

MARKET CONSULTATION SOLACTIVE ILM SERIES

03 April 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:

NAME	RIC	ISIN
Solactive ILIM New World Developed Market Equity Index NTR	.SOILSDMN	DE000SL0DF87
Solactive ILIM New World Developed Market Equity Index PR	.SOILSDMP	DE000SL0DF79
Solactive ILIM New World Developed Market Equity Index TR	.SOILSDMT	DE000SL0DF95
Solactive ILIM New World EAFE Equity Index NTR	.SOILSEAN	DE000SL0J4T6
Solactive ILIM New World EAFE Equity Index PR	.SOILSEAP	DE000SL0J4S8
Solactive ILIM New World EAFE Equity Index TR	.SOILSEAT	DE000SL0J4U4
Solactive ILIM New World Emerging Market Equity Index NTR	.SOILSEMN	DE000SL0DGB3
Solactive ILIM New World Emerging Market Equity Index PR	.SOILSEMP	DE000SL0DGA5
Solactive ILIM New World Emerging Market Equity Index TR	.SOILSEMT	DE000SL0DGC1
Solactive ILIM New World Global Market Equity Index NTR	.SOILSGMN	DE000SL0DGE7
Solactive ILIM New World Global Market Equity Index PR	.SOILSGMP	DE000SL0DGD9
Solactive ILIM New World Global Market Equity Index TR	.SOILSGMT	DE000SL0DGF4
Solactive ILIM Global Thematic Equity Index NTR	.SOILGTEN	DE000SLOGLL5
Solactive ILIM Global Thematic Equity Index NTR	.SOILGTEP	DE000SLOGLK7
Solactive ILIM Global Thematic Equity Index NTR	.SOILGTET	DE000SLOGLM3
Solactive ILIM Climate Focused Developed Equity Index GTR	.SOILCFDT	DE000SL0ETM1
Solactive ILIM Climate Focused Developed Equity Index NTR	.SOILCFDN	DE000SL0ETL3
Solactive ILIM Climate Focused Developed Equity Index PR	.SOILCFDP	DE000SL0ETK5
Solactive ILIM Low Carbon Equity Income Index GTR	.SOILLCIT	DE000SL0FPY1



Solactive ILIM Low Carbon Equity Income Index NTR	.SOILLCIN	DE000SLOFPX3
Solactive ILIM Low Carbon Equity Income Index PR	.SOILLCIP	DE000SLOFPW5

Rationale for the Market Consultation

As part of our ongoing review process to ensure the robustness and replicability of our indices, we have identified two areas where refinements would bring benefits in terms of trading efficiency, cost reduction, and methodological consistency.

1. Minimum Constituent Size Criteria

We propose to introduce a minimum holding size of 0.25bps across the following indices:

- New World Developed Markets Index
- New World Emerging Markets Index
- New World Global Markets Index (DM & EM)
- New World Developed Markets excluding North American Index (EAFE)
- Solactive Climate Focused Index
- Solactive Low Carbon Equity Income Index

The rationale for this adjustment is to remove very small positions that create replication challenges, add unnecessary complexity, and contribute to higher trading costs without materially impacting the representativeness of the index.

2. Baseline Exclusion Adjustment

We propose simplify the exclusion framework by removing two filters which are either not supported by data providers or are already effectively covered by other exclusion rules:

- Removal of the exclusion criteria relating to Arctic Oil (companies deriving more than 10% of revenues from Arctic oil and gas exploration and extraction).



- Removal of the exclusion criteria relating to Level Five Controversies (companies classified in the "Severe Controversy" category).

These adjustments will be applied across the following indices:

- New World Developed Markets Index
- New World Emerging Markets Index
- New World Global Markets Index (DM & EM)
- New World Developed Markets excluding North American Index (EAFE)
- Global Thematic Index Solactive
- Climate Focused Index Solactive Low Carbon Equity Income Index

We believe these proposed changes will:

- Enhance replicability and reduce indexing frictions.
- Improve cost efficiency by eliminating immaterial holdings.
- Simplify the methodology by removing redundant or unsupported exclusion criteria.
- Ensure continued alignment with broader ESG objectives already embedded within the index framework.

Proposed Changes to the Index Guideline

1. For the indices that are impacted by the Minimum Constituent Size Criteria, the following sentence will be added to the 2.3 Weighting of the Index Components Section:

"Ultimately, securities that have an individual weight less than 0.0025% will be removed from the index and their weights will be distributed pro-rata among the other securities."

2. For the indices that are impacted by the Baseline Exclusion Adjustment, the Arctic Oil and the Severe Controversy will be removed from the 2.2.I Exclusion List



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 Methodologies for several Solactive ILIM Indices 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 *2025-10-23*.

[Subject to feedback received on this Market Consultation, the changes mentioned above are intended to become effective on *2025-11-06*.

Please send your feedback via email to marketconsultation@solactive.com, specifying "Market Consultation Solactive ILIM Series" 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.

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