AKROS

Akros Korea Semiconductor Index

Methodology

April 2026

Akros Technologies, Inc.

Contents

1 Introduction **2**

2 Adherence to the IOSCO Principles **2**

3 Index Construction **3**

3.1 Universe Construction 3

3.2 Thematic Evaluation 3

3.3 Index Constituent Selection 3

3.4 Weighting 3

4 Index Maintenance **5**

4.1 Regular Rebalancing 5

4.2 Ad-hoc Rebalancing 5

4.2.1 New Listings 5

5 Index Governance **5**

1 Introduction

This document describes the methodology for the Akros Korea Semiconductor Index, which is designed, maintained, and calculated by Akros Technologies. This document should be read in conjunction with the Akros Index Calculation Methodology and the Akros Equity Index Methodology, and covers the rules for determining index composition and ongoing management.

The Akros Korea Semiconductor Index consists of the 20 largest semiconductor-related companies listed in South Korea, weighted by free-float-adjusted market capitalization.

Index Type	Equity Index
Base Date	2018-12-28
Base Value	1000
Rebalancing Frequency	Quarterly
Calculation Type	Total Return
Calculation Time	18:00 (London Time)
Index Currency	USD
Publication Date	2026-04-09

2 Adherence to the IOSCO Principles

Akros Technologies remains steadfast in its mission to uphold the highest standards of integrity and professionalism. This commitment is reflected in every aspect of its operations, from the development and calculation of indices to their ongoing management and administration.

Akros adheres to the IOSCO Principles regarding the quality and integrity of indices and their methodologies by providing all relevant stakeholders with detailed information regarding the calculation and maintenance of the indices that Akros provides. This commitment to transparency is a cornerstone of Akros's approach, ensuring that each index is managed according to the highest standards. Stakeholders have access to comprehensive details about index components, their selection criteria, and the overall methodology used in index calculation and maintenance. This level of professional detail ensures that users clearly understand how indices are constructed and maintained, fostering trust and confidence in the indices provided by Akros.

In light of the EU Benchmarks Regulation (Regulation (EU) 2016/1011), the Akros Korea Semiconductor Index Methodology provides a comprehensive framework that aligns with all relevant regulatory standards. The regulation sets out stringent requirements for benchmark administrators, emphasizing the need for accuracy, reliability, and transparency.

By transparently disclosing index maintenance rules and general calculation methods, the Akros Korea Semiconductor Index Methodology enables investors to effectively evaluate and utilize the indices developed by Akros. Detailed documentation and regular updates regarding the index methodologies ensure that users remain well-informed about any changes to index calculations. This transparency allows stakeholders to make informed decisions based on accurate and up-to-date information, enhancing their ability to use Akros indices for various investment and analytical purposes. Akros's commitment to clear and comprehensive communication ensures that all relevant parties fully understand and benefit from its index products.

For further information, please refer to the Akros's Statement of Adherence to IOSCO Principles.

3 Index Construction

3.1 Universe Construction

The universe consists of all securities that satisfy all of the following conditions:

- Common stock listed on the KOSPI or KOSDAQ of companies incorporated in the Republic of Korea
- Market capitalization of at least USD 200 million
- 3-month average daily trading value of at least USD 1 million
- Primary classification under the Akros Industry Classification System is in one of the following:
  - 333242 (Semiconductor Machinery Manufacturing)
  - 334412 (Bare Printed Circuit Board Manufacturing)
  - 334413 (Semiconductor and Related Device Manufacturing)
  - 334416 (Capacitor, Resistor, Coil, Transformer, and Other Inductor Manufacturing)
  - 334418 (Printed Circuit Assembly (Electronic Assembly) Manufacturing)

* Eligible AICS Codes may be modified by the Akros Index Committee to reflect industry classification updates or to align with the index objective.

3.2 Thematic Evaluation

As of each determination date, a company that satisfies the universe requirements is eligible for inclusion in the Index only if it satisfies at least one of the following qualification conditions.

(a) Revenue: At least 50% of the company's consolidated revenue is derived from semiconductor-related businesses.

(b) Global Leadership: In at least one semiconductor-related business segment, the company both ranks among the three largest companies worldwide by revenue in that segment and accounts for at least 10% of that segment's global revenue.

Semiconductor-related businesses are defined businesses directly involved in semiconductor products or the semiconductor manufacturing value chain.

3.3 Index Constituent Selection

On the determination date, the 20 companies with the largest market capitalization among the eligible companies that pass the criteria outlined in 3.2 are selected as index constituents.

3.4 Weighting

The raw weight of each index constituent is allocated based on its free-float adjusted market capitalization:

$$w_i = \frac{\text{FF_MV}_i}{\sum_{j=1}^{N} \text{FF_MV}_j}$$

where FF_MV_i is the free-float adjusted market capitalization of constituent i, and N is the total number of index constituents.

Then, the following constraints are applied to the raw weights to calculate the final weights:

- **Maximum individual weight**: 20%
- **Concentration constraint**: The sum of weights exceeding 4.5% must not exceed 45%

Weight optimization follows Section 5 of the Akros Equity Index Methodology.

4 Index Maintenance

Index maintenance procedures follow Section 6 of the Akros Equity Index Methodology.

All schedules are based on trading days of both Korean and U.S. stock markets.

4.1 Regular Rebalancing

- **Determination Date:** Five trading days before the last trading day of March, June, September, and December ($D-5$)
- **Implementation Date:** Last trading day of March, June, September, and December (D)

4.2 Ad-hoc Rebalancing

4.2.1 New Listings

Newly listed stocks meeting the base universe requirements (AICS classification, minimum trading value, market capitalization) are generally included at the regular rebalancing. However, if the Akros Index Committee determines that a newly listed stock is representative of the industry or has significant impact on the index, early inclusion may be considered through an ad-hoc rebalancing in the month of listing if it qualifies under the regular rebalancing methodology. In that case, the determination date is five trading days before the last trading day of the listing month ($D-5$) and the implementation date is the last trading day of the listing month (D), with weights calculated based on the regular methodology as of the determination date. If the listing occurs in March, June, September, or December, this ad-hoc rebalancing replaces that quarter's regular rebalancing.

5 Index Governance

When significant changes or modifications to the index methodology are required, or when market changes necessitate such actions, the changes are processed through Akros Technologies's governance procedures. In the event of extreme market conditions not covered by this methodology, the situation is analyzed by Akros Technologies's governance committee to develop potential response measures. All management rules and procedures for the Akros Korea Semiconductor Index are overseen by Akros Technologies's governance body. For more details, please refer to the Akros Technologies Governance page.