

Zug, July 7th, 2026

Market Consultation on adjusting the free float logic for the STOXX World Equity Index Series

Dear Sir and Madam,

STOXX Ltd., the operator of ISS STOXX index business and a global provider of innovative and tradable index concepts, has decided to conduct a market consultation on adjusting the free float logic for the STOXX World Equity Index Series.

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 stox-consultation@iss-stox.com.

The consultation is open to all market participants until July 19th, 2026.

STOXX intends to announce the results of the market consultation, as well as an announcement about potential changes to the index methodology, by latest July 24th, 2026.

STOXX intends to implement the potential changes resulting from this consultation in the September 2026 index review.

Motivation for the Market Consultation

Market participants have provided feedback requesting a more granular and responsive methodology. In particular, clients highlighted the need to balance improved free float accuracy with turnover considerations. In response, STOXX proposes to refine the current approach by introducing band-specific rounding increments and corresponding buffer thresholds based on the prevailing free float level. This enhancement aims to increase precision while maintaining stability and controlling unnecessary changes, aligning the methodology more closely with evolving market standards.

Proposed Treatments/Amendments

A Current Rules

If a current (as of the cut-off) STOXX TMI free float does not exist for this security, then its new (as of the review date) STOXX TMI free float

- is rounded to the closest 1% if the STOXX TMI free float is lower than or equal to 15%, otherwise
- it is rounded up to the closest 5% if it is higher than 15%.

If a current (as of the cut-off) STOXX TMI free float exists for this security, then the following intervals are defined:

- The first interval for STOXX TMI free float is lower than, or equal to, 15%. Further intervals are then defined as $N\% < \text{STOXX TMI free float} \leq N\% + 5\%$, where $N = 15, 20, 25, \dots, 95$.
- If the new (as of the review date) STOXX TMI free float is higher than 15%, and it has changed its interval compared to the current (as of the cut-off) STOXX TMI free float, and the absolute free float change is less than one percentage point, then the new rounded STOXX TMI free float does not change and is set equal to the current rounded STOXX TMI free float.
- Otherwise, if the new (as of the review date) STOXX TMI free float is lower than or equal to 15% then it is rounded to the closest 1%. If it is higher than 15% then it is rounded up to the closest 5%.

B Proposed Rules

Rounding of the STOXX TMI free float

The STOXX TMI free float of each security is rounded as follows:

High STOXX TMI free float securities

For securities with a STOXX TMI free float greater than or equal to 25%: If a current (as of the cut-off) STOXX TMI free float does not exist for this security, then its new (as of the review date) STOXX TMI free float is rounded to the nearest 2.5%. If a current (as of the cut-off) STOXX TMI free float exists for this security, a change to an updated rounded STOXX TMI free float is implemented only if the absolute change of the current rounded STOXX TMI free float versus the updated STOXX TMI free float exceeds 2.5%.

Medium STOXX TMI free float securities

For securities with a STOXX TMI free float less than 25% and greater than or equal to 5%: If a current (as of the cut-off) STOXX TMI free float does not exist for this security, then its new (as of the review date) STOXX TMI free float is rounded to the nearest 0.5%. If a current (as of the cut-off) STOXX TMI free float exists for this security, a change to an updated rounded STOXX TMI free float is implemented only if the absolute change of the current rounded STOXX TMI free float versus the updated STOXX TMI free float exceeds 0.5%.

Low STOXX TMI free float securities

For securities with a STOXX TMI free float less than 5%: If a current (as of the cut-off) STOXX TMI free float does not exist for this security, then its new (as of the review date) STOXX TMI free float is rounded to the nearest 0.1%. If a current (as of the cut-off) STOXX TMI free float exists for this security, a change to an updated rounded STOXX TMI free float is implemented only if the absolute change of the current rounded STOXX TMI free float versus the updated STOXX TMI free float exceeds 0.1%.

Treatment of band transitions

A change in the STOXX TMI free float is implemented only if the absolute deviation between the updated STOXX TMI free float and the current rounded STOXX TMI free float exceeds the buffer corresponding to the band in which the current STOXX TMI free float is. If this condition is met, the updated STOXX TMI free float is determined by rounding the updated STOXX TMI free float in accordance with the rounding increment of the band defined by that updated STOXX TMI free float. If the condition is not met, the rounded STOXX TMI free float remains unchanged.

Affected Indices

The changes may affect the respective STOXX World Equity Index Series. Below is a subset of indices that may be indirectly impacted by the proposed rule, provided as an illustrative subset rather than a complete list.

STOXX World AC All Cap
STOXX World AC
STOXX Developed World
STOXX Developed World Small Cap
STOXX Developed World All Cap
STOXX Emerging Markets
STOXX Emerging Markets Small Cap
STOXX Emerging Markets All Cap
STOXX North America
STOXX Developed Europe
STOXX Developed Europe ex UK
STOXX Europe AC
STOXX Developed Asia Pacific ex Japan
STOXX Developed Asia Pacific
STOXX International Developed Markets
STOXX International Developed Markets Small Cap

The complete set of impacted STOXX World indices can be retrieved from the [STOXX Vendor Code Sheet](#) under the following package names:

STOXX World All Country All Cap
STOXX World All Country Large and Mid cap
STOXX World All Country Sector
STOXX World All Country Small cap
STOXX World Developed All Cap
STOXX World Developed Large and Mid cap
STOXX World Developed Sector
STOXX World Developed Small cap
STOXX World Emerging All Cap
STOXX World Emerging Large and Mid cap
STOXX World Emerging Sector
STOXX World Emerging Small cap

Questions

1. Do you agree to adjust the current free float logic to the new as shown in B in the table above?

If your answer to the above question is NO, please kindly explain your rationale.