



INDEX METHODOLOGY

## NASDAQ OMX BALTIC 10 INDEX™

### OMXB10-

#### INDEX DESCRIPTION

The OMX Baltic 10 Index measures the performance of a selection of the most traded securities listed on AB Nasdaq Vilnius, Nasdaq Riga, AS, and Nasdaq Tallinn AS.

#### SECURITY ELIGIBILITY CRITERIA

##### Parent Index

A security must be included in the OMX Baltic All-Share Index. Please refer to that methodology for further information.

##### Other eligibility criteria

The Issuer of a security not already in the Index as of the Index Reconstitution Reference Date ("non-Index Security") may not have entered into a definitive agreement or other arrangement that would likely result in the non-Index Security becoming ineligible.

The Issuer of a security already in the Index as of the Index Reconstitution Reference Date ("Index Security") that has entered into a definitive agreement or other arrangement that would likely result in the Index Security becoming ineligible soon after the Index Reconstitution Effective Date may be removed from the Index in conjunction with the Index Reconstitution.

#### INDEX CALENDAR

##### Reconstitution schedule

Nasdaq selects constituents semi-annually in January and July to determine the Index Securities as of the Index Reconstitution Effective Date.

## **Reconstitution reference dates**

The January Reconstitution is conducted using data as of the end of November with the exception of free float data, which is as of the end of October.

The July Reconstitution is conducted using data as of the end of May with the exception of free float data, which is as of the end of April.

## **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 market open on the first trading day in January and July.

## **Rebalance schedule**

The Index is rebalanced semi-annually in conjunction with the Index Reconstitution in January and July.

## **Rebalance reference dates**

Index Security weights are determined by the total shares outstanding and free float factor used in the Index Reconstitution and closing prices as of the day prior to the Index Rebalance Effective Date.

## **Rebalance announcement dates**

Index Rebalances are 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 January and July.

# **CONSTITUENT SELECTION**

## **Constituent selection process**

A Reconstitution is conducted on a semi-annual basis, at which time all eligible securities, ranked by highest Nasdaq official daily median turnover based on auto-match trades in Euro (EUR) during the six (6) calendar months starting six (6) calendar months before the Index Reconstitution Reference Date, are considered for Index inclusion based on the following ordered criteria:

- Securities with more than 5 days where no trading has been conducted when the Exchange on which the securities is listed was open during the period defined above are deemed ineligible.
- Each of the top 8 securities are selected for inclusion in the Index.
- Any Index Securities ranked within the top 10 positions are selected for inclusion in the Index.
- In the event that fewer than 10 securities pass the first three criteria, the remaining positions may be filled, in rank order, by the highest ranked Index Securities within the top 12 positions.
- In the event that fewer than 10 securities pass the first four criteria, the remaining positions will be filled, in rank order, by the highest ranked non-Index Securities.

## CONSTITUENT WEIGHTING

### Constituent weighting scheme

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

### Constituent weighting process

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. Issuer weights are the aggregated weights of the issuers' respective Index Securities. Initial index weights are adjusted to meet the following constraint:

- No issuer weight may exceed 15% of the Index.

For additional information about index weighting, [see Nasdaq Index Weight Adjustment Guidelines](#).

## INDEX MAINTENANCE

### Deletion policy

If at any time other than an Index Reconstitution, Nasdaq determines that an Index Security has or will undergo a fundamental alteration that would make it ineligible for Index inclusion, the Index Security is removed from the Index as soon as practicable as noted in the "Mergers & Acquisitions (M&A)" section of the **Corporate Actions and Events Manual—Nordics, Baltics, & SmartBeta Equities**.

Such fundamental alterations include, but are not limited to, a listing switch to an ineligible exchange, acquisition of more than 90% or 95% of outstanding shares depending on the exchange on which a security is listed, merger, or other major corporate event that would otherwise adversely affect the integrity of the Index.

On the Effective Date of the deletion, the Index Security is removed at its closing price. For more information on the handling of Bankrupt securities please refer to the "Bankruptcy" section of the **Corporate Actions and Events Manual—Nordics, Baltics, & SmartBeta Equities**.

## Replacement policy

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

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

The Index follows a "Market Cap Corporate Action Method for Indexes that Review Index Shares on a Periodic Basis".

## Index share adjustments

Please 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.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 all of the Eligible exchanges are 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 10:00:10 to 16:05:00 local time (Eastern European Time or Eastern European Summer Time, dependent on the month of the year).

## **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.

Neither Nasdaq, Inc., nor any of its affiliates (collectively “Nasdaq”) makes any recommendation to buy or sell any security or any representation about the financial condition of any company. Investors should undertake their own due diligence and carefully evaluate companies before investing. The information contained herein is provided for informational and educational purposes only, and nothing contained herein should be construed as investment advice, either on behalf of a particular security or an overall investment strategy. **ADVICE FROM A SECURITIES PROFESSIONAL IS STRONGLY ADVISED.** © 2021. *Nasdaq, Inc. All Rights Reserved.*