
ANNOUNCEMENT

3 December 2021

Changes of CES Belt and Road Index Methodology

China Exchanges Services Company Limited (CESC) announced today (Friday) that the methodology of CES Belt and Road Index will be changed, and the adjustment will be implemented after the close of relevant exchanges on 10 December 2021. CES Belt and Road Index will adjust six criteria: Index Universe, Selection Criteria, No. of stocks, Calculation Methodology, Review Frequency and Base Value.

Please refer to Appendix 1 for more information about the updated methodology.

For further details, please contact:

China Exchanges Services Company Limited

Email: cescinfo@cesc.com

Website: www.cesc.com

About Us

China Exchanges Services Company Limited (CESC) is a ground-breaking joint venture of Hong Kong Exchanges and Clearing Limited (HKEX), Shanghai Stock Exchange (SSE) and Shenzhen Stock Exchange (SZSE). Established in Hong Kong in 2012, CESC aims to contribute to the healthy development of China's capital markets, the establishment of a whole ecosystem of financial products and services for China and the global markets, and the deepening of the three exchanges' links with global investors.

CESC is designed to contribute to the development of China's capital markets and the internationalization of the three exchanges. CESC will develop cross-border indices based on products traded on the three exchanges, industry classifications for listed companies, information standards and related products. CESC will develop new products for investors, such as index-linked derivatives, and connect the rest of the world to the financial markets in Hong Kong and Mainland China.

For more information about CESC, please review www.cesc.com.

CES Belt and Road Index

Description	The index aims to identify and reflect the price performance of companies which demonstrate substantial participation in the Belt and Road initiative.
Index Universe	<ul style="list-style-type: none"> • Stocks eligible for Stock Connect, which includes both “Northbound Trading” and “Southbound Trading”. • Non ST / ST* stocks in SSE or SZSE. • Enterprises engaged in business operation in Belt and Road countries.
Selection Criteria	<ul style="list-style-type: none"> • Select stocks from 9 first-level industries and 16 second-level industries defined by the CNI Industry Classification. • According to the evaluation method of the influence of the Belt and Road enterprises, comprehensively investigate enterprise nature, corporate influence, profitability, and foreign trade capacity, and select stocks with a total score of no less than 50. • Rank the stocks by daily average trading value in descending order and remove bottom 10% stocks. • Rank remaining stocks by daily average total market cap in descending order and select top 50 stocks as index constituents. • For AH companies, select stocks on primary listing exchanges as constituents.
No. of stocks	50
Calculation Methodology	<ul style="list-style-type: none"> • Free float-adjusted market cap weighted • Weight of individual constituent no more than 10%
Review Frequency	Semi-annually
End of Day Index (Currency)	CNY
Base Value	1,000
Base Date	30 June 2015
Dissemination	Once a day, after the close of trading