

Methodology of CSI Coal & Consumable Fuels Index

CSI Coal & Consumable Fuels Index selects securities from CSI Coal & Consumable Fuels industry and reflects the performance of the industry securities.

1. Index Name and Index Code

- Index Name: CSI Coal & Consumable Fuels Index
- Shortened Name: CSI Coal
- Index Code: 399998

2. Base Date and Base Value

The base date is December 31, 2008. The base value is 1000.

3. Index Eligibility

3.1 Index Universe

Same as the Universe of CSI All Share Index

3.2 Constituents Selection

(1) Select securities which belong to CSI Coal & Consumable Fuels are classified as Coal Industry.

(2) If Industry consist less than or equal to 50 securities, all the securities enter into the Index; If industry consist more than 50 securities: Rank the securities by average daily trading value and average daily total market capitalization respectively in descending order; Delete the securities at the bottom 10% by trading value and securities at the bottom 2% by cumulative market cap, and if the number of securities decreases to 50, the deletion process will be terminated; The remaining securities enter into the Index.

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 = $\sum (\text{Security Price} \times \text{Number of Free Float Adjusted Shares} \times \text{Weight Factor})$

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 each constituent is capped at 10%.

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.

Weight Factor is assigned to each constituent at each rebalancing date. The effective date is the same as that of the constituent adjustment. The Weight Factor stays the same until next rebalancing date.

5.2 Ongoing Review

When special events occur, CSI will review the index accordingly. In case a constituent's industry classification changes due to major corporate actions, it is removed from the original index constituents. Delisted securities will be deleted from the constituents. Please refer to Index Calculation and Maintenance Methodology for further details.