



INDEX METHODOLOGY

## NASDAQ EURO 50<sup>TM</sup> INDEX

### NQEURO50<sup>TM</sup>

#### INDEX DESCRIPTION

The Nasdaq Euro 50 Index is designed to measure the performance of 50 of the largest securities from the Eurozone region as determined by Nasdaq.

#### SECURITY ELIGIBILITY CRITERIA

##### Security universe

The Nasdaq Euro 50 Index consists of securities selected from the Nasdaq Eurozone Index (NQEURO) as of the Index Reconstitution Reference Date. Please refer to NQEURO's methodology for further information.

##### Multiple security classes

If an issuer has listed multiple security classes, all security classes are eligible, subject to meeting all other Security Eligibility Criteria.

##### Market capitalization eligibility

Each security must have a market capitalization of at least \$150 million.

##### Liquidity eligibility

Each security must have a three-month average daily traded value of at least \$100,000.

##### Seasoning eligibility

Each security must have been listed on an Eligible Exchange for at least three (3) months up to and including the Index Reconstitution Reference Date.

## **Other eligibility criteria**

If, at Index Reconstitution, Nasdaq becomes aware that an issuer or security will soon undergo a fundamental change that makes it ineligible, Nasdaq may remove the security from consideration. This includes events such as filing bankruptcy or similar protection from creditors, delisting or other arrangement including mergers and acquisitions.

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

## **INDEX CALENDAR**

### **Reconstitution schedule**

Nasdaq selects constituents semi-annually in March and September.

### **Reconstitution reference dates**

The Security Eligibility Criteria are applied using data as of the end of January and July, respectively.

### **Reconstitution announcement dates**

Index Reconstitutions are announced at least five (5) business days prior to the Index Reconstitution Effective Date.

### **Reconstitution effective dates**

Index Reconstitutions become effective at market open on the trading day after the third Friday in March and September, respectively.

### **Rebalance schedule**

The Index is rebalanced quarterly in March, June, September and December.

### **Rebalance reference dates**

The Index Rebalance uses data as of the end of February, May, August and November, respectively.

### **Rebalance announcement dates**

Index Rebalances are announced at least five (5) business days prior to Index Rebalance Effective Date.

## Rebalance effective dates

Index Rebalances become effective at market open on the trading day after the third Friday in March, June, September and December, respectively.

## Holiday schedules

The Index is calculated Monday through Friday and does not close for holidays, as it is a Global Index.

## Index calculation and dissemination schedule

The Index is calculated during the trading day based on the Last Sale Price and disseminated once per second from 8:00:00 to 17:00:00 BST.

# CONSTITUENT SELECTION

## Constituent selection process

Securities that meet the applicable Security Eligibility Criteria are considered for inclusion in the Index across two dimensions: (1) index inclusion as of the Reconstitution reference date and (2) free float market capitalization. All eligible securities are ranked in descending order by free float market capitalization as of the Reconstitution reference date. The eligible securities are considered for Index inclusion based on the following order of criteria.

- Each of the top 45 securities will be selected for inclusion in the Index.
- Any security in the Index as of the Reconstitution Reference Date that is ranked within the top 50 positions are selected for inclusion in the Index.
- In the event fewer than 50 securities pass the first two criteria, the remaining positions will first be filled, in rank order, by the highest ranked securities included in the Index as of the Reconstitution Reference Date within the top 55 positions.
- In the event that fewer than 50 securities pass the first three criteria, the remaining positions will be filled, in rank order, by the highest ranked securities not included in the Index as of the Reconstitution Reference Date.

# CONSTITUENT WEIGHTING

## Constituent weighting scheme

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

## Constituent weighting process

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

Initial index weights are adjusted to meet the following constraint, producing the final weights:

- No Issuer weight may exceed 15%.

For additional information about index weighting, see **Nasdaq Standard Index Weight Adjustment Guidelines**.

## INDEX MAINTENANCE

### Deletion policy

If, at any time other than an 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 acquisitions. Please refer to Nasdaq's Corporate Actions and Events Manual – Equities for further information.

### Replacement policy

Index Securities are not replaced in the Index outside of the Index Reconstitution.

### Addition policy

Securities are not added in between Index Reconstitutions unless otherwise noted under the Replacement policy section.

### Corporate actions

In the interim periods between scheduled index reconstitution and rebalancing events, individual Index Securities may be the subject to a variety of corporate actions and events that require maintenance and adjustments to the Index. With the exception(s) noted below, specific treatment of each type of corporate action or event is described in Nasdaq's **Corporate Actions and Events Manual – Equities**, which is incorporated herein by reference.

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".

At the quarterly rebalancing, no changes are made to the Index from the previous month end until the quarterly share change effective date, with the exception of corporate actions with an ex-date.

## **Corporate action exceptions**

Information on corporate actions handling can be found in Nasdaq's **Corporate Actions and Events Manual –Equities**.

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

## **Index share adjustments**

For handling of changes in TSO greater than or equal to 10.0% arising from other corporate events, please refer to Nasdaq's **Corporate Actions and Events Manual – Equities**.

## **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, please refer to the **Nasdaq Index Methodology Guide**.

### **Unexpected market closures**

For information on Unexpected Market Closures, please 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), please refer to the **Calculation Manual – Equities & Commodities**.

### **Recalculation and restatement policy**

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

### **Data sources**

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

### **Contact information**

For any questions regarding an Index, please 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, see the **Nasdaq Index Methodology Guide**.

## Website

For further information, please 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).

## 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, please refer to the **Nasdaq Index Methodology Guide**.

## 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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