

# MARKET CONSULTATION - SOLACTIVE ISS ESG SCREENED PARIS ALIGNED INDEX SERIES

05 April 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'):

Name	RIC	ISIN
Solactive ISS ESG Screened Paris Aligned Emerging Markets Index PR	.SSPABEMP	DE000SLOC1P7
Solactive ISS ESG Screened Paris Aligned Emerging Markets Index NTR	.SSPABEMN	DE000SLOC1Q5
Solactive ISS ESG Screened Paris Aligned Emerging Markets Index TR	.SSPABEMT	DE000SLOC1R3
Solactive ISS ESG Screened Paris Aligned Developed Markets Index PR	.SSPABDMP	DE000SLOJZE4
Solactive ISS ESG Screened Paris Aligned Developed Markets Index NTR	.SSPABDMN	DE000SLOJZF1
Solactive ISS ESG Screened Paris Aligned Developed Markets Index TR	.SSPABDMT	DE000SLOJZG9
Solactive ISS ESG Screened Paris Aligned Global Markets Index PR	.SSPABGMP	DE000SLOC1H4
Solactive ISS ESG Screened Paris Aligned Global Markets Index NTR	.SSPABGMN	DE000SLOC1J0
Solactive ISS ESG Screened Paris Aligned Global Markets Index TR	.SSPABGMT	DE000SLOC1K8
Solactive ISS ESG Screened Paris Aligned US Index PR	.SSPABUSP	DE000SLOC1S1
Solactive ISS ESG Screened Paris Aligned US Index NTR	.SSPABUSN	DE000SLOC1T9
Solactive ISS ESG Screened Paris Aligned US Index TR	.SSPABUST	DE000SLOC1U7
Solactive ISS ESG Screened Paris Aligned Europe Index PR	.SSPABEUP	DE000SLOC1L6
Solactive ISS ESG Screened Paris Aligned Europe Index NTR	.SSPABEUN	DE000SLOC1M4
Solactive ISS ESG Screened Paris Aligned Europe Index TR	.SSPABEUT	DE000SLOC1N2
Solactive ISS ESG Screened Paris Aligned Nordic Index PR	.SSPABNOP	DE000SLODXW4
Solactive ISS ESG Screened Paris Aligned Nordic Index NTR	.SSPABNON	DE000SLODXX2
Solactive ISS ESG Screened Paris Aligned Nordic Index TR	.SSPABNOT	DE000SLODXY0
Solactive ISS ESG Screened Paris Aligned Norway Index PR	.SSPABNWP	DE000SLODXZ7
Solactive ISS ESG Screened Paris Aligned Norway Index NTR	.SSPABNWN	DE000SLODX02
Solactive ISS ESG Screened Paris Aligned Norway Index TR	.SSPABNWT	DE000SLODX10

## Rationale for the Market Consultation

The underlying assets of the ISS ESG Screened Paris Aligned Index Series are selected in such a manner that the resulting benchmark portfolio's GHG emissions are aligned with the long-term global warming target of the Paris Climate Agreement, including only companies operating in accordance with market standards for responsible business conduct (Norms-Based Research) and controversial weapons. Those standards are based on established norms such as the United Nations Global Compact and the exclusion of significant involvement in defined sectors.



In order to reflect the latest market standards and requirements for sustainable investments and to strengthen the ESG focus of the index, Solactive intends to adjust the maximum revenue from coal-fired power generation in the fossil fuel exclusions filter in section 2.2 of the guidelines from 10% to 5%.

### Proposed Change to the Index Guideline

The following Methodology changes are proposed in the following point of the Index Guideline:

Section 2.2. "SELECTION OF THE INDEX COMPONENTS"

Exclusion Criterion: Fossil Fuel

From:

Exception 1:

Max 10% Production, Distribution & Exploration, min 10% Revenues from Renewable Energies Power Generation, max 10% Revenues from Coal Power Generation, Concrete science-based target

Exception 2:

0% Oil Extraction, Oil Refinement & Fossil Fuel Exploration, max 10% Oil distribution max 50% Gas Extraction, Gas Refinement & Fossil Fuel Distribution Concrete science-based target, min 10% Revenues from Renewable Energies Power Generation, max 10% Revenues from Coal Power Generation, company sector "Utilities" according to the FactSet sector classification system.

To:

Exception 2:

Max 10% Production, Distribution & Exploration, min 10% Revenues from Renewable Energies Power Generation, max 5% Revenues from Coal Power Generation, Concrete science-based target

Exception 2:

0% Oil Extraction, Oil Refinement & Fossil Fuel Exploration, max 10% Oil distribution, max 50% Gas Extraction, Gas Refinement & Fossil Fuel Distribution Concrete science-based target, min 10% Revenues from Renewable Energies Power Generation, max 5% Revenues from Coal Power Generation, company sector "Utilities" according to the FactSet sector classification system.



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 ISS ESG Screened Paris Aligned Index 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 2024-04-19.

Subject to feedback received on this Market Consultation, the changes mentioned above are intended to become effective at the next rebalancing for the series with selection date 2024-04-04.

Please send your feedback via email to [marketconsultation@solactive.com](mailto:marketconsultation@solactive.com), specifying "SOLACTIVE ISS ESG SCREENED PARIS ALIGNED INDEX 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.

# CONTACT

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