



CARBON FOOTPRINT REPORT: NASDAQ CLEAN EDGE GREEN ENERGY INDEX (CELS)

Report as of Date: March 2, 2023

- Index Weighted Total Emission: 555,672.29 metric tonneCo2e
- Index Weighted Total Revenue: 7,255.14 Mil USD
- Index Carbon Intensity: 76.59 metric tonneCo2e per Mil USD Revenue
- Index Carbon Impact: 36.26 metric tonneCo2e per Mil USD Investment

Methodology Overview

Nasdaq calculates the Index-based Carbon Footprint Scores with Carbon Emissions and Revenue data sourced from Sustainalytics.

- Carbon Intensity Score:

We calculate the index-weighted Carbon Emission and the index-weighted Total Revenue as follows:

$$\text{Index Weighted Carbon Emission} = \sum_{i=1}^n \text{Weight}_i \times \text{Carbon Emission}_i$$

$$\text{Index Weighted Total Revenue} = \sum_{i=1}^n \text{Weight}_i \times \text{Total Revenue}_i$$

Where $i=1$ to n is the i th component in Nasdaq index.

If Sustainalytics' Carbon Emission and Revenue data do not cover 100% of the index universe, we adjust (scale up) the computed figures. This is done by dividing the computed figure with the total weights of all components with the valid inputs:

$$\text{Total Weight of Carbon Emission} = \sum_{i=1}^n \text{Weight}_i \times I_i$$

$$\text{Total Weight of Total Revenue} = \sum_{i=1}^n \text{Weight}_i \times J_i$$

Where I and $J = 0$ or 1 are indicators to identify whether the i th index component has the valid Carbon Emission or Revenue data.

Therefore,

$$\text{Adjusted Index Weighted Carbon Emission} = \frac{\text{Index Weighted Carbon Emission}}{\text{Total Weight of Carbon Emission}}$$

$$\text{Adjusted Index Weighted Total Revenue} = \frac{\text{Index Weighted Total Revenue}}{\text{Total Weight of Total Revenue}}$$

Finally, the Carbon Intensity for the index is:

$$\text{Index Carbon Intensity} = \frac{\text{Adjusted Index Weighted Carbon Emission}}{\text{Adjusted Index Weighted Total Revenue}}$$

- Carbon Impact Score:

To calculate the index-based Carbon Impact score, we need to first calculate the Carbon Impact for every individual security in the index:

$$\text{Carbon Impact}_i = \frac{\text{Total Emission}_i \times 1 \text{ million USD}}{\text{Full USD Market Cap}_i}$$

Once we have the security level carbon impact scores, we can calculate the index level Carbon Impact as such:

$$\text{Index Weighted Carbon Impact} = \sum_{i=1}^n \text{Weight}_i \times \text{Carbon Impact}_i$$

$$\text{Total Weight of Carbon Impact} = \sum_{i=1}^n \text{Weight}_i \times I_i$$

$$\text{Index Carbon Impact} = \frac{\text{Index Weighted Carbon Impact}}{\text{Total Weight of Carbon Impact}}$$

Where $i=1$ to n is the i th component in the Nasdaq index, and $I = 0$ or 1 is the indicator of whether the i th component has valid Carbon Impact data.

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