



INDEX METHODOLOGY

# PHLX SEMICONDUCTOR EQUAL WEIGHTED INDEX™

## ESOX

### INDEX DESCRIPTION

The PHLX Semiconductor Equal Weighted Index is the equal-weighted version of the PHLX Semiconductor Index (SOX), which is designed to measure the performance of the 30 largest US-listed semiconductor companies.

### SECURITY ELIGIBILITY CRITERIA

#### Parent Index

The Index follows the same reconstitution and rebalance schedule as its Parent Index, the PHLX Semiconductor Sector Index. Please refer to that methodology for further information.

### INDEX CALENDAR

#### Reconstitution schedule

The Index follows the same reconstitution schedule as its Parent Index, the PHLX Semiconductor Sector Index. Please refer to that methodology for further information.

#### Rebalance schedule

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

#### Rebalance reference dates

The Index Rebalance uses the Last Sale Prices as of the close of trading on the third Friday in March, June, September and December.

## **Rebalance announcement dates**

Index Rebalance changes are announced in early March, June, September and December.

## **Rebalance effective dates**

Index Rebalance changes are effective at market open of the following trading day after the close of trading on the third Friday in March, June, September and December.

## **CONSTITUENT SELECTION**

### **Constituent selection process**

The Index selects the 30 largest eligible semiconductor companies listed in the U.S., ranked by market capitalization.

## **CONSTITUENT WEIGHTING**

### **Constituent weighting scheme**

The Index is an equal-weighted index.

### **Constituent weighting process**

The index employs an equal-weight adjustment scheme: all Index Securities have equal index market capitalization. For additional information about index weighting, see Nasdaq Standard Index Weight Adjustment Guidelines.

## **INDEX MAINTENANCE**

### **Deletion policy**

If a component is removed from the PHLX Semiconductor Index, it is also removed from the PHLX Semiconductor Equal Weighted Index at the same time.

### **Replacement policy**

The replacement policy is the same as the PHLX Semiconductor Index. Please refer to that methodology for further information.

## Corporate actions

In the interim periods between scheduled index reconstitution and rebalance events, individual Index securities may be the subject to a variety of corporate actions and events that require maintenance and adjustments to the Index. Specific treatment of each type of corporate action or event is described in the Nasdaq 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 “Non-Market Cap Corporate Action Method.”

## Index share adjustments

Other than as a direct result of corporate actions, the index does not normally experience share adjustments between scheduled index rebalance and reconstitution events.

## ADDITIONAL INFORMATION

### Announcements

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

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

### Holiday schedules

The Indexes are calculated Monday through Friday, except on days when the Nasdaq US exchange is closed.

### 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.nasdaqomx.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**.

## Index calculation and dissemination schedule

The index is calculated during the trading day and is disseminated once per second from 09:30:01 to 17:16:00 ET. The closing value of the indexes may change up until 17:15:00 ET due to corrections to the Last Sale Price of the Index Securities.

## Website

For further information, please refer to Nasdaq GIW website at <https://indexes.nasdaqomx.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 follow the same governance structure. For a detailed list of this information, please see the **Nasdaq Index Methodology Guide**.

## Nasdaq Index Management Committee

The Nasdaq Index Management Committee approves all new Index Methodologies. This committee is comprised of full-time professional members of Nasdaq. The committee meets regularly, and reviews

items including, but not limited to, pending corporate actions that may affect Index constituents, statistics comparing the composition of the indexes to the market, companies that are being considered as candidates for addition to an Index, and any significant market events.

For a detailed overview of the Index Management Committee, please see the **Nasdaq Index Methodology Guide**.

### **Internal reviews of methodology**

For a detailed description on internal reviews of the Methodology, please see the **Nasdaq Index Methodology Guide**.

### **Communication with stakeholders and consultations**

For a detailed description on Consultations and Communications with Stakeholders, please see 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, please 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, please 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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