Nasdaq

INDEX METHODOLOGY

# NASDAQ JUNIOR SILVER MINERS™ INDEX

# NMFSM™

## INDEX DESCRIPTION

The Nasdaq Junior Silver Miners Index (the "Index") is designed to track the performance of primarily smaller companies engaged in the silver mining industry. Eligible companies include those that derive the majority of their revenues from silver mining, have a significant market share of global silver production, or are principally engaged in exploration and development activities related to new silver production.

## 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.

### Multiple Securities per Issuer

One security per issuer is permitted. If an issuer has multiple otherwise-eligible securities, one of which is an Index Security as of the Reconstitution Reference Date, only that Index Security may be eligible; otherwise, only the security with the highest three-month average daily value traded (ADVT) may be eligible.

### Listing Exchanges

A security must be listed on an exchange named in *Appendix A: Eligible Exchanges*.

### Industries and Sectors

Eligible companies include those that derive the majority of their revenues from silver mining, have a significant market share of global silver production, or are principally engaged in exploration and development activities related to new silver production, as defined by Metals Focus. All securities are assigned to an individual sector defined by Metals Focus. Eligible sectors include Project Development, Silver Mining, Streaming, Diversified Mining, Gold Mining, Zinc Mining, and Copper Mining.

 

### Market Capitalization

A security must have a market capitalization of at least $20 million (USD).

### Seasoning

A security must have been traded at least three months prior to the Reconstitution Reference Date.

### Liquidity

A security must have a three-month ADVT of at least $10,000 (USD).

### Other Eligibility

If, at index reconstitution, Nasdaq becomes aware that an issuer or security will soon undergo a fundamental change that makes it ineligible, Nasdaq will remove the security from consideration. This includes entering into a definitive merger or acquisition agreement or other pending arrangement that would make it ineligible for index inclusion, or a filing of bankruptcy or similar protection from creditors, or other events as described in Section 3 of **Corporate Actions and Events Manual – Equities**.

## CONSTITUENT SELECTION

An index reconstitution is conducted semiannually based on the Reconstitution Reference Date.

Every security that meets all applicable *Security Eligibility Criteria* is included in the Index.

## CONSTITUENT WEIGHTING

### Constituent Weighting Scheme

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

### Constituent Weighting Process

An index rebalance is conducted quarterly based on the Rebalance Reference Date.

**Theme-Adjusted Free Float Market Value**

A Theme-Adjusted Free Float Market Value is calculated for each Index Security as the product of its:

- Free float market capitalization.
- Issuing company’s silver revenue percentage, as defined by Metals Focus.
- Liquidity factor, which is calculated as the Index Security’s three-month ADVT divided by the aggregate three-month ADVT of all Index Securities.



 

For a company assigned to the 'Project Development' sector, the silver revenue percentage is assumed to be 100%.

**Weight Calculation**

Each Index Security's initial weight is determined by dividing its Theme-Adjusted Free Float Market Value by the aggregate Theme-Adjusted Free Float Market Value of all Index Securities.

Initial weights are then adjusted to determine final weights.

**Weight Adjustment**

Initial index weights are adjusted to reduce excessive concentration. The weight adjustment is described below:

**Step 1**: Raise each Index Security's initial index weight to the power of 0.50 (*Adjusted Initial Weight*).

**Step 2**: Divide the *Adjusted Initial Weight* from Step 1 by the aggregate *Adjusted Initial Weight* of all Index Securities.

**Weight Constraints**

Securities are grouped based on their market capitalization. Group 1 securities are those that have a market capitalization at or above the $90^{th}$ percentile of all Index Securities. Group 2 consists of all other securities.

The weights from Step 2 above are further adjusted on a pro-rata basis such that:

- The aggregate weight of Group 1 securities does not exceed 15% of the total index weight.
- No Index Security weight may exceed 10%.

Final weights are those determined from applying the weighting constraints above.

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

# INDEX CALENDAR

## Reconstitution & Rebalancing Schedule

| | |
|---|---|
| **Reconstitution Frequency** | Semiannually |
| **Rebalance Frequency** | Quarterly |
| **Reconstitution Reference Dates** | The last trading day of April and October |
| **Reconstitution Announcement Dates** | After the close on the sixth trading day prior to the Reconstitution Effective Date |
| **Reconstitution Effective Dates** | At market open on the first trading day after the third Friday in May and November |
| **Rebalance Reference Dates** | The last trading day of January, April, July, and October |

 

| | |
|---|---|
| **Rebalance Announcement Dates** | After the close on the sixth trading day prior to the Rebalance Effective Date |
| **Rebalance Effective Dates** | At market open on the first trading day after the third Friday in February, May, August, and November |

### Holiday Schedule

The Index is calculated Monday through Friday and does not close for holidays.

### Index Calculation and Dissemination Schedule

Index values are made available on each trading day via the Nasdaq Global Index Watch (GIW) website at https://indexes.nasdaqomx.com/. Where applicable, index values are available throughout the trading day.

## 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 as soon as practicable. Such alternations may include a merger, acquisition or other major corporate event that would otherwise adversely affect the integrity of the Index.

### Corporate Actions

In the interim periods between scheduled index reconstitutions and rebalances, individual Index Securities may be the subject to a variety of corporate actions and events that require maintenance and adjustments to the Index. With the exception(s) noted below, 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 “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 reconstitutions and rebalances.


 

# ADDITIONAL INFORMATION

## Announcements

Nasdaq announces index-related information via the Nasdaq Global Index Watch (GIW) website at https://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.

## 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 subject to the Nasdaq Index Governance Framework that provides 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 A: ELIGIBLE EXCHANGES

| Country | Operating Exchange |
|---|---|
| Australia | Australian Securities Exchange |
| Austria | WIENER BOERSE AG |
| Belgium | NYSE Euronext, Euronext Brussels |
| Brazil | BM&FBOVESPA S.A. |
| Canada | CANADIAN SECURITIES EXCHANGE |
| Canada | TSX VENTURE EXCHANGE |
| Canada | TMX Group Inc. |
| Chile | Bolsa de Comercio de Santiago |
| Colombia | Bolsa de Valores de Colombia |
| Czech Republic | Prague Stock Exchange |

 

| **Country** | **Operating Exchange** |
|---|---|
| Denmark | NASDAQ OMX Copenhagen |
| Finland | NASDAQ OMX Helsinki |
| France | NYSE Euronext Paris |
| Germany | Deutsche Börse AG |
| Germany | DEUTSCHE BOERSE AG |
| Greece | Athens Exchange |
| Hong Kong | Hong Kong Exchanges and Clearing |
| Hungary | Budapest Stock Exchange |
| Indonesia | Indonesia Stock Exchange |
| Ireland | Irish Stock Exchange |
| Israel | Tel-Aviv Stock Exchange |
| Italy | Borsa Italiana (Part of London Stock Exchange Group) |
| Japan | Tokyo Stock Exchange Group, Inc. |
| Korea, Republic of | Korea Stock Exchange |
| Luxembourg | LUXEMBOURG STOCK EXCHANGE |
| Malaysia | Bursa Malaysia |
| Mexico | Bolsa Mexicana de Valores |
| Morocco | Bourse de Casablanca |
| Netherlands | NYSE Euronext - Euronext Amsterdam |
| New Zealand | New Zealand Exchange Ltd. |
| Norway | Oslo Børs |
| Peru | Bolsa de Valores de Lima |
| Philippines | Philippine Stock Exchange |

 

| Country | Operating Exchange |
|---|---|
| Poland | Warsaw Stock Exchange |
| Portugal | NYSE Euronext - Euronext Lisbon |
| Singapore | Singapore Exchange |
| South Africa | Johannesburg Stock Exchange |
| Spain | Bolsa de Barcelona |
| Sweden | NASDAQ OMX Stockholm |
| Switzerland | SWISS EXCHANGE |
| Taiwan | Taiwan Stock Exchange |
| Thailand | Stock Exchange of Thailand |
| Turkey | Istanbul Stock Exchange |
| United Kingdom | London Stock Exchange |
| United States | CBOE BZX U.S. EQUITIES EXCHANGE |
| United States | NASDAQ OMX US |
| United States | New York Stock Exchange |

 

## APPENDIX B: METHODOLOGY CHANGE LOG

| Effective Date | Methodology Section | Previous | Updated |
|---|---|---|---|
| 5/18/2026 | Security Eligibility Criteria: Multiple Securities per Issuer | One security per issuer is permitted. If an issuer has multiple otherwise-eligible securities, only the security with the highest three-month average daily value traded (ADVT) may be eligible. | One security per issuer is permitted. If an issuer has multiple otherwise-eligible securities, one of which is an Index Security as of the Reconstitution Reference Date, only that Index Security may be eligible; otherwise, only the security with the highest three-month average daily value traded (ADVT) may be eligible. |
| 11/18/2024 | Constituent Weighting: Constituent Weighting Process: Theme-Adjusted Free Float Market Value | A Theme-Adjusted Free Float Market Value is calculated for each Index Security as the product of the Index Security’s free float market capitalization and its issuing company’s silver revenue percentage, as defined by Metals Focus.<br>• For a company that is assigned to the ‘Project Development’ sector, silver revenue is assumed to be 100%. | A Theme-Adjusted Free Float Market Value is calculated for each Index Security as the product of its:<br>• Free float market capitalization.<br>• Issuing company’s silver revenue percentage, as defined by Metals Focus.<br>• Liquidity factor, which is calculated as the Index Security’s three-month average daily traded value divided by the aggregate three-month average daily traded value of all Index Securities.<br>For a company assigned to the ‘Project Development’ sector, the silver revenue percentage is assumed to be 100%. |
| 11/18/2024 | Constituent Weighting: Constituent Weighting Process: Weight Constraints | Weights from Step 2 above are further adjusted on a pro-rata basis such that:<br>• Aggregate weight of Group 1 securities does not exceed 10% of the total index weight. | Weights from Step 2 above are further adjusted on a pro-rata basis such that:<br>• Aggregate weight of Group 1 securities does not exceed 15% of the total index weight.<br>• No Index Security weight may exceed 10%. |
| 5/2/2024 | Index Name | Nasdaq Metals Focus Silver Miners™ Index | Nasdaq Junior Silver Miners™ Index. All instances of the previous Index name are updated throughout the Index Methodology. |

 

| Effective Date | Methodology Section | Previous | Updated |
|---|---|---|---|
| 2/19/2024 | Appendix A: Eligible Exchanges | The Egyptian Exchange, Bombay Stock Exchange Ltd., and the National Stock Exchange of India Limited are eligible exchanges. | The Egyptian Exchange, Bombay Stock Exchange Ltd., and the National Stock Exchange of India Limited are ineligible exchanges. |

## 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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