

IMPORTANT: The Stock Exchange of Hong Kong Limited, Hong Kong Exchanges and Clearing Limited, the Securities and Futures Commission (“SFC”) and the Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Announcement.

The Manager accepts full responsibility for the accuracy of the information contained in this Announcement and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, there are no other facts the omission of which would make any statement misleading and that opinions expressed in this Announcement have been arrived at after due and careful consideration.

SFC authorization is not a recommendation or endorsement of the Fund (as defined below) and the Sub-Fund (as defined below) nor does it guarantee the commercial merits of the Fund and the Sub-Fund or their performance. It does not mean the Fund and the Sub-Fund are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

If you are in doubt about the contents of this Announcement, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser.

**W.I.S.E. – Nasdaq Overseas China New Economy Companies
Top 50 Index Tracker (to be renamed as “W.I.S.E. – Nasdaq
China New Economy Companies ESG Index Tracker”)
標智納斯達克中國新經濟公司海外 50 指數基金 (將更名為
“標智納斯達克中國新經濟公司 ESG 指數基金”)
a sub-fund (the “Sub-Fund”)
of the World Index Shares ETFs (the “Fund”)
(a Hong Kong unit trust authorized under
section 104 of the Securities and Futures Ordinance
(Cap. 571 of the laws of the Hong Kong SAR))
(Stock Code: 03182)**

**Announcement -
Change of Underlying Index’s Name and Index Methodology,
Change of the Sub-Fund’s Name, Investment Objectives and Policies,
Investment Strategy and Reclassify the Sub-Fund as an ESG Fund and
Other Update of Prospectus and Key Facts Statement**

The Manager hereby announces that, with effect from 20 May 2024, certain changes will be made to the index methodology (“**Index Methodology**”) of the Sub-Fund’s Underlying Index and the Underlying Index will be renamed. The Sub-Fund’s name will be changed as “W.I.S.E. – Nasdaq China New Economy Companies ESG Index Tracker”, and the Sub-Fund’s investment objectives and policies, and investment strategy will be modified accordingly to reflect such changes. The Sub-Fund will also be reclassified as an ESG fund (the “**ESG fund**”). Furthermore, the Prospectus (the “**Prospectus**”) and the Key Facts Statement (the “**KFS**”) of the Sub-Fund will be updated.

1. Change of Underlying Index’s Name and Index Methodology and Change of the Sub-Fund’s Name

The Manager would like to inform the investors that the name and Index Methodology of the Underlying Index will be revised with effect from 20 May 2024 (the “**Effective Date**”). The major changes and the reasons/rationale for such changes are as follows:

- (i) The name of the Underlying Index will be changed from “Nasdaq Overseas China New Economy Companies Top 50 IndexSM” to “Nasdaq China New Economy Companies Top 50 ESGTM Index” to reflect the inclusion of environmental, social and governance (“**ESG**”) criteria and considerations;
- (ii) The security types eligible for the Underlying Index will be modified to only include common stocks and ordinary shares. Depository receipts (both American and Global) and depository shares (collectively, “**ADRs**”) will be removed with an aim to reduce risk relating to volatility.

Therefore, the eligibility criteria will be changed to only include securities listed on the Stock Exchange of Hong Kong Limited and included in the Nasdaq Global Index (NQGI) as of the index reconstitution reference date (i.e. the prior month-end unless otherwise specified) to reflect such removal;

- (iii) Certain ESG criteria and considerations will be added to the constituent securities’ selection and weighting process to address the growing market demand for ESG investment as ESG investing has become a global trend; and
- (iv) To reflect the changes in the Underlying Index and the reclassification of the Sub-Fund as an ESG fund,

- (a) the name of the Sub-Fund will be changed as follows:-

Original name: W.I.S.E. – Nasdaq Overseas China New Economy Companies Top 50 Index Tracker
標智納斯達克中國新經濟公司海外 50 指數基金

New name: W.I.S.E. – Nasdaq China New Economy Companies ESG Index Tracker
標智納斯達克中國新經濟公司ESG 指數基金

- (b) the stock short name of the Sub-Fund will also be changed from “WISE NEW ECON50” to “WISE NEWECONESG” (in English), and “標智新經濟50” to “標智新經濟ESG” (in Chinese).

2. Implications on the features and risks applicable to the Sub-Fund, including changes in its investment objectives and policies, investment strategy and reclassification of the Sub-Fund as an ESG fund

As a result of the aforesaid changes, relevant parts of the KFS and the Prospectus that contains disclosure relating to the information of the Underlying Index, namely the sections headed “DEFINITIONS” and “KEY INFORMATION OF THE SUB-FUND”, and Appendix I to the Prospectus, will be revised to reflect the relevant changes.

In addition, the first paragraph under the section headed “INVESTMENT OBJECTIVES AND POLICIES OF THE SUB-FUND” of the Prospectus will be modified as follows to reflect the changes of the Index Methodology:-

<p>Prior to the modification</p>	<p>The Sub-Fund is an index-tracking fund which seeks to track the performance of the Underlying Index. In order to achieve the investment objective of the Sub-Fund, the Sub-Fund will invest in a representative sample of the Index Securities selected by the Manager. The Sub-Fund may also invest in securities which are not Index Securities as the Manager considers appropriate. The Underlying Index is a diversified index consisting of 50 constituent securities listed on the Nasdaq, The New York Stock Exchange (NYSE), NYSE American or the Chicago Board Options Exchange (CBOE), or be a component of the Nasdaq Global Index (NQGI) and listed on the SEHK, including but not limited to equity securities trading in the U.S. through American Depositary Receipts (“ADRs”). The Underlying Index does not have A shares. It is compiled and managed by Nasdaq, Inc. or its subsidiaries or affiliates (“Nasdaq”). Nasdaq has granted to the Manager, by way of license and subject to the terms of an index license agreement between them, the right to use the Underlying Index in connection with the operation, marketing and promotion of the Sub-Fund. Details in respect of the Underlying Index are set out in Appendix I.</p>
<p>Subsequent to the modification (effective from the Effective Date)</p>	<p>The Sub-Fund is an index-tracking fund which seeks to track the performance of the Underlying Index.</p> <p>The Sub-Fund primarily invests (not less than 70% of its Net Asset Value) in Index Securities that are commensurate with the Sub-Fund’s focus on environment, social and governance (“ESG”). The Underlying Index consists of 50 constituent securities listed on the SEHK and included in the Nasdaq Global Index (NQGI). The constituent securities of the Underlying Index must satisfy, amongst others, certain ESG criteria, which are described in details in Appendix I. The Underlying Index does not have A shares.</p> <p>The Underlying Index is compiled and managed by Nasdaq, Inc. or its subsidiaries or affiliates (“Nasdaq”). Nasdaq has granted to the Manager, by way of license and subject to the terms of an index license agreement between them, the right to use the Underlying Index in connection with the operation, marketing and promotion of the Sub-Fund. Details in respect of the Underlying Index are set out in Appendix I.</p>

Further, the investment strategy used by the Sub-Fund (“**Investment Strategy**”) will be changed from representative sampling strategy to full replication strategy in order to seek to achieve the Sub-Fund’s updated investment objectives and policies. The sub-section headed “Investment Strategy Used by the Sub-Fund” under the section

headed “INVESTMENT STRATEGY OF THE SUB-FUND” of the Prospectus will be modified as follows:-

<p>Prior to the modification</p>	<p>The Manager intends to pursue a representative sampling strategy for the Sub-Fund which does not involve the full replication of the Index Securities in the exact weightings of the Underlying Index. As such, the Sub-Fund may not from time to time hold all Index Securities. In addition, the Sub-Fund may have holding of Securities which are non-constituent stocks from time to time in circumstances which are independent of the Manager, including where trading in a constituent security has been suspended, such holding results from a corporate action of a constituent security, or the portfolio is being rebalanced in anticipation or response to a rebalance of the Underlying Index. The Manager may overweight certain Index Securities relative to their respective weightings in Underlying Index on the condition that the maximum extra weighting in any Index Securities will not exceed four per cent (4%) under normal circumstances or such other percentage as determined by the Manager after consultation with the SFC. Any non-compliance with the said limits will be disclosed in the annual report and interim report of the Sub-Fund. However, investors should note that the representative sampling strategy is associated with certain additional risks, in particular a possible increased tracking error at the time of the switch as well as a possible increased tracking error in general, and investors should read the “Risk Factors” section below carefully.</p>
<p>Subsequent to the modification (effective from the Effective Date)</p>	<p>In seeking to achieve the Sub-Fund’s investment objective, the Manager will primarily adopt a full replication strategy through investing all or substantially all in Index Securities, broadly in proportion to the respective weightings of the Index Securities. The Manager may invest in other securities that are not included in the Underlying Index under the following circumstances: (i) substitutes may be used as replacement if the original constituents are not tradeable for whatever reason, including where trading in a constituent security has been suspended or if such holding results from a corporate action of a constituent security; (ii) in anticipation or response to a rebalance of the Underlying Index, new constituents in the updated index portfolio or existing constituents in the previous index portfolio may be held by the Sub-Fund during short transitional periods before or after each index rebalancing.</p> <p>The Manager may also use a representative sampling strategy where it is not possible to acquire certain securities which are Index Securities due to restrictions or limited availability where the Manager considers appropriate in its absolute discretion. This means that the Sub-Fund will invest directly in a representative sample of Securities that collectively has an investment profile that aims to reflect the profile of the Underlying Index. The Securities constituting the representative sample may or may not themselves be Index Securities, provided that the portfolio closely reflects the</p>

	<p>overall characteristics of the Underlying Index.</p> <p>Investors should note where the adoption of a full replication strategy is not efficient or practicable or where the Manager considers appropriate in order to achieve the investment objective of the Sub-Fund by tracking the Underlying Index as closely (or efficiently) as possible for the benefit of investors, the Manager may in its absolute discretion, without notice, pursue a representative sampling strategy which does not involve the full replication of the Index Securities in proportion to the respective weightings in the Underlying Index.</p> <p>In pursuing a representative sampling strategy, the Manager may overweight/underweight certain Index Securities relative to their respective weightings in the Underlying Index on the condition that the maximum deviation from the Underlying Index weighting of any Index Securities will not under normal circumstances exceed three per cent (3%) or such other percentage as determined by the Manager after consultation with the SFC. Any non-compliance with the said limits will be disclosed in the annual report and interim report of the Sub-Fund. Investors should note that the representative sampling strategy is associated with certain additional risks, in particular a possible increased tracking error at the time of the switch as well as a possible increased tracking error in general, and investors should read the “Risk Factors” section below carefully.</p>
--	---

Relevant parts of the Prospectus, including the sections headed “IMPORTANT INFORMATION FOR INVESTORS”, “DEFINITIONS” and “INVESTMENT AND BORROWING RESTRICTIONS”, will also be modified to reflect the change of Investment Strategy.

The Manager will rebalance the Sub-Fund’s portfolio on or around the Effective Date to reflect any changes of the Underlying Index’s composition and the change of Investment Strategy. The proposed rebalancing of the Sub-Fund’s portfolio will not result in any material impact on the market and the changes will not disrupt the normal operation of the Sub-Fund on or around the Effective Date.

The risk disclosure under the section headed “RISK FACTORS” of the Prospectus will also be enhanced and/or modified accordingly. New risk factors “ESG investment policy risk” and “Representative sampling risk” (in case representative sampling is adopted where it is not possible to acquire certain securities which are Index Securities due to restrictions or limited availability) will be added and certain risk factors such as “ADRs risk” and “Trading differences risks” will be removed.

Investors should note the following additional risk factor as a result of the addition of ESG criteria and considerations in the stock selection process of the Underlying Index and the reclassification of the Sub-Fund as an ESG fund:-

ESG investment policy risk

The consideration of ESG factors in the construction of the Underlying Index may affect the Sub-Fund's investment performance and, as such, the Sub-Fund may perform differently compared to similar funds that do not consider such ESG factors. ESG-based exclusionary criteria used in construction methodology of the Underlying Index may result in the Underlying Index excluding certain securities when it might otherwise be advantageous for the Sub-Fund to invest in those securities. There is also a risk that the Index Securities selected for inclusion in the Underlying Index by the Index Provider based on ESG criteria generally may underperform the stock market as a whole or that the particular Index Securities selected by the Index Provider based on ESG criteria may, in the aggregate, lag behind returns of other ESG funds. It is possible that the Underlying Index (and hence the Sub-Fund's portfolio) may perform less well than portfolios with similar investment objectives that are not engaged in similar (or any) ESG factors.

The Sub-Fund's investments may be concentrated in companies with a greater ESG focus, therefore its value may be more volatile than that of a fund having a more diverse portfolio of investments. The Underlying Index may also, at times, become focused in securities of a particular market sector, which will subject the Sub-Fund proportionately higher exposure to the risks of that sector.

In evaluating securities for inclusion and/or weighting in the Underlying Index based on ESG criteria, the Index Provider may rely upon information and data obtained by itself or from third-party data providers. Such information and data may involve qualitative factors and it is thus possible that the relevant ESG criteria may not be applied correctly. Information and/or data may be incomplete, inaccurate or unavailable from time to time, which may affect the Index Provider's ability to assess potential constituents for inclusion and/or exclusion from the Underlying Index. ESG criteria that are relevant to the Underlying Index are reviewed at index reviews or rebalances or specified reference dates in accordance with the index methodology. There may also be a time lag between the date as at which the data is captured and the date on which the data is used for review, rebalancing or assessment, which may impact the timeliness and quality of the data. As a result, there is a risk associated with the assessment of Index Securities or the issuers based on such information or data. There can be no assurance that the Index Provider's assessment, based on such information or data, will reflect the actual circumstances. Further, there is a risk that the ESG performance of certain Index Securities may fall over time but remain in the Underlying Index and the Sub-Fund until the next review or rebalance by the Index Provider. Such Index Securities may need to be removed from the Underlying Index and the portfolio of the Sub-Fund in the next rebalance in response to such change. Such act may not be advantageous to the Sub-Fund or may even have an adverse impact on the performance of the Sub-Fund.

Currently, there is no universally accepted principles or factors to consider to ensure that investments are compliant with ESG criteria. The lack of common standards in relation to ESG investing strategies may result in different approaches to setting and achieving ESG objectives. As a result, Index Securities selected by the Index Provider may not reflect the beliefs and standards of any particular investor and may not exhibit favorable ESG outcome.

In addition, there is a lack of standardised taxonomy in relation to ESG investing strategies. The standard of disclosure adopted by funds in relation to the relevant ESG criteria or factors may vary.

The KFS will also be amended to reflect the relevant changes mentioned above.

Further, certain other minor modifications will be made to the Prospectus and the KFS.

All changes mentioned above will take effect from the Effective Date.

Besides, the information relating to the total market capitalization of the Underlying Index set out in Appendix I to the Prospectus, and shown in the KFS will be updated. The KFS will be available from the Effective Date.

There will not be any change in the fee level/cost in managing the Sub-Fund following the implementation of the aforesaid changes. The costs and expenses associated with the above changes will be borne by the Manager.

Saved as disclosed in this Announcement, there will not be any material change (i) in the operation and/or manner in which the Sub-Fund is managed; and (ii) to other features of the Sub-Fund. Further, the Manager believes that (i) there will not be any material change or increase in the overall risk profile of the Sub-Fund following the aforesaid changes; and (ii) there are no matters/impact that may materially prejudice the existing investors' rights or interests.

The changes described in this Announcement do not require Unitholders' approval and SFC's approval has been obtained.

The latest Prospectus (which has incorporated changes in the previous addenda) and the latest KFS of the Sub-Fund will be available on the website of the Hong Kong Exchanges and Clearing Limited¹ at www.hkex.com.hk and the Manager's website¹ at www.boci-pru.com.hk/english/etf/intro.aspx (for English) and www.boci-pru.com.hk/chinese/etf/intro.aspx (for Chinese) from the Effective Date. Hard copies of the offering documents of the Sub-Fund may also be obtained and/or inspected free of charge at the Manager's office at 27th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong.

Terms not defined in this Announcement will have the meanings as are given to such terms in the Prospectus.

Investors who have any enquiries regarding the above may contact the Manager at the above address or the Manager's enquiry hotline at (852) 2280 8697.

19 April 2024

¹ This website has not been reviewed by the SFC.