

## Methodology of CSI 100 Index

CSI 100 Index is composed of 100 stocks with large market-cap from CSI 300 Index constituents. The index is to reflect the price performance of leading enterprises in A-shares.

### 1. Index Name and Index Code

- Index Name: CSI 100 Index
- Shortened Name: CSI 100
- Index Code: 000903/399903

### 2. Base Date and Base Index

The base date is Dec 30, 2005. The base level is 1000.

### 3. Index Eligibility

#### 3.1 Index Universe

The universe includes all CSI 300 Index constituents.

#### 3.2 Constituents Selection

Rank stocks in the universe by daily average total market value during the most recent year in descending order and select the top 100 ranked stocks as constituents except those evaluated as inappropriate by Index Advisory Committee.

### 4. Index Calculations

The index is weighted as the following calculation formula: Current Index = Current Total Adjusted Market-Cap / Divisor × Base Level

Where Current Total Adjusted Market-Cap =  $\sum$  (Stock Price × Number of Free Float Adjusted Shares).

For the calculation of number of free float adjusted shares, please refer to CSI Index Calculation and Maintenance Methodology for further details.

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

### **5.1 Constituent's Periodical Review**

The index is adjusted and rebalanced twice a year 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%. The index adopts buffer zone rules for the sake of minimum turnover. New candidate stocks ranked top 80 will be given priority to add into the index and old constituents ranked top 120 will be given priority to remain in the index.

### **5.2 Ongoing Review**

In case that the representativeness and investability is affected due to significant changes beyond periodical reviews, CSI may review the constituent stocks immediately. Delisted stocks will be deleted from the constituents. Necessary adjustment will be made when certain corporate event happens so as to maintain the representativeness and investability of the index. Please refer to CSI Index Calculation and Maintenance Methodology for further details.

If any constituent of the Index is changed beyond periodical reviews, the inserted constituent will inherit the weight of the deleted constituent as of the close of one trading day before the effective date of the addition.