

Submission ID

E08005

Region

Hong Kong

Category

Hong Kong Equity ETF

Name of firm

CSOP Asset Management Limited

The Flagship Fund's name

CSOP Hang Seng TECH Index ETF (3033.HK)

The Fund's ISIN Code

HK0000642568

Data as of the quarter-end

30/09/2021

Pillar 1 - Stewardship**1. Management style: This ETF is managed according to the following style.**

Passive, index-tracking (including smart beta and other strategies that replicate any index, even if the

2. Index weighting: This question is about the index on which your ETF is based. What is the weighting of that index based on?

No, there are no material consequences

3. Competitive edge: Compared with similar ETFs available, what is your ETF's unique proposition to investors?

*For retail investors and smaller institutions, our ETF provides access to assets, markets or investment strategies that are usually only available to large, major institutional asset owners

*Better execution, resulting in tighter bid/ask, lower expense ratios, etc.

*Better liquidity of underlying assets, leading to better risk management

*Physical replication or holdings, as opposed to synthetic or other non-physical means

*Our ETF has a longer track record

*Our ETF has a better known brand

Additional Remarks, if any (maximum 250 words)

On August 27, 2020, CSOP became the first asset manager to list the Hang Seng TECH index ETF in the fierce competition to issue ETFs tracking HS TECH index. Under the background of more and more Chinese tech giants choosing HK as the secondary listing place, CSOP HS TECH index ETF was launched as the first one tracking new HS TECH index globally. On the first day of listing, 3033.HK recorded a total daily turnover of HKD 3.045 billion, surpassing Tracker Fund (2800.HK)'s listing day transaction of HKD 2.86 billion on the day of November 12, 1999. The turnover volume made history on Hong Kong as the highest transaction volume on the first day of ETF listing. 3033.HK also saw a phenomenal net inflow, with a single-day subscription of more than USD 383 million, about HKD 3 billion. The fund size has soared 16 times from the initial USD 24 million to USD 400 million on the first day of listing; currently, 3033.HK has AUM around HKD 12.57 billion.

4. Index selection: When you selected the base index for this ETF, what were your requirements?

- *The index was produced by a firm reputed for robust research and strong processes
- *The index was produced by a company with more than 10 years' track record in indexing
- *The index allows for 85-100% physical replication at reasonable costs and risks
- *The index's components have reasonable to high liquidity in the secondary markets
- *The index's components can be traded cost-effectively
- *The index is reasonably diversified and is not overly concentrated in any single security, sector, country/region, credit quality, etc.