

Zug, April 18th, 2023

Results of Market Consultation on proposed changes to the STOXX SRI Indices Methodology

Dear Sir and Madam,

STOXX Ltd., the operator of Qontigo's index business and a global provider of innovative and tradable index concepts, announces the results of the market consultation on proposed changes of the methodology of the STOXX SRI Indices, published on March 22nd, 2023.

Proposed enhancements aim to help investors align their ESG objectives with the current developments in the sustainable finance space - i.e. Sustainable Finance Disclosure Regulation (SFDR)¹ and the Markets in Financial Instruments Directive II (MiFID II)². The new screens have the objective of a stricter ESG screening criteria as well as broadening considerations of some SFDR principal adverse impact (PAI) indicators, at the same time keeping to a consistent threshold approach and maintaining a close tracking error to the parent benchmarks.

Results

During the course of the market consultation conducted from March 22nd, 2023 to April 14th, 2023, the respondents agreed unanimously with the proposed methodology changes.

Affected Indices

STOXX Asia/Pacific 600 SRI
STOXX Europe 600 SRI
STOXX Global 1800 SRI
STOXX Japan 600 SRI
STOXX North America 600 SRI
STOXX USA 500 SRI

Decision

STOXX decided to apply the following methodology changes:

	NEW SCREENS
(a) ESG Controversy	STOXX will exclude companies that Sustainalytics identifies to have a Controversy Rating of Category 5 (Severe)
(b) ESG Risk Ratings	STOXX will exclude companies that Sustainalytics identifies to have a "Severe" ESG Risk Rating.

Furthermore, STOXX will implement an intra-quarter fast exit rule for severe ESG Controversies.

STOXX intends to implement the changes no later than with the ordinary review on June 19th, 2023.

¹ https://eur-lex.europa.eu/eli/reg_del/2022/1288

² <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32021R1253>