

MARKET CONSULTATION
SOLACTIVE GLOBAL
SUPERDIVIDEND REIT INDEX –
CHANGE OF METHODOLOGY

14 June 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 Global SuperDividend™ REIT (Net) Index	.SRETN	DE000SLOALS3
Solactive Global SuperDividend™ REIT Index	.SRET	DE000SLA0VW3
Solactive Global SuperDividend™ REIT Index (Price)	.SRETP	DE000SLA0VY9

Rationale for the Market Consultation

The Indices are currently rebalanced over a five-day rebalance period using Target Weights and the final Number of Total Shares after the last day of the rebalance period is achieved by implementing the Target Weights of each constituent successively in the same portion per day.

To improve replicability of the index during the rebalance period, Solactive proposes to implement Target Number of Total Shares of each constituent successively in the same portion per day instead of Target Weights. Weights which are defined on the Selection Day and Dividend Cut Review Day will be used to determine the Number of Total Shares of each Index Component as of Selection Day and Dividend Cut Review Day.



Proposed Changes to the Index Guideline

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

Section 2.4. Weighting of the Index Components

From:

On each ADJUSTMENT DAY each INDEX COMPONENT of the Solactive Global SuperDividend™ REIT Index is weighted equally after a five-day REBALANCE PERIOD as described in section 3.1.

On each DIVIDEND CUT ADJUSTMENT DAY, the company that is added to the INDEX at the quarterly reviews will be given the same target weight as the member that will be deleted, calculated based on the DIVIDEND CUT REVIEW DAY. In case more than one company is deleted, the cumulative weight of these companies is calculated and equally distributed among the replacements. Companies that remain in the INDEX will receive a target weight based on the weight as of the DIVIDEND CUT REVIEW DAY.

In addition, on each DIVIDEND CUT ADJUSTMENT DAY, the maximum aggregate weight of constituents with individual weight equal or greater than 4.8% must not exceed 20%. If this criterion is breached, all constituents with weights above 4.5% will be capped at 4.5% and the excess weight is redistributed equally to other non-capped stocks. The excess weight will not be redistributed to member which will be deleted on the quarterly review."

The target weights will be implemented after a five-day REBALANCE PERIOD as described in section 3.1.

To:

On each SELECTION DAY each INDEX COMPONENT of the Solactive Global SuperDividend™ REIT Index is weighted equally. The target Number of Total Shares will be implemented after a five-day REBALANCE PERIOD as described in section 3.1.

On each DIVIDEND CUT REVIEW DAY, the company that is added to the INDEX at the quarterly reviews will be given the same weight as the member that will be deleted, calculated based on the DIVIDEND CUT REVIEW DAY. In case more than one company is deleted, the cumulative weight of these companies is calculated and equally distributed among the replacements. Companies that remain in the INDEX will receive a weight based on the weight as of the DIVIDEND CUT REVIEW DAY.

In addition, on each DIVIDEND CUT REVIEW DAY, the maximum aggregate weight of constituents with individual weight equal or greater than 4.8% must not exceed 20%. If this criterion is breached, all constituents with weights above 4.5% will be capped at 4.5% and the excess weight is redistributed equally to other non-capped stocks. The excess weight will not be redistributed to member which will be deleted on the quarterly review."

The target Number of Total Shares will be implemented after a five-day REBALANCE PERIOD as described in section 3.1.



Section 3.1. Ordinary Rebalance

From:

In order to reflect the new selection of the INDEX COMPONENTS determined on the SELECTION DAY and DIVIDEND CUT REVIEW DAY (in accordance with Section 2) the INDEX is adjusted during the REBALANCE PERIOD.

The Target Weights which are defined on the SELECTION DAY and DIVIDEND CUT REVIEW DAY are used to determine the Number of Total Shares of each INDEX COMPONENT. The final Number of Total Shares after the last day of the REBALANCE PERIOD is achieved by implementing the Target Weights of each constituent successively in the same portion per day. [...]

To:

In order to reflect the new selection of the INDEX COMPONENTS determined on the SELECTION DAY and DIVIDEND CUT REVIEW DAY (in accordance with Section 2) the INDEX is adjusted during the REBALANCE PERIOD.

The Weights which are defined on the SELECTION DAY and DIVIDEND CUT REVIEW DAY are used to determine the Number of Total Shares of each INDEX Component as of SELECTION DAY/DIVIDEND CUT REVIEW DAY. The final Number of Total Shares after the last day of the REBALANCE PERIOD is achieved by implementing the Target Number of Total Shares of each constituent successively in the same portion per 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 Solactive Global SuperDividend REIT Index 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 June 28, 2024 (cob).

Subject to feedback received on this Market Consultation, the changes mentioned above are intended to become effective on July 15, 2024.

Please send your feedback via email to marketconsultation@solactive.com, specifying "Solactive Global SuperDividend REIT Index " 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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