



INDEX METHODOLOGY

OMX SWEDEN SMALL CAP 30 ESG RESPONSIBLE INDEX

OMXSS30ESG

INDEX DESCRIPTION

The OMX Sweden Small Cap 30 ESG Responsible Index is designed to track the performance of the 30 most liquid small cap securities listed on Nasdaq Stockholm whose issuers meet specific ESG criteria.

SECURITY ELIGIBILITY CRITERIA

Parent index

A security must be included in the OMX Stockholm All-Share Index (OMXSPI) as of the Index Reconstitution Reference Date. Please refer to that methodology for further information.

Security types

Security types generally include the eligible security types of the parent index. Depositary Receipts and foreign dual listed securities are not eligible.

Multiple securities per issuer

If an issuer has multiple otherwise-eligible securities, only the security with the highest market capitalization is eligible for the final selection.

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

The Index Reconstitution is conducted semi-annually in June and December by applying the Security Eligibility Criteria and Constituent Selection Process.

Reconstitution reference dates

The June Reconstitution is conducted using data as of the last trading day of April. The December Reconstitution is conducted using data as of the last trading date of October.

Reconstitution announcement dates

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

Reconstitution effective dates

Index Reconstitutions are effective at the market open on the first trading day in June and December.

Rebalance schedule

The Index is rebalanced semi-annually in conjunction with the Index Reconstitution in June and December according to the Constituent weighting process described below. Nasdaq maintains the Index's weight constraints via a semi-annually process. Semi-annually adjustments are made in June and December, coinciding with the Index Reconstitution in June and December.

Rebalance reference dates

At the semi-annually rebalance, the Index Security weights are determined by the total shares outstanding and free float factor used in the Index Reconstitution and the closing prices as of six (6) trading days prior to the Index Rebalance Effective Date.

Rebalance announcement dates

Index Rebalances are announced in conjunction with the Index Reconstitution announcements at least five (5) trading days prior to the Index Rebalance Effective Date.

Rebalance effective dates

Index Rebalances are effective in conjunction with the Index Reconstitution changes at market open on the first trading day in June and December.

Holiday schedule

The Index is 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 date).

CONSTITUENT SELECTION

Constituent selection process

All securities that meet the applicable Security Eligibility Criteria are ranked in descending order based on issuer level market capitalization. Issuer level market cap represents the sum of the market cap of the eligible securities in the parent index.

The securities are considered for inclusion based on the following order of criteria:

- Securities ranked below the bottom 25% in terms of accumulated issuer market capitalization weight remain eligible for inclusion in the index. For existing Index Securities, the threshold is extended to the bottom 27.5%.
- A security issuer must not be positively identified by Sustainalytics based on the ESG Eligibility Criteria, as described in the Appendix A.
- Securities with a weight below 0.025% in the parent index are deemed ineligible, removed, and are not replaced.
- For final selection, the remaining securities are ranked in descending order by highest Nasdaq official aggregate turnover in Swedish Krona (SEK) during the six (6) calendar month period starting six (6) calendar months prior to the Index Reconstitution Reference Date.
 - Securities that are ranked within the top 20 are selected for inclusion in the Index.
 - The top ranked current Index Constituents, outside the top 20 but within the top 40 are selected for inclusion in the Index until 30 securities are reached.

- In the event fewer than 30 securities pass the first two criteria, the remaining positions will be filled, in order, by the highest ranked securities not already selected.

CONSTITUENT WEIGHTING

Constituent weighting scheme

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

Constituent weighting process

Semi-annual rebalance

- Index Securities' initial weights 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 then adjusted to meet the following constraints:
- No Index Security weight may exceed 10% of the Index.

For additional information about index weighting, refer to **Nasdaq Index Weight Adjustment Guidelines**.

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.

Addition policy

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

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**.

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.

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).

GOVERNANCE

Index 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**.

Nasdaq Index Management Committee

The Nasdaq Index Management Committee is responsible for the overall oversight of activities related to the development, issuance, and operation of Nasdaq Indexes. The Committee reviews and approves all new Index Methodologies as well as updates to existing methodologies. For a detailed overview of the Index Management Committee, refer to the **Nasdaq Index Methodology Guide**.

Nasdaq U.S. Oversight Committee

The U.S. Oversight Committee is responsible for the oversight of the overall Benchmark determination process and is responsible for the overall governance of the U.S.-based Index business including review

and approval of the control framework, certain policies and procedures, certain methodologies and methodology changes and other Index management oversight.

For a detailed overview of the U.S. Oversight Committee, refer to the **Nasdaq Index Methodology Guide**.

Internal reviews of methodology

All new methodologies or updates to existing methodologies must be reviewed by the Index Management Committee. Additionally, all in-scope Index methodologies are subject to an annual review by the Index Management Committee and U.S. Oversight Committee. For a detailed description on internal reviews of the Methodology, refer to the **Nasdaq Index Methodology Guide**.

Communication with stakeholders and consultations

In certain circumstances, Nasdaq will seek feedback from clients and market participants via consultations. For a detailed description on Consultations and Communications with Stakeholders, refer to the **Nasdaq Index Methodology Guide**.

Index cessation

Nasdaq has a documented procedure that is followed for Index Cessation that includes termination/retirement of an Index or Index Family. For more information, refer to the **Nasdaq Index Cessation Policy**.

Discretionary adjustment

This Index Methodology was created by Nasdaq to achieve the aforementioned objective of measuring the underlying purpose of each Index governed by this methodology document. Any deviations from this methodology are made in the sole judgment and discretion of Nasdaq so that the Index continues to achieve its objective.

For more information on potential adjustments including Calculation and Pricing Disruptions, Expert Judgment, and Unexpected Reconstitution/Rebalances, 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: SECURITY ESG ELIGIBILITY CRITERIA

A security issuer must not be positively identified by Sustainalytics as exhibiting any of the following characteristics:

- Non-compliance with the United Nations Global Compact (UNGC) principles and related international norms and standards, such as the Organization for Economic Cooperation and Development (OECD) Guidelines and United Nations (UN) Guiding Principles.
- Having a Sustainalytics Controversy Rating of five (5)
- Involvement of certain degrees in adult entertainment, alcoholic beverages, recreational cannabis, controversial weapons, gambling, military contracting, oil & gas, oil sands, small arms, thermal coal, or tobacco products, as described in the Appendix B.

APPENDIX B: PROHIBITED AREAS OF INVOLVEMENT

Companies positively identified by Sustainalytics as being involved in the areas described below are excluded from consideration for Index inclusion:

- Adult entertainment – Any revenue from production or ownership/operation of an establishment; or at least five percent of revenue from distribution of materials
- Alcoholic beverages – At least five percent of revenue from production or from distribution/retail sales or at least 50 percent of revenue from supplying related products/services to producers
- Recreational cannabis – At least five percent of revenue from development/cultivation or from distribution/retail sales
- Controversial weapons (applying to each of the following core weapon systems: anti-personnel mines, biological and chemical weapons, cluster weapons, depleted uranium, nuclear weapons and white phosphorus) – Any involvement in the core weapon system or components/services thereof considered tailor-made and essential for lethal use; any ownership in the core weapon system or components/services thereof considered tailor-made and essential for lethal use; any involvement in providing for the core weapon system components/services not considered tailor-made or not essential to lethal use; or any ownership of a provider for the core weapon system of components/services not tailor-made or non-essential for lethal use
- Gambling – At least five percent of revenue from ownership/operation of an establishment or from manufacture of specialized equipment; or at least 50 percent of revenue from products/services supporting operations
- Military contracting – At least five percent of revenue from manufacture of military weapon systems and/or integral, tailor-made components; or at least 50 percent of revenue from providing tailor-made products/services that support military weapons
- Oil & gas – At least five percent of revenue from exploration, production, refining, transportation and storage; or from power generation; or at least 50 percent of revenue from providing tailor-made products/services that support exploration, production, refining, transportation or storage
- Oil sands – Any revenue from extraction
- Small arms – Any revenue from the manufacture and sale of assault weapons or non-assault weapons to civilian customers; any revenue from the manufacture and sale of key components to small arms; or at least five percent of revenue from retail/distribution of assault weapons or of non-assault weapons
- Thermal coal – At least five percent of revenue from extraction or from power generation

- Tobacco products – Any revenue from manufacturing; at least five percent of revenue from supplying related products/services or from distribution/retail sales

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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