

# MARKET CONSULTATION- SOLACTIVE WEALTHSIMPLE SOCIALLY RESPONSIBLE FACTOR INDICES

05 July 2022



## 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 Wealthsimple DM ex NA Socially Responsible Factor Index PR	.SOLDSRFP	DE000SLA9881
Solactive Wealthsimple DM ex NA Socially Responsible Factor Index NTR	.SOLDSRFN	DE000SLA9899
Solactive Wealthsimple DM ex NA Socially Responsible Factor Index TR	.SOLDSRFT	DE000SLA99A6
Solactive Wealthsimple North America Socially Responsible Factor Index PR	.SOLNARFP	DE000SLA9857
Solactive Wealthsimple North America Socially Responsible Factor Index NTR	.SOLNARFN	DE000SLA9865
Solactive Wealthsimple North America Socially Responsible Factor Index TR	.SOLNARFT	DE000SLA9873

## Rationale for Market Consultation

The Indices are designed to select certain securities based on a multi-factor score that includes a value score. With this market consultation Solactive propose to adjust the ratios defining the value formula. Additionally, to increase data coverage and broaden the universe we propose to look at previous quarter data in case of missing quarterly fundamental data points.

## 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):

### **Section 2.2: Selection of the Index Components**

The value formula will be changed to the following:

$$value_{i,t} = \frac{1}{2} \left[ z \left( \frac{1}{PE_{i,t}} \right) + z \left( \frac{1}{PB_{i,t}} \right) \right]$$

### **Section 2.2.: Added definition to increase data coverage:**

In case of negative earnings the PE ratio is set equal to a value of -1. Securities with a negative book value of equity are excluded. All fundamental data points are as of last fiscal quarter. In case such data is not available the data as of previous quarter is used.



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 Wealthsimple Socially Responsible Factor 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 July 13<sup>th</sup>, 2022 (cob).

Subject to feedback received on this Market Consultation, the changes mentioned above are intended to become effective on July 15<sup>th</sup>, 2022.

Please send your feedback via email to [compliance@solactive.com](mailto:compliance@solactive.com), specifying "Market Consultation Solactive Wealthsimple Socially Responsible Factor Indices" 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.

# CONTACT

**Solactive AG**

**German Index Engineering**

Platz der Einheit 1

60327 Frankfurt am Main

Germany

Tel.: +49 (0) 69 719 160 00

Fax: +49 (0) 69 719 160 25

Email: [info@solactive.com](mailto:info@solactive.com)

Website: [www.solactive.com](http://www.solactive.com)

© Solactive AG