

# MARKET CONSULTATION SOLACTIVE JUST TRANSITION SELECT INDEX

17 October 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 Indices (the 'Indices'):

<b>NAME</b>	<b>RIC</b>	<b>ISIN</b>
Solactive Just Transition Select Index PR	.SOLJTSP	DE000SLOA8P4
Solactive Just Transition Select Index NTR	.SOLJTSN	DE000SLOA8Q2
Solactive Just Transition Select Index TR	.SOLJTST	DE000SLOA8R0
Solactive Just Transition Select Index AR 5%	.SOLJTS	DE000SLOA8S8

### **Rationale for the Market Consultation**

By raising the ADV threshold, the index will comprise securities with higher liquidity and lower volatility. This enhancement facilitates the index replication and makes it more cost-effective. Additionally, the increased liquidity improves the overall quality and stability of the index constituents.

Would Solactive have implemented the new EUR 5mn ADV threshold as of the last selection in August 2024, there would be 5 different securities in the composition as compared to the original EUR 1mn threshold.

These 5 securities have average volatility of 6.61%. Given the new threshold, the securities would have been replaced with those that have average volatility of 5.65%.

So, not only does the proposed ADV threshold make the index more replicable, but it also makes the composition more robust and in line with the scope of the index - "The final composition contains securities with low volatility features."

### **Proposed Change to the Index Guideline**

The following Methodology change is proposed in the following point of the Index Guideline:

Current version:

"Section 2.1. INDEX UNIVERSE REQUIREMENTS

[...]

- AVERAGE DAILY VALUE TRADED (ADV) over the 3 months prior to and including the Selection Day of at least EUR 1 million.

[...]"



New version:

“Section 2.1. INDEX UNIVERSE REQUIREMENTS

[...]

- AVERAGE DAILY VALUE TRADED (ADV) over the 3 months prior to and including the Selection Day of at least EUR 5 million.

[...]”

**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 Just Transition Select 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 *31<sup>st</sup> of October 2024*.

Subject to feedback received on this Market Consultation, the changes mentioned above are intended to become effective on *14<sup>th</sup> of November 2024*.

Please send your feedback via email to [marketconsultation@solactive.com](mailto:marketconsultation@solactive.com), specifying “**Market Consultation Solactive Just Transition Select Index**” as the subject of the email, or

via postal mail to: **Solactive AG**  
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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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