



中证指数有限公司
CHINA SECURITIES INDEX CO., LTD.

**Measures for the Handling of Index
Termination of China Securities Index
Company Limited**

V2.0

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Chapter I General Provisions

Article 1 These Measures are set forth to regulate the procedures of handling termination of calculation, maintenance and publication of indexes (hereinafter referred to as “Index Termination”) managed by China Securities Index Company Limited (hereinafter referred to as the “Company”).

Article 2 These Measures apply to the equity indexes, bond indexes and multi-asset indexes managed by the Company.

Chapter II Circumstances of Index Termination

Article 3 The Company shall prudently assess the necessity of index termination. Termination of the relevant indexes may be considered only if any of the following circumstances occurs:

(1) Lacking the data source of index calculation or the fairly poor quality of the data source cannot support the stable and correct calculation of indexes.

(2) Indexes are hard to reflect the market and investment opportunities owing to reasons such as the significant changes of the market structure, etc.

(3) Indexes lack a sufficient number of constituents.

(4) The customized indexes, cooperatively-developed indexes, etc. need to be terminated due to the arrangement of the business agreements.

(5) The result of the regular index review shows that the indexes may need to be terminated.

(6) Other reasons such as these subjects to the relevant laws and regulations or regulatory policies.

Chapter III Proposing Procedures

Article 4 When any circumstance as described in Article 3 of the index occurs, all departments of the Company (hereinafter referred to as the "Proposal Department") can submit proposals of index termination. The index termination proposal includes but is not limited to the following contents: background and necessity of termination, the impact of the termination on the market and products, opinions of relevant internal departments of the Company, opinions of stakeholders (if any), corresponding alternative indexes (if any), implementation time of proposed termination.

Article 5 If there are stakeholders relating to the proposed index termination, the Proposal Department shall consult the stakeholders in written form, such as e-mail, on the termination proposal and, if necessary, shall also consult the regulatory department. The consultation period shall not exceed one month in principle. Stakeholders include managers of relevant products who take the indexes as the investment target or as the benchmark as well as clients of the customized indexes.

Article 6 After the proposal of termination is approved by the head of the Proposal Department, the Proposal Department shall submit it to the Index Oversight Committee for review.

If the termination involves important indexes, it shall be submitted to the Index Advisory Committee for review by the Management and Maintenance Department before being submitted to the Index Oversight Committee for review.

Important indexes in these measures include SSE 50 Index, SSE 180 Index, CSI 300 Index, and CSI 500 Index, etc.

Article 7 After the Proposal Department completes all the work process mentioned above, the termination proposal shall be submitted to the Director of the Proposal Department and the General Manager for approval in order. After being approved, it shall be implemented by the Management and Maintenance Department.

Chapter IV Alternative Indexes

Article 8 Proposals to terminate important indexes shall include the consideration of the alternative indexes. Alternative indexes refer to indexes that can play a similar role in price measurement and performance comparison as the indexes to be terminated do. When the important indexes to be terminated have existing linked stock index futures, stock index options and other exchange-traded derivatives or

public offering products such as security investment funds, the Company will consider providing the alternative index for the market before termination, and the alternative index should meet the regulatory requirements and has feasible methodologies and publication conditions.

Article 9 The selection criteria for alternative indexes include but are not limited to: the similarity of the market value and industry distribution of the indexes to be terminated, the availability of investment, the opinions of stakeholders (if any), and the availability of input data.

Article 10 When the corresponding requirements are met and the alternative indexes need to be newly calculated and published, the Company shall handle the calculation and publication of the alternative indexes according to the procedures for new indexes as described in “Measures for Index Research and Publication of China Securities Index Company Limited”.

Chapter V Implementation Procedures

Article 11 After receiving the termination proposal submitted by the Proposal Department, the Management and Maintenance Department formulates an implementation plan for the termination of the index. The implementation plan includes, but is not limited to, the announcement time, termination time, and user notification. After the implementation plan has been approved by the head of the department, it will be

submitted to the Director of the department for approval.

Article 12 On the premise of operability, the proposed termination shall be announced on the official website of the Company at least one month (three months for important indexes) prior to its official implementation. The announcement shall include the background of the index termination and the implementation timetable. If the stakeholders should be notified in advance subject to the relevant contract requirements, it shall be performed as prescribed.

Article 13 After the proposed termination is announced, the Company shall continue the daily maintenance, calculation and publication of indexes to be terminated until the termination date. When there is an alternative index publication plan, the termination date should be at least five working days later than the alternative index publication date. If the agreement with stakeholders requires more than five working days, the relevant agreement shall prevail.

Article 14 The Management and Maintenance Department shall record the various circumstances of index termination, complete the index termination list and archive it, and submit the Report on Index Termination to the Index Oversight Committee on a quarterly basis. The contents of the termination record include two parts: terminated indexes and indexes to be terminated, including but not limited to the index names, the corresponding alternative indexes (if any), the impact of

termination, whether being an important index, the method and scope of consultation, the main market opinions and the Company's response, the Company's internal approver, whether having been reviewed by the Index Advisory Committee, the announcement date and the date of termination.

Article 15 According to the "Measures for the Handling of External Inquiries and Complaints Relating to Index Business of China Securities Index Company Limited", the Company should set up an external consultation and complaint email so that regulatory authorities and index stakeholders can raise objections or other feedback on the index termination process.

Chapter VI Supplementary Provisions

Article 16 The Executive Management Team shall be responsible for overseeing the implementation of these Measures. In the event that any non-compliance is found, the Executive Management Team shall have the power to punish the relevant persons according to the seriousness of the misbehavior.

Article 17 These Measures are subject to the interpretation of the Management and Maintenance Department.

Article 18 These Measures or any revised version shall come into effect upon the examination and approval of the Executive Management Team.

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