

## OMX STOCKHOLM BENCHMARK CAPPED INDEX™

### OMXSBCAP-

#### INDEX DESCRIPTION

The OMX Stockholm Benchmark Capped Index is a version of the OMX Stockholm Benchmark Index subject to weighting constraints.

#### SECURITY ELIGIBILITY CRITERIA

##### Parent index

A security must be included in the OMX Stockholm Benchmark Index (OMXSB-). Refer to that methodology for further information.

#### INDEX CALENDAR

##### Reconstitution

The Index Reconstitution follows the same schedule as the Parent Index. Refer to that methodology for further information.

##### Rebalance schedule

Nasdaq maintains the Index's weight constraints via quarterly and daily processes. Quarterly adjustments are made in March, June, September and December, which two (2) times per year coincide with the Index Reconstitution in June and December. The Index is also rebalanced daily as needed if the weight constraints are violated.

## **Rebalance reference dates**

When the Quarterly Index Rebalance coincides with the Index Reconstitution, 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.

When the Quarterly Index Rebalance does not coincide with the Index Reconstitution, the Index Security weights are determined by the total shares outstanding and free float factor used in the most recent Index Reconstitution, adjusted for corporate actions, and the closing prices as of six (6) trading days prior to the Index Rebalance Effective Date.

The Daily Index Rebalance utilizes Index Shares and closing prices as of the day on which weight constraints are violated.

## **Rebalance announcement dates**

Quarterly Index Rebalance changes are announced only in conjunction with the Parent Index Rebalance at least five (5) trading days prior to the Index Rebalance Effective Date. Refer to that methodology for further information.

## **Rebalance effective dates**

Quarterly Index Rebalance changes become effective at market open on the first trading day in March, June, September and December.

Daily Index Rebalance changes become effective at market open one (1) trading day after weight constraints are violated.

## **CONSTITUENT SELECTION**

### **Constituent selection process**

The constituents of the Index are the same as the Parent Index. Refer to that methodology for further information.

## **CONSTITUENT WEIGHTING**

### **Constituent weighting scheme**

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

## Constituent weighting process

### Quarterly 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 issuer weight may exceed 4.5%, except for issuers with the largest free float market capitalization, which may have weights up to 9% such that the aggregate weight of the excepted issuers does not exceed 36%.

### Daily rebalance

Daily weight adjustment employs a repeated two-stage weight adjustment scheme according to issuer-level constraints.

Index Securities' initial weights are determined using end of day weights, adjusted for corporate actions. Issuer weights are the aggregated weights of the issuers' respective Index Securities. Adjustments may alter the rank-order of issuers by weight. Index Shares adjustments are made only to Index Securities whose final weights are lower than their initial weights.

#### Stage 1

If no initial issuer weight exceeds 10%, initial weights are used as Stage 1 weights; otherwise, initial weights are adjusted to meet the following Stage 1 constraint, producing Stage 1 weights:

- Issuer weights exceeding 10% are set to 9%. They cannot be adjusted any further throughout the remainder of weight adjustment procedure.

#### Stage 2

If the aggregate weight of the subset of issuers whose Stage 1 weights exceed 5% does not exceed 40%, Stage 1 weights are used as final weights; otherwise, Stage 1 weights are adjusted to meet the following Stage 2 constraints, producing Stage 2 weights:

- Any issuer weight set to 9% in Stage 1 is maintained.
- The weight of the issuer with the lowest Stage 1 weight exceeding 5% is set to 4.5%. It cannot be adjusted any further throughout the remainder of weight adjustment procedure.

Stages 1 and 2 are repeated sequentially until the final weights are determined.

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

## INDEX MAINTENANCE

The Index follows the same Index Maintenance Policies as the Parent Index, with the exceptions listed below. Refer to that methodology for more information.

## **Addition policy**

The Index follows the same Addition policy as the Parent Index with the exception that the quarterly Rebalance process will be applied in the event of a “Fast Entry”. Refer to that methodology 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**.

### **Holiday schedules**

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

### **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**.

## Index calculation and dissemination schedule

The Indexes are calculated during the trading day based on the Last Sale Price and are disseminated once per second from 09:00:01 to 17:30:00 Central European Summer Time (CEST). The closing value of the indexes may change after market hours due to corrections to the Last Sale Price of the Index Securities.

## 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

## 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: METHODOLOGY CHANGE LOG

Effective Date	Methodology Section	Previous	Updated
12/01/2023	Index calendar: Rebalance reference dates	<p>When the Quarterly Index Rebalance coincides with the Index Reconstitution, 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 the day prior to the Index Rebalance Effective Date.</p> <p>When the Quarterly Index Rebalance does not coincide with the Index Reconstitution, the Index Security weights are determined by the total shares outstanding and free float factor used in the most recent Index Reconstitution, adjusted for corporate actions, and the closing prices as of the day prior to the Index Rebalance Effective Date.</p> <p>The Daily Index Rebalance utilizes Index Shares and closing prices as of the day on which weight constraints are violated.</p>	<p>When the Quarterly Index Rebalance coincides with the Index Reconstitution, 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.</p> <p>When the Quarterly Index Rebalance does not coincide with the Index Reconstitution, the Index Security weights are determined by the total shares outstanding and free float factor used in the most recent Index Reconstitution, adjusted for corporate actions, and the closing prices as of six (6) trading days prior to the Index Rebalance Effective Date.</p> <p>The Daily Index Rebalance utilizes Index Shares and closing prices as of the day on which weight constraints are violated.</p>

## 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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