Market Consultation

Zug, July 10th, 2026

Market Consultation on proposed changes to the EURO STOXX 50 Index and its derived indices

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 proposed changes to the EURO STOXX 50 Index and its derived 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 stoxx-consultation@iss-stoxx.com or via this online survey.

The consultation is open to all market participants until September 4th, 2026.

STOXX intends to announce the results of the market consultation, as well as an announcement about potential changes to the index methodology, by October 2nd, after 10 p.m. CET.

STOXX intends to implement the potential changes resulting from this consultation earliest by September 2027 and latest September 2029 subject to the overall feedback on the proposed changes and the timing of the implementation of changes.

Motivation for the Market Consultation

The EURO STOXX 50 is a longstanding and widely used blue-chip benchmark with a deep and diverse ecosystem. It serves as the primary underlying for derivatives, Exchange Traded Funds, passive mandates and a broad range of structured products. It is also the foundation for several related indices including the EURO STOXX 50 Dividend Points Index, the EURO STOXX 50 ESG Index and the VSTOXX.

Given its central role across investment, hedging and structured product use cases, the EURO STOXX 50 seeks to retain its objective of ensuring continued representativeness, investability and responsiveness. After careful consideration and assessment of the proposed changes to the ecosystem, STOXX will consult on three aspects: supersector capping, review frequency and alignment of Fast Exit rules in rebalance months.

In addition to the proposed methodological changes, STOXX is carefully considering the implementation process and seeking feedback from market participants regarding the preferred timing of implementation, including whether the changes should be introduced all at once or through a staggered approach that allows a phased transition. This consultation aims to ensure that the implementation approach supports market stability and reflects the operational preferences of index users.

STOXX, in connection with this market consultation, provides supplemental documents available in the Market Consultation section of its website. These documents present historical backtests, including risk and return characteristics as well as country and industry allocations for each scenario. The analyses cover the EURO STOXX 50, EURO STOXX 50 ESG, EURO STOXX 50 ESG+, EURO STOXX 50 ESG-X, EURO STOXX 50 DVP, EURO STOXX 50 Distribution Points, and EURO STOXX 50 Equal Weight indices. Readers are encouraged to review the supplemental documents alongside this market consultation.

A. Removing the current Supersector Capping rule

Removing the Supersector Capping rule would allow companies with the highest free-float market capitalization to enter the index. This would strengthen the alignment between index and actual market composition of the Eurozone while increasing transparency and simplicity for market participants.

B. Introducing a semi-annual index review in March and September

Currently, companies that experience material growth in free-float market capitalization may need to wait until the September review for potential inclusion to the EURO STOXX 50 index. This timing may delay the reflection of structural market developments and reduce the timeliness of the index as a measure of Eurozone market leadership. Introducing a semi-annual review in March and September would allow faster assessment of companies that have risen in free-float market capitalization while buffers will continue to apply and will maintain index stability.

C. Aligning Fast Exits with the regular review and rebalance timing

At present, Fast Exit can lead to constituent changes on the fifth trading day of a month. Fast Exit changes may also occur in rebalance months in March, June and December and the review month in September. Consolidating constituent changes into a single effective date within rebalance review months will reduce unnecessary turnover and operational burden while preserving the integrity of the Fast Exit mechanism.

The supplemental documents display three scenarios: removing supersector capping while keeping annual review, keeping supersector capping while introducing semi-annual review, and removing supersector capping and introducing semi-annual review. The analysis indicates that index levels from September 2012 onwards would have been higher than those of the prevailing EURO STOXX 50. Historical backtests show that removing the supersector capping or introducing a semi-annual review or the combination thereof, would have resulted in higher overall returns across various periods. In the historical analysis the risk-adjusted returns are higher or comparable to the prevailing EURO STOXX 50. The backtested scenarios also show varying country and industry allocations compared to the actual EURO STOXX 50. Please see the supplemental documents for further details.

Proposed Treatments/Amendments

# Current Rule	Proposed Rule
A. Removing the current Supersector Capping rule	
1. Effective up until September 2020 review, for each of the 19 EURO STOXX Supersector indices, the stocks are ranked in terms of free-float market capitalization. Effective with September 2020 review, for each of the 20 EURO STOXX Supersector indices, the stocks are ranked in terms of free-float market capitalization. **The largest stocks are added to the selection list until the coverage is close to, but still less than, 60% of the free-float market capitalization of the corresponding EURO STOXX TMI Supersector Index. If the next highest-ranked stock brings the coverage closer to 60% in absolute terms, then it is also added to the selection list**. All current EURO STOXX 50 Index stocks are added to the selection list. 2. All the stocks on the selection list are then ranked in terms of free-float market capitalization to produce the final index selection list. 3. The largest 40 stocks on the selection list are selected; the remaining 10 stocks are selected from the largest remaining current stocks ranked between 41 and 60; if the number of stocks selected is still below 50, then the largest remaining stocks are selected until there are 50 stocks.	1. All stocks from the EURO STOXX index are added to the selection list in descending order of free-float market capitalization. All current EURO STOXX 50 Index components are added to the selection list. 2. All the stocks on the selection list are then ranked in terms of free-float market capitalization to produce the final index selection list. 3. The largest 40 stocks on the selection list are selected; the remaining 10 stocks are selected from the largest remaining current stocks ranked between 41 and 60; if the number of stocks selected is still below 50, then the largest remaining stocks are selected until there are 50 stocks. The minimum liquidity criteria of the parent index, EURO STOXX index, applies.

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B. Introducing a semi-annual index review in March and September

Review Frequency: The index is reviewed annually in September. The review cut-off date is the last trading day of August.	Review Frequency: The index is reviewed **semi-annually in March and September**. The review cut-off date is the last trading day **of February and August.**

C. Aligning Fast Exits with the regular review and rebalance timing

Fast exit: The components are monitored for any changes based on the monthly selection list ranking, i.e. on an ongoing monthly basis. A component is deleted if: » it ranks 75 or below on the monthly selection list; and » it ranked 75 or below on the selection list of the previous month. The announcement will be on the first trading day of the month after the close of markets. The addition will be announced based on the monthly selection list, i.e. the highest-ranked non-component will be selected. Changes will be implemented on the close of the fifth trading day and are effective the next trading day	Fast exit: The components are monitored for any changes based on the monthly selection list ranking, i.e. on an ongoing monthly basis. A component is deleted if: » it ranks 75 or below on the monthly selection list; and » it ranked 75 or below on the selection list of the previous month. The announcement will be on the first trading day of the month after the close of markets. The addition will be announced based on the monthly selection list, i.e. the highest-ranked non-component will be selected. Changes will be implemented on the close of the fifth trading day and are effective on the next trading day. **Fast Exit changes occurring in March, June, September or December are implemented on the close of the third Friday of March, June, September or December and are effective on the next trading day.**

Affected Indices

The changes may affect the EURO STOXX 50 Index and all indices that reference EURO STOXX 50 as a parent universe. 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.

EURO STOXX 50
EURO STOXX 50 ESG
EURO STOXX 50 ESG+
EURO STOXX 50 ESG-X
EURO STOXX 50 DVP
EURO STOXX 50 Distribution Points
EURO STOXX 50 Equal Weight

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Questions

Removing the current Supersector Capping rule

1. Do you agree to the removal of the Supersector Capping rule from the EURO STOXX 50 methodology to allow constituent selection purely based on free-float market capitalization as shown in section A of the table above?
2. Assuming the proposed methodology changes are adopted, when would you prefer the implementation to take place? Multiple selections are permissible.
    a. September 2027
    b. March 2028
    c. September 2028
    d. March 2029
    e. September 2029

Introducing semi-annual review

3. Do you agree to the introduction of a semi-annual index review for the EURO STOXX 50 with reviews in March and September as shown in section B of the table above?
4. Assuming the proposed methodology changes are adopted, when would you prefer the implementation to take place? Multiple selections are permissible.
    a. September 2027
    b. March 2028
    c. September 2028
    d. March 2029
    e. September 2029

Aligning Fast Exits with the regular review and rebalance timing

5. Do you agree on aligning the Fast Exit implementation in the existing review and rebalance months so that any Fast Exit changes become effective together with the quarterly rebalance or index review on the close of the third Friday of these months as shown in section C of the table above?
6. Assuming the proposed methodology changes are adopted, when would you prefer the implementation to take place? Multiple selections are permissible.
    a. September 2027
    b. March 2028
    c. September 2028
    d. March 2029
    e. September 2029

7. Please indicate whether the proposed changes should be introduced all at once or through a staggered approach that allows a phased transition.

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