

Shanghai-Hong Kong Stock Connect Quarterly Return on Trading Composition (Form TCS)

— Glossary —

Terminology under Shanghai-Hong Kong Stock Connect

SSE Securities

Securities listed and traded on the Shanghai Stock Exchange (SSE) which may be traded by Hong Kong and overseas investors under Shanghai-Hong Kong Stock Connect.

Northbound Trading

Trading of Exchange Participants (EPs) in SSE Securities through the northbound trading link of the Shanghai-Hong Kong Stock Connect.

China Connect EPs (CCEPs)

EPs registered as CCEPs by the SEHK for trading of SSE securities, including trading on behalf of Hong Kong and overseas investors.

Trade-Through EPs (TTEPs)

EPs registered with SEHK to conduct trading in SSE Securities through CCEPs for the account of their clients.

Types of trade and client

Principal trading

Trading on the participant firm's own account.

Agency trading

Trading on behalf of the participant firm's clients, including client trading channelled from the firm's parent or sister companies as well as from TTEPs.

Individual clients

Clients who trade on their personal accounts.

Institutional clients

Clients who are not individual clients.

Local clients

Individual clients residing in Hong Kong or institutional clients operating in Hong Kong — Hong Kong as the source of funds.

Overseas clients

Individual clients residing outside Hong Kong or institutional clients operating outside Hong Kong — overseas as the source of funds.