

# **Terms of Index Advisory Committee of Sino-Securities Index Information Service (Shanghai) Company Limited V 1.1**

**June 2022**

Time of Revision	Version	Notes
2021.09.	V1.0	Formulate the Terms of Index Advisory Committee
2022.06.	V1.1	Revise the Terms of Index Advisory Committee

## 1. General Provisions

**Article 1** In order to strengthen the standardized management of Sino-Securities Index Information Service (Shanghai) Company Limited (hereinafter referred to as 'Sino-Securities Index'), improve the scientificity, authority and consistency in index operations of Sino-Securities Index, and to improve the marketability, independence and impartiality of the management of Sino-Securities Index, an index Advisory committee (hereinafter referred to as the "Advisory Committee") was set up to provide consultation and advice on the development and management of Sino-Securities Index.

## 2. Composition of the Advisory Committee

**Article 2** Members of the Advisory Committee shall be appointed by Sino-Securities Index. The members may be re-appointed once every three years in principle.

**Article 3** The composition of the Advisory Committee:

- The Advisory Committee shall have a chairman, an academic adviser, a strategic adviser, and a number of committees members. The number of members of the committee should be singular from five to seventeen.
- The chairman of the Advisory Committee shall preside over the meeting and formulate the views of the committee.
- The members of the Advisory Committee are mainly representative and influential advisory, or scholars from academia, finance, economics and investment.
- The secretary of the Advisory Committee shall be responsible for the daily work of the committee.

**Article 4** The members of the Advisory Committee shall meet the following conditions:

- Possess high political and ideological quality, theoretical level and moral cultivation;
- Strictly abide by national laws, administrative regulations, departmental rules and business rules of Sino-Securities Index. Uphold principles, be fair and honest, and strictly abide by the norms of professional ethics and good faith. No record of violation of laws and regulations or serious dishonesty;
- Members shall be willing and devote to the work of committee.

**Article 5** The members of the Advisory Committee may be dismissed under any of the following circumstances:

- Not in conformity with the provisions of Article 4 of these articles of association;
- Violation of work discipline such as non-compliance with these articles of association or taking advantage of membership to seek improper benefits;
- Apply for resignation;
- The dismissal of a member shall not be subject to the expiration of the term of office. After a member is dismissed, a new member may be selected based on the needs of the work.

### 3. Function of the Advisory Committee

**Article 6** The Index Advisory Committee shall provide consultation and advice on the following matters:

- Strategic recommendations

Index development strategy and index-related business strategy;

- Review the index methodologies

Review or make dynamic adjustments to the universal methodologies and maintenance of Sino-Securities Index to ensure the authority, scientificity, consistency and adaptability;

- Review major revisions of the important indices;
- Other

Major issues in index maintenance and other issues that need to be consulted with the committee.

## 4. Rights and Obligations

**Article 7** Advisory members shall have the right to make suggestions and review opinions on matters such as the development method, the qualifications of index constituent, and take responsibility for own opinions.

**Article 8** The following actions are prohibited without consent, including publicly commenting on the recommendations already formulated by the Advisory Committee, interviewing on the behalf of the Advisory Committee, disclosing unpublished information and disclosing the information of Advisory Committee such as working procedures and the content of the meeting.

## 5. Operation of the Advisory Committee

**Article 9** The Advisory Committee shall meet regularly on a semi-annual basis presided by the Chairman of the committee. The regular meetings shall regularly take place between mid-June and mid-December.

**Article 10** AD hoc meetings shall be convened as necessary and AD hoc meetings are generally held by off-site means such as voting by correspondence.

**Article 11** The topics of regular meetings generally include both conventional and non-conventional topics

- Conventional topics include the development of the Sino-Securities Index, introduction of the indices, the implementation of the comments of the last meeting, the regular assessment of the index methodologies, the adjustment of core index samples, etc.
- Non-conventional topics shall be collected by the secretary of the committee

one month prior to the meeting and shall be determined by the chairman of the committee.

- The relevant materials for the meeting shall be submitted to the Advisory members by the secretary of the committee three days before the meeting.

**Article 12** More than two thirds of Advisory shall attend each meeting and Advisory express independent opinion on relevant topics, the chairman of the Commission formulates the final views based on the Advisory opinion.

**Article 13** After each meeting, the minutes of the meeting shall be taken by the secretary of the committee and sent to Advisory members upon confirmation by the chairman of the committee.

**Article 14** The secretary of the committee shall be responsible for the daily liaison, meeting arrangement, topic collection, material preparation and response to the opinions of the committee.

**Article 15** Advisory members are required to attend meetings in person and may be represented on an AD hoc basis, but they should not be absent from meetings twice in a row.

**Article 16** The time and place of the next meeting shall be determined after each meeting.

## **6. The Advisory Committee's Opinion Processing**

**Article 17** The Advisory Committee shall provide advisory opinions, and Sino-Securities Index shall make the final decision.

**Article 18** When making a decision, the Sino-Securities Index will fully take into account the committee's opinions. If the decision of Sino-Securities Index is

inconsistent with the committee's opinions, it will be explained by the company to the committee.

**Article 19** Sino-Securities Index publishes index methodologies, sample adjustment and other information in the name of the company, and generally released during non-trading days after the meeting.

## 7. Supplementary Provisions

**Article 20** These articles of association shall take effect after approved by the executive management team, and the process shall be the same when amended. These articles of association shall be revised and interpreted by Sino-Securities Index.

**Article 21** These articles of association shall come into force on the date of being published.

## Index Advisory Committee members

Name	Position
Ping Xie	Chairman
Shige Peng	Academic Advisor, Committee Member
Jianhua Wan	Strategic Advisor, Committee Member
Qinye Zhou	Committee Member
Lixin Wang	Committee Member
Han Chen	Committee Member
Chao Chen	Committee Member

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