

## 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 TR
- Index Code: 000888

### 2. Base Date and Base Value

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 TR 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 Calculations

The index is calculated according to the following formula:

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

Where Current Total Market-Cap =  $\sum$  (Security Price  $\times$  Number of Shares Issued)

The divisor will be adjusted on constituents' ex-dividend dates and other situations, please refer to CSI Index Calculation and Maintenance Methodology for further details.

## **5. Constituents and Index Weights Adjustment**

Security 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 month following the month in which the risk warning was implemented. 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.