Zug, May 22nd, 2023

Market Consultation on the alignment of the special dividend treatment between STOXX & DAX Gross, Net and Price Return indices as well as Dividend Points/ Distribution Points indices

Dear Sir and Madam,

STOXX Ltd., the operator of Qontigo’s index business and a global provider of innovative and tradable index concepts, has decided to conduct a market consultation on the alignment of the special dividend treatment between STOXX & DAX Gross, Net and Price Return indices as well as Dividend Points/ Distribution Points indices.

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@qontigo.com.

The consultation is open to all market participants until June 19th, 2023.

STOXX intends to announce the results of the market consultation, as well as an announcement about potential changes to the index methodology, by June 30th, 2023.

Depending on the received feedback STOXX may implement proposed changes to STOXX Gross Return indices at December review 2023 and to DAX Price Return and DAX Dividend Points indices at March review 2024.

Motivation for the Market Consultation

In light of the announced changes to the DAX Equity Index calculation framework and thus further alignment of the DAX index calculation with the STOXX index calculation methodology, STOXX would like to seek market opinion on the proposed alignment of the taxation of special dividends between the STOXX and DAX index families.

The proposed changes shall further align the indices administered by STOXX with international industry standards and increase their replicability.

Additionally, STOXX would like to seek feedback on the incorporation of the taxation amount of special dividends in the DAX Dividend Points indices.

Proposed Treatments/Amendments

It is proposed to align the treatment of special dividends between the STOXX and DAX index families.

The following changes apply to STOXX indices: Currently, special dividends are reinvested as net amounts into STOXX Price, Gross and Net Return indices (see Table 1). STOXX proposes to change the reinvestment of special dividends from net amount to gross amount for STOXX Gross Return indices. STOXX Price Return and Net Return versions stay unaffected and remain with reinvestment as net amounts of special dividends.

The following changes apply to DAX indices: Currently, special dividends are reinvested as gross amounts into DAX Price Return and Gross Return indices and as net amounts in DAX Net Return indices. In DAX Dividend Points indices, special dividends are currently not considered (see Table 1). STOXX proposes to change the reinvestment of special dividends from gross amount to net amount in DAX Price Return Indices. DAX Gross Return and Net Return versions stay unaffected.

STOXX Customer Support: Tel. + 41 43 430 72 72, E-Mail: customersupport@stoxx.com
and remain with reinvestment as gross amounts (DAX Gross Return indices) and net amounts (DAX Net Return indices) of special dividends. Additionally, STOXX proposes to incorporate the taxation amount (Gross dividend * withholding tax) of special dividends in DAX Dividend Points indices.

All proposed changes and an overview of the proposed treatment of special dividends across STOXX and DAX indices can be found in Table 2.

Table 1: Current treatment of special dividends in STOXX and DAX indices

<table>
<thead>
<tr>
<th>Index type</th>
<th>STOXX – Special Dividend</th>
<th>DAX – Special Dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price return</td>
<td>Net amount</td>
<td>Gross amount</td>
</tr>
<tr>
<td>Gross return</td>
<td>Net amount</td>
<td>Gross amount</td>
</tr>
<tr>
<td>Net return</td>
<td>Net amount</td>
<td>Net amount</td>
</tr>
<tr>
<td>Dividend Points</td>
<td>Taxation amount</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Table 2: Proposed treatment of special dividends in STOXX and DAX indices. Proposed changes in green.

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Price return</td>
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</tr>
<tr>
<td>Gross return</td>
<td>Gross amount</td>
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<td>Net amount</td>
</tr>
<tr>
<td>Dividend Points</td>
<td>Taxation amount</td>
<td>Taxation amount</td>
</tr>
</tbody>
</table>

Affected Indices

- STOXX Gross Return Indices
- DAX Price Return Indices
- DAX Dividend Points Index family

Questions

1. Are you in favour of the proposed alignment of special dividends treatment in STOXX and DAX Gross Return indices by changing the existing methodology for STOXX Gross Return indices from reinvestment of the net amount to gross amount of special dividends (see table 2)? If not, please provide a rationale.

2. Are you in favour of the proposed alignment of special dividends treatment in STOXX and DAX Price Return indices by changing the existing methodology for DAX Price Return indices from reinvestment of the gross amount to net amount of special dividends (see table 2)? If not, please provide a rationale.

3. Are you in favour of the proposed alignment of special dividends treatment in STOXX DVP, STOXX Distribution Points and DAX Dividend Points indices by changing the existing methodology for DAX Dividend Points indices from not incorporating special dividends to incorporating the taxation amount of special dividends (see table 2)? If not, please provide a rationale.