

Zug, August 24th, 2023

Market Consultation on proposed changes to the iSTOXX Developed and Emerging Markets ex USA PK VN Real Estate Index

Dear Sir and Madam,

STOXX Ltd., the operator of Qontigo's index business and a global provider of innovative and tradable index concepts, decided to conduct a market consultation on proposed changes to the methodology of the iSTOXX Developed and Emerging Markets ex USA PK VN Real Estate Index.

The market consultation may or may not lead to changes in the index methodology.

Process and Timeline

STOXX invites relevant stakeholders and interested third parties to submit responses to consultation@stoxx.com.

The consultation is open to all market participants until September 8th, 2023.

STOXX intends to announce the results of the market consultation, as well as an announcement about potential changes to the index methodology, by September 22nd, 2023.

STOXX intends to implement the potential changes resulting from this consultation with the ordinary index review in December 2023.

Motivation for the Market Consultation

The proposed enhancements aim to provide liquidity screenings to ensure the replicability and trackability of the affected indices.

Proposed Treatments/Amendments

STOXX is looking to enhance the methodology of the iSTOXX Developed and Emerging Markets ex USA PK VN Real Estate Index with the below liquidity filters.

FILTER	CURRENT SCREEN	PROPOSED SCREEN
(a) Total market capitalization	Non existent	Any new components to the index must have a total market capitalization of at least USD 250 million at cut-off date. Existing components to the index must have a share market capitalization of at least USD 150 million at cut-off date.
(b) Free-Float market capitalization	Non existent	Any new components to the index must have a free-float market capitalization of at least USD 150 million at cut-off date. Existing components to the index must have a free-float market capitalization of at least USD 100 million at cut-off date.
(c) 3-month Average Daily Traded Value (ADTV)	Non existent	Any new components to the index must have a 3-month Average Daily Traded Value (ADTV) of at least USD 1.5 million at cut-off date. Existing components must have a 3-month Average Daily Traded Value (ADTV) of at least USD 0.5 million at cut-off date.

Affected Indices

iSTOXX Developed and Emerging Markets ex USA PK VN Real Estate

Questions

1. Do you agree to implement a total market capitalization filter [see (a) in the table]?
2. Do you agree to implement a free-float market capitalization filter [see (b) in the table]?
3. Do you agree to implement a 3-month ADTV filter [see (c) in the table]?
4. Do you agree that all aforementioned filters [(a), (b), (c) in the table] need to be fulfilled in order to stay in or be added to the index?
5. For the first implementation in the December 2023 index review only: How should the components that are already in the affected indices at the cut-off date for the ordinary index review of December 2023 be treated:
 - i. treat as **current components**: the current components would need to satisfy each "existing components" criteria
 - ii. treat as **new components**: all securities would need to satisfy each "new components" criteria