Flexible Equity Derivatives

Combine the flexibility of the OTC market with the security and efficiency of exchange trading and central counterparty clearing: Trade and clear equity OTC derivatives as flexible contracts.

Flexible derivatives traded at Nasdaq Stockholm are governed by the Rules and Regulations of Nasdaq Derivatives Markets (Exchange and Clearing Rules). Registering trades for clearing only is also possible with only the Clearing Rules applying to the trade. Specific Trade Types are available for that. All trades in flexible derivatives will be centrally cleared at Nasdaq Clearing. The market information will be published.

Flexibility and Efficiency

Products
Futures, forwards and options on Nordic stocks traded at Nasdaq and on selected Nasdaq indices (OMXS30, OMXS30 ESG, OMXSB, OMXO20, OMXC25)

Additional Underlying Stocks and Indices
Nasdaq Derivatives Markets’ Members may suggest new stock classes or other instruments to be considered as underlying securities for the flexible equity derivatives. Nasdaq reserves the right to approve or decline the trading and clearing of the suggested instruments.

Settlement Type
Cash settlement or delivery at expiration

Exercise Style
European (single stocks and indices) or American (single stocks) options, futures and forwards. For other contract types the member is asked to contact Nasdaq.

Contract Length
As a main rule up to 2 years depending on the underlying instrument; 3 years in case of a stock class for which the maximum Contract Term given in the Quotation List is 36 months. Up to 5 years for OMXS30 index derivatives. Up to 3 years for OMXS30 ESG index derivatives.
The maximum length is calculated with 365 days per year.

Strike Price
Any strike price, max 30% out-of-the-money

Margins
The risk parameter is based on the underlying instrument and applies equally to flexible and standardized (if available) contracts.

Independent Valuation
Options on selected underlying instruments are valued based on Nasdaq volatility surface functionality.

FLEXIBILITY AND EFFICIENCY

Flexible contracts are standardized, but can be tailored to a certain exercise price, expiration day or exercise style.

Fees
The same fee list applies to standardized and flexible contracts.
Number of Decimals
The flexible Single Stock Futures and Forwards have four decimals, Finnish Single Stock Options three decimals and other Equity Derivatives two decimals.

Summary of Characteristics – Exchange-traded and Centrally Cleared Equity Derivatives

<table>
<thead>
<tr>
<th></th>
<th>Exchange Traded Standardized Contracts</th>
<th>Exchange Traded Flexible Contracts</th>
<th>OTC Flexible Contracts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automated process</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td>Governed by Nasdaq trading rules</td>
<td>Yes</td>
<td>Yes[1]</td>
<td>No</td>
</tr>
<tr>
<td>Governed by Nasdaq Clearing rules</td>
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<td>Yes</td>
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<tr>
<td>Order book liquidity</td>
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<td>Central counterparty</td>
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<tr>
<td>Flexible terms</td>
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<td>Published</td>
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</tbody>
</table>

[1] If the Member uses one of the cleared-only Trade Types, the Exchange Rules of Nasdaq Derivatives Markets will not apply on the trade.

Flexible trades can be entered via Nasdaq Genium INET Trading Workstation, Clearing Workstation, Nasdaq Q-Port or third party applications using the Nasdaq OMnet API. Members should contact their software vendor for more information.