

Methodology of SSE Composite Total Return Index

SSE Composite Total Return Index is derived from the SSE Composite Index, which consists of all eligible stocks and CDRs listed on Shanghai Stock Exchange. The index aims to reflect overall market performance (including dividends) of companies listed on Shanghai Stock Exchange.

1. Index Name and Index Code

- Index Name: SSE Composite Total Return Index
- Shortened Name: SSE TRI
- Index Code: 000001CNY01

2. Base Date and Base Index

The index base date is July 21, 2020. The base level is 3320.89.

3. Index Eligibility

(1) Index Universe

The index universe of SSE TRI Index includes all stocks and CDRs issued by red-chip enterprise listed on Shanghai Stock Exchange satisfying the following conditions:

- Non-ST and *ST securities

(2) Selection Criteria

The constituents are all securities in the index universe.

4. Index Calculation

The index is weighted as the following calculation formula:

$$TRI_t = TRI_{Closing\ Data_{t-1}} \times \frac{\sum (Security\ Price_t \times Number\ of\ Shares\ issued \times Exchange\ Rate)}{\sum (Opening\ Reference\ Price_t \times Number\ of\ Shares\ issued \times Exchange\ Rate)}$$

Where t represents any trading day, t-1 represents the previous trading day of t. Opening Reference Price is the adjusted opening reference price according to the company events. Exchange Rate is same as the SSE Composite Index's.

For more information, please refer to Index Calculation and Maintenance Methodology.

5. Constituents and Index Weights Adjustment

Securities with the daily average total market value since its initial listing ranked top 10 in Shanghai Stock Exchange will be included in the index 3 months after listing, otherwise, a security must be listed for more than 1 year before being included in the index.

Constituents under risk warning status will be deleted from the index on the next trading day after the second Friday of the next month following the month of the implementation of risk warning of securities. Eligible securities that are out of risk warning status will be included in the index on the next trading day after the second Friday of the next month following the month of the removal of risk warning.

Delisted securities will be deleted from index constituents. In case of exceptional corporate events, such as merger, acquisition, spin-off, suspension, etc, please refer to Index Calculation and Maintenance Methodology for further details.