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

Constituent Adjustment Rules for Equity Indices of China Securities Index Company Limited

V1.3

November 2026

Version Number	Change time	Change scope
1.0	2023-12	Creation of "Constituent Adjustment Rules for Equity Indices of China Securities Index Company Limited".
1.1	2025-05	Revised the "Financial Reporting Requirement" section to add rules for reviewing internal control audit opinions on listed securities' financial reports.
1.2	2025-11	Revised the "Treatment of Proposed Delisting Securities" and related sections to incorporate provisions governing securities at risk of compulsory delisting for trading reasons, as well as refined the phrasing of certain other provisions.
1.3	2026-11	Revised the sections of “Data Cut-off Date of Periodical Adjustments” and “Violations” under “Index Periodical Adjustment”, as well as the sections of the “Adjustment to the Stock Connect List” and “Weight Rebalancing” under “Index Temporary Adjustments”, and refined the wording of certain other provisions.

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1. Introduction

The "Constituent Adjustment Rules for Equity Indices of China Securities Index Company Limited" (hereinafter referred to as the "Constituent Adjustment Rules") aims to explain the rules followed by China Securities Index Company Limited (hereinafter referred to as "CSI") during the periodical or temporary adjustment of equity indices. The main objective is to maintain the representativeness and investability of the indices, while also taking into account the stability of the indices.

The "Constituent Adjustment Rules" is in principle applicable to the domestic and overseas equity indices managed by CSI. When there are other instructions on the treatment rules in the index methodology, the rules stated in the methodology shall prevail. For other special circumstances not covered by the "Constituent Adjustment Rules", CSI will determine the appropriate treatment methods according to the "Statement of Principles for Index Methodology and Management of China Securities Index Company Limited".

2. Index Periodical Adjustment

2.1 Effective Date of Periodical Adjustments

The index constituents are adjusted periodically based on a pre-determined schedule, with commonly used cycles being annual, semi-annual, and quarterly, as detailed in the index methodology.

Annual periodical adjustment: Unless otherwise stated in the index methodology, the periodical adjustment in principle becomes effective on the next trading day after the second Friday of June or December each year.

Semi-annual periodical adjustment: Unless otherwise stated in the index methodology, the periodical adjustment in principle becomes effective on the next trading day after the second Friday of June and December each year.

Quarterly periodical adjustment: Unless otherwise stated in the index methodology, the periodical adjustment in principle becomes effective on the next trading day after the second Friday of March, June, September and December each year.

2.2 Data Cut-off Date of Periodical Adjustments

Among the basic data required for periodical adjustment of stock indices, a general data cut-off date is in principle adopted for the basic data. Generally, the general data cut-off date for indices

with commonly used periodical adjustment cycles is the last calendar day of the second calendar month before the effective date of the periodical adjustment.

The data applicable to the general data cut-off date includes but is not limited to: daily average trading volume, daily average market cap, cut-off date market cap, dividend data, etc. For newly added data that affects the representativeness and investability of the index after the data cut-off date, CSI will determine appropriate treatment methods based on index rules, including but not limited to: risk warning, compulsory delisting for trading reasons, and securities violation data, etc.

The periodical adjustment in June of each year generally uses the annual review results of the CSI Industry Classification, while the periodical adjustments in March, September, and December generally use the CSI Industry Classification results of the general data cut-off date.

The Stock Connect list shall in principle be based on the list disclosed by the exchanges on the last calendar day of the second calendar month before the effective date of the periodical adjustment. Securities removed from the Stock Connect List before the effective date of the periodical adjustment shall in principle not be included in the constituents proposed to be effective at the current periodical adjustment. In principle, adjustments to the Stock Connect list that do not meet the above conditions will be processed in the next adjustment.

2.3 Equity Universe Eligibility Criteria

2.3.1 Listing Time Requirement

To avoid significant price fluctuations of newly listed securities affecting index stability and characterization functions, newly listed securities generally need to satisfy the listing time requirements, among which some securities that meet certain conditions may be exempt from listing time requirements. The specifics are detailed in the index methodology. For example, the index universe may require the security to be listed for more than a quarter, unless the security has ranked in the top 30 in terms of daily average market cap since listing.

2.3.2 Financial Reporting Requirement

During the periodical adjustment, securities listed on Shanghai, Shenzhen, and Beijing Stock Exchanges of companies failing to disclose their latest semi-annual or audited annual reports within the statutory period, or whose accounting reports for the recent fiscal year have been presented with disclaimer of opinion or adverse opinion, or whose audit report on internal controls have been presented with disclaimer of opinion or adverse opinion, are in principle not eligible for index universe.

2.3.3 Treatment of Risk Warning Securities

During the periodical adjustment, securities that have been issued a risk warning by Shanghai, Shenzhen, and Beijing Stock Exchanges or whose risk warnings have been removed for less than three months as of the data cut-off date are in principle not eligible for index universe.

2.3.4 Treatment of Proposed Delisting Securities

During the periodical adjustment, securities that are expected to trigger or have triggered compulsory delisting for trading reasons, or have disclosed the announcement of termination of listing or similar announcements are in principle not eligible for index universe. Similarly, securities with compulsory delisting risks for trading reasons or disclosed expected delisting dates will generally not be considered as candidate new constituents.

2.4 Periodical Adjustment Rules

2.4.1 Adjustment Proportion Limit

During the periodical adjustment, to effectively reduce the turnover rate of index constituents, some indices set an adjustment proportion limit. In principle, the number of constituents to be adjusted should not exceed this set ratio and the specifics are detailed in the index methodology. The maximum number of constituents to be adjusted generally depends on the number of constituents of the index on the disclosure date of the periodical adjustment results.

2.4.2 Buffer Zone

During the periodical adjustment, to effectively reduce the turnover rate of index constituents, some indices adopt buffer zone rules and the specifics are detailed in the index methodology. For example, if the total number of index constituents is X and the buffer zone ratio is Y%, new candidates ranked equal to or less than X(1-Y%) will be prioritized for inclusion, while existing constituents ranked equal to or less than X(1+Y%) will be prioritized for retention.

2.4.3 Reserve List

To enhance the predictability and transparency of temporary adjustments, some indices establish a reserve list to be used for temporary adjustments between periodical adjustments. The reserve list is generated according to the index methodology during every periodical adjustment and shall take effect immediately after the disclosure of the periodical adjustment results.

When the index has constituent vacancies due to reasons such as delisting or merger, or there is a need to temporarily replace constituents for other reasons, securities that comply with the

index methodology and are ranked at the top of the reserve list are selected as constituents. If there is a temporary adjustment of the index constituents between the disclosure date and the effective date of the periodical adjustment results, the constituents are supplemented based on the constituents proposed to be effective and the reserve list. When over half of the securities on the reserve list have been used, CSI will promptly supplement a new reserve list. The new reserve list will be supplemented in order from the constituent selection results of the previous periodical adjustment, according to the index methodology, to meet the required number of securities for the reserve list.

2.4.4 Suspension

During the periodical adjustment, for indices subject to suspension rules:

For index constituents, generally:

Constituents that have been consecutively suspended from trading for more than 25 trading days and have not resumed trading by the data cut-off date of the periodical adjustment, if listed on the candidate deletion list, will be listed as priority deletion securities in principle.

For non-constituent securities, generally:

Securities that are under suspension on the disclosure date of periodical adjustment results and without clear expectation about trading resumption, or even if there is a clear expectation about trading resumption but the earliest expected resumption date is on or after the effective date of the index periodical adjustment, will not be able to be selected as candidate new additions in principle.

Securities that have been consecutively suspended for more than 25 trading days during the data period used for the index periodical adjustment can be included in the indices only if they have been resumed trading for at least 3 months.

For new additions suspended between the disclosure date of periodical adjustment results and the effective date of index periodical adjustment, CSI will decide whether to adjust the additions or not.

2.4.5 Financial Losses

During the periodical adjustment, for indices subject to financial losses treatment rules, except for securities listed on the Science and Technology Innovation Board, securities listed on Shanghai, Shenzhen, and Beijing Stock Exchanges suffering financial losses are, in principle, not considered for inclusion as new constituents, unless the security impacts the index's representativeness.

2.4.6 Risk Warning

During the periodical adjustment, securities listed on Shanghai, Shenzhen, and Beijing Stock Exchanges that are likely to be issued a risk warning are in principle not included as index constituents.

2.4.7 Violations

During the periodical adjustment, for securities listed on Shanghai, Shenzhen, and Beijing Exchanges of the companies that have violated the regulations such as being subject to investigation or administrative penalty by the China Securities Regulatory Commission or disciplinary sanction by Shanghai, Shenzhen, and Beijing Stock Exchanges during the year prior to the data cut-off date for periodical adjustment or between the data cut-off date and the disclosure date of the periodical adjustment results, they are, in principle, not considered for new inclusion, or prioritized for deletion if they are candidates for deletion.

2.4.8 Weight Rebalancing

Generally, for the index whose periodical adjustments take effect on the next trading day of the second Friday of March, June, September, and December every year, weight rebalancing is carried out using the prices after the close of the fifth trading day before the effective date and the numbers of shares in issue proposed to be effective on the effective date.

2.4.9 Deletion Price

In principle, the most recent closing price is used to delete index constituents. When a decision is made to delete a constituent from the index, any constituent that is suspended due to significant negative events, such as triggering compulsory delisting for trading reasons, will generally be deleted at the system's lowest price (currently 0.00001). For example, an A-share security meeting the above conditions would be removed at a price of 0.00001 CNY.

3. Index Temporary Adjustments

Outside of the periodical adjustments, the eligibility of index constituents continues to be influenced by events, including but not limited to: corporate events such as mergers and acquisitions, spin-offs, suspensions, risk warnings, delistings, bankruptcies, and other situations such as fast entries, industry classification changes, adjustments to the Stock Connect list, ESG rating changes, etc. When the temporary adjustment of the index constituents is close to the next effective date of periodical adjustment, it is implemented together with the next periodical

adjustment in principle.

The specific types and relevant treatment rules of corporate events are detailed in the "Corporate Events Treatment Rules for Equity Indices of China Securities Index Company Limited". The treatment rules for other situations that may cause temporary adjustments to the index constituents can be found in the following text.

3.1 Fast Entry

To timely enhance the representativeness of the index, some indices set up fast entry rules for newly-listed large-cap securities and other securities meeting specified criteria, as detailed in the index methodology. If a newly listed security meets the conditions for fast entry into the index, but the time from listing date to the next effective date of periodical adjustment is less than 20 trading days, the fast entry will be implemented together with the periodical adjustment.

For composite indices with fast-entry rules such as the SSE Composite Index (000001), if an IPO satisfies the requirements of index universe, and its daily average market cap ranks top 10 in the market by comparing the daily average market cap of an IPO in the range from the sixth trading day after listing (including the sixth trading day) to two weeks prior to the day of three-month listing with the daily average market cap of all the securities in the same time range, it shall be added in after three months of listing.

3.2 Industry Classification Change

For indices that apply the industry classification change temporary adjustment rules in the index methodology, when the industry classifications of the index constituents or those of the parent index constituents change, the index constituents will be adjusted accordingly, which is detailed in the index methodology. These adjustments generally take effect on the next trading day of the second Friday of each month. The reference is based on industry classification data as of the last trading day of the previous month.

3.3 Adjustment to the Stock Connect List

For indices that apply the Stock Connect temporary adjustment rules in the index methodology, when changes in the scope of Shanghai Stock Connect, Shenzhen Stock Connect or Hong Kong Stock Connect cause the constituent to no longer meet the Stock Connect eligibility, it will be removed from the index constituents. These adjustments generally take effect on the next trading day of the second Friday of each month. The reference is based on the Stock Connect list as of the third trading day before the effective date.

3.4 ESG Rating Change

For indices that apply the ESG rating change temporary adjustment rules in the index methodology, when an index constituent's ESG rating changes causing it to no longer meet the ESG rating requirements, it will be removed from the index constituents. These adjustments generally take effect on the next trading day of the second Friday of each month. The reference is based on ESG rating data as of the last trading day of the previous month.

3.5 Weight Rebalancing

For indices with weight limits, when a temporary constituent adjustment occurs, weight rebalancing shall generally be carried out after the close of the third trading day prior to the effective date of the temporary adjustment. Where a temporary adjustment involves the addition of new constituents, for market-capitalization-weighted indices with single-constituent weight upper limits, weight rebalancing shall in principle be performed using the excess-limit assessment approach; for non-market-capitalization-weighted indices, weight rebalancing shall in principle follow the weight inheritance approach; for other scenarios, CSI shall determine the appropriate treatment methods in accordance with the index rules. For indices that adopt the weight inheritance approach for weight rebalancing, new constituents shall in principle inherit the closing weight of the removed constituents on the third trading day before adjustment, and the weight factors of the new constituents shall be calculated accordingly. For indices that adopt the excess-limit assessment approach for weight rebalancing, the newly added constituent shall in principle be included in the index with an initial weight factor of 1 to assess whether its weight exceeds the single-security weight cap. If the weight does not exceed the cap, the constituent shall in principle be included with a weight factor of 1. If the weight exceeds the cap, the weight factor shall in principle be recalculated.

For composite indices with weight limits such as the SSE Composite Index (000001), weight rebalancing shall generally be carried out using closing prices as of the trading day prior to the effective date and the numbers of shares proposed to be effective on the effective date.

3.6 Deletion Price

In principle, the most recent closing price is used to delete index constituents. When a decision is made to delete a constituent from the index, any constituent that is suspended due to significant negative events, such as triggering compulsory delisting for trading reasons, will generally be deleted at the system's lowest price (currently 0.00001). For example, an A-share security meeting the above conditions would be removed at a price of 0.00001 CNY.

3.7 Other Special Cases

Except for indices that set up a reserve list or otherwise specified in the index methodology,

when the index has vacancies due to various temporary adjustment situations, the index constituents are not supplemented in principle.

Appendix A: Glossary of Terms

Key Term	Definition
Clear Expectation about Trading Resumption	Where the resumption date or resumption time window is explicitly stated in the listed company's announcements, the security shall be deemed to have a clear expectation about trading resumption. Examples include statements that the suspension period is expected to last no more than N trading days, that trading is expected to resume by a specified date, or other similar wording.
Daily Average Market Cap	The arithmetic mean of the daily market capitalization of a security over a certain period of time (excluding the suspension days; the calculation start date is the later of the first day of the period or the sixth trading day after the security's listing).
Daily Average Trading Volume	The arithmetic mean of the daily trading volume of a security over a certain period of time (excluding the suspension days; the calculation start date is the later of the first day of the period or the sixth trading day after the security's listing).
Parent Index	An index that serves as the index universe for a certain index is the parent index of that index.
Security	Stocks of listed companies, depositary receipts, and real estate investment trusts (REITs).
Shanghai, Shenzhen and Beijing	Refers to the Shanghai Stock Exchange, Shenzhen Stock Exchange, and Beijing Stock Exchange.
Weight Inheritance	When a temporary adjustment to the constituents occurs, the weight of the new constituent inherits the weight of the removed security in its index.
Weight Rebalancing	For indices with weight restrictions, when a temporary adjustment to the constituents occurs, the weights and weight factors of the index constituents are generally recalculated before the effective date of the temporary adjustment.
Triggering Compulsory Delisting for Trading Reasons	The security has met the exchange's compulsory delisting criteria for trading reasons, which typically requires the company to issue a risk announcement about its forthcoming delisting.
Expected to Trigger Compulsory Delisting for Trading Reasons	A security is considered to be in this state when, based on a simulation of current data and exchange rules, it is theoretically impossible for it to avoid meeting the formal compulsory delisting criteria for trading reasons.
Securities with Compulsory Delisting Risks for Trading Reasons	This status is triggered when a security first meets a condition that could potentially lead to compulsory delisting for trading reasons (e.g., closing below 1 CNY for the first time). This initial event generally requires the listed company to disclose a risk warning announcement.

Appendix B: Summary of Methodology Changes

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
Creation of Constituents Review Methodology for Equity Indices.	2023-12	"Equity Indices Calculation and Maintenance Methodology of China Securities Index Company Limited"	The new "Constituent Adjustment Rules for Equity Indices by China Securities Index Company Limited" is established, and the original "Equity Indices Calculation and Maintenance Methodology of China Securities Index Company Limited" is no longer in use.
Revised the "Financial Reporting Requirement" section to add rules for reviewing internal control audit opinions on listed securities' financial reports, as well as refined the phrasing of certain other provisions.	2025-05	2.3.2 Financial Reporting Requirement During the periodical adjustment, securities listed on Shanghai, Shenzhen, and Beijing Stock Exchanges of companies failing to disclose their semi-annual or audited annual reports within the statutory period, or whose accounting reports for the recent fiscal year have been presented with disclaimer of opinion or adverse opinion, are in principle not eligible for index universe.	2.3.2 Financial Reporting Requirement During the periodical adjustment, securities listed on Shanghai, Shenzhen, and Beijing Stock Exchanges of companies failing to disclose their semi-annual or audited annual reports within the statutory period, or whose accounting reports for the recent fiscal year have been presented with disclaimer of opinion or adverse opinion, or whose audit report on internal controls have been presented with disclaimer of opinion or adverse opinion, are in principle not eligible for index universe.
Revised the "Treatment of Proposed Delisting Securities" and related sections to incorporate provisions governing securities at risk	2025-11	2.3.4 Treatment of Proposed Delisting Securities During the periodical adjustment, securities involving compulsory delisting for trading reasons or those that have disclosed the announcement of termination of listing or similar announcements are	2.3.4 Treatment of Proposed Delisting Securities During the periodical adjustment, securities that are expected to trigger or have triggered compulsory delisting for trading reasons, or have disclosed the announcement of termination of listing or similar announcements are in principle

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
of compulsory delisting for trading reasons, as well as refined the phrasing of certain other provisions.		in principle not eligible for index universe.	not eligible for index universe. Similarly, securities with compulsory delisting risks for trading reasons or disclosed expected delisting dates will generally not be considered as candidate new constituents.
		2.4.9 Deletion Price In principle, the most recent closing price is used to delete index constituents. When a decision is made to delete a constituent from the index, if the security has been suspended due to significant negative events, it is generally deleted at the system's lowest price (0.00001 CNY).	2.4.9 Deletion Price In principle, the most recent closing price is used to delete index constituents. When a decision is made to delete a constituent from the index, any constituent that is suspended due to significant negative events, such as triggering compulsory delisting for trading reasons, will generally be deleted at the system's lowest price (currently 0.00001). For example, an A-share security meeting the above conditions would be removed at a price of 0.00001 CNY.
		3.3 Adjustment to the Stock Connect List For indices that apply the Stock Connect temporary adjustment rules in the index methodology, for indices that include all securities within the scope of Shanghai Stock Connect, Shenzhen Stock Connect or Hong Kong Stock Connect, these indices and their corresponding sector indices adjust their constituents each month according to changes in the scope of Shanghai Stock Connect, Shenzhen Stock Connect, or	3.3 Adjustment to the Stock Connect List For indices that apply the Stock Connect temporary adjustment rules in the index methodology, for indices that include all securities within the scope of Shanghai Stock Connect, Shenzhen Stock Connect or Hong Kong Stock Connect, these indices and their corresponding sector indices generally adjust their constituents each month according to changes in the scope of Shanghai Stock Connect, Shenzhen Stock Connect, or Hong Kong Stock Connect; for other types of

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
		Hong Kong Stock Connect; for other types of indices, when changes in the scope of Shanghai Stock Connect, Shenzhen Stock Connect or Hong Kong Stock Connect cause the constituent to no longer meet the Stock Connect eligibility, it will be removed from the index constituents. These adjustments generally take effect on the next trading day of the second Friday of each month. The reference is based on the Stock Connect list as of the third trading day before the effective date.	indices, when changes in the scope of Shanghai Stock Connect, Shenzhen Stock Connect or Hong Kong Stock Connect cause the constituent to no longer meet the Stock Connect eligibility, it will be removed from the index constituents. These adjustments generally take effect on the next trading day of the second Friday of each month. The reference is based on the Stock Connect list as of the third trading day before the effective date.
		3.5 Weight Balancing For indices with weight restrictions, when a temporary constituent adjustment occurs, weight rebalancing is generally carried out after the close of the third trading day before the effective date of the temporary adjustment. For Shanghai, Shenzhen, and Beijing market indices that adopt weight inheritance for weight rebalancing, new constituents in principle inherit the closing weight of the removed securities on the last trading day before adjustment, and the weight factors of the new constituents are calculated based on this.	3.5 Weight Balancing For indices with weight restrictions, when a temporary constituent adjustment occurs, weight rebalancing is generally carried out after the close of the third trading day before the effective date of the temporary adjustment. For Shanghai, Shenzhen, and Beijing market indices that adopt weight inheritance for weight rebalancing, new constituents in principle inherit the closing weight of the removed securities on the third trading day before adjustment, and the weight factors of the new constituents are calculated based on this.
		3.6 Deletion Price	3.6 Deletion Price

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
		In principle, the most recent closing price is used to delete index constituents. When a decision is made to delete a constituent from the index, if the security has been suspended due to significant negative events, it is generally deleted at the system's lowest price (0.00001 CNY).	In principle, the most recent closing price is used to delete index constituents. When a decision is made to delete a constituent from the index, any constituent that is suspended due to significant negative events, such as triggering compulsory delisting for trading reasons, will generally be deleted at the system's lowest price (currently 0.00001). For example, an A-share security meeting the above conditions would be removed at a price of 0.00001 CNY.
		Appendix A: Glossary of Terms Daily Average Market Cap: The arithmetic mean of the daily market capitalization of a security over a certain period of time (excluding the suspension days and data from the first five trading days after the listing of newly listed securities). Daily Average Trading Volume: The arithmetic mean of the daily trading volume of a security over a certain period of time (excluding the suspension days and data from the first five trading days after the listing of newly listed securities).	Appendix A: Glossary of Terms Daily Average Market Cap: The arithmetic mean of the daily market capitalization of a security over a certain period of time (excluding the suspension days; the calculation start date is the later of the first day of the period or the sixth trading day after the security's listing). Daily Average Trading Volume: The arithmetic mean of the daily trading volume of a security over a certain period of time (excluding the suspension days; the calculation start date is the later of the first day of the period or the sixth trading day after the security's listing). Triggering Compulsory Delisting for Trading Reasons: The security has met the exchange's compulsory delisting criteria for trading reasons, which typically requires the company to issue a risk announcement about its

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
			forthcoming delisting. Expected to Trigger Compulsory Delisting for Trading Reasons: A security is considered to be in this state when, based on a simulation of current data and exchange rules, it is theoretically impossible for it to avoid meeting the formal compulsory delisting criteria for trading reasons. Securities with Compulsory Delisting Risks for Trading Reasons: This status is triggered when a security first meets a condition that could potentially lead to compulsory delisting for trading reasons (e.g., closing below 1 CNY for the first time). This initial event generally requires the listed company to disclose a risk warning announcement.
Revised the sections of "Data Cut-off Date of Periodical Adjustments" and "Violations" under "Index Periodical Adjustment", as well as the sections of the "Adjustment to the Stock Connect List" and "Weight Rebalancing" under "Index Temporary Adjustments",	2026-11	2.2 Data Cut-off Date of Periodical Adjustments The Stock Connect list shall be based on the latest list disclosed by the exchanges as of the fifth trading day before the effective date of the periodical adjustment. In principle, adjustments to the Stock Connect list that do not meet the above conditions will be processed in the next adjustment.	2.2 Data Cut-off Date of Periodical Adjustments The Stock Connect list shall in principle be based on the list disclosed by the exchanges on the last calendar day of the second calendar month before the effective date of the periodical adjustment. Securities removed from the Stock Connect List before the effective date of the periodical adjustment shall in principle not be included in the constituents proposed to be effective at the current periodical adjustment. In principle, adjustments to the Stock Connect list that do not meet the above conditions will

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
and refined the wording of certain other provisions.			be processed in the next adjustment.
		2.3.2 Financial Reporting Requirement During the periodical adjustment, securities listed on Shanghai, Shenzhen, and Beijing Stock Exchanges of companies failing to disclose their semi-annual or audited annual reports within the statutory period, or whose accounting reports for the recent fiscal year have been presented with disclaimer of opinion or adverse opinion, or whose audit report on internal controls have been presented with disclaimer of opinion or adverse opinion, are in principle not eligible for index universe.	2.3.2 Financial Reporting Requirement During the periodical adjustment, securities listed on Shanghai, Shenzhen, and Beijing Stock Exchanges of companies failing to disclose their latest semi-annual or audited annual reports within the statutory period, or whose accounting reports for the recent fiscal year have been presented with disclaimer of opinion or adverse opinion, or whose audit report on internal controls have been presented with disclaimer of opinion or adverse opinion, are in principle not eligible for index universe.
		2.4.7 Violations During the periodical adjustment, for securities listed on Shanghai, Shenzhen, and Beijing Exchanges of the companies that have violated the regulations such as being investigated by the China Securities Regulatory Commission or publicly denounced by Shanghai, Shenzhen, and Beijing Stock Exchanges during the year prior to the data cut-off date for periodical adjustment or between the data cut-off date and the disclosure date of the periodical adjustment results, they are, in	2.4.7 Violations During the periodical adjustment, for securities listed on Shanghai, Shenzhen, and Beijing Exchanges of the companies that have violated the regulations such as being subject to investigation or administrative penalty by the China Securities Regulatory Commission or disciplinary sanction by Shanghai, Shenzhen, and Beijing Stock Exchanges during the year prior to the data cut-off date for periodical adjustment or between the data cut-off date and the disclosure date of the periodical adjustment results, they are, in principle, not considered for new

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
		principle, not considered for new inclusion, or prioritized for deletion if they are candidates for deletion.	inclusion, or prioritized for deletion if they are candidates for deletion.
		3.1 Fast Entry To timely enhance the representativeness of the index, some indices set up fast entry rules for newly listed securities with large market capitalization, as detailed in the index methodology. If a newly listed security meets the conditions for fast entry into the index, but the time from listing date to the next effective date of periodical adjustment is less than 20 trading days, the fast entry will be implemented together with the periodical adjustment. For the SSE Composite Index (000001) and some other indices, if an IPO satisfies the requirements of index universe, and its daily average market cap ranks top 10 in the market by comparing the daily average market cap of an IPO in the range from the sixth trading day after listing (including the sixth trading day) to two weeks prior to the day of three-month listing with the daily average market cap of all the securities in the same time range, it shall be added in after three months of listing.	3.1 Fast Entry To timely enhance the representativeness of the index, some indices set up fast entry rules for newly-listed large-cap securities and other securities meeting specified criteria, as detailed in the index methodology. If a newly listed security meets the conditions for fast entry into the index, but the time from listing date to the next effective date of periodical adjustment is less than 20 trading days, the fast entry will be implemented together with the periodical adjustment. For composite indices with fast-entry rules such as the SSE Composite Index (000001), if an IPO satisfies the requirements of index universe, and its daily average market cap ranks top 10 in the market by comparing the daily average market cap of an IPO in the range from the sixth trading day after listing (including the sixth trading day) to two weeks prior to the day of three-month listing with the daily average market cap of all the securities in the same time range, it shall be added in after three months of listing.

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
		3.3 Adjustment to the Stock Connect List For indices that apply the Stock Connect temporary adjustment rules in the index methodology, for indices that include all securities within the scope of Shanghai Stock Connect, Shenzhen Stock Connect or Hong Kong Stock Connect, these indices and their corresponding sector indices generally adjust their constituents each month according to changes in the scope of Shanghai Stock Connect, Shenzhen Stock Connect, or Hong Kong Stock Connect; for other types of indices, when changes in the scope of Shanghai Stock Connect, Shenzhen Stock Connect or Hong Kong Stock Connect cause the constituent to no longer meet the Stock Connect eligibility, it will be removed from the index constituents. These adjustments generally take effect on the next trading day of the second Friday of each month. The reference is based on the Stock Connect list as of the third trading day before the effective date.	3.3 Adjustment to the Stock Connect List For indices that apply the Stock Connect temporary adjustment rules in the index methodology, when changes in the scope of Shanghai Stock Connect, Shenzhen Stock Connect or Hong Kong Stock Connect cause the constituent to no longer meet the Stock Connect eligibility, it will be removed from the index constituents. These adjustments generally take effect on the next trading day of the second Friday of each month. The reference is based on the Stock Connect list as of the third trading day before the effective date.
		3.5 Weight Balancing For indices with weight restrictions, when a temporary constituent	3.5 Weight Rebalancing For indices with weight limits, when a temporary constituent adjustment occurs, weight

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
		adjustment occurs, weight rebalancing is generally carried out after the close of the third trading day before the effective date of the temporary adjustment. For Shanghai, Shenzhen, and Beijing market indices that adopt weight inheritance for weight rebalancing, new constituents in principle inherit the closing weight of the removed securities on the third trading day before adjustment, and the weight factors of the new constituents are calculated based on this.	rebalancing shall generally be carried out after the close of the third trading day prior to the effective date of the temporary adjustment. Where a temporary adjustment involves the addition of new constituents, for market-capitalization-weighted indices with single-constituent weight upper limits, weight rebalancing shall in principle be performed using the excess-limit assessment approach; for non-market-capitalization-weighted indices, weight rebalancing shall in principle follow the weight inheritance approach; for other scenarios, CSI shall determine the appropriate treatment methods in accordance with the index rules. For indices that adopt the weight inheritance approach for weight rebalancing, new constituents shall in principle inherit the closing weight of the removed constituents on the third trading day before adjustment, and the weight factors of the new constituents shall be calculated accordingly. For indices that adopt the excess-limit assessment approach for weight rebalancing, the newly added constituent shall in principle be included in the index with an initial weight factor of 1 to assess whether its weight exceeds the single-security weight cap. If the weight does not exceed the cap, the constituent shall in principle be included with a weight factor

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
			of 1. If the weight exceeds the cap, the weight factor shall in principle be recalculated. For composite indices with weight limits such as the SSE Composite Index (000001), weight rebalancing shall generally be carried out using closing prices as of the trading day prior to the effective date and the numbers of shares proposed to be effective on the effective date.
			Appendix A: Glossary of Terms Clear Expectation about Trading Resumption: Where the resumption date or resumption time window is explicitly stated in the listed company ' s announcements, the security shall be deemed to have a clear expectation about trading resumption. Examples include statements that the suspension period is expected to last no more than N trading days, that trading is expected to resume by a specified date, or other similar wording.

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