

## Update on S&P Dow Jones Indices Announcement of Additional Removals due to Sanctions for Equity Indices

**NEW YORK, JULY 7, 2021:** As previously announced, S&P Dow Jones Indices (“S&P DJI”) is continuing to monitor updates regarding Executive Order 13959 of November 12, 2020, *Addressing the Threat From Securities Investments That Finance Communist Chinese Military Companies*, which prohibited transactions by U.S. persons in certain securities issued by so-called Communist Chinese military companies (“CCMCs”).

On June 3, 2021, U.S. President Joe Biden issued Executive Order 14032, which replaced and superseded the substantive provisions of Executive Order 13959. It prohibits transactions by U.S. persons in certain securities of a new category of issuer, so-called Chinese Military-Industrial Complex Companies (“CMICs”).

S&P DJI has reviewed the CMICs named in Executive Order 14032 (the “CMIC Order”) and identified the following index component securities as being impacted by the prohibitions contained therein:

- Aerospace CH UAV Co Ltd (002389.SZ, 002389.ZK)
- Aerospace Communications Holdings Co. Ltd (600677.SS)
- Aerosun Corp (600501.SS)
- Anhui GreatWall Military Industry Co Ltd (601606.SS)
- AVIC Aviation High-Technology Co Ltd (600862.SS, 600862.SH)
- AVIC Heavy Machinery Co Ltd. (600765.SS, 600765.SH)
- AVIC Jonhon Optronics Technology Co Ltd (002179.SZ, 002179.ZK)
- AVIC Shenyang Aircraft Company Ltd (600760.SS, 600760.SH)
- AVIC Xi'an Aircraft Industry Group Company Ltd (000768.SZ, 000768.ZK)
- Changsha Jingjia Microelectronics Co Ltd (300474.SZ, 300474.ZK)
- China Aerospace Times Electronics Co Ltd (600879.SS, 600879.SH)
- China Avionics Systems Co Ltd (600372.SS, 600372.SH)
- China Marine Information Electronics Co Ltd (600764.SS, 600764.SH)
- China Satellite Communications Corp (601698.SS, 601698.SH)
- China Shipbuilding Industry Co Ltd (601989.SS, 601989.SH)
- China Shipbuilding Industry Group Power Co Ltd (600482.SS, 600482.SH)
- Costar Group Co Ltd (002189.SZ)
- CSSC Offshore and Marine Engineering Group Co Ltd (600685.SS, 600685.SH, 0317.HK)
- Fujian Torch Electric Technology Co Ltd (603678.SS, 603678.SH)
- Guizhou Space Appliance Co. Ltd (002025.SZ, 002025.ZK)
- Inner Mongolia First Machinery Group Co Ltd (600967.SS, 600967.SH)

- Jiangxi Hongdu Aviation Industry Co Ltd (600316.SS, 600316.SH)
- North Navigation Control Technology Co Ltd (600435.SS, 600435.SH)
- Shaanxi Zhongtian Rocket Technology Co Ltd (003009.SZ)
- Zhonghang Electronic Measuring Instruments Co Ltd (300114.SZ, 300114.ZK)

The prohibitions of the CMIC Order apply with respect to the above securities beginning at 12:01am EST on August 2, 2021. In accordance with the guidelines described in the Sanctions section of [S&P DJI Equity Indices Policies & Practices Methodology](#), S&P DJI will remove the above-listed securities from those indices using a U.S./U.K./EU investor perspective for sanctions purposes, effective prior to the open on **August 2, 2021**.

Additionally, S&P DJI had identified and previously removed from indices the following CCMC securities impacted by the prohibitions contained in Executive Order 13959, but not impacted by the prohibitions of the CMIC Order:

- China National Chemical Engineering Co Ltd (601117.SS, 601117.SH)
- China State Construction International Holdings Ltd. (3311.HK, CCOHY.PK)
- CRRC Corporation Limited (601766.SS, 601766.SH, 1766.HK)
- Sugon Information Industry Co Ltd (603019.SS, 603019.SH)
- Advanced Micro-Fabrication Equipment Inc (688012.SS)
- Luokung Technology Corp (LKCO.OQ)
- China United Network Communications Limited (600050.SS, 600050.SH)

In light of the CMIC Order, S&P DJI considers the above CCMC securities eligible for index inclusion. S&P DJI will review each of the above CCMC securities for potential re-inclusion in applicable indices, subject to eligibility according to their respective index methodologies, at the indices' next scheduled rebalancing. In the case of the S&P Global BMI and Dow Jones Global Index Families, the next scheduled rebalancing will be the September 2021 rebalancing, effective prior to the open on September 20, 2021.

Please note, as this notice is to provide guidance on S&P DJI's future changes as a result of the CMIC Order, clients should not expect to see details of index changes in today's end-of-day corporate action (\*.SDE) files.

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