

# FTSE NORDIC 30 Index

v3.8



**FTSE  
RUSSELL**

An LSEG Business

# Contents

Section 1 Introduction .....	3
Section 2 Management responsibilities .....	4
Section 3 FTSE Russell Index policies .....	5
Section 4 Eligible securities .....	7
Section 5 Index qualification criteria .....	8
Section 6 Periodic review of constituents .....	9
Section 7 Changes to constituent companies outside reviews.....	11
Section 8 Corporate actions and events.....	12
Appendix A Indices algorithm and calculation method .....	13
Appendix B Further information .....	15

## Section 1

# Introduction

---

## 1. Introduction

- 1.1 The FTSE NORDIC 30 Index is designed to represent, with a portfolio of shares, the performance of Danish, Finnish, Icelandic, Norwegian and Swedish companies in real time.
- 1.2 The FTSE NORDIC 30 Index uses the universe of the FTSE All-World Index – Nordic Region, which includes constituents from Denmark, Finland, Iceland, Norway and Sweden.
- 1.3 The FTSE NORDIC 30 Index does not take account of ESG factors in its index design.
- 1.4 FTSE Russell**
- 1.5 FTSE Russell is a trading name of FTSE International Limited, Frank Russell Company, FTSE Global Debt Capital Markets Limited (and its subsidiaries FTSE Global Debt Capital Markets Inc. and FTSE Fixed Income Europe Limited), FTSE Fixed Income LLC, FTSE (Beijing) Consulting Limited, Refinitiv Benchmark Services (UK) Limited, Refinitiv Limited and Beyond Ratings.
- 1.6 FTSE Russell hereby notifies users of the index that it is possible that circumstances, including external events beyond the control of FTSE Russell, may necessitate changes to, or the cessation of, the index and therefore any financial contracts or other financial instruments that reference the index or investment funds which use the index to measure their performance should be able to withstand, or otherwise address the possibility of changes to, or cessation of, the index.
- 1.7 Index users who choose to follow this index or to buy products that claim to follow this index should assess the merits of the index's rules-based methodology and take independent investment advice before investing their own or client funds. No liability whether as a result of negligence or otherwise is accepted by FTSE Russell (or any person concerned with the preparation or publication of these Ground Rules) for any losses, damages, claims and expenses suffered by any person as a result of:
- any reliance on these Ground Rules;
  - any inaccuracies in these Ground Rules;
  - any non-application or misapplication of the policies or procedures described in these Ground Rules; and/or
  - any inaccuracies in the compilation of the index or any constituent data.

## Section 2

# Management responsibilities

## 2. Management responsibilities

### 2.1 FTSE International Limited (FTSE)

2.1.1 FTSE is the benchmark administrator of the index<sup>1</sup>.

2.1.2 FTSE is responsible for the daily calculation, production and operation of the index series, and will:

- maintain records of the index weightings of all constituents;
- make changes to the constituents and their weightings in accordance with the Ground Rules;
- carry out the periodic index reviews of the Index Series and apply the changes resulting from the reviews as required by the Ground Rules;
- publish changes to the constituent weightings resulting from their ongoing maintenance and the periodic reviews; and
- disseminate the indices.

### 2.2 Status of these Ground Rules

2.2.1 These Ground Rules set out the methodology and provide information about the publication of the FTSE NORDIC 30 Index.

### 2.3 Amendments to these Ground Rules

2.3.1 These Ground Rules shall be subject to regular review (at least once a year) by FTSE Russell to ensure that they best reflect the aims of the index. Any proposals for significant amendments to these Ground Rules will be subject to consultation with FTSE Russell advisory committees and other stakeholders if appropriate. The feedback from these consultations will be considered by the FTSE Russell Index Governance Board before approval is granted.

<sup>1</sup> The term administrator is used in this document in the same sense as it is defined in the [Regulation \(EU\) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds](#) (the European Benchmark Regulation) and [The Benchmarks \(Amendment and Transitional Provision\) \(EU Exit\) Regulations 2019](#) (the UK Benchmark Regulation).

## Section 3

# FTSE Russell Index policies

### 3. FTSE Russell Index policies

These Ground Rules should be read in conjunction with the following policy documents, which can be accessed using the links below:

#### 3.1 Corporate Actions and Events Guide

- 3.1.1 Full details of changes to constituent companies due to corporate actions and events can be accessed in the Corporate Actions and Events Guide using the following link:

[Corporate Actions and Events Guide.pdf](#)

#### 3.2 Queries and Complaints

- 3.2.1 FTSE Russell's complaints procedure can be accessed using the following link:

[Benchmark Determination Complaints Handling Policy.pdf](#)

#### 3.3 Index Policy for Trading Halts and Market Closures

- 3.3.1 Guidance for the treatment of index changes in the event of trading halts or market closures can be found using the following link:

[Index Policy for Trading Halts and Market Closures.pdf](#)

#### 3.4 Index Policy in the Event Clients are Unable to Trade a Market or a Security

- 3.4.1 Details of FTSE Russell's treatment can be accessed using the following link:

[Index Policy in the Event Clients are Unable to Trade a Market or a Security.pdf](#)

#### 3.5 Recalculation Policy and Guidelines

- 3.5.1 Where an inaccuracy is identified, FTSE Russell will follow the steps set out in the FTSE Russell Index recalculation guidelines when determining whether an index or index series should be recalculated and/or associated data products reissued. Users of the FTSE NORDIC 30 Index will be notified through appropriate media.

For further information, refer to the FTSE Russell Recalculation Policy and Guidelines document, which is available from the FTSE Russell website using the link below or by contacting [info@ftserussell.com](mailto:info@ftserussell.com).

[Recalculation Policy and Guidelines Equity Indices.pdf](#)

#### 3.6 Policy for Benchmark Methodology Changes

- 3.6.1 Details of FTSE Russell's policy for making benchmark methodology changes can be accessed using the following link:

[Policy for Benchmark Methodology Changes.pdf](#)

### **3.7 FTSE Russell Governance Framework**

- 3.7.1 To oversee its indices, FTSE Russell employs a governance framework that encompasses product, service and technology governance. The framework incorporates the London Stock Exchange Group's three lines of defence risk management framework and is designed to meet the requirements of the IOSCO Principles for Financial Benchmarks<sup>2</sup>, the European benchmark regulation<sup>3</sup> and the UK benchmark regulation<sup>4</sup>. The FTSE Russell governance framework can be accessed using the following link:

[FTSE Russell Governance Framework.pdf](#)

### **3.8 Real Time Status Definitions**

- 3.8.1 Please refer to the following guide for details of real time status definitions for indices which are calculated in real time.

[Real Time Status Definitions.pdf](#)

---

<sup>2</sup> IOSCO Principles for Financial Benchmarks Final Report, FR07/13 July 2013.

<sup>3</sup> Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.

<sup>4</sup> The Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019.

## Section 4

# Eligible securities

---

## 4. Eligible securities

- 4.1 All constituents of the FTSE All-World Index – Nordic Region are eligible for inclusion in the index subject to conforming with rules 4.2 to 4.5.
- 4.2 Where a company lists multiple lines of equity capital, only the most liquid line of stock will be eligible.
- 4.3 Where a company's shares are issued partly, or nil, paid and the call dates are already determined and known, the market price will, for the purposes of calculating its market capitalisation, be adjusted so as to include all such calls (i.e. the fully paid price).
- 4.4 Convertible preference shares and loan stocks will be excluded until converted.
- 4.5 **Eligible securities**, being constituents of the FTSE All-World Index – Nordic Region, will have been tested against the eligibility screens as defined in the FTSE Global Equity Index Series Ground Rules. For further information, including details of the liquidity screen, please refer to the FTSE Global Equity Index Series Ground Rules, which are available from FTSE Russell.

## Section 5

# Index qualification criteria

---

## 5. Index qualification criteria

- 5.1 The companies in the FTSE All-World Index – Nordic Region are ranked by full market capitalisation i.e. before the application of any investability weightings. The top 30 companies fulfilling all other criteria in these rules create the index.



## Section 6

# Periodic review of constituents

## 6. Periodic review of constituents

- 6.1 The FTSE NORDIC 30 Index will be reviewed semi-annually in March and September. The reviews will be based on prices after the close of business on the Monday four weeks prior to the effective review date incorporating constituent changes from the FTSE All-World Index – Nordic Region as of the effective date. Constituent changes will be implemented after the close of business on the third Friday (i.e. effective Monday) of March and September.
- 6.2 The periodic review of constituents will be conducted using the following steps.
  - 6.2.1 Use database of all constituents of the FTSE All-World Index – Nordic Region.
  - 6.2.2 Rank all companies by full market capitalisation, i.e. before the application of any investability weightings, amalgamating multiple lines if applicable, largest first and smallest last.
  - 6.2.3 Existing constituents which have fallen to position 41 or below will qualify to be removed from the index at the periodic review.
  - 6.2.4 Non-constituents that have risen to position 20 or above will qualify to be included in the index at the periodic review.
  - 6.2.5 Where a company has multiple lines, the most liquid line will be selected for inclusion.
  - 6.2.6 Where a greater number of securities qualify to be included in the index than those qualifying to be removed, the lowest-ranking securities presently included in the index will be removed to ensure that the number of securities remains constant. Likewise, where a greater number of securities qualify to be removed from the index than those qualifying for inclusion, the highest-ranking securities that are presently not in the index will be included to match the number of securities being removed at the periodic review.
  - 6.2.7 The share and investability weightings of an individual constituent will be the same as in the FTSE All-World Index.
- 6.3 Capping dates**
- 6.4 The calculation of the constituent capping factors (c) will be based on prices at close on the second Friday of the review month using shares in issue and investability weights as designated to take effect after close on the third Friday of the review month (i.e. taking effect on the review effective date).
- 6.5 The calculation will take into account any corporate actions/events that take effect after close on the second Friday of the review month up to and including the review effective date if they have been announced and confirmed by the second Friday of the review month.
- 6.6 Corporate actions/events announced after the second Friday of the review month that become effective up and including the review effective date will not result in any further adjustment.

## **6.7 Capping methodology**

6.7.1 The constituents of the FTSE NORDIC 30 Index are capped at the time of the semi-annual reviews.

### **Step one**

No individual company in the Index can be greater than 20%. A company with a weight greater than 20% is capped at 20% capping weight\*.

### **Step two**

Re-weight and re-rank all companies by resulting weights largest to smallest. Find the highest-ranked company by accumulated weight that is greater than 48%. This company and the companies ranked before it form the top capping group.

If the lowest-ranked company in the top capping group is less than 5%, no further capping is needed. Otherwise proportionately cap the uncapped companies in the top capping group such that top capping group has an aggregate weight of 48% in the index\*\*.

If the result of this round of capping causes any issues in the top capping group to fall below 4.75%, the weights of those companies will be capped at 4.75%.

### **Step three**

If the individual weights of the remaining lower-ranking uncapped companies are greater than 4.75%, they will be capped at 4.75%.

\*In the case more than two companies require 20% capping, then the top capping weight will be revaluated.

\*\*Companies capped at 20% will not be capped further.

## Section 7

# Changes to constituent companies outside reviews

## 7. Changes to constituent companies outside reviews

### 7.1 Removal and replacement

- 7.1.1 If a constituent ceases to be a constituent of the FTSE All-World Index – Nordic Region or has, in the opinion of FTSE Russell, ceased to be a viable constituent as defined by these Ground Rules, it will be removed from the list of constituents and replaced by the highest-ranking non-constituent security eligible as at the close of the index calculation two days prior to the inclusion of the replacement security.
- 7.1.2 The removal and replacement are effected simultaneously.
- 7.1.3 In the event where a company has been deleted from the index following a takeover but retains a listing with a float greater than 5%, it will be considered for index eligibility as a new issue following a period of 12 months.
- 7.1.4 When a constituent is removed because it is no longer a member of the FTSE All-World Index, the removal will be concurrent with its removal from the FTSE All-World Index. Replacement will be with the highest-ranking non-constituent security eligible as at the close of the index calculation two days prior to the inclusion of the replacement security.
- 7.1.5 New issues
- 7.1.6 If, in the view of FTSE Russell, a new issue is so large (i.e. its full market capitalisation before the application of any investability weightings amounts to 3% or more of the index market capitalisation) that the effectiveness of the index as a market indicator would be significantly and adversely affected by its omission, the addition of a new security will be implemented after the close of business on the fifth business day of trading. In the event of the fifth business day of trading occurring during the week of the index review, an eligible fast entrant will be added to the index concurrent with the review effective date. The security which is the lowest ranking constituent of the Index will be selected for removal.
- 7.1.7 New issues of companies that do not qualify for early entry, but which meet the criteria for eligible securities set out in section 4 will be eligible for inclusion in the next review.
- 7.1.8 FTSE Russell may, at its discretion, defer the inclusion at a review of a new issue until the next review, or such other time as it may determine, if it has reason to believe that the security may not meet the liquidity criteria set out in rule 4.5.
- 7.1.9 If FTSE Russell decides to include a new issue as a constituent security other than as part of the normal periodic review procedure, this decision must be publicly announced at the earliest practicable time.

## Section 8

# Corporate actions and events

## 8. Corporate actions and events

- 8.1 Full details of changes to constituent companies due to corporate actions and events can be accessed in the Corporate Actions and Events Guide using the following link:

[Corporate Actions and Events Guide.pdf](#)

A corporate action is an action on shareholders with a prescribed ex-date. The share price will be subject to an adjustment on the ex-date. These include the following:

- capital repayments;
- rights issues/entitlement offers;
- stock conversion;
- splits (sub-division)/reverse splits (consolidation); and
- scrip issues (capitalisation or bonus issue).

A corporate event is a reaction to company news (event) that may impact the index depending on the index rules. For example, a company announces a strategic shareholder is offering to sell their shares (secondary share offer) – this could result in a free float weighting change in the index. Where an index adjustment is required FTSE will provide notice advising of the timing of the change.

### 8.2 Shares in issue

Changes to the number of shares in issue for constituent securities are covered in the Corporate Actions and Events Guide.

### 8.3 Mergers, restructuring and complex takeovers

- 8.3.1 If the effect of a merger or takeover is that one constituent is absorbed by another constituent the resulting company will remain a constituent of the index and a vacancy will be created. This vacancy will be filled by selecting the highest-ranking non-constituent security eligible as at the close of the index calculation two days prior to the inclusion of the replacement security.
- 8.3.2 If a constituent company is taken over by a non-constituent company, the original constituent will be removed and replaced by the highest-ranking non-constituent security eligible. Any eligible company resulting from the takeover will qualify to become the replacement company if it is ranked higher than any other non-constituent.
- 8.3.3 If a constituent company is split so as to form two or more companies, then the resulting companies will be eligible for inclusion as index constituents if their market capitalisation(s) are large enough to qualify and if they qualify in all other respects.

### 8.4 Suspension of dealing

Suspension of dealing rules can be found within the Corporate Actions and Events Guide.

## Appendix A

# Indices algorithm and calculation method

### 1.0 Prices

1.1 The Index will use Refinitiv 19:00 GMT spot rates to price securities.

### 2.0 Calculation frequency

2.1 The index will be calculated every minute during the opening hours using real-time prices.

2.2 The index will be calculated between 09:00 and 17:30 local Central European Time.

### 3.0 Index calculation

3.1 The index will be displayed to one decimal point.

3.2 The index will be calculated in Swedish Krona in real time and in Euros at the end of day using the following formula below. The actual trade prices of non-Swedish constituents are converted into Swedish Krona and the indices are then calculated using the algorithm described below.

$$\sum_{i=1}^N \frac{(p_i \times e_i \times s_i \times f_i \times c_i)}{d}$$

Where:

- $i=1, 2, \dots, N$ ;
- $N$  is the number of securities in the index;
- $p_i$  is the latest trade price of the component security (or the price at the close of the index on the previous day);
- $e_i$  is the exchange rate required to convert the security's currency into the index's base currency;
- $s_i$  is the number of shares in issue used by FTSE Russell for the security, as defined in these Ground Rules;
- $f_i$  is the investability weighting factor to be applied to a security to allow amendments to its weighting, expressed as a number between 0 and 1, where 1 represents a 100% free float. This factor is published by FTSE Russell for each security in the underlying index;
- $c_i$  is the capping factor to be applied to a security to correctly weight that security in the index. This factor maps the investable market capitalisation of each stock to a notional market capitalisation for inclusion in the index; and
- $d$  is the divisor, a figure that represents the total issued share capital of the index at the base date. The divisor can be adjusted to allow changes in the issued share capital of individual securities to be made without distorting the index.

### **3.3 Dividends**

- 3.3.1 The dividends used are the actual gross dividends for each stock, which are applied to the stock on the relevant ex-dividend date.

## Appendix B

# Further information

---

A Glossary of Terms used in FTSE Russell's Ground Rules documents can be found using the following link:

[Glossary.pdf](#)

For further information on the FTSE NORDIC 30 Index Ground Rules, visit [www.lseg.com/en/ftse-russell/](http://www.lseg.com/en/ftse-russell/) or e-mail [info@ftserussell.com](mailto:info@ftserussell.com). Contact details can also be found on this website.

---

## Disclaimer

© 2024 London Stock Exchange Group plc and its applicable group undertakings ("LSEG"). LSEG includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE Canada"), (4) FTSE Fixed Income Europe Limited ("FTSE FI Europe"), (5) FTSE Fixed Income LLC ("FTSE FI"), (6) FTSE (Beijing) Consulting Limited ("WOFE"), (7) Refinitiv Benchmark Services (UK) Limited ("RBSL"), (8) Refinitiv Limited ("RL") and (9) Beyond Ratings S.A.S. ("BR"). All rights reserved.

The FTSE NORDIC 30 Index is calculated by or on behalf of FTSE International Limited or its affiliate, agent or partner. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator. Refinitiv Benchmark Services (UK) Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL and BR. "FTSE®", "Russell®", "FTSE Russell®", "FTSE4Good®", "ICB®", "WMR™", "FR™", "Beyond Ratings®" and all other trademarks and service marks used herein (whether registered or unregistered) are trade marks and/or service marks owned or licensed by the applicable member of LSEG or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL or BR.

All information is provided for information purposes only. All information and data contained in this publication is obtained by LSEG, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical inaccuracy as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or LSEG Products, or of results to be obtained from the use of LSEG products, including but not limited to indices, rates, data and analytics, or the fitness or suitability of the LSEG products for any particular purpose to which they might be put. The user of the information assumes the entire risk of any use it may make or permit to be made of the information.

No responsibility or liability can be accepted by any member of LSEG nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any inaccuracy (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of LSEG is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of LSEG nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of LSEG nor their respective directors, officers, employees, partners, or licensors make any representation regarding the advisability of investing in any asset or whether such investment creates any legal or compliance risks for the investor. A decision to invest in any such asset should not be made in reliance on any information herein. Indices and rates cannot be invested in directly. Inclusion of an asset in an index or rate is not a recommendation to buy, sell or hold that asset nor confirmation that any particular investor may lawfully buy, sell or hold the asset or an index or rate containing the asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

