

PRESS RELEASE

S&P BSE AllCap and Sector Indices Consultation on Constituent Selection and Weighting Scheme – Results

MUMBAI, JANUARY 31, 2022: Asia Index Private Limited (“AIPL”) has conducted a [consultation](#) with market participants on potential changes to the constituent selection and constituent weighting scheme of the S&P BSE AllCap and related sector indices.

On January 10, 2019, the Securities and Exchange Board of India (“SEBI”) issued a circular¹ providing capping norms for sectoral and thematic indices. In order to align the indices with these norms, AIPL will change the index’s constituent selection rules and weighting scheme as detailed in the table below.

Methodology	Constituent Selection and Weightings
Previous	<p>Constituent Selection. As of the rebalancing reference date, eligible companies must satisfy all of the following over the prior 12-month period in order to be included in the index.</p> <ol style="list-style-type: none"> 1. Rank within the top 1200 by average daily total market capitalization. 2. Have a turnover ratio greater than or equal to 5%. 3. Have a trading frequency greater than or equal to 80%. 4. Have an average daily total market capitalization greater than or equal to INR 1.5 billion. 5. Have an annualized traded value greater than or equal to INR 0.5 billion. <p>Constituent Weightings. Index constituents are weighted based on their float-adjusted market capitalization (“FMC”).</p>
Updated	<p>Constituent Selection. As of the rebalancing reference date, eligible companies must satisfy all of the following over the prior 12-month period (unless otherwise stated) in order to be included in the index.</p> <ol style="list-style-type: none"> 1. Rank within the top 1200 by average daily total market capitalization. 2. Have a turnover ratio greater than or equal to 5%. 3. Have a trading frequency greater than or equal to 80% over the prior six-month period. 4. Have an average daily total market capitalization greater than or equal to INR 1.5 billion. 5. Have an annualized traded value greater than or equal to INR 0.5 billion. 6. Have an impact cost of 1% or less over the prior six-month period. <p>Additionally, constituents’ trading frequency and impact cost are also reviewed quarterly. If, over the prior six-month period, a constituent has a trading frequency greater than or equal to 80% or an average impact cost of 1% or less, it is removed from the index effective at the open of the Monday following the third Friday of March, June, September, and December.</p> <p>Constituent Weightings. The S&P BSE AllCap is weighted by FMC. The sector indices are weighted by FMC, subject to the following capping constraints which are applied quarterly, effective at the open of the Monday following the third Friday of March, June, September, and December:</p> <ol style="list-style-type: none"> 1. Single constituent weights are capped at 33%.

¹ For details on the SEBI norms, please refer to SEBI circular no: SEBI/HO/IMD/DF3/CIR/P/2019/011 available at www.sebi.gov.in/legal/circulars/jan-2019/portfolio-concentration-norms-for-equity-exchange-traded-funds-etfs-and-index-funds_41588.html.

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| | <ol style="list-style-type: none">2. The aggregate weight of the top three index constituents shall not be more than 63% of the index.3. If the above constraints are breached, any excess weight is proportionately redistributed to all uncapped stocks. As part of the redistribution, the ranking of stocks based on final weights will remain in line with their rankings based on FMC. |
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AIPL will implement these changes in conjunction with the March 2022 rebalancing, which takes effect prior to the market open on Monday, March 21, 2022.

Please note the S&P BSE AllCap Methodology located on the BSE website (www.bseindia.com) and AIPL website (www.asiaindex.co.in) is being updated to reflect these changes.

Please contact Client Services at index_services@spglobal.com with any questions or requests for further information.

For more information about S&P BSE Indices, please visit www.asiaindex.co.in.

About ASIA INDEX PRIVATE LIMITED

Asia Index Pvt. Ltd is a 50-50 partnership between S&P Dow Jones Indices LLC, the world's largest provider of financial market indices, and BSE Ltd, Asia's oldest stock exchange and home to the iconic SENSEX index – a leading indicator of Indian equity market performance. Asia Index Pvt. Ltd, which combines the benchmarks, market intelligence, and insights of both parent companies, each established more than 115 years ago, aims to provide a full array of indices enabling global and domestic investors to participate in South Asia's vibrant economies. The Company is best known for calculating, publishing, and maintaining a diverse family of Asian indices under the umbrella brand, S&P BSE Indices.

About BSE

BSE (formerly Bombay Stock Exchange) established in 1875, is Asia's first & now the world's fastest Stock Exchange with a speed of 6 microseconds. BSE is India's leading exchange group and has played a prominent role in developing the Indian capital market. BSE is a corporatized and demutualised entity, with a broad shareholder base that includes the leading global exchange- Deutsche Bourse, as a strategic partner. BSE provides an efficient and transparent market for trading in equity, debt instruments, equity derivatives, currency derivatives, commodity derivatives, interest rate derivatives, mutual funds and stock lending and borrowing.

BSE also has a dedicated platform for trading in equities of small and medium enterprises (SMEs) that has been highly successful. BSE also has a dedicated MF distribution platform BSE Star MF which is India Largest Mutual Funds Distribution Infrastructure. BSE launched commodity derivatives trading in Gold, Silver, Copper, Oman Crude Oil Guar Gum, Guar Seeds & Turmeric.

BSE provides a host of other services to capital market participants including risk management, clearing, settlement, market data services and education. It has a global reach with customers around the world and a nation-wide presence. BSE's systems and processes are designed to

safeguard market integrity, drive the growth of the Indian capital market and stimulate innovation and competition across all market segments.

Indian Clearing Corporation Limited, a wholly owned subsidiary of BSE, acts as the central counterparty to all trades executed on the BSE trading platform and provides full novation, guaranteeing the settlement of all bonafide trades executed. BSE Institute Ltd, another fully owned subsidiary of BSE runs one of the most respected capital market educational institutes in the country. Central Depository Services Ltd. (CDSL), associate company of BSE, is one of the two Depositories in India.

BSE has set up an Investor Protection Fund (IPF) on July 10, 1986 to meet the claims of investors against defaulter Members, in accordance with the Guidelines issued by the Ministry of Finance, Government of India. BSE Investor Protection Fund is responsible for creating Capital markets related awareness among the investor community in India.

About S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

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