

## Methodology of SSE Market-Making Equity and Bond Constant Proportion Indices

SSE Market-Making Equity and Bond Constant Proportion Indices select large-size and highly liquid equities in Shanghai securities market and credit bond index as underlying assets, and adopt a constant proportion approach for equity and bond asset allocation, providing investors with asset allocation tools featuring different allocation proportions of equity and bond.

### 1. Index Name and Index Code

Index Name	Shortened Name	Index Code
SSE Market-Making Equity and Bond Constant Proportion 5/95 Index	SSE Market-Making Equity and Bond 5/95	950405
SSE Market-Making Equity and Bond Constant Proportion 10/90 Index	SSE Market-Making Equity and Bond 10/90	950406
SSE Market-Making Equity and Bond Constant Proportion 15/85 Index	SSE Market-Making Equity and Bond 15/85	950407
SSE Market-Making Equity and Bond Constant Proportion 20/80 Index	SSE Market-Making Equity and Bond 20/80	950408
SSE Market-Making Equity and Bond Constant Proportion 30/70 Index	SSE Market-Making Equity and Bond 30/70	950409

### 2. Base Date and Base Value

The base date is December 30, 2022. The base value is 1000.

### 3. Index Eligibility

The indices is comprised of two assets of equity and bond. Each asset is represented by a corresponding index as the following table shows:

Asset Class	Sub-Class Index	Index Code
Equity	SSE 50 Total Return Index	H00016
Bond	SSE Market-Making Corporate Bond Index	950245

### 4. Weights Calculations

On any rebalancing day  $t_0$ , the weights of stock and bond asset are as shown in the table below:

Shortened Name	Weight of stock asset	Weight of bond asset
SSE Market-Making Equity and Bond 5/95	5%	95%
SSE Market-Making Equity and Bond 10/90	10%	90%
SSE Market-Making Equity and Bond 15/85	15%	85%
SSE Market-Making Equity and Bond 20/80	20%	80%
SSE Market-Making Equity and Bond 30/70	30%	70%

## 5. Index Calculations

The index is calculated as the following formula:

$$\text{Index}_t = \text{Index}_{t_0} \times \sum_{i=1}^2 [W_{t_0}^i \times (1 + \text{Sub - Class Asset Return Rate}_{[t_0, t]}^i)]$$

Where  $W_{t_0}^i, i = 1, 2$  represent the initial weights of the assets at effective date of regular adjustment. Sub - Class Asset Return Rate $_{[t_0, t]}^i, i = 1, 2$  represent cumulative return rates of the assets from effective date of regular adjustment to any future trading day  $t$ . Please refer to CSI Index Calculation and Maintenance Methodology for further details.

## 6. Constituents and Index Weights

### 6.1 Constituent's Periodical Review

The index is adjusted and rebalanced quarterly and the adjustment will be effective as of the next trading day after the 2nd Friday of March, June, September and December.

### 6.2 Ongoing Review

When special events occur, CSI will review the index accordingly. Please refer to CSI Index Calculation and Maintenance Methodology for further details.