

Methodology of CSI Fintech Theme Index

CSI Fintech Theme Index selects securities which relate to Fintech theme. The index is to measure the performance of securities in the Fintech industry.

1. Index Name and Index Code

- Index Name: CSI Fintech Theme Index
- Shortened Name: CSI Fintech
- Index Code: 930986

2. Base Date and Base Value

The base date is June 30, 2014. 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) Rank the securities in the universe by the average daily trading value over the past year in descending order and delete the bottom 20% securities.

(2) Select no more than 100 securities, which relate to Fintech theme, as the constituents. The Fintech theme includes but not limited to payment & settlement, capital raising, wealth management, retail banking, insurance, transaction settlement and other companies take part in financial products or services presenting improvement from the services related to information technologies, such as cloud computing, big data, artificial intelligence and Blockchain.

4. Index Calculations

The index is calculated according to the following formula:

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

Where $\text{Current Total Adjusted Market-Cap} = \sum (\text{Security Price} \times \text{Number of Free Float Adjusted Shares} \times \text{Weight Factor})$

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. Delisted securities will be deleted from the constituents. Please refer to Index Calculation and Maintenance Methodology for further details.