

## Methodology of SSE Credit Bond Index

SSE Credit Bond Index selects eligible credit bonds listed on Shanghai Stock Exchange. The index reflects the overall performance of the corresponding credit bonds.

### 1. Index Name and Index Code

- Index Name: SSE Credit Bond Index
- Shortened Name: SSE Credit Bond
- Index Code: 950257

### 2. Base Date and Base Index

The index base date is Dec. 31, 2007. The base index is 100.

### 3. Index Eligibility

#### 3.1 Index Universe

- Bond Type: Enterprise bond, corporate bond listed on SSE market, excluding private-placement bond. The bond currency is RMB.
- Credit Rating: AA and above.
- Interest-bearing Pattern: Fixed rate or bullet.

### 4. Index Calculation

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

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

Where,

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

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 second trading before the effective date.

## **5.2 Temporary Adjustment**

In the event of 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.