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

Corporate Events Treatment Rules for Equity Indices of China Securities Index Company Limited

V1.2

November 2026

Version Number	Change Time	Change Scope
1.0	2023-12	Creation of "Corporate Events Treatment Rules for Equity Indices of China Securities Index Company Limited".
1.1	2025-11	Revised the "Delisting" and related sections to incorporate provisions governing securities at risk of compulsory delisting for trading reasons.
1.2	2026-11	Revised the “New Listing” and “Glossary of Terms”, with refined wording of certain provisions.

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1. Introduction

The "Corporate Events Treatment Rules for Equity Indices of China Securities Index Company Limited" (hereinafter referred to as the "Corporate Events Treatment Rules") aims to outline the rules followed by China Securities Index Company Limited (hereinafter referred to as "CSI") in treating corporate events in the equity indices it manages. When treating corporate events involving index constituents, the following principles should be followed: i) The treatment of corporate events should reflect the impact of the events on the index constituents and comply with the requirements of the index methodology, keeping balance between representativeness and investability of the indices. ii) The treatment of corporate events should try to minimize the trading activities conducted by index users to track the indices, keeping the stability of the indices. iii) The treatment of the corporate events should try to maintain consistency, improving the predictability of the treatment of the corporate events.

The "Corporate Events Treatment 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 index methodology shall prevail. For other special circumstances not covered by the "Corporate Events Treatment Rules" or more complex corporate events, CSI will determine the appropriate treatment methods based on the "Statement of Principles for Index Methodology and Management of China Securities Index Company Limited".

2. Corporate Events Treatment Rules

Corporate events include events that affect the basic situation or trading status of securities, such as new listing, suspension, risk warning, delisting, bankruptcy, transfer of listing, etc., asset restructuring events such as mergers and acquisitions, spin-off, etc., as well as events that cause changes in security prices or numbers of shares[1], such as cash dividend, stock dividend, secondary offering, etc.

2.1 New Listing

During the periodical adjustment periods, 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

[1] "Shares" refers to "Shares in Issue", similarly hereinafter.

methodology.

Outside of the periodical adjustment periods, to timely enhance the representativeness of the indices, 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.

2.2 Mergers and Acquisitions

For constituent adjustment caused by mergers, the treatment rules are as follows:

A constituent company merges with another constituent company. When a constituent company merges with another constituent company, the security of the resulting new company shall be retained in the index in principle. Meanwhile, it will be decided whether to fill the constituent vacancy left by the merged company based on the index methodology.

A constituent company merges with a non-constituent company. When a constituent company merges with a non-constituent company, the security of the resulting new company shall be retained in the index in principle.

A non-constituent company merges with a constituent company. When a non-constituent company merges with a constituent company, the security of the resulting new company shall be added to the index in principle. In special circumstances, if the security of the resulting new company doesn't meet some of the specific requirements of the index methodology, the security of the resulting new company shall not be added to the index, and it will be decided whether to fill the constituent vacancy left by the merged company based on the index methodology.

A non-constituent company merges with another non-constituent company. When a non-constituent company merges with another non-constituent company, if the security of the resulting new company meets the fast entry rule requirements, it shall be added to the index according to the fast entry rule.

2.3 Spin-off

When a constituent company is spun off so as to form two or more companies, CSI will decide whether to include the securities of the resulting companies in the indices, taking into account the listing time of the securities of the resulting companies and the actual circumstances of the spin-off event.

2.4 Suspension

For constituent adjustment caused by suspension of trading of Shanghai, Shenzhen, and Beijing securities, the treatment rules are as follows:

During the periodical adjustment periods, generally:

For index constituents:

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:

Securities that are under suspension on the disclosure date of the 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 the periodical adjustment results and the effective date of the index periodical adjustment, CSI will decide whether to adjust the additions or not.

Outside of the periodical adjustment periods, when the security of a constituent company is suspended from trading, CSI shall determine whether to remove it from the index based on its suspension reasons.

2.5 Risk Warning

For constituent adjustment caused by the implementation of risk warning of Shanghai, Shenzhen, and Beijing securities, the treatment rules are as follows:

During the periodical adjustment periods, the securities that have been issued a risk warning by Shanghai, Shenzhen or Beijing Stock Exchanges or whose risk warnings have been removed for less than 3 months as of the data cut-off date are in principle not eligible for the index universe. Unless it is otherwise specified in the index methodology regarding the index universe, the rules stated in the index methodology shall prevail.

Outside of the periodical adjustment periods, generally, constituents which are under risk warning status or will enter risk warning status will be removed from the indices on the next trading day after the second Friday of every month.

2.6 Delisting

During the periodical adjustment periods, securities that are expected to trigger or have triggered compulsory delisting for trading reasons or those that 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.

Outside of the periodical adjustment periods, constituents that have triggered compulsory delisting for trading reasons or that have already disclosed the announcement of termination of listing or similar announcements should be removed from the indices as soon as possible, and whether the vacancy should be filled shall depend on the index methodology. Similarly, securities with compulsory delisting risks for trading reasons or disclosed expected delisting dates will generally not be considered as candidate new constituents.

2.7 Bankruptcy

If a constituent company files for bankruptcy or is adjudged bankrupt, it shall be removed from the index, and whether the vacancy should be filled shall depend on the index methodology.

2.8 Transfer of Listing

For transfer of listing between different stock exchanges, in principle, the security before the transfer is treated as delisting, and the security after the transfer is treated as a new listing. For transfer of listing within the same stock exchange, the specific treatment shall depend on the rules stated in the index methodology.

2.9 Ex-right and Ex-dividend Corporate Events

Ex-right and ex-dividend corporate events mainly refer to corporate events requiring price adjustments, including events that cause changes in security prices such as cash dividend, and events that cause simultaneous changes in security prices and numbers of shares such as stock dividend, rights issue, stock split and stock consolidation, etc.

For these types of corporate events, they generally take effect immediately on the ex-right date or ex-dividend date.

Detailed explanations and treatment for each type of corporate event are as follows:

Event Type	Treatment
Cash Dividend	Dividends are distributed to shareholders in cash on a pro rata basis. The security price on the ex-dividend date needs to be adjusted accordingly. $$\text{Ex-dividend price} = \text{Closing price before ex-dividend date} - \text{Dividend per share}$$ In cases of currency conversion involved in cash dividend, unless otherwise stated, the exchange rate shall be sourced from the data providers as designated by CSI from time to time.
Stock Dividend (Bonus Issue)	The company's shares are presented to shareholders on a pro rata basis. The security price and number of shares on the ex-right date need to be adjusted accordingly. $$\text{Ex-right price} = \frac{\text{Closing price before ex-right date}}{1 + \text{bonus issue ratio}}$$
Cash Dividend & Stock Dividend	Cash dividends are distributed to shareholders on a pro rata basis, and simultaneously the company's shares are presented to shareholders on a pro rata basis. See above for the adjustment to Ex-dividend price and Ex-right price. $$\text{Ex-right \& Ex-dividend price} = \frac{\text{Closing price before ex-right and ex-dividend date} - \text{Dividend per sh}}{1 + \text{bonus issue ratio}}$$
Stock Split or Stock Consolidation	The shares held by the existing shareholders are split or consolidated on a pro-rata basis. The security price and number of shares on the ex-right date need to be adjusted accordingly. $$\text{Ex-right price} = \text{Closing price before ex-right date} \times \frac{\text{Total number of shares in issue before ex-right date}}{\text{Total number of shares in issue on ex-right date}}$$
Rights Issue	A financing process in which a certain number of additional shares are offered to the existing shareholders at a specific price in proportion to their existing holdings. The security price and number of shares on the ex-right date need to be adjusted accordingly. CSI will generally make adjustment to the ex-right price according to the proposed rights issue ratio, based on the announcement of the rights issue of the listed company. $$\text{Ex-right price} = \frac{\text{Closing price before ex-right date} + \text{Rights issue price} \times \text{rights issue r}}{1 + \text{Rights issue ratio}}$$

2.10 Other Corporate Events Causing Changes in Numbers of Shares

In addition to ex-right corporate events such as stock dividend, rights issue, stock split and stock consolidation, changes in numbers of shares may also be caused by other corporate events, such as secondary offering, debt-to-equity swap, exercise of warrants, etc. These types of corporate events generally only require adjustments to numbers of shares, and do not require price adjustments.

For these types of corporate events, CSI applies a principle of concentrated implementation, and makes temporary adjustments or periodical adjustments based on the change of the total numbers of shares.

When such corporate events cause an accumulated change of the total numbers of shares reaching or exceeding 5%, a temporary adjustment shall be made to constituents' total numbers of shares. Usually, the effective date of the temporary adjustment shall be two trading days later than the listing date of new shares disclosed in the announcement made by the listed company when the accumulated change of the total numbers of shares reaches or exceeds 5% (If the announcement day is later than the listing date of new shares, the next trading day after the announcement date shall be regarded as the listing date of new shares).

When such corporate events cause an accumulated change of the total number of shares of less than 5%, the changes in the total numbers of shares will be implemented at the time of periodical adjustment. The effective date of the periodical adjustment of number of shares shall be the next trading day of the second Friday of June and December each year.

The detailed explanations and treatment for each type of corporate event are as follows:

Event Type	Treatment
Expiry of Lock-up Period for Restricted Shares	Restricted shares may be freely traded on the secondary market when the lock-up period expires. The restricted shares shall be deemed as non-free float within the lock-up period; The treatment of restricted shares after the lock-up period is the same as that of non-restricted shares, but its effect on free float will be reflected in periodical adjustments. It is noted that the shares on the day of ban-lifting shall remain unchanged.
Secondary Offering	Secondary offering is the financing of issuing additional shares to specific investors (such as major shareholders or institutional investors) or to all investors. If the accumulated change of total number of shares caused by the secondary offering reaches or exceeds 5%, the number of shares shall be temporarily adjusted; otherwise it shall be subject to periodical adjustment.
Share Cancellation	The listed company buys back a certain amount of its outstanding shares from the secondary market in cash or other assets and then cancels the repurchased shares. If the accumulated change of total number of shares caused by the share cancellation reaches or exceeds 5%, the number of shares shall be temporarily

	adjusted; otherwise it shall be subject to periodical adjustment.
Over-allotment	The over-allotment option, also known as the "green shoe", is an option granted by the issuer to the lead underwriter which allows the lead underwriter to oversell up to 15% shares of the original offering size at the same offering price, meaning that the lead underwriter can issue up to 115% shares of the original size to the investors. If the accumulated change of total number of shares caused by over-allotment reaches or exceeds 5%, the number of shares shall be temporarily adjusted; otherwise it shall be subject to periodical adjustment.
Debt-to-Equity Swap	The bond holder may exchange the bond for the common security in the same listed company at the predetermined price at the time of issuance. If the accumulated change of total number of shares caused by debt-to-equity swap reaches or exceeds 5%, the number of shares shall be temporarily adjusted; otherwise it shall be subject to periodical adjustment.
Exercise of Warrants	An option contract offers the holder the right to buy the underlying securities at an agreed price and at the agreed time. If the accumulated change of total number of shares caused by exercise of warrants reaches or exceeds 5%, the number of shares shall be adjusted temporarily; otherwise it shall be subject to periodical adjustment.
Scrip Dividend	A listed company gives investors the option of either directly receiving cash dividends or using cash dividends to buy newly issued shares at market prices. CSI treats this event in accordance with regular dividend on the ex-dividend date of constituents, and completes the difference adjustment of shares after the announcement of scrip dividend. If the accumulated change of total number of shares caused by scrip dividend reaches or exceeds 5%, the number of shares shall be temporarily adjusted; otherwise it shall be subject to periodical adjustment.
Other Changes of Number of Shares	When other events that only cause changes in the number of shares but do not affect security prices occur, which are not included in the types of events mentioned above, they are treated as "Other Changes of Number of Shares". If the accumulated change of total number of shares caused by such events reaches or exceeds 5%, the number of shares shall be temporarily adjusted; otherwise it shall be subject to periodical adjustment.

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.
Effective Date of the Index Adjustment	The date on which the index periodical or temporary index adjustments officially take effect.
Disclosure Date of the Index Adjustment Results	The date on which the results of the index periodical or temporary adjustments are disclosed to the public.
Shanghai, Shenzhen and Beijing	Refers to the Shanghai Stock Exchange, Shenzhen Stock Exchange, and Beijing Stock Exchange.
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 Corporate Events Treatment Rules.	2023-12	"Equity Indices Calculation and Maintenance Methodology of China Securities Index Company Limited"	The new "Corporate Events Treatment Rules for Equity Indices of 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 "Delisting" and related sections to incorporate provisions governing securities at risk of compulsory delisting for trading reasons.	2025-11	2.6 Delisting During the periodical adjustment periods, securities involving compulsory delisting for trading reasons or those that have disclosed the announcement of termination of listing or similar announcements are in principle not eligible for index universe. Outside of the periodical adjustment periods, constituents that have already disclosed the announcement of termination of listing or similar announcements should be removed from the indices as soon as possible, and whether the vacancy should be filled shall depend on the index methodology.	2.6 Delisting During the periodical adjustment periods, securities that are expected to trigger or have triggered compulsory delisting for trading reasons, or those that 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. Outside of the periodical adjustment periods, constituents that have triggered compulsory delisting for trading reasons or that have already disclosed the announcement of termination of listing or similar announcements should be removed from the indices as soon as possible, and whether the vacancy should be filled shall depend on the index methodology. Similarly, securities with compulsory delisting risks for

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
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Revised the "New Listing" and "Glossary of Terms", with refined wording of certain provisions.	2026-11	2.1 New Listing Outside of the periodical adjustment periods, to timely enhance the representativeness of the indices, some indices set up fast entry rules for newly listed securities with large	2.1 New Listing Outside of the periodical adjustment periods, to timely enhance the representativeness of the indices, some indices set up fast entry rules for newly-listed large-cap securities and other securities meeting specified

Adjustments	Effective Date	Before the Adjustment	After the Adjustment
		market capitalization, as detailed in the index methodology.	criteria, as detailed in the index methodology.
			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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