



INDEX METHODOLOGY

# CUSTOM OMX STOCKHOLM BENCHMARK™ INDEX COMXSB-

## INDEX DESCRIPTION

The Custom OMX Stockholm Benchmark Index measures the performance of a selection of the largest and most traded securities listed on Nasdaq Stockholm AB. In addition, Länsförsäkringar Sustainability Group is responsible for and performs a sustainability screening to the extent set out in the Security Eligibility Criteria.

## SECURITY ELIGIBILITY CRITERIA

To qualify for Index inclusion, securities must meet the following Security Eligibility Criteria, which are applied as of the Reconstitution reference date.

### Security universe

A security must be included in the OMX Stockholm Benchmark™ Index (OMXSBPI™). Please refer to that methodology for further information on its constituent selection.

### ESG eligibility

Länsförsäkringar Sustainability Group performs a sustainability screening and companies with the following characteristics are excluded:

- Companies that violate international conventions and do not show a willingness to change.
- Involvement in specific business activities, as defined in Appendix A.

On a semiannual basis, in connection with the Reconstitution reference date, Länsförsäkringar Sustainability Group provides a list of securities to be excluded from the Index.

### Other eligibility criteria

Companies that have filed for bankruptcy, or equivalent protection from creditors, will not be considered for initial inclusion in the Index.

A company that has entered into a definitive agreement or other arrangement that is expected to make it ineligible will not be considered for initial inclusion in the Index. Such agreements and arrangements include, but are not limited to:

- An agreement to be purchased by another entity or to become privately owned.
- A plan to delist or to transfer to an ineligible exchange.
- A plan to reorganize as an ineligible security type.
- A decision to liquidate or otherwise permanently cease operations.

Generally, a security already in the Index as of the Reconstitution reference date that will become ineligible soon after the Reconstitution effective date or a security not already in the Index as of the Reconstitution reference date would be removed from consideration.

## CONSTITUENT SELECTION

### Constituent selection process

An Index Reconstitution is conducted semiannually based on the Reconstitution reference date. All securities that meet the applicable Security Eligibility Criteria are included in the Index.

## CONSTITUENT WEIGHTING

### Constituent weighting scheme

The Index is a free float market capitalization-weighted index.

### Constituent weighting process

An Index Rebalance is conducted semiannually based on the Rebalance reference date.

Index Securities' weights are determined by dividing each Index Security's free float market capitalization by the aggregate free float market capitalization of all Index Securities.

For additional information about index weighting, refer to the **Nasdaq Index Weight Calculations**.

## INDEX CALENDAR

### Reconstitution & Rebalancing schedule

<b>Reconstitution Frequency</b>	Semiannually
<b>Rebalance Frequency</b>	Semiannually
<b>Reconstitution Reference Dates</b>	Last trading day of April and October, respectively
<b>Reconstitution Announcement Dates</b>	After the close on the sixth trading day prior to the Reconstitution effective date
<b>Reconstitution Effective Dates</b>	At market open on the first trading day in June and December, respectively
<b>Rebalance Reference Dates</b>	<ul style="list-style-type: none"><li>• For Total Shares Outstanding (“TSO”) and Free Float Factor, the last trading day of April and October, respectively</li><li>• For Last Sale Price (“LSP”), the last trading day prior to the Rebalance effective date</li></ul>
<b>Rebalance Announcement Dates</b>	After the close on the sixth trading day prior to the Rebalance effective date
<b>Rebalance Effective Dates</b>	At market open on the first trading day in June and December, respectively

### Holiday schedules

The Indexes are calculated Monday through Friday, except on days when Nasdaq Stockholm AB is closed.

### Index calculation and dissemination schedule

The Index is calculated during the trading day and is disseminated once per second from 09:00:10 to 17:35:00 local time (Central European Time or Central European Summer Time, dependent on the month of the year).

## INDEX MAINTENANCE

### Deletion policy

If at any time other than at the Index Reconstitution, Nasdaq becomes aware that an Index Security has become ineligible for continued inclusion, it is removed from the Index as soon as practicable. This includes events such as filing bankruptcy or similar protection from creditors, delisting or other arrangement including mergers and acquisition. Refer to the **Corporate Actions and Events Manual – Nordics, Baltics, & SmartBeta Equities** for further information.

## Replacement policy

Removed securities are not replaced except, under certain conditions, when the Index Security is involved in a merger. Refer to the “Mergers & Acquisitions (M&A)” section of the **Corporate Actions and Events Manual - Nordics, Baltics, & SmartBeta Equities** for further information.

## Corporate actions

Information on corporate action and event handling can be found in the **Corporate Actions and Events Manual - Nordics, Baltics, & SmartBeta Equities**.

In certain cases, corporate actions and events are handled according to the weighting scheme or other index construction techniques employed. Wherever alternate methods are described, the Index will follow the "Market Cap Corporate Action Method" and/or "Indexes that Review Index Shares on a Periodic Basis".

Unless otherwise noted and where possible, corporate actions are announced approximately two (2) days in advance.

## Index share adjustments

Refer to the “Index Share Adjustments” section of the **Corporate Actions and Events Manual—Nordics, Baltics, & SmartBeta Equities** for further information.

# ADDITIONAL INFORMATION

## Announcements

Nasdaq announces Index-related information via the Nasdaq Global Index Watch (GIW) website at <http://indexes.nasdaq.com>.

For more information on the general Index Announcement procedures, refer to the **Nasdaq Index Methodology Guide**.

## Unexpected market closures

For information on Unexpected Market Closures, refer to the **Nasdaq Index Methodology Guide**.

## Calculation types

For information on the Index calculation types as well as the mathematical approach used to calculate the Index(es), refer to the **Calculation Manual – Equities and Commodities**.

## **Free Float**

Nasdaq has different methods to determine free float. This Index(es) utilizes the Alternate float method. For detailed definition, refer to "Alternate Float Method" section in **Nasdaq Index Methodology Guide**.

## **Recalculation and restatement policy**

For information on the Recalculation and Restatement Policy, refer to the **Nasdaq Index Recalculation Policy**.

## **Data sources**

For information on data sources, refer to the **Nasdaq Index Methodology Guide**.

## **Contact information**

For any questions regarding an Index, contact the Nasdaq Index Client Services team at [indexservices@nasdaq.com](mailto:indexservices@nasdaq.com).

## **Index dissemination**

Index values and weightings information are available through Nasdaq Global Index Watch (GIW) website at <https://indexes.nasdaq.com> as well as the Nasdaq Global Index FlexFile Delivery Service (GIFFD) and Global Index Dissemination Services (GIDS). Similar to the GIDS offerings, Genium Consolidated Feed (GCF) provides real-time Index values and weightings for the Nordic Indexes.

For more detailed information regarding Index Dissemination, refer to the **Nasdaq Index Methodology Guide**.

## **Website**

For further information, refer to Nasdaq GIW website at <https://indexes.nasdaq.com>.

## **FTP and dissemination service**

Index values and weightings are available via FTP on the Nasdaq Global Indexes FlexFile Delivery Service (GIFFD). Index values are available via Nasdaq's Global Index Dissemination Services (GIDS).

## **Withholding Tax Rates**

A 30% Withholding Tax Rate will be applied in the Net Return Index version.

## **GOVERNANCE**

All Nasdaq Indexes are managed by the governance committee structure and have transparent governance, oversight, and accountability procedures for the index determination process. For further

details on the Index Methodology and Governance overlay, refer to the **Nasdaq Index Methodology Guide**.

## GLOSSARY OF TERMS AS USED IN THIS DOCUMENT

For the glossary of key terms, refer to the **Nasdaq Index Methodology Guide**.

## APPENDIX A: PROHIBITED AREAS OF INVOLVEMENT

At each reconstitution, companies engaged in the following business activities, as determined by Länsförsäkringar Sustainability Group, are excluded from the eligible universe.

<b>Category of Involvement</b>	<b>Acceptable Revenue Involvement Range</b>
Controversial weapons	No involvement
Exploration and extraction of coal, oil and gas (companies in transition are exempt)	<5% of revenues
Power generation from coal (companies in transition are exempt)	<5% of revenues
Production of tobacco products	<5% of revenues
Gambling	<5% of revenues
Production of pornographic material	No involvement

## DISCLAIMER

Nasdaq may, from time to time, exercise reasonable discretion as it deems appropriate in order to ensure Index integrity, including but not limited to, quantitative inclusion criteria. Nasdaq may also, due to special circumstances, if deemed essential, apply discretionary adjustments to ensure and maintain the high quality of the index construction and calculation. Nasdaq does not guarantee that any Index accurately reflects future market performance.

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