Nasdaq CTA Emerging Markets Internet & E-commerce Index (QNETEM)
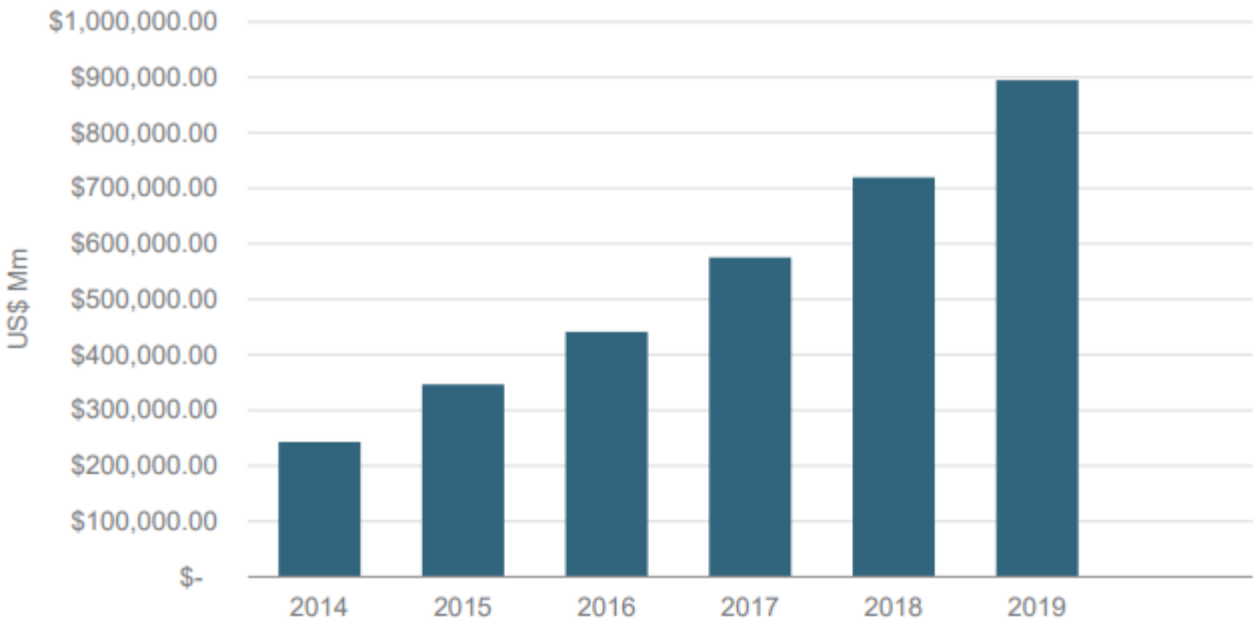
January 2021

Nasdaq

The Opportunity

Internet Retailing Value per Year in Selected Emerging Markets

Source: Euromonitor International from trade sources/national statistics Note: (1) Data refer to retail value RSP excluding sales tax. (2) Data are in constant terms, US$ fixed 2019 exchange rates Note: Emerging market economies cover 25 key countries which include Argentina, Brazil, Chile, China, Colombia, Egypt, Hungary, India, Indonesia, Kazakhstan, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Romania, Russia, Saudi Arabia, South Africa, Thailand, Turkey, the UAE, Ukraine, and Vietnam

(Source: The Economist, January 2, 2021)

Leading expertise in consumer technology meets transparent, rules-based indexing

The Nasdaq CTA Emerging Markets Internet & E-commerce Index (QNETEM) is designed to track the performance of emerging market companies involved in the internet and e-commerce industries. The companies are selected based on classification determined by the Consumer Technology Association (CTA).

Defining the Internet & E-commerce

- Securities' issuers must be classified as companies whose primary business includes internet retail commerce, internet-related services, internet software, or internet search engine, as determined by CTA.

- Securities' issuers must have at least 50% of their revenue derived from internet or e-commerce related activities, as determined by CTA.

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Index Methodology

NASDAQ CTA EMERGING MARKETS INTERNET & ECOMMERCE INDEX (QNETEM)

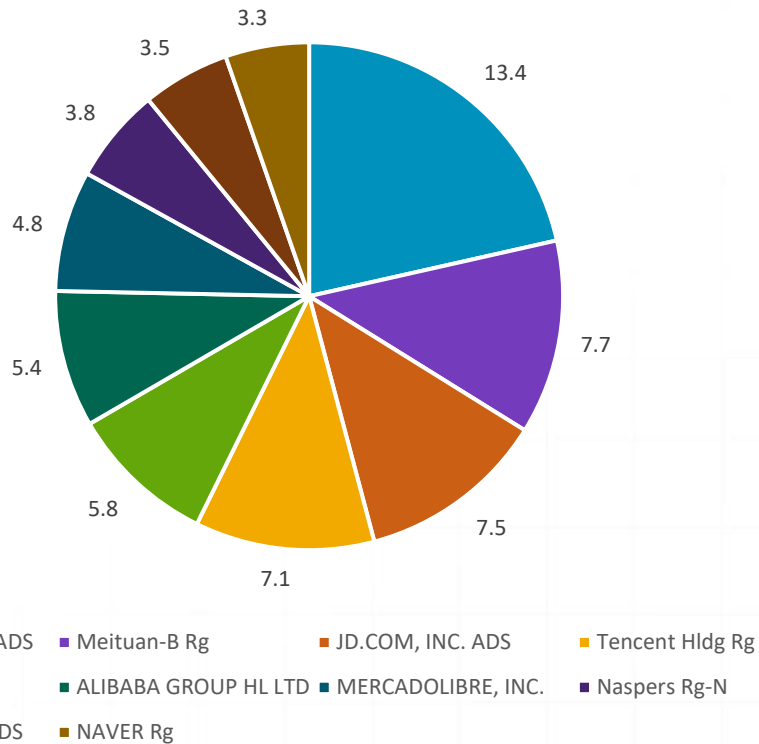Currently, QNETEM is comprised of 49 publicly listed companies that:

- Derive at least 50% of their revenue from internet of e-commerce related activities, as determined by CTA

- Companies must have least 50% of their revenue derived from emerging markets, as determined by CTA

- Have a minimum market cap of $1B USD

- Have a minimum six-month average daily trading volume of $5M USD / continued eligibility of at least $3.5M USD

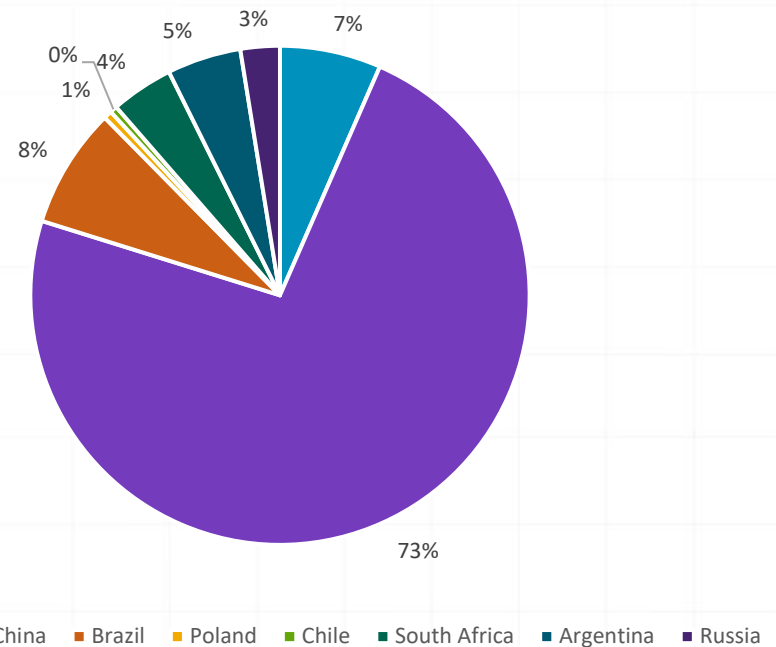- Reconstituted and Rebalanced semi-annually (March and September)

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Index Characteristics

Top 10 Index Components & Index Country Exposure
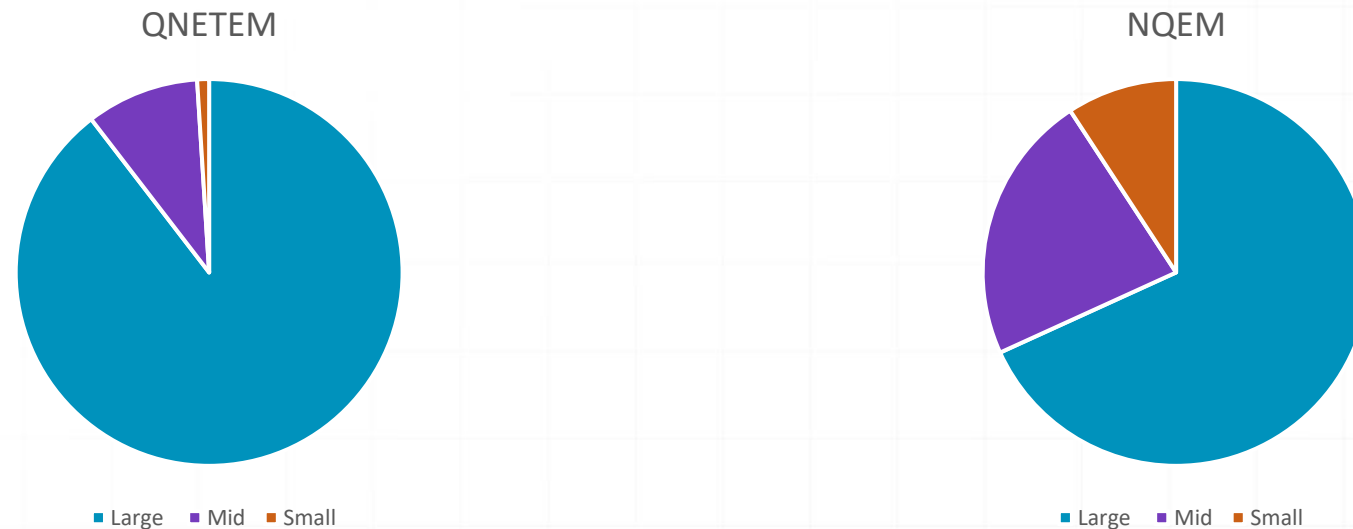
Top Ten Constituents (%): As of December 31, 2020

QNETEM Country Exposure: As of December 31, 2020

Legend (left pie chart):
- PINDUODUO INC. ADS
- Meituan-B Rg
- JD.COM, INC. ADS
- Tencent Hldg Rg
- BAIDU, INC.
- ALIBABA GROUP HL LTD
- MERCADOLIBRE, INC.
- Naspers Rg-N
- TENCENT MUSIC ADS
- NAVER Rg

Legend (right pie chart):
- South Korea
- China
- Brazil
- Poland
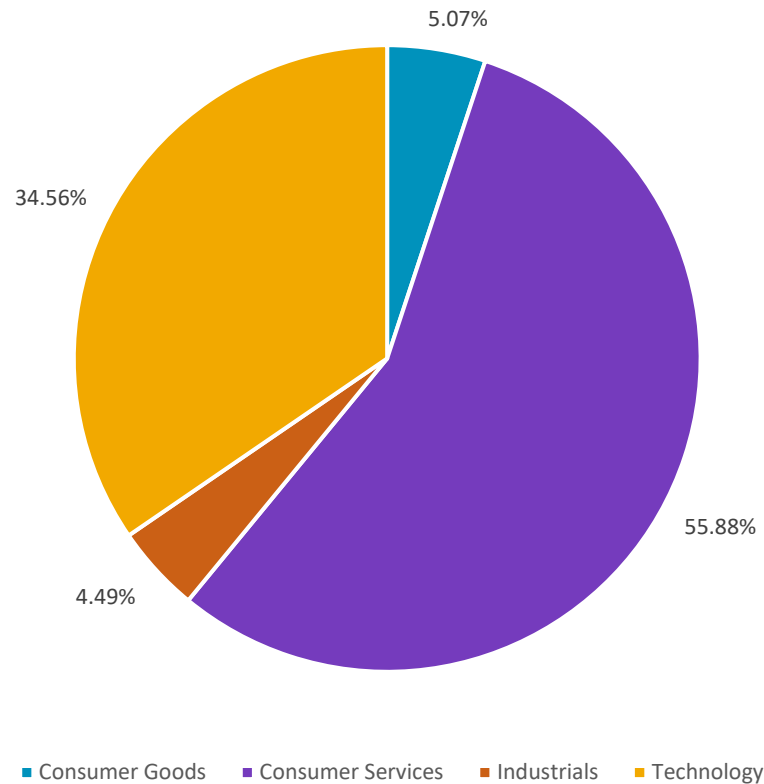- Chile
- South Africa
- Argentina
- Russia

Size Exposure

- Companies in QNETEM vary in size from $600 million to over $690 billion with an average market cap of $52 billion and a median of $9.3 billion, with approximately 99% in the large-to-mid-cap range. QNETEM's has more exposure to large cap than the broad Nasdaq Emerging Market Index (NQEM).

QNETEM

NQEM
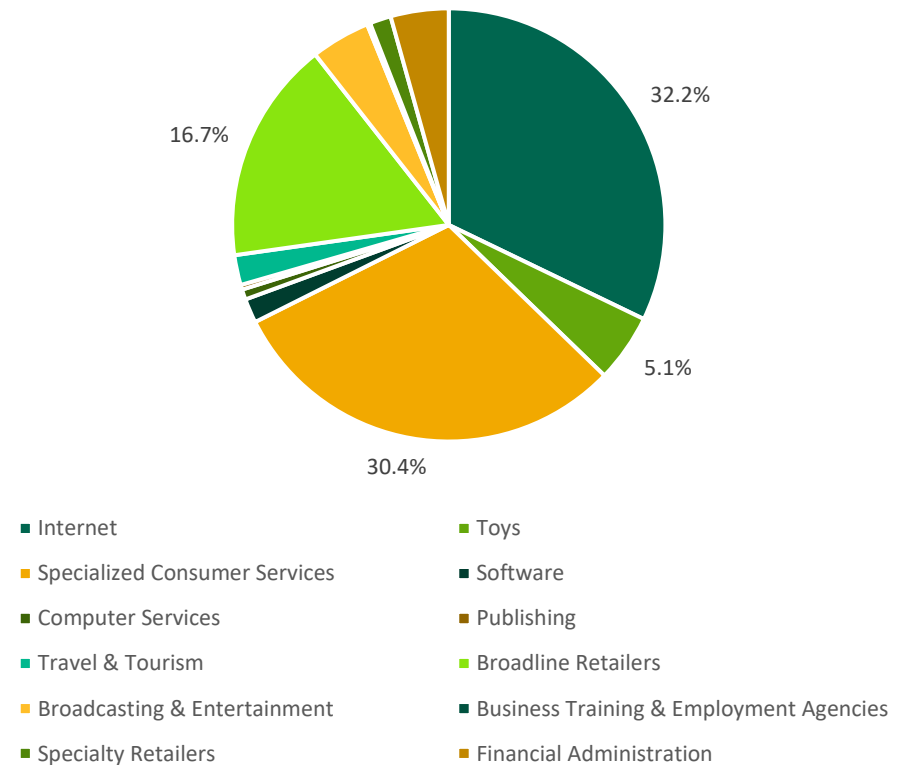
■ Large ■ Mid ■ Small

■ Large ■ Mid ■ Small

- Market Cap calculated at the company level (all share classes) including non-traded securities as of 12/31/2020

Industry & Subsector Composition

ICB Industry Exposure: As of December 31, 2020

5.07%

34.56%

55.88%

4.49%

- Consumer Goods
- Consumer Services
- Industrials
- Technology

ICB Subsector Exposure: As of December 31, 2020

32.2%

16.7%

5.1%

30.4%

- Internet
- Specialized Consumer Services
- Computer Services
- Travel & Tourism
- Broadcasting & Entertainment
- Specialty Retailers
- Toys
- Software
- Publishing
- Broadline Retailers
- Business Training & Employment Agencies
- Financial Administration

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