

MARKET CONSULTATION SSPAB SERIES

20 January 2025



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'):

NAME	RIC	ISIN
Solactive ISS ESG Screened Paris Aligned Developed Markets Index NTR	.SSPABDMN	DE000SLOJZF1
Solactive ISS ESG Screened Paris Aligned Developed Markets Index PR	.SSPABDMP	DE000SLOJZE4
Solactive ISS ESG Screened Paris Aligned Developed Markets Index TR	.SSPABDMT	DE000SLOJZG9
Solactive ISS ESG Screened Paris Aligned Developed Markets Small Cap Index NTR	.SSPABDSN	DE000SLOC1W3
Solactive ISS ESG Screened Paris Aligned Developed Markets Small Cap Index PR	.SSPABDSP	DE000SLOC1V5
Solactive ISS ESG Screened Paris Aligned Developed Markets Small Cap Index TR	.SSPABDST	DE000SLOC1X1
Solactive ISS ESG Screened Paris Aligned Emerging Markets Index NTR	.SSPABEMN	DE000SLOC1Q5
Solactive ISS ESG Screened Paris Aligned Emerging Markets Index PR	.SSPABEMP	DE000SLOC1P7
Solactive ISS ESG Screened Paris Aligned Emerging Markets Index TR	.SSPABEMT	DE000SLOC1R3
Solactive ISS ESG Screened Paris Aligned Europe Index NTR	.SSPABEUN	DE000SLOC1M4
Solactive ISS ESG Screened Paris Aligned Europe Index PR	.SSPABEUP	DE000SLOC1L6
Solactive ISS ESG Screened Paris Aligned Europe Index TR	.SSPABEUT	DE000SLOC1N2
Solactive ISS ESG Screened Paris Aligned Global Markets DM Index NTR	.SSPABGDM	DE000SLOLJ42



Solactive ISS ESG Screened Paris Aligned Global Markets EM Index NTR	.SSPABGEM	DE000SL0LJ59
Solactive ISS ESG Screened Paris Aligned Global Markets GM Index NTR	.SSPABGGM	DE000SL0LJ34
Solactive ISS ESG Screened Paris Aligned Global Markets Index NTR	.SSPABGMN	DE000SL0C1J0
Solactive ISS ESG Screened Paris Aligned Global Markets Index PR	.SSPABGMP	DE000SL0C1H4
Solactive ISS ESG Screened Paris Aligned Global Markets Index TR	.SSPABGMT	DE000SL0C1K8
Solactive ISS ESG Screened Paris Aligned Global Markets NOK Index NTR	.SSPABGNN	DE000SL0HYW3
Solactive ISS ESG Screened Paris Aligned Global Markets NOK Index PR	.SSPABGNP	DE000SL0HYV5
Solactive ISS ESG Screened Paris Aligned Global Markets NOK Index TR	.SSPABGNT	DE000SL0HYX1
Solactive ISS ESG Screened Paris Aligned Global Markets SEK Index NTR	.SSPABGSN	DE000SL0HYT9
Solactive ISS ESG Screened Paris Aligned Global Markets SEK Index PR	.SSPABGSP	DE000SL0HYS1
Solactive ISS ESG Screened Paris Aligned Global Markets SEK Index TR	.SSPABGST	DE000SL0HYU7
Solactive ISS ESG Screened Paris Aligned Global Markets USD Index NTR	.SSPABGUN	DE000SL0HYQ5
Solactive ISS ESG Screened Paris Aligned Global Markets USD Index PR	.SSPABGUP	DE000SL0HYP7
Solactive ISS ESG Screened Paris Aligned Global Markets USD Index TR	.SSPABGUT	DE000SL0HYR3
Solactive ISS ESG Screened Paris Aligned Nordic Index NTR	.SSPABNON	DE000SL0DXX2
Solactive ISS ESG Screened Paris Aligned Nordic Index PR	.SSPABNOP	DE000SL0DXW4



Solactive ISS ESG Screened Paris Aligned Nordic Index TR	.SSPABNOT	DE000SL0DXY0
Solactive ISS ESG Screened Paris Aligned Norway Index NTR	.SSPABNWN	DE000SL0DX02
Solactive ISS ESG Screened Paris Aligned Norway Index PR	.SSPABNWP	DE000SL0DXZ7
Solactive ISS ESG Screened Paris Aligned Norway Index TR	.SSPABNWT	DE000SL0DX10
Solactive ISS ESG Screened Paris Aligned USA Index NTR	.SSPABUSN	DE000SL0C1T9
Solactive ISS ESG Screened Paris Aligned USA Index PR	.SSPABUSP	DE000SL0C1S1
Solactive ISS ESG Screened Paris Aligned USA Index TR	.SSPABUST	DE000SL0C1U7

Rationale for the Market Consultation

The following indices are constructed to operate in line with the regulations laid out for the EU Paris-Aligned Benchmarks. Solactive proposes to include a new data point published by the Data Provider of the indices which goes along with Article 12 (g) of the EU Paris-Aligned Benchmark Regulation.

In addition, Solactive proposes to adjust the threshold for decarbonization trajectory compared to the Parent Indices from 55% to 50% to bring them closer in line with other EU Paris-Aligned Benchmark regulated indices as well as the EU Paris-Aligned Benchmark Regulation themselves. For the sake of clarity, it should be noted that this will have no impact on the threshold of the continuous annual carbon reduction of 7%.

The proposed changes are used to facilitate a more congruent selection practice to the EU Paris-Aligned Benchmark Regulation which fits the overall theme of the indices.

Proposed Changes to the Index Guideline

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

- *2.2 Selection of the Index Components*

From:

Coal	1% Production & Refining
Fossil Fuel	Generally: 5% Production, Distribution & Exploration



Activity-Based Screening	Exception 1: Max 10% Production, Distribution & Exploration <AND> min 10% Revenues from Renewable Energies Power Generation <AND> max 5% Revenues from Coal Power Generation <AND> Concrete science-based target	
	Exception 2: 0% Oil Extraction, Oil Refinement & Fossil Fuel Exploration <AND> max 10% Oil distribution <AND> max 50% Gas Extraction, Gas Refinement & Fossil Fuel Distribution <AND> Concrete science-based target <AND> min 10% Revenues from Renewable Energies Power Generation <AND> max 5% Revenues from Coal Power Generation <AND> company sector "Utilities" according to the FactSet sector classification system.	
	Fossil Fuel	50% Overall
	Oil Sands	0% Production & Exploration
	Military Equipment	5% Production <OR> 5% Distribution <OR> 50% Services
	Pornography	0% Production <OR> 5% overall
	Tobacco	0% Production <OR> 5% Distribution <OR> 50% Services
	Gambling	5% Production & Distribution <OR> 50% Services
	Alcohol	5% Production & Distribution <OR> 50% Services
	Non-pharmaceutical Cannabis	5% Production & Distribution <OR> 50% Services
To:		
	Coal	1% Production & Refining
	Fossil Fuel	Generally: 5% Production, Distribution & Exploration
		Exception 1:



Activity-Based Screening	Max 10% Production, Distribution & Exploration <AND> min 10% Revenues from Renewable Energies Power Generation <AND> max 5% Revenues from Coal Power Generation <AND> Concrete science-based target	
	Exception 2: 0% Oil Extraction, Oil Refinement & Fossil Fuel Exploration <AND> max 10% Oil distribution <AND> max 50% Gas Extraction, Gas Refinement & Fossil Fuel Distribution <AND> Concrete science-based target <AND> min 10% Revenues from Renewable Energies Power Generation <AND> max 5% Revenues from Coal Power Generation <AND> company sector "Utilities" according to the FactSet sector classification system.	
	Fossil Fuel	50% Overall
	Electric power generation from fossil fuel sources and biomass	≥ 50%
	Oil Sands	0% Production & Exploration
	Military Equipment	5% Production <OR> 5% Distribution <OR> 50% Services
	Pornography	0% Production <OR> 5% overall
	Tobacco	0% Production <OR> 5% Distribution <OR> 50% Services
	Gambling	5% Production & Distribution <OR> 50% Services
	Alcohol	5% Production & Distribution <OR> 50% Services
	Non-pharmaceutical Cannabis	5% Production & Distribution <OR> 50% Services

- 2.3 Weighting

From: The decarbonization trajectory is defined by an annual minimum Carbon Intensity reduction of 7% compared to the CARBON INTENSITY of the INDEX on the BASE DAY in a geometric progression. The CARBON INTENSITY of the INDEX is capped at the minimum of the CARBON INTENSITY of the



decarbonization trajectory on the SELECTION DAY and 55% of PARENT INDEX CARBON INTENSITY on the SELECTION DAY.

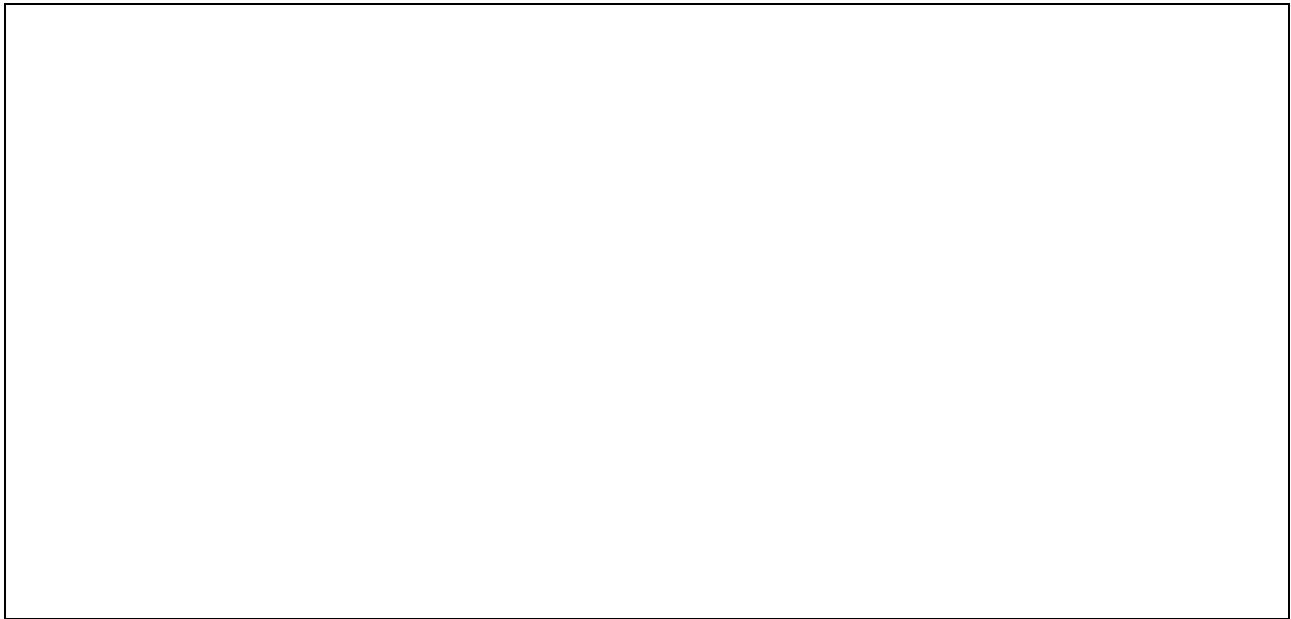
To: The decarbonization trajectory is defined by an annual minimum Carbon Intensity reduction of 7% compared to the CARBON INTENSITY of the INDEX on the BASE DAY in a geometric progression. The CARBON INTENSITY of the INDEX is capped at the minimum of the CARBON INTENSITY of the decarbonization trajectory on the SELECTION DAY and 50% of PARENT INDEX CARBON INTENSITY on the SELECTION DAY.

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 SSPAB Series 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 *2025-02-03*

[Subject to feedback received on this Market Consultation, the changes mentioned above are intended to become effective on *2025-02-17*.

Please send your feedback via email to marketconsultation@solactive.com, specifying "Market Consultation SSPAB- Series" as the subject of the email, or

via postal mail to: Solactive AG
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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.

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