

Zug, July 3rd, 2026

Market Consultation on proposed changes to the iSTOXX Global 5G & NexGen Telecommunication Components Index

Dear Sir and Madam,

STOXX Ltd., the operator of ISS STOXX index business and a global provider of innovative and tradable index concepts, has decided to conduct a market consultation on proposed changes to the iSTOXX Global 5G & NexGen Telecommunication Components Index.

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 stox-consultation@iss-stoxx.com.

The consultation is open to all market participants until July 10th, 2026.

STOXX intends to announce the results of the market consultation, as well as an announcement about potential changes to the index methodology by latest July 17th, 2026.

STOXX intends to implement the potential changes resulting from this consultation at the September 2026 index review.

Motivation for the Market Consultation

The iSTOXX Global 5G & NexGen Telecommunication Components Index has captured strong investor interest in the 5G and next-generation telecommunications theme. STOXX seeks to consult on the following methodology changes, which update the Index universe and methodology rules to reflect current geopolitical realities while enhancing exposure to the 5G and next-generation telecommunications theme. Specifically:

- **Geographic screens:** Remove China/Hong Kong exposure to mitigate geopolitical and sanctions risk, while also excluding companies with China/Russia headquarters or country of registration.
- **Revenue screen and new RBICS:** Lower the revenue threshold for current components and add 8 new RBICS sectors.
- **Profitability screen:** Relax the profitability screen for companies with meaningful exposure to satellite, space, and mapping technologies.
- **Composition List/Weighting/Fast Exit:** Update for consistency following China's exclusion

Proposed Treatments/Amendments

#	Index Rule	Current Methodology	Proposed Methodology
(1)	Investment Universe	<ul style="list-style-type: none"> • STOXX China A Total Market: only shares available to foreign investors through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect • STOXX China ADR Total Market • STOXX China H Total Market • STOXX China P Chips Total Market • STOXX China Red Chips Total Market • STOXX France Total Market • STOXX Germany Total Market • STOXX Hong Kong Total Market • STOXX Japan Total Market • STOXX Netherlands Total Market • STOXX South Korea Total Market • STOXX Taiwan Total Market • STOXX UK Total Market • STOXX USA Total Market 	<ul style="list-style-type: none"> • STOXX France Total Market • STOXX Germany Total Market • STOXX Japan Total Market • STOXX Netherlands Total Market • STOXX South Korea Total Market • STOXX Taiwan Total Market • STOXX UK Total Market • STOXX USA Total Market
(2)	Headquarters or Country-of-Registration Filter	Not Applied	Exclude securities whose headquarters or country of registration is China or Russia.
(3)	Revenue threshold for current components and New RBICs addition	more than 30% revenues generated within the aggregate of the RBICS sectors associated to the NexGen Innovative Technology.	<p>Companies that derive 30% or more of their revenues from the sectors associated to the NexGen Innovative Technology are selected. The threshold is lowered to 25 % for current components.</p> <p>New RBICS addition:</p> <ol style="list-style-type: none"> 1. Satellite Systems Manufacturing 2. Other Satellite Equipment 3. Space and Missile Equipment Manufacturing 4. Electronic Interconnect Components. Revenues from this RBICS sector are considered only if they have disclosed sales related to communication or optical segment. 5. RF Analog and Mixed Signal Semiconductors 6. Networking Semiconductors 7. Radio Frequency/Microwave Passive Electronic Parts 8. Mapping / Geographic Information Systems Software

<p>(4) Profitability Requirements for Specific RBICs</p>	<p>Strictly positive Return on Equity (ROE) and Earnings per Share (EPS) in the last 12 months.</p>	<p>Strictly positive Return on Equity (ROE) and Earnings per Share (EPS) in the last 12 months. Companies that derive more than 30% of their revenues from the RBICS L6 sectors below are not required to pass the Profitability criteria:</p> <ol style="list-style-type: none"> 1.Satellite Systems Manufacturing 2.Other Satellite Equipment 3.Space and Missile Equipment Manufacturing 4.Mapping / Geographic Information Systems Software
<p>(5) Composition List, Weighting Scheme and Fast Exist</p>	<p>Composition list: All companies in the selection are sorted in descending order by their free-float market capitalization, and the 100 highest ranking companies are selected for inclusion in the index. China A securities are monitored against their equivalent Stock Connect Securities. China Connect Securities are screened on a daily basis between the cut-off date and the review effective date.</p> <p>The index is weighted according to free-float market capitalization, with a cap of 6% at security level. Furthermore, the sum of the weights of all components of the index that are originally coming from the STOXX China A Total Market Index, is capped at 10%.</p> <p>Fast exit: The China A securities are monitored against their equivalent Stock Connect Securities. China Connect Securities are monitored on a daily basis. If there is an announcement that a China Connect Security is ineligible (not eligible to “both buy and sell”) in the future, then the equivalent China A share index component is removed from the index with a two-day notice as outlined in chapter 8.6.4. of the STOXX Calculation guide.</p>	<p>Composition list: All companies in the selection are sorted in descending order by their free-float market capitalization, and the 100 highest ranking companies are selected for inclusion in the index.</p> <p>The index is weighted according to free-float market capitalization, with a maximum weight capped of 6% at company level.</p> <p>Fast exit: Not applicable.</p>

Affected Indices

iSTOXX Global 5G & NexGen Telecommunication Components

Questions

1. Do you agree to change the rules as shown in the table "Proposed Methodology"?

If your answer to the above question is NO, please also kindly explain your reasons behind it.