Methodology of SSE Composite Index

SSE Composite Index consists of all eligible stocks and CDRs listed on Shanghai Stock Exchange. This index aims to reflect to overall market performance of companies listed on Shanghai Stock Exchange.

1. Index Name and Index Code

- Index Name: SSE Composite Index
- Shortened Name: SSE Index
- Index Code: 000001

2. Base Date and Base Index

The base date is Dec. 19, 1990. The base level is 100.

3. Index Eligibility

(1) Index Universe

The index universe of SSE 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: Current Index = Current Total Market-Cap / Divisor × Base Level

Where Current Total Market-Cap = ∑(Security Price × Number of Shares issued)

For the formula of divisor adjustment, please refer to Index Calculation and Maintenance Methodology for further details.

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 stocks. 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 stocks 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.

6. This version of index methodology is implemented on July 22, 2020