SOLACTIVE
German Index Engineering

MARKET CONSULTATION: SOLACTIVE AUSTRALIAN BANK SENIOR FLOATING RATE BOND INDEX'S METHODOLOGY CHANGE

29 October 2026

Content of the Market Consultation

Solactive AG has decided to conduct a Market Consultation with regard to changing the Index Methodology of the following Index (the 'Index'):

NAME	RIC	ISIN
Solactive Australian Bank Senior Floating Rate Bond Index	. SOLAUSFR	DE000SLA3C32

Rationale for the Market Consultation

As assets tracking the index continue to grow, ensuring adequate liquidity and capacity within the eligible universe has become increasingly important. We are therefore proposing methodology changes that support the expansion of universe of qualifying bonds and broaden the pool of eligible securities. This change is expected to improve diversification across constituents, enhance index liquidity and capacity, and support efficient replication, helping to maintain the index's investability and scalability over time.

Proposed Changes to the Index Guideline

The following Methodology changes are proposed in the listed points of the Index Guideline (Highlighted text indicates the proposed updates for ease of review):

Section	Current Guideline (v1.6)	*Proposed Guideline (v1.7)*
2.1. SELECTION OF THE INDEX COMPONENTS	From the Selection Pool, a maximum of 14 securities are selected where 8 are issued by Australian banks from Band 1 and 6 are issued by Australian banks from Band 2.	*From the Selection Pool, a maximum of 28 securities are selected where up to 16 are issued by Australian banks from Band 1 and up to 12 are issued by Australian banks from Band 2.*
2.1. SELECTION OF	From Band 1, for each issuer, the securities with the longest	*From Band 1, for each issuer, the securities with the longest term to maturity (up to a*

THE INDEX COMPONENTS	term to maturity (up to a maximum of two securities per issuer) are selected.	*maximum of four securities per issuer) are selected.*
2.1. SELECTION OF THE INDEX COMPONENTS	From Band 2, for each issuer, the securities with the longest term to maturity (up to a maximum of one security per issuer) are selected.	*From Band 2, for each issuer, the securities with the longest term to maturity (up to a maximum of two securities per issuer) are selected.*
2.1. SELECTION OF THE INDEX COMPONENTS	Securities have an Amount Outstanding of at least AUD 500 million.	*For Band 1, securities have an Amount Outstanding of at least AUD 1 billion. For Band 2, securities have an Amount Outstanding of at least AUD 500 million.*
2.2.WEIGHTING OF THE INDEX COMPONENTS	On each SELECTION DAY each INDEX COMPONENT is weighted using the market value based on the EVALUATED MID PRICE and accrued interest as on the SELECTION DAY in order to achieve the aim of the INDEX. The weighting of the INDEX COMPONENTS	On each SELECTION DAY each INDEX COMPONENT is weighted using the market value based on the EVALUATED MID PRICE and accrued interest as on the SELECTION DAY in order to achieve the aim of the INDEX. The weighting of the INDEX COMPONENTS will be as follows: - Band 1 is allocated 80% of the Index. Each eligible Band 1 issuer receives an equal share of the Band 1 allocation (20% per issuer when all four are eligible). - Band 2 is allocated 20% of the Index. Each eligible Band 2 issuer receives an equal share of the Band 2 allocation, except that Macquarie Bank Limited receives two shares when it meets the Macquarie share qualifier below. **Macquarie share qualifier**

	will be as follows: • The weight of bonds issued by Australian banks from Band 1 equals 80% • The weight of bonds issued by Australian banks from Band 2 equals 20% Within each Band securities are equally weighted. For bonds in Band 2, if a bond has a weight in excess of 5%, the weight of that bond will be capped to 5% and the excess weight will be distributed proportionally across the securities in Band 1*. In case there are no eligible bonds issued by Australian banks from Band 2, the 20% weight of Band 2 will be distributed proportionally across the	Macquarie Bank Limited meets the Macquarie share qualifier when it has two eligible bonds and both have an Amount Outstanding of at least AUD 1 billion on the Selection Day. Otherwise it is treated in the same way as the other Band 2 issuers (one share, 5% issuer cap). The AUD 1 billion threshold determines Macquarie Bank Limited's share only. It is not an inclusion criterion: Macquarie Bank Limited's bonds are selected under the standard Band 2 rules. **Issuer caps** The combined weight of each Band 2 issuer is capped at 5% of the Index, or 10% for Macquarie Bank Limited when it meets the Macquarie share qualifier. No cap applies to Band 1 issuers. **Cap-excess redistribution** Any weight above a Band 2 issuer cap is distributed equally across the eligible Band 1 issuers and added to their shares before the Band 1 ladder is applied. **Fallback rules** 1. No eligible Band 2 issuers: the 20% Band 2 allocation is distributed equally across the eligible Band 1 issuers. 2. A Band 2 issuer with no eligible bonds receives no share. The 20% Band 2 allocation is shared among the remaining eligible Band 2 issuers as set out above, including Macquarie Bank Limited's two shares where it meets the Macquarie share qualifier. Issuer caps then apply, and any excess is distributed under the cap-excess redistribution rule. 3. A Band 1 issuer with no eligible bonds receives no share. The 80% Band 1 allocation is shared equally among the remaining eligible Band 1 issuers.

securities in Band 1. *E.g., if there are only three eligible securities in Band 2, each will have a capped weight of 5% (for a total of 15% in Band 2), and an excess weight of 1.67% (being 6.67% minus 5%). The total excess weight of 5% is distributed pro rata across the Band 1 securities. Thus, if there are 8 securities in Band 1, each of the 8 will be upweighted from 10% to 10.625%

4. A Band 1 issuer with fewer than four eligible bonds still receives its full share, split using the column of the Band 1 ladder matching the number of bonds held (three bonds: 45/33/22; two bonds: 50/50; one bond: 100%).

Within each issuer, the issuer's total weight (including any redistributed excess) is split across its bonds as follows:

An issuer's share is split across its bonds using a longest-first ladder, by number of bonds held. Band 1 and Band 2 use separate ladders.

Band 1 ladder:

Rank by maturity	*4 bonds*	*3 bonds*	*2 bonds*	*1 bond*
1 (longest)	*40%*	*45%*	*50%*	*100%*
2	*30%*	*33%*	*50%*	
3	*20%*	*22%*		
4	*10%*			

Band 2 ladder:

Rank by maturity	*2 bonds*	*1 bond*
1 (longest)	*67%*	*100%*
2	*33%*	

Worked example

Band 1: issuers A and C each have four eligible bonds, issuer B has three and issuer

		D has two. Band 2: Macquarie Bank Limited has two eligible bonds, both with an Amount Outstanding of at least AUD 1 billion, and issuer E has two eligible bonds. No other Band 2 issuer has eligible bonds. Band 2: Macquarie Bank Limited has two shares and issuer E one, so one share is 20% / 3 = 6.67%. Macquarie Bank Limited's 13.33% is capped at 10% and issuer E's 6.67% is capped at 5%. The total excess of 5% is distributed equally across the four Band 1 issuers (1.25% each). Band 1: each issuer receives 20% + 1.25% = 21.25%, split using the Band 1 ladder: issuers A and C 8.50% / 6.375% / 4.25% / 2.125%; issuer B 9.5625% / 7.0125% / 4.675%; issuer D 10.625% / 10.625%. Band 2: Macquarie Bank Limited 6.70% / 3.30%; issuer E 3.35% / 1.65%. The weights sum to 100%.
2.3. TRANSITIONAL PROVISIONS	n/a	The changes in version 1.7 of this Guideline are implemented in two phases. **Phase 1** applies to the selection on the Selection Day of 19 November 2026 for the Rebalance Day of 30 November 2026. For this selection, Sections 2.1 and 2.2 of version 1.6 of this Guideline apply, with the following changes: (i) From Band 1, for each issuer, up to three securities with the longest term to maturity are selected (a maximum of 12 Band 1 securities and 18 securities in total). (ii) Band 1 is allocated 80% of the Index. Each eligible Band 1 issuer receives an equal share of that allocation (20% per issuer when all four are eligible), split across its bonds using the Band 1 ladder in Section 2.2 (three bonds: 45/33/22; two bonds: 50/50; one bond: 100%). (iii) All other rules of version 1.6 apply unchanged, including the AUD 500 million minimum Amount Outstanding for all

		securities, one security per Band 2 issuer, equal weighting of Band 2 securities with a 5% cap per security, and the proportional distribution of any Band 2 excess weight across the Band 1 securities. **Phase 2** applies from the Selection Day of 17 February 2027 for the Rebalance Day of 26 February 2027, and to every selection after that. From Phase 2, Sections 2.1 and 2.2 of this version apply in full.

Implementation of changes in two phases

To facilitate an orderly transition and provide market participants with sufficient time to adapt to the revised methodology, the proposed changes will be implemented in two phases:

1. Phase 1 applies to the selection on the Selection Day of 19 November 2026 for the Rebalance Day of 30 November 2026. For this selection, Sections 2.1 and 2.2 of version 1.6 of this Guideline apply, with the following changes:

(i) From Band 1, for each issuer, up to three securities with the longest term to maturity are selected (a maximum of 12 Band 1 securities and 18 securities in total).

(ii) Band 1 is allocated 80% of the Index. Each eligible Band 1 issuer receives an equal share of that allocation (20% per issuer when all four are eligible), split across its bonds using the Band 1 ladder in Section 2.2 (three bonds: 45/33/22; two bonds: 50/50; one bond: 100%).

(iii) All other rules of version 1.6 apply unchanged, including the AUD 500 million minimum Amount Outstanding for all securities, one security per Band 2 issuer, equal weighting of Band 2 securities with a 5% cap per security, and the proportional distribution of any Band 2 excess weight across the Band 1 securities.

2. Phase 2 applies from the Selection Day of 17 February 2027 for the Rebalance Day of 26 February 2027, and to every selection after that. From Phase 2, Sections 2.1 and 2.2 of this version apply in full.

This phased approach is intended to support a smooth implementation process while gradually increasing index capacity.

Feedback on the proposed changes

If you would like to share your thoughts with Solactive, please use this consultation form and provide us with your personal details and those of your organization.

Name	
Function	

Organization	
Email	
Phone	
Confidentiality (Y/N)	

Solactive is inviting all stakeholders and interested third parties to evaluate the proposed changes to the Methodology for the Solactive Australian Bank Senior Floating Rate Bond Index and welcomes any feedback on how this may affect and/or improve their use of Solactive indices.

Consultation Procedure

Stakeholders and third parties who are interested in participating in this Market Consultation, are invited to respond until 12 November 2026.

Please send your feedback via email to marketconsultation@solactive.com, specifying "**Market Consultation : Solactive Australian Bank Senior Floating Rate Bond Index's Methodology Change"** as the subject of the email, or via postal mail to: **Solactive AG**

Platz der Einheit 1

60327 Frankfurt am Main

Germany

Should you have any additional questions regarding the consultative question in particular, please do not hesitate to contact us via above email address.

CONTACT

Solactive AG
German Index Engineering
Platz der Einheit 1
60327 Frankfurt am Main
Germany
Tel.: +49 (0) 69 719 160 00
Fax: +49 (0) 69 719 160 25
Email: info@solactive.com
Website: www.solactive.com

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