



# Benchmark Statement

Nordic Index Family – SIX Sweden Micro Cap Gross Index  
(SIXSEMCGI)

The SIX Sweden Micro Cap Gross Index (SIXSEMCGI) was published on 2022-09-28 and the last update took place on 2023-06-02.

## **1 Description of the Market or Economic Reality**

### **1.1 Description economic reality and geographical boundaries**

The SIX Sweden Micro Cap Gross Index (SIXSEMCGI) is constructed to reflect the market performance of the Nasdaq Stockholm Stock Exchange. Constituent shares are weighted in accordance with their total market capitalization. To be included in the index, the market value of the company must be less than 0.025 % of the total market value in the index SIX General Index (SIXGX) on the rebalancing day. Only ordinary shares can be included in the index. Unlisted shares are not included in the calculation of market capitalization.

Returns received by shareholders in the form of dividends are reinvested in SIXSEMCGI.

New listings will be included in connection to the rebalancing.

Certificates of deposit (SDB) are excluded from the index.

The start value for SIXSEMCGI is 100 with base date, 30<sup>th</sup> of December 2019.

SIXSEMCGI is calculated in SEK.

### **1.2 Any other information deemed relevant by administrator for clients to understand features of the market**

No other information deemed relevant.

### **1.3 Derived benchmarks**

There are no derived benchmarks.

## **2 Potential Limitations of the Benchmark Family**

### **2.1 Circumstances where lack of sufficient input data leads to unreliable benchmark**

If data which is necessary to determine the price or weight of an index component is not available to SIX due to trade suspensions or market distortions the latest available data is used. Such cases may lead to a deviation from the general principles of the indices defined in the respective methodology rulebooks.

Where SIX considers that the input data does not represent the market or economic reality that a benchmark is intended to measure, SIX will, within a reasonable time period, either change the input data or the methodology in order that the input data does represent such market or economic reality, or else cease to provide that benchmark.

### **2.2 Circumstances when accuracy and reliability of methodology can no longer be ensured**

In case of structural changes of the market or economic reality or in cases where the interest in a market has diminished or is non-functioning, the reliability of a methodology can no longer be ensured. SIX reviews the methodology rulebooks at least annually to anticipate any such changes and mitigate its consequences by adjusting the methodology accordingly.

## **3 Controls and Rules for the Exercise of Expert Judgement**

### **3.1 Elements of the calculation of the benchmark in relation to which discretion may be exercised**

The rules for SIXSEMCGI have been designed to eliminate discretion or expert judgement for the benchmark calculation to the greatest extent possible. However, there might be unexpected events, such as complex corporate actions, structural changes to the markets, or operational issues at Nasdaq Stockholm Stock Exchange, which require actions that are not described in the methodology rulebooks.

In such (unexpected) cases, a pre-defined Expert Judgement process has been established. SIX will evaluate and document the use of discretion as part of the Expert Judgement process. The goal will always be to update the respective methodology rulebook to capture these unexpected cases with a new transparent rule. In addition, any feedback from market participants about the use of discretion will usually be discussed in the upcoming Index Management and LLT meetings.

SIX ensures that the rules of the benchmarks are applied correctly and fulfil the required quality standards. SIX follows structured processes to ensure compliance with a regulatory framework. Further documentation on regulation and processes can be found on the SIX website:

<https://www.six-group.com/nordic-indices>

### **3.2 Criteria applicable to the exercise of such discretion and the position of each function or body that may exercise discretion**

See section 3 above.

### **3.3 Steps of ex-post evaluation process on the use of discretion, and clear reference to the position of any person(s) who evaluates an exercise of discretion**

See section 3 above.

### **3.4 Controls and rules that govern any exercise of judgement**

See section 3 above.

## **4 Methodology of the Benchmark Family**

### **4.1 Rationale for adopting a benchmark**

The benchmark methodology used in SIXSEMCGI is designed to measure the market or economic reality described in section 1.1. The benchmark methodology is written using clear, transparent and concise rules, which makes it easy for the benchmark users to select the appropriate benchmark for their purpose.

### **4.2 Procedures for review and approval of methodology (including public consultation in case of material changes)**

SIX follows a structured and detailed process for benchmark methodology changes. A revised methodology must remain executable and result in an accurate and reliable representation of the economic realities of the interest the benchmark seeks to measure. Under no circumstances will SIX retrospectively change any of its rules and/or methodologies. SIX ensures that a change of methodology does not violate any of the requirements defined for developing a benchmark methodology and does not violate the minimum disclosure requirement defined for the content of the benchmark methodology.

Where feasible, SIX aims to consult on all material methodology changes with representatives of relevant clients and other stakeholder groups. A summary of the market consultations' comments and SIX' summary response to those comments will be made accessible to clients and stakeholders after any given consultation period, except where the originator of the comments has requested confidentiality.

A material methodology change comprises a change that "significantly modifies the procedures applied to the determination of a benchmark" and, therefore, the benchmark value compared to an unchanged scenario. Examples of changes that are considered material in their nature include changes in: Benchmark objective and the market it seeks to measure (e.g., market leader components vs. mid cap companies), benchmark component count, periodical review (determination) frequency, component universe and selection rules, weighting rules, introduction or removal of fast exit/entry rules, component replacement procedures, corporate actions treatments including merger and takeover treatments, and/or rebalancing rules.

Review and public consultation:

The validity of the index methodology is reviewed on an annual basis. SIX has a right to stipulate changes to the rules if necessary to maintain the purpose of the index or if any law, regulation or decision by an authority makes this necessary or if such a change is considered appropriate due to a change in market practice. In exceptional cases a broad market consultation can be conducted. The changes to the index methodology are publicly announced with an appropriate lead time.

### **4.3 Indication that factors (internal/external) may necessitate changes or cessation of BM**

Input includes, but is not limited to:

- Political and economic changes in markets;
- Internal feedback from staff members;
- External feedback from clients and other stakeholders;
- Feedback from Oversight Function.

For more information:

<https://www.six-group.com/dam/download/financial-information/indices/other/cessation-nordic-index.pdf>

## **5 Determination of a Benchmark**

### **5.1 Description of input data and priority given to different types of input data**

SIXSEMCGI uses traded prices (regulated data) from regulated markets (representing observable bona fide, arms-length transactions).

SIXSEMCGI specifies a single data input rather than a priority of inputs as no alternative source or data input is used.

### **5.2 Description of the input data, the source of the input data used, and the type of source of input data**

Direct data feeds of Nasdaq Stockholm Stock Exchange to obtain regulated market data from the trading systems.

### **5.3 Minimum data needed to determine a benchmark**

In case of market distortion, updated prices for constituents corresponding to at least 30% of the benchmark's Market Cap Value is needed to calculate a new benchmark value.

## 5.4 Models or methods of extrapolation

Extrapolation is not used in the calculation of SIXSEMCGI.

## 5.5 Procedures for rebalancing

The index is reviewed twice a year. The cut-off day is the last trading day in May and November. The implementation day is after close the 10th weekday day in June and December. If a national holiday occurs on a weekday between the cut-off day and implementation day, it will be considered a normal weekday.

To be included in the index, the market value of the company must be less than 0.025 % of the total market value in the index SIX General Index (SIXGX) on the cut-off day.

New listings will be included in connection to the rebalancing.

Certificates of deposit (SDB) are excluded from the index.

## 5.6 Procedures which govern the determination of the benchmark in periods of stress or periods where transaction data sources may be insufficient, inaccurate or unreliable

If data that is necessary to determine the price or weight of an index component is not available to SIX due to market distortions the latest available data is used.

## 5.7 Procedures for dealing with errors in input data including when a re-determination of the benchmark is required

At SIX, an incident is opened and an incident manager is appointed and coordinates the work within the Index Operations Team at SIX as well as with other SIX departments. The incident manager will be responsible for documenting relevant information about the incident, but is not required to do so until the issue has been resolved.

The Index Management Team of SIX is informed about incidents as soon as possible.

Clients and other stakeholders are informed in a timely manner.

The details of incidents are discussed at regular meetings within the involved SIX departments. The meeting agendas ensures that common problems and possible sources of incidents are identified and recorded.

Errors in input data affecting the benchmark which are detected the same trading day are immediately corrected. Errors in input data affecting the benchmark that are older than one trading day are corrected if technically possible and appropriate.

# 6 Classification of benchmark

## 6.1 Statement whether contributed/regulated data is used

Regulated data.

## 6.2 Statement whether benchmark qualifies as regulated data benchmark/interest rate/ commodity benchmark

The benchmark qualifies as a regulated data benchmark.

## 6.3 Statement regarding non-significance of whole family (only non-significant, both significant and non-significant)

Only non-significant.

## 7 ESG Disclosures

SIXSEMCGI does not take into account environmental, social and governance (ESG) factors in the index design and does not pursue any ESG objectives.

SIX does not administer any EU Climate Transition Benchmarks or any EU Paris-aligned Benchmarks.

The template for explaining how ESG factors are reflected in the benchmark statement for SIXSEMCGI can be found in Appendix II.

## 8 Additional Information

Any other additional Information (e.g. link to rulebook, etc.): <https://www.six-group.com/nordic-indices>.

Changes to, or the cessation of, the benchmark may have an impact upon the financial contracts and financial instruments that reference the benchmark or the measurement of the performance of investment funds.

## Appendix I

Individual benchmarks of the benchmark family

<b>Name of Benchmark</b>	<b>Return Type</b>	<b>Currency</b>	<b>ISIN</b>	<b>Classification</b>
SIX Sweden Micro Cap Gross Index	Dividend reinvested	SEK	CH1210035528	Non-significant

## Appendix II

<b>Explanation of how ESG factors are Reflected in the Benchmark Statement for SIX Sweden Micro Cap Gross Index (SIXSEMCGI)</b>
<b>SECTION 1 – CONSIDERATION OF ESG FACTORS</b>
<b>Item 1.</b> Name of the benchmark administrator.
SIX Financial Information Nordic AB
<b>Item 2.</b> Type of benchmark or family of benchmarks. Choose the relevant underlying asset from the list provided in Annex II to Commission Delegated Regulation (EU)2020/1816.
Equity
<b>Item 3.</b> Name of the benchmark or family of benchmarks.
SIX Sweden Micro Cap Gross Index (SIXSEMCGI)
<b>Item 4.</b> Are there in the portfolio of the benchmark administrator any EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks, benchmarks that pursue ESG objectives or benchmarks that take into account ESG factors?
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Item 5.</b> Does the benchmark or family of benchmarks pursue ESG objectives?
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Item 6.</b> Where the response to Item 5 is positive, provide below the details (score) in relation to the ESG factors listed in Annex II to Delegated Regulation (EU)2020/1816 for each family of benchmarks at aggregated level. The ESG factors shall be disclosed at an aggregated weighted average value at the level of the family of benchmarks.
N/A as no benchmark families are defined.
<b>Item 7.</b> Where the response to Item 5 is positive, provide below the details (score) for each benchmark, in relation to the ESG factors listed in Annex II to Delegated Regulation (EU)2020/1816, depending on the relevant underlying asset concerned.  Alternatively, all of this information may be provided in the form of a hyperlink to a website of the benchmark administrator included in the benchmark statement. The information on the website shall be easily available and accessible. Benchmark administrators shall ensure that information published on their website remains available for five years.  The score of the ESG factors shall not be disclosed for each constituent of the benchmark, but shall be disclosed at an aggregated weighted average value of the benchmark.
a) List of combined ESG factors:
N/A as response to item 5 is negative.
Details on each factor:
See item 7a) above.
b) List of environmental factors:



See item 7a) above.	
Details on each factor:	
See item 7a) above.	
c) List of social factors:	
See item 7a) above.	
Details on each factor:	
See item 7a) above.	
d) List of governance factors:	
See item 7a) above.	
Details on each factor:	
See item 7a) above.	
Hyperlink to the information on ESG factors for each benchmark:	
See item 7a) above.	
<b>Item 8. Data and standards used</b>	
a) Description of data sources used to provide information on the ESG factors in the benchmark statement. Describe how the data used to provide information on the ESG factors in the benchmark statement are sourced and whether, and to what extent, data are estimated or reported.	
See item 7a) above.	
b) Reference standards. List the supporting standards used for the reporting under item 6 and/or item 7.	
See item 7a) above.	
<b>SECTION 2 – ADDITIONAL DISCLOSURE REQUIREMENTS FOR EU CLIMATE TRANSITION AND EU PARIS-ALIGNED BENCHMARKS</b>	
<b>Item 9.</b> Where a benchmark is labelled as ‘EU Climate Transition Benchmark’ or ‘EU Paris-aligned Benchmark’, benchmark administrators shall also disclose the following information:	
a) forward-looking year-on-year decarbonisation trajectory;	N/A, no EU Climate Transition or Paris-aligned Benchmarks in the SIX Nordics Benchmark Universe.
b) degree to which the IPCC decarbonisation trajectory (1,5 °C with no or limited overshoot) has been achieved on average per year since creation;	See item 9a) above.
c) overlap between those benchmarks and their investable universe, as defined in Article 1, point (e), of Commission Delegated Regulation (EU) 2020/1818 ( 1 ), using the active share at asset level.	See item 9a) above.

<b>SECTION 3 – DISCLOSURE OF THE ALIGNMENT WITH THE OBJECTIVES OF THE PARIS AGREEMENT</b>	
<b>Item 10.</b> By the date of application of this Regulation, for significant equity and bond benchmarks, EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks, benchmark administrators shall also disclose the following information. By 31 December 2021, benchmark administrators shall, for each benchmark or, where applicable, each family of benchmarks, disclose the following information:	
a) Does the benchmark align with the target of reducing carbon emissions or the attainment of the objectives of the Paris Agreement;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b) the temperature scenario, in accordance with international standards, used for the alignment with the target of reducing GHG emissions or attaining of the objectives of the Paris Agreement;	The benchmark does not use any temperature scenario for the alignment with the target of reducing greenhouse gas emissions or attaining the objectives of the Paris Agreement.
c) The name of the provider of the temperature scenario used for the alignment with the target of reducing GHG emissions or the attainment of the objectives of the Paris Agreement;	See item 10b) above.
d) The methodology used for the measurement of the alignment with the temperature scenario;	See item 10b) above.
e) The hyperlink to the website of the temperature scenario used.	See item 10b) above.
<b>Date on which information has last been updated and reason for the update:</b>	2023-06-02: Added section 2.

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