

Methodology of SSE Regional Credit Bond Index Series

SSE Regional Credit Bond Index Series covers multiple regions and provinces to reflect the performance of corresponding regional credit bonds listed on SSE Market.

1. Index Code and Index Name

Index Name	Index Shortened Name	Index Code
SSE Yangtze River Economic Belt Credit Bond Index	SSE Yangtze River Credit Bond	950235
SSE Yellow River Basin Credit Bond Index	SSE Yellow River Basin Credit Bond	950236
SSE Beijing-Tianjin-Hebei Credit Bond Index	SSE Jing-Jin-Ji Credit Bond	950237

2. Base Data and Base Index

The index series's base date is Dec. 31 2014, and the base index is 100.

3. Index Eligibility

3.1 Index Universe

- Bond Type: Corporate Bond, Enterprise Bond and MTN listed on SSE market, excluding private-placement bond. The bond currency is RMB.
- Interest-Bearing Pattern: Fixed rate or bullet.

3.2 Constituents Selection

Index constituents are selected on the following basis from index universe.

Index Code	Index Shortened Name	Issuer Location	Term to Maturity	Credit Rating
950235	SSE Yangtze River Credit Bond	Shanghai, Jiangsu, Zhejiang, Anhui, Jiangxi, Hubei, Hunan, Chongqing, Sichuan, Yunnan and Guizhou	More than 1 year	AA and above
950236	SSE Yellow River Basin Credit Bond	Qinghai, Sichuan, Gansu, Ningxia, Inner Mongolia, Shanxi, Shaanxi, Henan and Shandong		
950237	SSE Jing-Jin-Ji Credit Bond	Beijing, Tianjin, Hebei		

4. Index Calculation

The calculation of this index conforms to the Paasche weighted composite price index formula:

$$\text{Index} = \left[\frac{(\text{Market Value} + \text{Coupon Payments})}{\text{Divisor}} \right] \times 100$$

Where,

$$\text{Market Value} = \sum ((\text{Clean Price} + \text{Accrued Interest}) \times \text{Issued Amount})$$

The price in index calculation is based on CSI bond valuation price. As for other data in index calculation and divisor adjustment, please refer to Index Calculation and Maintenance Methodology for further details.

5. Constituents Adjustment

5.1 Regular Adjustment

The index is adjusted and rebalanced monthly. The effective date of monthly adjustment is the first trading day of each month. The data cutoff date of monthly adjustment is the previous trading day before the effective date.

5.2 Temporary Adjustment

In the event of suspension from listing or delisting, the constituents will be removed from the index on the event effective date as appropriate. As for other

events, please refer to Index Calculation and Maintenance Methodology for further details.