SOLACTIVE
German Index Engineering

COMPLIANCE STATEMENT

Solactive AG is registered with and regulated by the German Federal Financial Supervisory Authority (BaFin)

COMPLIANCE STATEMENT

This document represents the Compliance Statement pursuant to Article 26(3) of Regulation (EU) 2016/1011 (the "**Benchmark Regulation**" or "**BMR**") of Solactive AG, an administrator of non-significant benchmarks. The table in Section B contains a list of the provisions of the BMR that Solactive has chosen not to apply, accompanied by an explanation for each provision stating why it is not appropriate for Solactive to comply with it. This Compliance Statement has been drawn up in accordance with the template for the compliance statement in Annex II of the Commission Implementing Regulation (EU) 2018/1106.

A. GENERAL INFORMATION

Item	Text field
1. Date of creation of the Compliance Statement and, where applicable, of the latest update to it	1. Created: April 16, 2019 Last Updated: February 13, 2023
2. Name of the administrator	2. Solactive AG

B. SPECIFIC INFORMATION

Solactive AG chooses to not apply the following provisions of Regulation (EU) 2016/1011 in respect of its non-significant benchmarks identified below	
1. The benchmark or benchmarks in respect of which the provision(s) do not apply	1. Natural Gas Futures x7 Short Leveraged Index ISIN: DE000SLA2D24
2. (i) The provision or provisions of Regulation (EU) 2016/1011 that do not apply (ii) For each provision, the reasons why it is appropriate for the administrator not to comply with that provision	

Article 5(3)(a) of the BMR: *The oversight function shall operate with integrity and shall have the following responsibilities, which shall be adjusted by the administrator based on the complexity, use and vulnerability of the benchmark: (a) reviewing the benchmark's definition and methodology at least annually.*	Solactive has implemented a detailed New Index Approval Process (NINA) to ensure the integrity of its benchmarks and to minimize the need for any adjustment of the index methodology. As such, Solactive will only review the benchmark's definition and methodology on an ad hoc basis and not on a periodic basis, such as the "at least annually" period proposed in the BMR.
Article 5(3)(e) of the BMR: *The oversight function shall operate with integrity and shall have the following responsibilities, which shall be adjusted by the administrator based on the complexity, use and vulnerability of the benchmark: (e) overseeing any third party involved in the provision of the benchmark, including calculation or dissemination agents.*	Due to the fact that the members of the oversight committee are from different business units, it is Solactive's opinion that the oversight of third parties involved in the provision of the benchmark would be conducted much more efficiently by the Compliance department together with the Operations Team.
Article 6(5) of the BMR: *The control framework shall be documented, reviewed and updated as appropriate and made available to the relevant competent authority and, upon request, to users.*	As the control framework of Solactive contains protected/internal business data, it has been decided that the control framework will not be published or made available to third parties.
Article 7(2) of the BMR: *An administrator shall designate an internal function with the necessary capability to review and report on the administrator's compliance with the benchmark methodology and this Regulation.*	It is the opinion of Solactive that, due to the implemented New Index Approval Process (NINA) and the new control framework, an additional control function to review and report compliance with the methodology of the benchmark and the BMR is not needed and would not be appropriate (also in the view of the size of the company).

Article 11(1) of the BMR[1]: *The input data referred to in point (a) shall be verifiable;*	The benchmark is continuously calculated during a specified period on a business day. Due to the high calculation frequency of intraday values, it is not possible to verify the input data used in each case. The implementation of procedures to allow for such intraday verification would not be appropriate and would make it impossible to continue to calculate the benchmark in the current frequency. In addition, financial instruments, financial contracts and investment funds that reference the benchmark generally use the end-of-day value of the benchmark to determine the values derived from the benchmark. For input data based on end-of-day values for the assets underlying the benchmark, Solactive has a procedure in place to verify such input data. Spot foreign exchange rates used for conversions of prices and values of components of the benchmark quoted in a currency other than the currency of the benchmark cannot be verified due to the lack of alternative available sources. Furthermore, the transparency of these exchange rates, which is achieved through their publication, has the effect of verification through existing market mechanisms.

[1] Article 11 (1) (b) BMR makes reference to Article 11 (1) (a) of the BMR

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