SZSE Small/Mid Cap Innovation Index Methodology

SZSE Small/Mid Cap Innovation index is designed to reflect performance of stocks with different scales listed on Shenzhen Stock Exchange, and to provide a benchmark and investment instrument.

1. Code and Name

Index Name：SZSE Small/Mid Cap Innovation Index

Short Name：SZSE Small/Mid Cap Innovation

Index Code：399015

2. Base Date and Base Point

Base Date: December 30, 2011

Base Point: 1000

3. Selection Criteria

After removing SZSE Component Index constituents from SZSE

1000 Index, select remaining 500 stocks as SZSE Small/Mid Cap Innovation Index constituents.

4. <u>Index Calculation</u>

The index is calculated according to the Paasche weighted method, the real-time calculation is carried out daily according to the following formula:

$$
\begin{aligned}
\text{real time index} &= \text{last trading day closing index} \\
&\times \frac{\sum (\text{constituent's real time stock price} \times \text{No. of shares})}{\sum (\text{constituent's last trading day closing price} \times \text{No. of shares})}
\end{aligned}
$$

For adjustment method of No. of shares, please refer to Index Calculation and Maintainance Methodology.

5. <u>Index Review</u>

The index will be reviewed synchronously with Shenzhen Component Index and SZSE 1000 index.