Index Methodology Update for iEdge Southeast Asia+ TECH Index

CSOP iEdge Southeast Asia+ TECH Index ETF (the "ETF")

SGX Stock Code: SQU (US$) & SQQ(S$)

Bloomberg Ticker: SQU SP Equity (US$) & SQQ SP Equity (S$)

With effect from the close of 13 February 2025, the index methodology for iEdge Southeast Asia+ TECH Index will be updated to streamline the index construction process.

The index methodology update for iEdge Southeast Asia+ TECH Index will not materially prejudice the existing investors' rights or interests and there will not be any material changes or increase in the overall risk profile of the ETF following the change. The update has no significant impact on the way the ETF is currently being managed. There will be no changes to the investment objective, focus or approach of the ETF arising from the update.

The index methodology update is outlined as follows:

Modification to eligibility criteria of conglomerates with sufficiently large Tech-related revenue contributions

The eligibility criteria require that over 50% of a conglomerate's revenue must come from the sectors listed in Table 1 of Section 2.1.2.1 and Table 3 of Section 2.1.2.3 of the index methodology document. For existing constituents, this threshold is reduced to 40%.

These thresholds will be modified to 45% for new constituents and 35% for existing constituents.

Introduction of Minimum Market Capitalization

New constituents must meet a minimum market capitalization of US$200M, measured at each index review date. Existing constituents must meet a minimum market capitalization of US$100M to maintain inclusion.

Introduction of Minimum 6-months Median Turnover

New constituents must meet a minimum 6-months median turnover of US$600K, measured at each index review date. Existing constituents must meet a minimum market capitalization of US$500K to maintain inclusion.

Change in Index Review Date

The index review dates will change from last business day of February, May, August and November to second Friday of February, May, August and November.

Modification to buffer rule as used in the Inclusion stage of the Index Review

The threshold on the quota of stocks will be modified to 33%, in the following set of rules as referenced in the index methodology. The existing quota is denoted in brackets.

"A new entrant will be included in the index if an existing constituent becomes ineligible for index inclusion. A new entrant can also be included if either of the following conditions are met:

- An existing constituent that ranks equal or worse than 33% (10%) of the quota of stocks for the respective index will be removed, and the highest-ranking new entrant will be included in the index. As an example, for an index with a basket size of 30 constituents, an existing constituent that ranks equal or worse than the 40th (33rd) position (33% (10%) count of 30 stock quota is a 10 (3) stock ranking buffer) will be removed, and the highest-ranking new entrant will be included in the index.

- A new entrant that ranks equal or better than 33% (10%) of the quota of stocks for the respective index will be included, and the lowest-ranking existing constituent will be removed from the index. As an example, for an index with a basket size of 30 constituents, a new entrant that ranks equal or better than the 20th (27th) position (33% (10%) count of 30 stock quota is a 10 (3) stock ranking buffer) will be included, and the lowest-ranking existing constituent will be removed from the index."

With reference to the rule on existing constituents: Under the existing rules, a constituent must rank within the top 33 ranks for continued inclusion in the index. With the new rule, a constituent must rank within the top 40 ranks for continued inclusion. This means that constituents ranked from 34th to 40th position can now remain in the index, whereas previously they would have been removed. The new rule is intended to provide a broader buffer, allowing more constituents to stay within the index.

Issued by CSOP Asset Management Pte. Ltd. (as Manager of the ETF)

11 February 2025

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