



INDEX METHODOLOGY

# NASDAQ COMPOSITE® INDEX COMP™

## INDEX DESCRIPTION

The Nasdaq Composite Index includes all domestic and international common type stocks listed on the Nasdaq Stock Market.

## SECURITY ELIGIBILITY CRITERIA

To qualify for index inclusion, securities must meet the following Security Eligibility Criteria which are applied as of the Reconstitution reference date.

### Eligible security types

Security or company types generally eligible include American Depositary Receipts (ADRs), common stocks, limited partnership interests, ordinary shares, or shares or units of beneficial interest.

Security types generally ineligible for the index include closed-end funds, convertible debentures, exchange traded funds, preferred stocks, rights, warrants, units and other derivative securities.

### Multiple classes of securities

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

### Eligible exchanges

A security must be listed exclusively on the Nasdaq Stock Exchange.

### Geographic eligibility

There is no geographic eligibility criterion.

### **Industry or sector eligibility**

There is no industry or sector eligibility criterion.

### **Market capitalization eligibility**

There is no market capitalization eligibility criterion.

### **Liquidity eligibility**

There is no liquidity eligibility criterion.

### **Seasoning Eligibility**

The security must have traded for at least one day on the Nasdaq Stock Market and have a Nasdaq Official Closing Price (NOCP).

### **Float eligibility criteria**

There is no float eligibility criterion.

### **Other eligibility criteria**

There are no additional eligibility criteria.

## **CONSTITUENT SELECTION**

### **Constituent selection process**

A Reconstitution is conducted daily, at which time all securities that meet the applicable Security Eligibility Criteria are included in the Index.

## **CONSTITUENT WEIGHTING**

### **Constituent weighting scheme**

The Index is a market capitalization-weighted index.

### **Constituent weighting process**

The daily weight process uses security-level weights, which are derived using the price and Total Shares Outstanding (“TSO”) of each security, as of the Rebalance reference date.

The Index is weighted following Nasdaq’s general weighting process as described in **Nasdaq Index Weight Adjustment Guidelines**.

## INDEX CALENDAR

### Reconstitution & Rebalancing schedule

<b>Reconstitution Frequency</b>	Daily
<b>Rebalance Frequency</b>	Daily
<b>Reconstitution Reference Dates</b>	Previous trading day
<b>Reconstitution Announcement Dates</b>	No announcements
<b>Reconstitution Effective Dates</b>	At market open on each trading day
<b>Rebalance Reference Dates</b>	Previous trading day
<b>Rebalance Announcement Dates</b>	No announcements
<b>Rebalance Effective Dates</b>	At market open on each trading day

### Holiday schedules

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

### 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 09:30:01 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.

## INDEX MAINTENANCE

### Deletion policy

Securities that are no longer eligible are removed daily from the index.

### Replacement policy

Index Securities are not replaced in the Index.

## **Addition policy**

Index Securities that are eligible for the index are added daily.

## **Corporate actions**

Individual Index securities may be the subject to a variety of corporate actions and events that require maintenance and adjustments to the Index. The specific treatment of each type of corporate action or event is described in **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 “Market Cap Corporate Action Method.”

## **Index share adjustments**

Index Shares are updated each day to reflect current TSO figures.

# **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**.

## **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 **Nasdaq Index Policies & Procedures: 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 and the classification of dividends and associated tax rates, 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**.

## 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

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

## APPENDIX: METHODOLOGY CHANGE LOG

Effective Date	Methodology Section	Previous	Updated
5/21/2021	Index Maintenance: Corporate action exceptions	Spinoffs <ul style="list-style-type: none"><li>• Spinoffs must satisfy all eligibility criteria in order to be added to the Index.</li><li>• Once added, spinoffs will remain in the Index (rather than being removed after the second day of trading).</li></ul>	--

## 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., its third-party providers, nor any of their respective affiliates (collectively “Corporations”) make 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.**