

Reply form

for the Consultation Paper on the methodology for the calculation of market capitalisation



Responding to this paper

ESMA invites comments on all matters in this consultation paper and in particular on the specific questions. Comments are most helpful if they:

- respond to the question stated;
- indicate the specific question to which the comment relates;
- contain a clear rationale; and
- describe any alternatives ESMA should consider.

ESMA will consider all comments received by **25 July 2025**.

Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

1. Insert your responses to the questions in the Consultation Paper in the present response form.
2. Use this form and send your responses in Word format (**pdf documents will not be considered except for annexes**);
3. Please do not remove tags of the type <ESMA_QUESTION_MCAP_1>. Your response to each question has to be framed by the two tags corresponding to the question.
4. If you do not wish to respond to a given question, please do not delete it but simply leave the text "TYPE YOUR TEXT HERE" between the tags.
5. When you have drafted your response, name your response form according to the following convention: ESMA_EUGB_nameofrespondent_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA_ESGR_ABCD_RESPONSEFORM.
6. Upload the form containing your responses, **in Word format**, to ESMA's website (www.esma.europa.eu under the heading "Your input – Open Consultations" -> Consultation Paper on technical standards on the European Green Bonds Regulation").

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publically disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA's Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at www.esma.europa.eu under the heading [Legal Notice](#).

Who should read this paper

All interested stakeholders are invited to respond to this Consultation Paper. In particular, ESMA encourages entities that intend to apply for registration as external reviewers of European Green Bonds, as well as financial market participants who have or intend to issue or invest in green bonds or sustainability-linked bonds, to participate.

General information about respondent

Name of the company / organisation	Deutsche Börse Group (DBG)
Activity	Regulated markets/Exchanges/Trading Systems
Are you representing an association?	<input type="checkbox"/>
Country/Region	Germany

Questions

- Q1 Do you agree with the proposed approach of using the average of up to the last 100 transactions within the final 15 minutes before the last trade of the year of each share on the most liquid EU trading venue to determine end-of-year share prices? Alternatively, should a longer-term average be considered to better account for potential price volatility?**

<ESMA_QUESTION_MCAP_1>

DBG does not consider that using the last 100 transactions within the final 15 minutes before the last trade of the year is a good solution. We believe that it would be more reliable and easier to use the closing price of the most liquid trading venue that offers a closing auction for the calculation of the market capitalisation for the relevant instrument on the last trading day of the year. Indeed in particular on regulated markets, the price determined at the end of the closing auction would be the last traded price; it is the price widely used by asset managers for the valuation of their portfolios, and this price is usually also used as a reference price by some alternative closing models which will propose to match volumes before the end of the closing auction on the regulated market and close the transactions at the imported closing auction price. Moreover, looking at a 15-minute window would usually include not only the closing auction but also some transactions concluded before the auction, with a significant price difference. For less liquid stocks we believe that the last traded price remains the more informative, whereas looking at several transactions over a certain period of time would introduce an element of volatility due to liquidity management.

<ESMA_QUESTION_MCAP_1>

- Q2 Do you agree with the proposed methodology for calculating market capitalisation at the LEI level, including the grouping of multiple ISINs associated with a single LEI, such as in cases involving multiple share classes, and the exclusion of terminated ISINs to ensure that only the most recent, active instruments are considered in the calculation? If not, please provide your reasoning and suggest any alternative approaches you consider more appropriate.**

<ESMA_QUESTION_MCAP_2>

DBG agrees with the methodology proposed by ESMA for calculating market capitalisation at the LEI level.

<ESMA_QUESTION_MCAP_2>

Q3 Do you agree with the approach of using the legal address as the basis for determining an entity's country for market capitalisation aggregation, instead of the headquarters address, which refers to the location of senior management and operational control? If not, please explain your preference.

<ESMA_QUESTION_MCAP_3>

DBG agrees with the approach proposed by ESMA of using the legal address as the basis for determining an entity's country for market capitalisation aggregation.

<ESMA_QUESTION_MCAP_3>