

## Methodology of SSE Solar Power Industry Index

SSE Solar Power Industry Index selects 50 securities of SSE listed companies which are involved in photovoltaic and photothermal industry, reflecting the overall performance of listed company with the theme of solar power.

### 1. Index Name and Index Code

- Index Name: SSE Solar Power Industry Index
- Shortened Name: SSE Solar Power
- Index Code: 950239

### 2. Base Date and Base Value

The base date is December 29, 2017. The base value is 1000.

### 3. Index Eligibility

#### 3.1 Index Universe

Same as the Universe of SSE 180 Index

#### 3.2 Eligible Securities

Liquidity Criteria: securities ranked in the top 90% in the index universe in terms of average daily trading value over the past year in descending order are eligible for inclusion.

#### 3.3 Constituents Selection

(1) Select the securities in the eligible securities which engaged in photovoltaic and photothermal industry, Including but not limited to silicon pellet, polysilicon, solar cells, electric cable, photovoltaic glass, inverter, photovoltaic bracket, photothermal glass, steam generator and solar power plant;

(2) Rank the candidate securities by the average daily total market capitalization over the past year in descending order and select no more than 50 securities as index constituents.

## 4. Index Calculations

The index is calculated according to the following formula:

$$\text{Current Index} = \text{Current Total Adjusted Market-Cap} / \text{Divisor} \times \text{Base Value}$$

Where Current Total Adjusted Market-Cap =  $\sum (\text{Security Price} \times \text{Number of Free Float Adjusted Shares} \times \text{Weight Factor})$

For the calculation of number of free float adjusted shares, please refer to CSI Index Calculation and Maintenance Methodology for further details. The value of Weight Factor is between 0 and 1, which is calculated at each rebalancing date, so that the weight of each constituent is capped at 10%.

## 5. Constituents and Index Weights Adjustment

### 5.1 Constituent's Periodical Review

The index is adjusted and rebalanced semi-annually and the adjustment will be effective as of the next trading day after the 2nd Friday in June and December.

Weight Factor is assigned to each constituent at each rebalancing date. The effective date is the same as that of the constituent adjustment. The Weight Factor stays the same until next rebalancing date.

### 5.2 Ongoing Review

When special events occur, CSI will review the index accordingly. Delisted securities will be deleted from the constituents. Please refer to Index Calculation and Maintenance Methodology for further details.