



INDEX METHODOLOGY

DORSEY WRIGHT MOMENTUM PLUS™ INDEX FAMILY

DWAMV™, DWAMY™, DWAMLV™

INDEX DESCRIPTION

The Dorsey Wright Momentum Plus Index Family is comprised of securities selected based on individual stock momentum and a fundamental factor (value, dividend yield or volatility).

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.

Parent index

Securities must be included in the NASDAQ US Large Mid Cap™ Index (NQUSBLM™). Except as noted below, the Index follows the same Security Eligibility Criteria as the Parent Index. Please refer to that methodology for further information.

Multiple securities per issuer

One security per issuer is permitted. If an issuer has multiple listed security classes, the security generally selected for possible inclusion in the Index is based on DWA's proprietary screening.

Liquidity

Securities must have a 30-day average daily value traded (ADVT) of at least \$1 million.

Other eligibility criteria

If, at 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

Constituent selection process

A Reconstitution is conducted quarterly based on the Reconstitution reference date.

All securities in the Index universe are ranked using a proprietary relative strength (momentum) measure. Each security's score is based on intermediate and long term price movements relative to a representative market benchmark. The selection based on fundamental factors (value, dividend yield and volatility) is as follows:

Dorsey Wright Momentum Plus Value™ Index (DWAMV)

Eligible securities are ranked on four value metrics: Price to Sales, Price to Book, Price to Earnings and Price to Free Cash Flow. Each metric is scored individually and given a percentile score. A combined value score is calculated by averaging the percentile scores for the individual metrics. A security must have values for a minimum of three of the four metrics. Any security with fewer than three scores is excluded. No penalty is given to securities having only three of the four metrics. The 50 securities with the highest combined value scores are selected for Index inclusion.

Dorsey Wright Momentum Plus Dividend Yield™ Index (DWAMY)

Eligible securities are ranked based on their current dividend yield. The 50 securities with the highest current dividend yields are selected for Index inclusion.

Dorsey Wright Momentum Plus Low Volatility™ Index (DWAMLV)

Eligible securities are assigned a volatility score based on the daily percentage price changes over the trailing year. The 50 securities with the lowest volatility scores are selected for Index inclusion.

CONSTITUENT WEIGHTING

Constituent weighting scheme

The Indexes are factor-weighted indexes.

Constituent weighting process

A Rebalance is conducted quarterly based on the Rebalance reference date.

Dorsey Wright Momentum Plus Value Index (DWAMV)

Index Security weights are determined by dividing each Index Security's value score by the sum of the value scores of all Index Securities.

Dorsey Wright Momentum Plus Dividend Yield Index (DWAMY)

Index Security weights are determined by dividing each Index Security's dividend yield by the sum of the dividend yields of all Index Securities.

Dorsey Wright Momentum Plus Low Volatility Index (DWAMLV)

Index Security weights are determined by dividing each Index Security's volatility score inverse by the sum of the volatility score inverses of all Index Securities.

INDEX CALENDAR

Reconstitution & Rebalancing schedule

Reconstitution Frequency	Quarterly
Rebalance Frequency	Quarterly
Reconstitution Reference Dates	Ninth trading day prior to the Reconstitution effective date
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 following the third Friday in January, April, July, and October, respectively
Rebalance Reference Dates	Ninth trading day prior to the Reconstitution effective date
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 following the third Friday in January, April, July, and October, respectively

For the purposes of reconstitution and rebalancing, a trading day excludes US market holidays.

Holiday schedules

The Index is calculated Monday through Friday and does not close for holidays, as it is a Global Index.

Index calculation and dissemination schedule

The Index is calculated five (5) days a week, Monday through Friday, starting with the earliest time zone (Asia/Tokyo) and closing with the latest time zone (America/New York), 12:30:01 Japan Standard Time to 17:16:00 Eastern Time.

INDEX MAINTENANCE

Deletion policy

If, at any time during the year other than the Index Reconstitution(s), an Index Security no longer meets the Eligibility Criteria, or is otherwise determined to have become ineligible for inclusion in the Index, it is removed from the Index. This includes circumstances where an Index Security is determined to be ineligible for continued inclusion in the Index due to bankruptcy, delisting, or a definitive agreement that would likely result in the security no longer being Index eligible. Please refer to Nasdaq's **Corporate Actions and Events Manual – Equities** for detailed handling of the aforementioned event types.

Replacement policy

Index securities deleted at any time during the year other than the Index Reconstitution(s) are not replaced.

Corporate actions

In the interim periods between scheduled index reconstitution events, individual Index securities may be the subject to a variety of corporate actions and events that require maintenance and adjustments to the Index. 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 rebalance and reconstitution events.

ADDITIONAL INFORMATION

Announcements

Nasdaq announces Index-related information via the Nasdaq Global Index Watch (GIW) website at <http://indexes.nasdaqmx.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 **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 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, 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.

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