

Methodology of SSE Yangtze River Delta High Grade Green Bond Index

SSE Yangtze River Delta High Grade Green Bond Index selects eligible green bonds, issued by the issuers located in Yangtze River Delta area with credit rating AA+ and above as the index constituents, to reflect the performance of green bonds with relatively higher rating in Yangtze River Delta.

1. Index Name and Index Code

- Index Name: SSE Yangtze River Delta High Grade Green Bond Index
- Shortened Name: SSE Yangtze River Delta High Grade Green Bond
- Index Code: 950122

2. Base Date and Base Index

The index base date is Dec. 29, 2017. The base index is 100.

3. Index Eligibility

3.1 Index Universe

- Bond Type: Corporate Bond, Enterprise Bond, listed on Shanghai Stock Exchange market, excluding private-placement bond. The bond currency is RMB.
- Credit Rating: Credit rating AA+ and above, CSI implied rating AA-above.
- Interest-bearing Pattern: Fixed rate or bullet.

3.2 Constituents Selection

Within the index universe, select the green bonds issued by the issuers registered in Shanghai, Zhejiang, Jiangsu and Anhui.

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,

Bond Market Value

$$= \sum [(Clean Price + Accrued Interest) \times Issued Amount \times Weight Factor]$$

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.

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.