

Methodology of SSE 180 Index

SSE 180 Index selects 180 securities with large market capitalization and relatively good liquidity from Shanghai Stock Exchange as constituents. The index is to measure the performance of core securities of listed companies of SSE.

1. Index Name and Index Code

- Index Name: SSE 180 Index
- Shortened Name: SSE180
- Index Code: 000010

2. Base Date and Base Value

The base date is June 28, 2002. The base value is 3299.06.

3. Index Eligibility

3.1 Index Universe

The index universe includes Non-ST or *ST stocks and CDRs issued by red-chip enterprises listed on SSE, and meets the following requirements:

(1) SSE Science and Technology Innovation Board securities: the listing time is more than one year.

(2) Other securities: the listing time is more than one quarter unless the average daily total market value of a security since its initial listing is ranked top 18.

3.2 Eligible Securities

Liquidity Criteria: securities ranked in the top 90% in the index universe in terms of average daily trading value over the past year in descending order are eligible for inclusion.

3.3 Constituents Selection

(1) For the eligible securities, delete securities whose ESG ratings are C

or below C.

(2) Rank the candidates by average daily total market capitalization of over the past year in descending and select the top 180 securities as the index constituents.

4. Index Calculations

The index is calculated according to the following formula:

Current Index = Current Total Adjusted Market-Cap / Divisor × Base Value

Where Current Total Adjusted Market-Cap = \sum (Security Price × Number of Free Float Adjusted Shares × Weight Factor)

For the calculation of number of free float adjusted shares, please refer to CSI Index Calculation and Maintenance Methodology for further details. The value of Weight Factor is between 0 and 1, which is calculated at each rebalancing date, so that the weight of the constituent is capped at 10%, the total weight of top 5 constituents is capped at 40% and the total weight of constituents in each sector is the same portion in terms of free-float market capitalization as the corresponding sector in the universe.

5. Constituents and Index Weights Adjustment

5.1 Constituent's Periodical Review

The index is adjusted and rebalanced semi-annually and the adjustment will be effective as of the next trading day after the 2nd Friday in June and December. Number of constituents adjusted at each periodical review will not exceed 10%.

5.2 Ongoing Review

When special events occur, CSI will review the index accordingly. Delisted securities will be deleted from the constituents. Please refer to Index Calculation and Maintenance Methodology for further details.