIC	ISIN
Solactive Aztlan Global Developed Markets SMID Cap Index PR	.SOLAZDMP	DE000SLOETG3
Solactive Aztlan Global Developed Markets SMID Cap Index NTR	.SOLAZDMN	DE000SLOETH1
Solactive Aztlan Global Developed Markets SMID Cap Index TR	.SOLAZDMT	DE000SLOETJ7

Rationale for the Market Consultation

Solactive believes in order to align with standard market practices and increase the replicability of the index, the following changes are proposed. The changes will allow for easier replication via share fixing rebalancing and reducing the amount of rebalancings to quarterly and by selecting from a pool of 70 names by the selection party. Removing the decrement and Energy exclusion while reducing the ADV threshold and increasing maximum total market capitalization threshold will also better reflect the composition of the global developed market small and mid cap universe and standard market practices.

Proposed Change/(s) to the Index Guideline

The following Methodology change/(s) is/are proposed in the following point/(s) of the Index Guideline

2.1 Index Universe Requirements

From:

- Minimum TOTAL MARKET CAPITALIZATION of USD 500 million as of the Selection Day
- Maximum TOTAL MARKET CAPITALIZATION of USD 10 billion as of the Selection Day
- Minimum Average Daily Value Traded (ADV) over the 30 business days prior to and including the SELECTION DAY of at least USD 10 million
- Not classified under any of the following sectors: Real Estate, Energy, Pharmaceuticals

To:

- Minimum TOTAL MARKET CAPITALIZATION of USD 500 million as of the Selection Day
- Maximum TOTAL MARKET CAPITALIZATION of USD 15 billion as of the Selection Day



- Minimum Average Daily Value Traded (ADV) over the 30 business days prior to and including the SELECTION DAY of at least USD 5 million
- Not classified under any of the following sectors: Real Estate, Pharmaceutical
- The INDEX UNIVERSE is further reduced to 70 companies as determined by the SELECTION PARTY using a 12 month average score of the Factors described in Section 2.2. In addition the SELECTION PARTY will ensure adequate representation across Sectors and Regions.
- The INDEX UNIVERSE is set annually on the 30th of September.

2.2 Selection of the Index Components

From:

- All stocks in the INDEX UNIVERSE are ranked by their final factor score, and the security with the highest score within each region-sector basket is selected

To:

- All stocks in the INDEX UNIVERSE are ranked by their final factor score, the top 50 stocks are selected.

3.1 Ordinary Rebalance

From:

This is carried out by implementing the weights as determined on the SELECTION DAY.

To:

This is carried out by implementing the shares as determined on the SELECTION DAY.

4.1 Index Formula

Removed:

For the construction of the indices a decrement of 1.5% per annum is deducted on each INDEX CALCULATION DAY from the PR, NTR, and GTR Index versions. The decrement will be applied in compliance with the Solactive Equity Index Methodology, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>.

6. Definitions

From:

“**REBALANCE DAY**” is the last BUSINESS DAY of each month.

To:



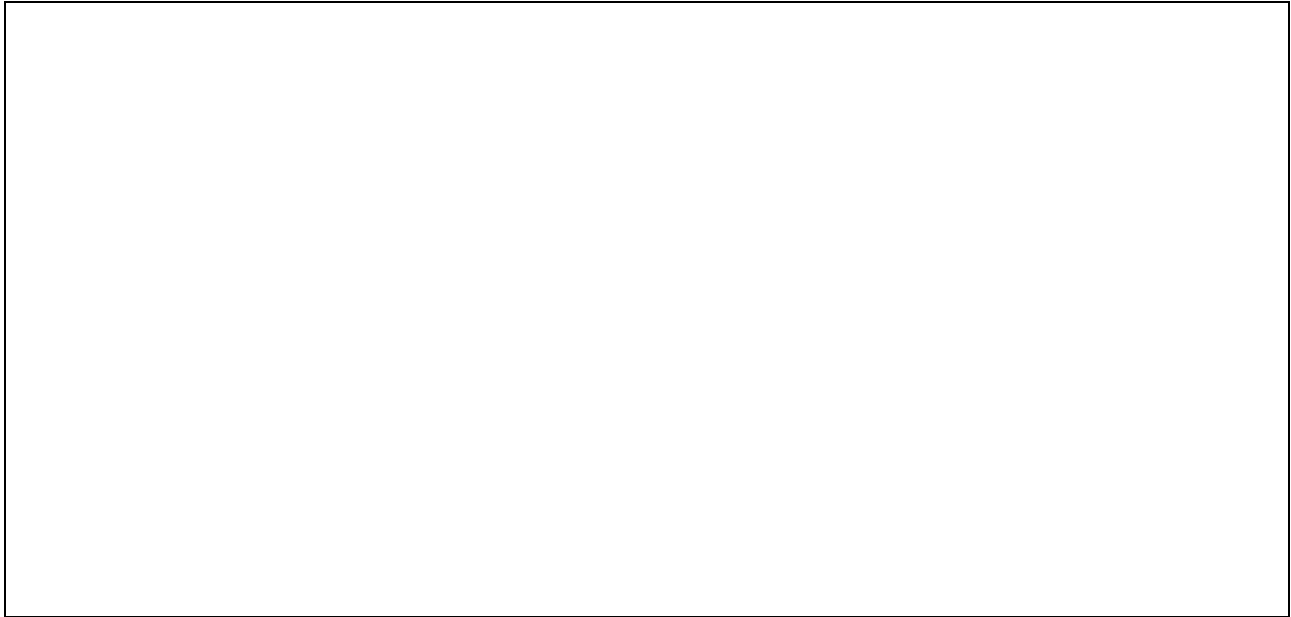
“**REBALANCE DAY**” is the last BUSINESS DAY of the months of January, April, July and October.

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 Aztlan Global Developed Markets SMID Cap 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 *2024-10-03*

Subject to feedback received on this Market Consultation, the changes mentioned above are intended to become effective on *2024-10-17*

Please send your feedback via email to marketconsultation@solactive.com, specifying "Market Consultation Solactive Aztlan Global Developed Markets SMID Cap 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.

