

MSCI CHINA A ONSHORE IMI THEMATIC INDEXES

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1 Introduction

The MSCI China A Onshore IMI Thematic Indexes aim to represent the performance of a set of companies associated with business activities relevant to the theme described in section 2. The MSCI China A Onshore IMI Index includes China A shares listed on the Shanghai and Shenzhen Stock Exchanges¹.

¹ For details on the MSCI China A Onshore IMI Index, please refer to the Global Investable Market Indexes Methodology (Available on <https://www.msci.com/index-methodology>)

2 Constructing China A Onshore IMI Thematic Indexes

The rules laid out in this document apply to the MSCI China A Onshore IMI Thematic indexes described in Table 1

Table 1

No.	Index Name
1	China A Onshore IMI Ageing Society Opportunities
2	China A Onshore IMI Digital Economy
3	China A Onshore IMI Disruptive Technology
4	China A Onshore IMI Efficient Energy
5	China A Onshore IMI Future Mobility
6	China A Onshore IMI Autonomous Technology & Industrial Innovation
7	China A Onshore IMI Millennials
8	China A Onshore IMI Next Generation Internet Innovation
9	China A Onshore IMI Robotics
10	China A Onshore IMI Smart Cities

2.1 Parent Index

Each Index is constructed separately by selecting stocks from the MSCI China A Onshore Investable Market Index (IMI) (the “Parent index”).

2.2 Selected Universe

For each of the indexes described in Table 1, a Selected Universe is constructed by applying all rules described under section 2 to section 2.1 of the corresponding standard thematic index methodology described in Table 2.

Table 2

No.	Index Name	Standard Thematic Index Methodology ²
1	China A Onshore IMI Ageing Society Opportunities	ACWI IMI Ageing Society Opportunities
2	China A Onshore IMI Digital Economy	ACWI IMI Digital Economy
3	China A Onshore IMI Disruptive Technology	ACWI IMI Disruptive Technology
4	China A Onshore IMI Efficient Energy	ACWI IMI Efficient Energy
5	China A Onshore IMI Future Mobility	ACWI IMI Future Mobility
6	China A Onshore IMI Autonomous Technology & Industrial Innovation	ACWI IMI Autonomous Technology & Industrial Innovation
7	China A Onshore IMI Millennials	ACWI IMI Millennials
8	China A Onshore IMI Next Generation Internet Innovation	ACWI IMI Next Generation Internet Innovation
9	China A Onshore IMI Robotics	ACWI IMI Robotics
10	China A Onshore IMI Smart Cities	ACWI IMI Smart Cities

Stocks which are not included in the Parent Index (as described in section 2.1) are excluded from the Selected Universe.

Stocks which do not pass the liquidity screen as described below are also excluded from the Selected Universe.

2.2.1 Liquidity Screening

Securities in the bottom quintile of the Parent Index by 12-month average daily trading value (12M ADTV) are excluded from the Selected Universe. For the calculation of ADTV, please refer to Appendix 1.

2.3 Final Universe

Final Universe is constructed from the securities of the Selected Universe, which pass the Size Screen as described below.

² For more details, please refer to the standard index methodology document (Available on <https://www.msci.com/index-methodology>)

2.3.1 Size Screen

Securities from the Selected Universe which are in the bottom half by issuer market capitalization should have a Relevance Score³ greater than or equal to 50%.

2.4 Weighting scheme

Stocks in the Final Universe are weighted by the product of Relevance Score and their free float adjusted market capitalization, which is calculated based on the Domestic Inclusion Factor (DIF) and not subject to Foreign Ownership Limits (FOLs)⁴. The weights are then normalized to sum to 100%.

Additionally, constituent weights are capped at the issuer level to mitigate concentration risk in the index. The issuer weight in the index is capped at 10%.

3 Maintaining the Indexes

Each thematic index described in Table 1, follows the index maintenance rules described in section 3 of the corresponding standard thematic index methodology.

³ For details of calculation of Relevance Scores, please refer to the MSCI Thematic Relevance Score Methodology document.

⁴ For details please refer to the Global Investable Market Indexes Methodology (Available on <https://www.msci.com/index-methodology>)

Appendix 1: Calculation of 12-Month Average Daily Traded Value (ADTV)

$$ADTV = ATV / 252$$

Where:

- ADTV = 12-month Average Daily Traded Value
- ATV = 12-month Annualized Traded Value

For details on the calculation of ATV, please refer to the MSCI Global Investable Market Indexes Methodology (<https://www.msci.com/index-methodology>).

The following sections have been modified since January 2022:

- Introduction
- **The following sections have been modified effective June 1, 2022:**
 - Selected Universe – modified to reflect the changes to the methodology books of the indexes in Table 2

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