

Zug, July 31<sup>st</sup>, 2023

## Market Consultation on the switch of the weighting scheme of several DAX equity indices from full market capitalization to free float market capitalization weighted

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 switch of the weighting scheme of several DAX equity indices from full market capitalization to free float market capitalization weighted.

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](mailto:consultation@qontigo.com).

The consultation is open to all market participants until August 21<sup>st</sup>, 2023.

STOXX intends to announce the results of the market consultation, as well as an announcement about potential changes to the index methodology, by September 1<sup>st</sup>, 2023.

Depending on the received feedback STOXX may implement proposed changes with effect in the first half of 2024.

### Motivation for the Market Consultation

The majority of market capitalization weighted indices administrated by STOXX adjust the market capitalization by the free float of the respective securities to ensure the liquidity and representativeness of the index portfolio with respect to the represented market.

STOXX now intends to switch several indices that are currently full market capitalization weighted to free float market capitalization weighted. This will enhance the quality of those indices in terms of representativeness and replicability and will further align the STOXX index offering to international standards.

### Proposed Treatments/Amendments

The affected indices are currently full market capitalization weighted. STOXX proposes to switch the weighting scheme for the affected indices from full market capitalization weighted to free float market capitalization weighted. Details on the free float determination for DAX indices can be found in section 2.3 of the [Guide to the DAX Equity Indices](#).

Free float market capitalization refers to the product of free float and market capitalization (cf. section 2.4 of the [Guide to the DAX Equity Indices](#)).

### Affected Indices

Scale 30

General All Share

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Scale All Share

DAXsector All

DAXsubsector All

## Questions

1. Are you in favour of the proposed methodology change to switch the weighting scheme of the affected indices from full market capitalization to free float market capitalization weighted?