

SEAMLESS CONNECTIVITY WITH **COSMOS**

Creation/Redemption Technology Solutions

Fragmented ETF Workflows Threaten Industry Growth

Market Reality

- The global ETF industry relies on a small group of firms that have scaled to manage increasingly complex operational workflows.

Market Impact

- High concentration risk poses challenges for all market participants and clients.
- Regulators are stepping in to ensure ETF issuers address concentration and oversight risks.
- New ETF products coming to markets are at risk of not being selected to trade by APs.

Industry Blindspot

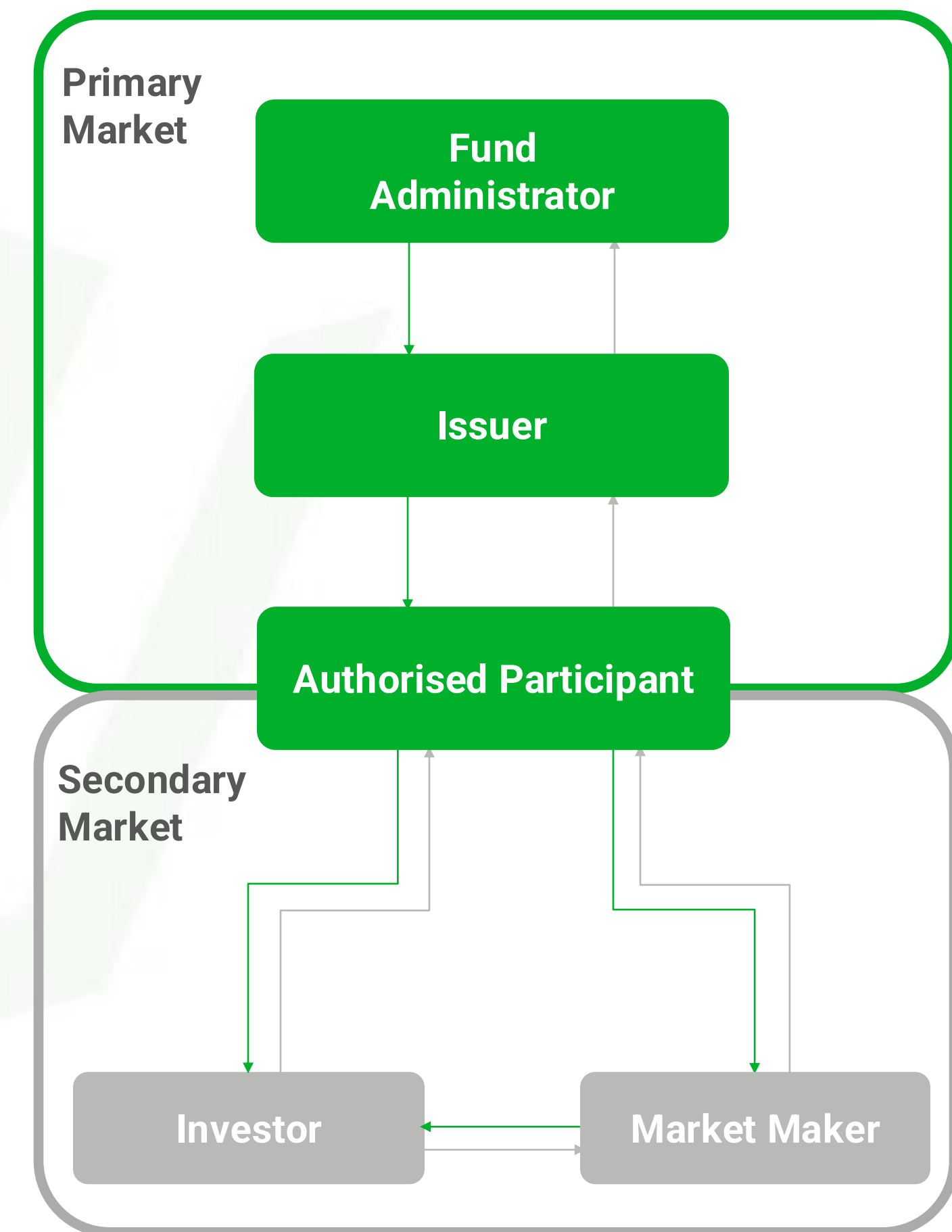
- Primary Market platforms are often extensions of mutual fund platforms, not purpose-built solutions for ETF-specific workflows.

Resulting Issues

- Asset servicers and issuers have not prioritised platforms that streamline fund access.
- Platform functionality has lagged behind industry growth.
- Growing product complexity demands customised workflows.

Primary Market Platforms are Essential to Support the Secondary Market

- **Collaboration** – Fund Administrators, Issuers and APs must work together to service investors and streamline access to funds.
- **Functionality** – Issuers compete on product design and performance, making the platform a critical enabler of fund growth rather than a differentiator for investors.
- **Fragmentation** – APs manage multiple system logins, API/FIX specifications, and workflows across multiple fund administrators.
- **Efficiency** – Automation remains limited, as Issuers and Fund Administrators independently finance and prioritise technological development.



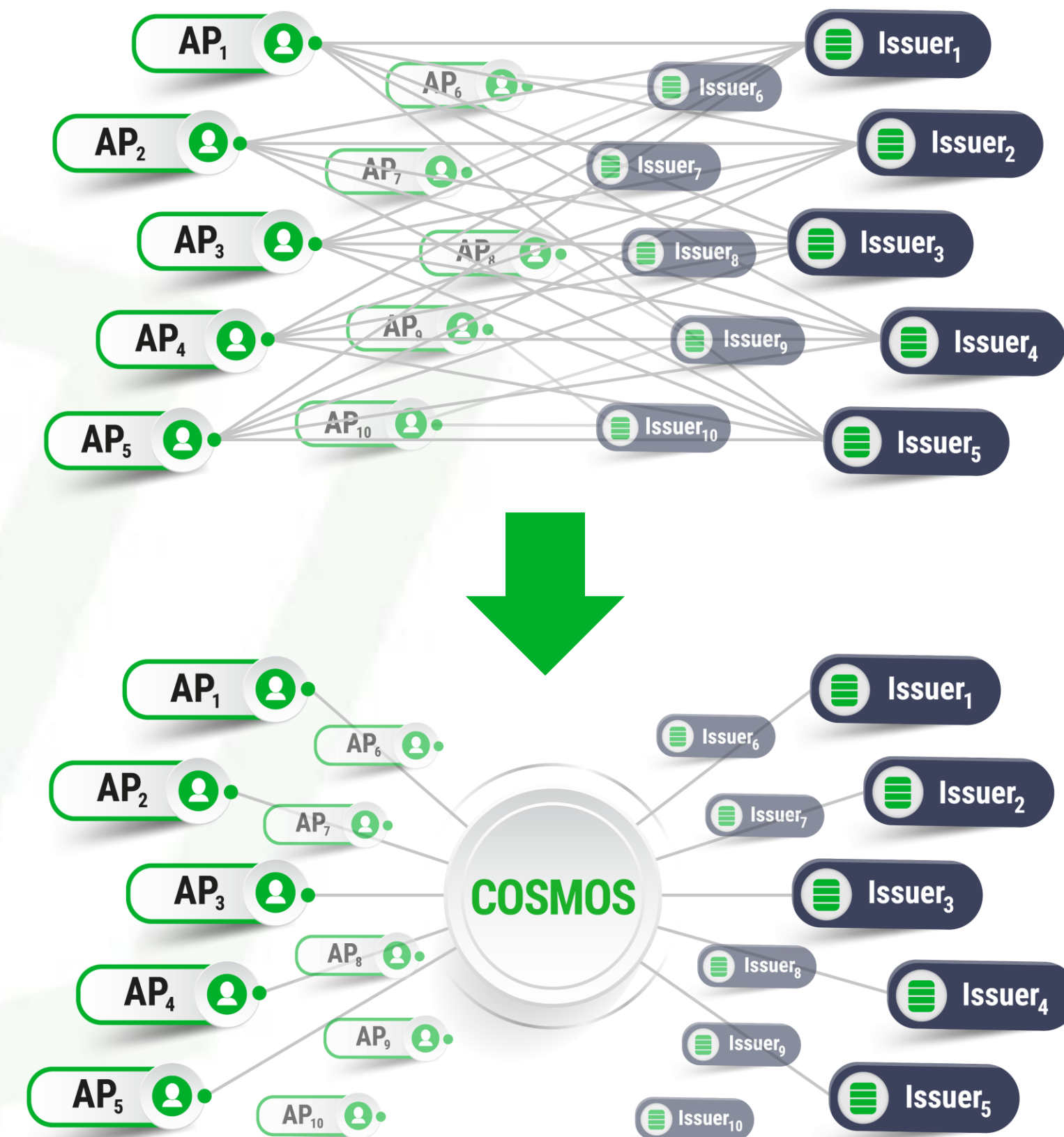
The ETF Ecosystem: Where Collaboration Creates Value

For Issuers and Asset Services:

- ✓ Next level functionality is provided out-of-the-box
- ✓ Standardised processes reduce operational complexity
- ✓ Instant access to global AP and MM network

For Authorised Participants:

- ✓ Unified interface/API for all issuer interactions
- ✓ Automated workflows eliminate manual reconciliations
- ✓ Scalable operations without proportional cost increases



The Difference: ETFs are easy to manage from both the fund servicing and issuer perspectives, while workflows remain transparent for Authorised Participants. This powers the growth of the entire ETF ecosystem.

Buy vs Build is No Longer the Choice

- **Buying off-the-shelf** – Has been problematic for participants as users are stuck with third-party platforms which allow for little flexibility and tie clients to a custodian.
- **Building in-house** – While customised, in-house platforms come with escalating costs, maintenance challenges, and key developer dependency, making them hard to scale and evolve.
- **Buy AND build** – Modern platforms should combine the best of both worlds: off-the-shelf functionality with the flexibility for client-driven customisation, enabling firms to tailor workflows to their exact needs.
- **Accelerated innovation** – Scalable technology teams can rapidly deliver new features based on client demand, keeping pace with market growth.
- **Low-code approach** – Platforms are built to allow users to instantly adapt their front-end experience without the need for code changes and release cycles.

Why It Matters: As the ETF market grows in complexity, firms need a flexible third-party platform that enables rapid customisation, ensuring they can scale and innovate efficiently.

Considerations for Selecting a Creation/Redemption Platform

Active ETF & Shareclass on Mutual fund – Supported workflows

Adoption – Deployment with all major APs/MMs with single sign-on deployment

Interfacing – Ability to map to any required accounting platform & CSD

Agility – Significant (20+) development releases annually to support needs

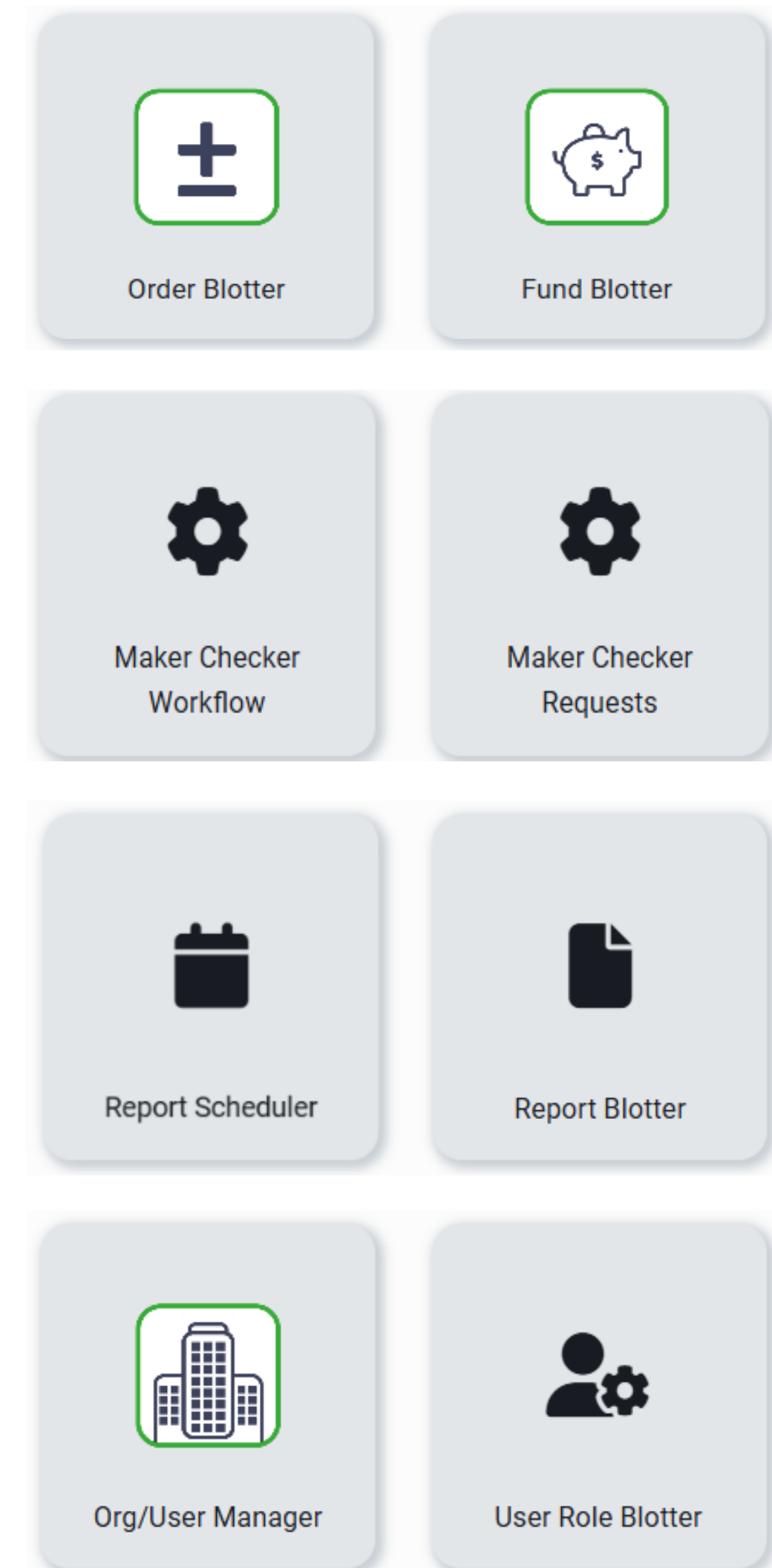
White Label – Options to facilitate a full white-label platform

Data Feed – API for seamless ETF data integration native in platform

Secure – Proven attestation to security audits, ensuring robust protection

Independent – Not tied to any custodian, agnostic interfacing to third-party systems

Presence – Ability to deploy to support clients in all ETF trading hubs globally



Optimising Primary Market Workflows: Next Steps

- **Process Assessment** – An evaluation of your Create/Redeem workflows
- **Integration** – We will identify the systems impacted and outline necessary build requirements
- **Roadmap** – We will define a tailored implementation roadmap to ensure smooth execution



➤ **Next Steps:** Schedule a call to discover how ULTUMUS can assist in the Create/Redeem technology space.

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