

Zug, August 12, 2020

Results of Market Consultation on the treatment of insolvencies in DAX Selection Indices

Dear Sir and Madam,

STOXX Ltd., announces the results of the market consultation on the treatment of insolvencies in DAX Selection Indices published on July 17, 2020.

The complete market consultation, including the questions market participants were asked to provide feedback on, is available under:

https://www.dax-indices.com/documents/dax-indices/Documents/Resources/Market_Consultation/STOXX%20Market%20Consultation%20Insolvencies%20DAX%20Selection%20Indices_EN.pdf.

SUMMARY

After carefully considering the results of the Market Consultation, STOXX has decided to implement the rule changes as proposed.

RESULTS

In the period between July 17, 2020 and August 7, 2020, STOXX has received a total 111 responses to the market consultation, with the following distribution of respondents:

- Financial professionals: 23
- Retail investors: 88

Question 1 related to the change of treatment of an Insolvency Event

Financial professionals almost unanimously provided an affirmative response to the question of whether companies incurring into an Insolvency Event should be removed from the indices with two days-notice from the time at which STOXX has become aware of the event.

Retail investors predominantly requested that the company Wirecard be removed from the DAX in the shortest time possible. This feedback has been interpreted by STOXX as an affirmative response to the question matter of consultation.

Question 2 related to the scope of the definition of Insolvency Event

Most of the respondents, especially among retail investors, did not provide feedback to the question.

Among the respondents who did provide feedback, the majority of financial professionals agreed that bank resolution and restructuring proceedings under the EU Bank Recovery and Resolution Directive are not deemed to be Insolvency Events, while retail investors expressed the opposite opinion.

Overall, the majority of the respondents who provided feedback agreed that bank resolution and restructuring proceedings under the EU Bank Recovery and Resolution Directive are not deemed to be Insolvency Events.

DECISION

STOXX decided to implement the rule changes and adopt the definition of Insolvency Event as proposed in the market consultation.

As a consequence, the definitions and procedures described in section 5.1.1 Insolvency of Companies of the Guide to the DAX Equity Indices will be replaced by the following:

For the purpose of this Section 5.1.1 the following definitions shall apply:

- “Insolvency Proceeding” shall refer to any applicable insolvency, bankruptcy, dissolution, liquidation or winding up proceedings or similar proceedings in relation to the assets of such Constituent. An “Insolvency Event” in relation to a company which is a constituent of an equity index (“Constituent”) shall be deemed to have occurred if STOXX has been informed by the Constituent, or a national competent authority, or a court in writing or through public announcement (other than by entry into a register) that (i) Insolvency Proceedings over the assets of the Constituent will be filed or have been filed for, or (ii) that Insolvency Proceedings have been opened in relation to the Constituent, or (iii) the Constituent seeks or becomes subject to the appointment of an administrator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets, or (iv) the Insolvency Proceedings are rejected due to a lack of assets, or (v) Constituent is in liquidation, be it as a result of Insolvency Proceedings or a shareholders’ decision or otherwise.
- For the avoidance of doubt, a resolution and/or restructuring measures under the European Bank Recovery and Resolution Directive (or comparable third country legislation which stipulate that banks shall be subject to an extraordinary restructuring proceeding) shall not be considered as Insolvency Events.
- If an Insolvency Event occurred in relation to a Constituent, the securities of the Constituent shall be deleted from the index based on the traded stock price on its primary market, if available; if the last price is not available, the Constituent will be deleted at market close in local currency of 0.001.
- The Constituent shall be extraordinarily replaced in the Selection Indices. Such replacement shall be announced at 22:00 CET on the day STOXX became aware of the Insolvency Event based on publicly available information. The change shall be implemented two (2) trading days after the calendar day of the announcement by STOXX and shall become effective the next trading day after implementation. In case such security has already been announced as a new

index constituent or replacement for a current index constituent, the announcement will be revoked, and a new constituent implemented with two (2) trading days' notice. This may lead to an index with less constituents than required by the index methodology until a replacement is effective.

- The securities of a Constituent for which an Insolvency Event occurred are not eligible as an index constituent or replacement index constituent for any future selection, with immediate effect at the date of STOXX' announcement. The respective securities will be kept on the monthly index ranking list without receiving a rank.
- The respective securities may receive a rank again once the proceedings in relation to the Insolvency Event have been concluded resulting in the continuance of the business operated by the issuer of the security, but not earlier than one (1) calendar year after exclusion became effective.

IMPLEMENTATION TIMELINE

All rule changes will be implemented on August 18, 2020 and be effective on August 19, 2020.

As a result of the application the new rule, changes to the composition of DAX Selection Indices will be communicated at the earliest on August 19, 2020 after 22:00 CET and implemented on August 21, 2020 after market close. The affected indices will be calculated with the new composition as of August 24, 2020.

For the avoidance of doubts, the rule changes will apply to any current constituent of the DAX Selection Indices for which an Insolvency Event has occurred previously and for which Insolvency Proceedings are ongoing.

STOXX Ltd. is the index providing subsidiary of Qontigo GmbH. As a global index provider, Stoxx is currently calculating a global, comprehensive index family of over 10,000 strictly rules-based and transparent indices. Best known for the leading European equity indices EURO STOXX 50, STOXX Europe 50 and STOXX Europe 600, STOXX indices are licensed to more than 600 companies around the world as underlyings for Exchange Traded Funds (ETFs), futures and options, structured products and passively managed investment funds.