



Innovation Meets Sustainability

Nasdaq-100 ESG™ Index &
Nasdaq Next Generation 100 ESG™ Index

March 2023

NDXESG™ / NGXESG™ Index Objectives

- Reduce the degree to which the portfolio's economic value is at risk because of Environmental, Social, and Governance (ESG) factors, or more technically, aim to significantly improve the portfolio's ESG score;
- Exclude enterprises that create reputational risks or violate fundamental values;
- Eliminate business exposures that are off-limit for most ESG-conscious investors; and
- Aim to deliver similar performance to the Nasdaq-100® (NDX®)/ Nasdaq Next Generation 100™ Index (NGX™) (very low tracking error).

NDXESG / NGXESG Index Mechanics

- At all times, the Nasdaq-100 ESG™ Index (NDXESG™) / Nasdaq Next Generation 100 ESG™ Index (NGXESG™) consists of a selection of securities in the Nasdaq-100 / Nasdaq Next Generation 100 Index.
- The Nasdaq-100 and Nasdaq Next Generation 100 Indexes are reconstituted annually in December.
- The ESG characteristics of the underlying issuers are re-evaluated each quarter (March, June, September, and December). Hence, there is an NDXESG / NGXESG reconstitution and rebalancing *each quarter*.
- Securities removed from the Nasdaq-100 / Nasdaq Next Generation 100 Index outside of a reconstitution are removed from the Nasdaq-100 ESG Index / Nasdaq Next Generation 100 ESG Index *and are not replaced*.

NDXESG / NGXESG Weighting Scheme

- The Nasdaq-100 ESG Index / Nasdaq Next Generation 100 ESG Index are modified market capitalization-weighted indexes that consider a company's ESG Risk Rating Score as an adjustment factor.
- Two factors play into the index weight of an issuer:
 - The Nasdaq-100 / Nasdaq Next Generation 100 Market Value, and
 - The ESG Risk Rating Score.
- In general, for each issuer:
 - Everything else equal, the higher the weight in the Nasdaq-100 and/or the better ESG risk rating, the higher the weight in the NDXESG Index, and vice versa. Same for Nasdaq Next Generation 100 and NGXESG.

NDXESG Exclusions: March 2023 (8)

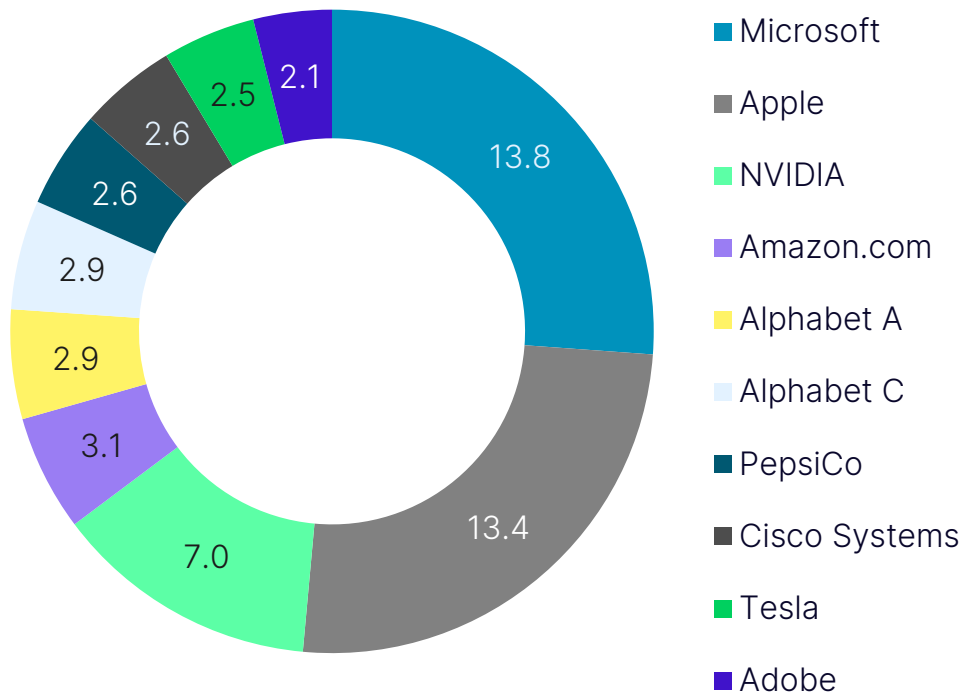
| Symbol | Nasdaq-100 ESG Reason for Exclusion | Nasdaq-100® Weight (%) | Company Name | ICB Industry |
|--------|--|------------------------|---------------------------------|------------------------|
| HON | Revenue from military contracting weapons. Provide non-nuclear materials for nuclear weapons and involved in management of labs where nuclear weapons are designed and tested. | 0.97 | Honeywell International | Industrials |
| ADI | Revenue from military contracting weapon-related products and/or services. | 0.76 | Analog Devices | Technology |
| AEP | Revenue from thermal coal power generation, nuclear production, and oil & gas generation. | 0.36 | American Electric Power Company | Utilities |
| WBD | ESG Risk Rating Score has not yet been determined. | 0.28 | Warner Bros Discovery Inc. | Consumer Discretionary |
| XEL | Revenue from thermal coal power generation, nuclear production, oil & gas production, and oil & gas generation. | 0.28 | Xcel Energy | Utilities |
| BKR | Revenue from oil & gas supporting products/services. | 0.22 | Baker Hughes Co. | Energy |
| CEG | Revenue from nuclear production and oil & gas generation. | 0.20 | Constellation Energy Corp | Utilities |
| FANG | ESG Risk Rating greater than 40. Revenue from oil & gas production. Involvement in shale energy extraction and/or production. | 0.19 | Diamondback Energy Co. | Energy |

NGXESG Exclusions: March 2023 (9)

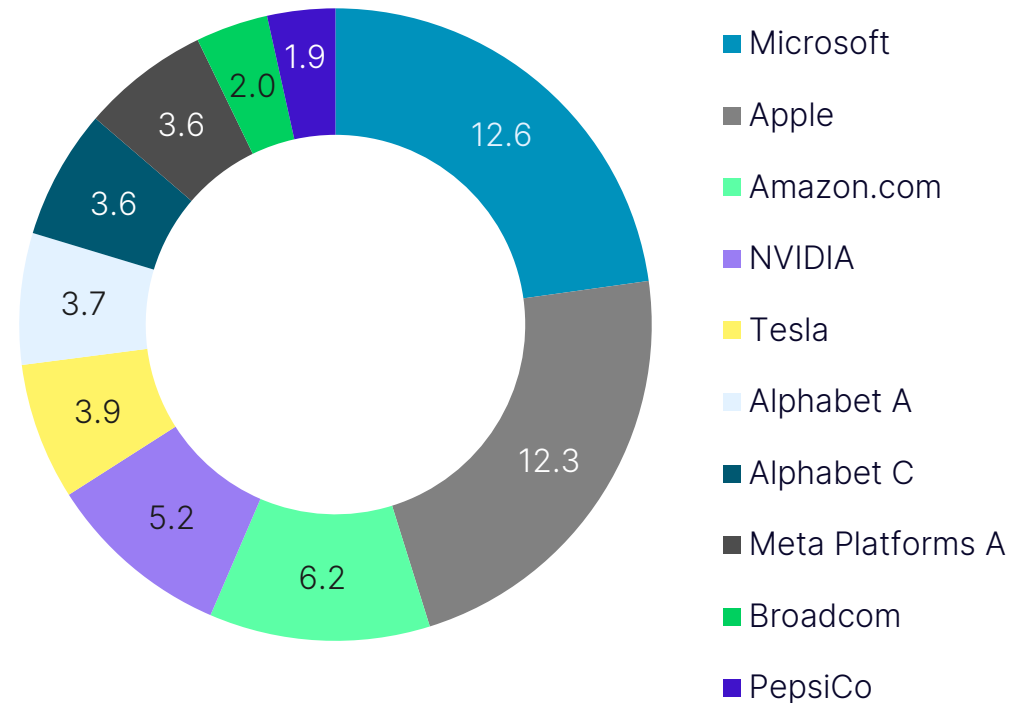
| Symbol | Nasdaq Next Generation 100 ESG Reason for Exclusion | NGX™ Weight (%) | Company Name | ICB Industry |
|--------|--|-----------------|-----------------------------|------------------------|
| BIDU | Global compact non-compliance. | 1.64 | Baidu Inc. | Technology |
| AXON | ESG Risk Rating Score is greater than 40. Manufacture riot control protection equipment and riot control weapons. | 1.17 | Axon Enterprise Inc. | Industrials |
| LNT | Revenue from oil & gas generation and thermal coal power generation. | 0.95 | Alliant Energy Corp. | Utilities |
| BNTX | ESG Risk Rating Score has not yet been determined. | 0.83 | BioNTech SE-ADR | Health Care |
| APA | ESG Risk Rating Score is greater than 40. Revenue from oil & gas production. Involvement in shale energy extraction and/or production. | 0.80 | APA Corp. | Energy |
| CZR | Revenue from gambling operations. | 0.75 | Caesars Entertainment Inc. | Consumer Discretionary |
| CHK | ESG Risk Rating Score is greater than 40. Revenue from oil & gas production. Involvement in shale energy extraction and/or production. | 0.73 | Chesapeake Energy | Energy |
| CASY | Revenue from tobacco products – retail. | 0.57 | Casey's General Stores Inc. | Consumer Staples |
| NFE | Revenue from oil & gas production. | 0.44 | New Fortress Energy Inc. | Energy |

Top 10 Constituents: NDXESG vs NDX

NDXESG: Top 10 Weight = 52.8%

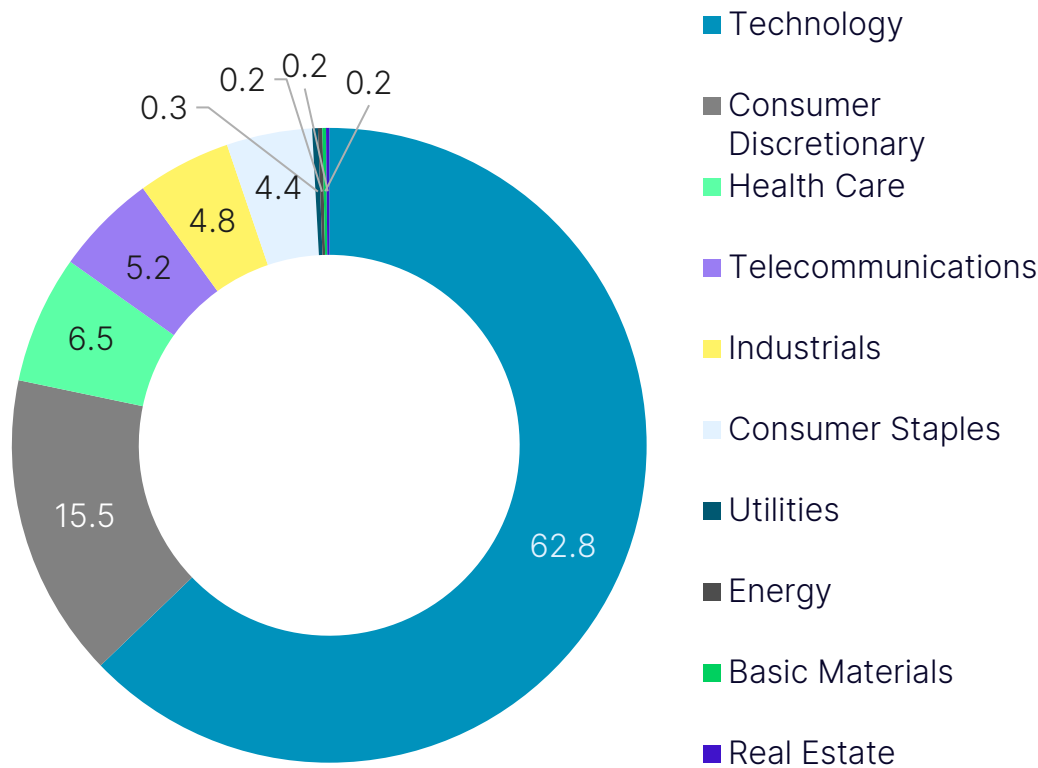


NDX: Top 10 Weight = 55.1%

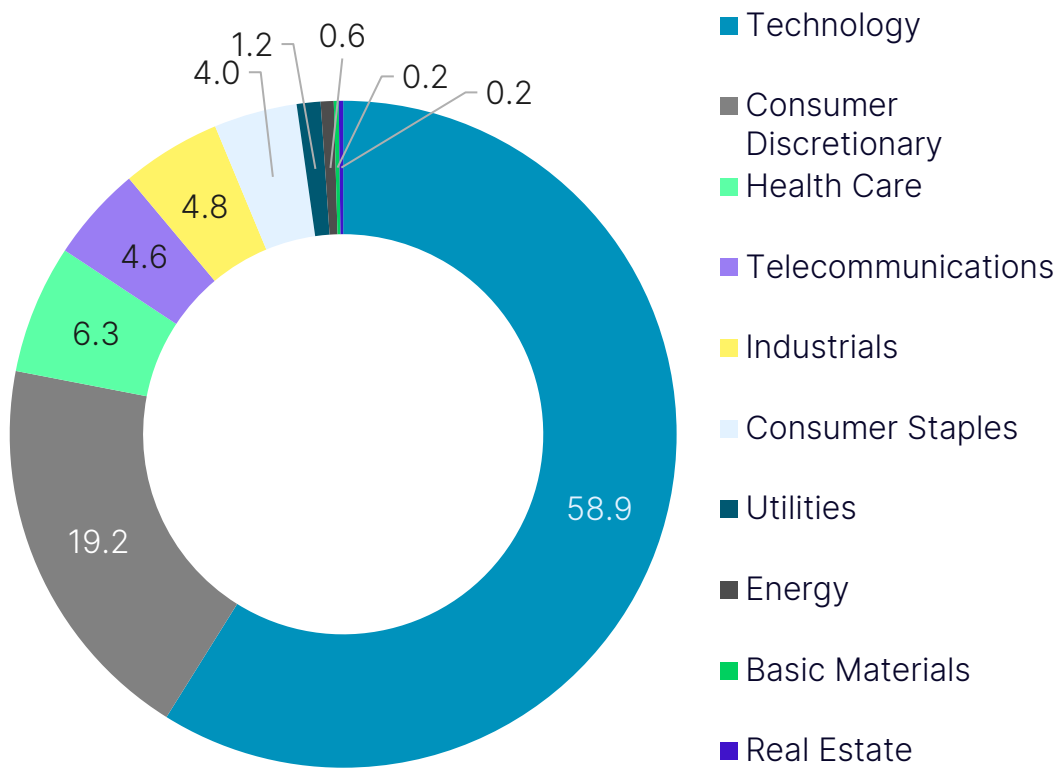


Sector Exposures: NDXESG vs NDX

NDXESG Index Weight (%) by ICB Industry

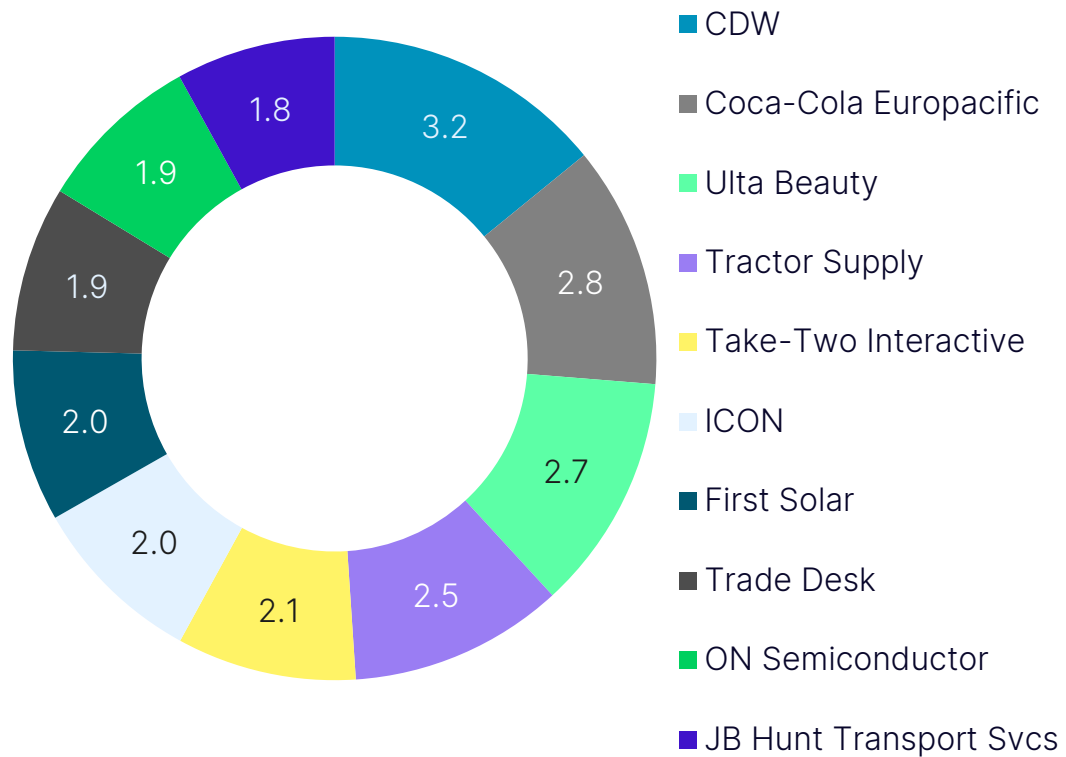


NDX Index Weight (%) by ICB Industry

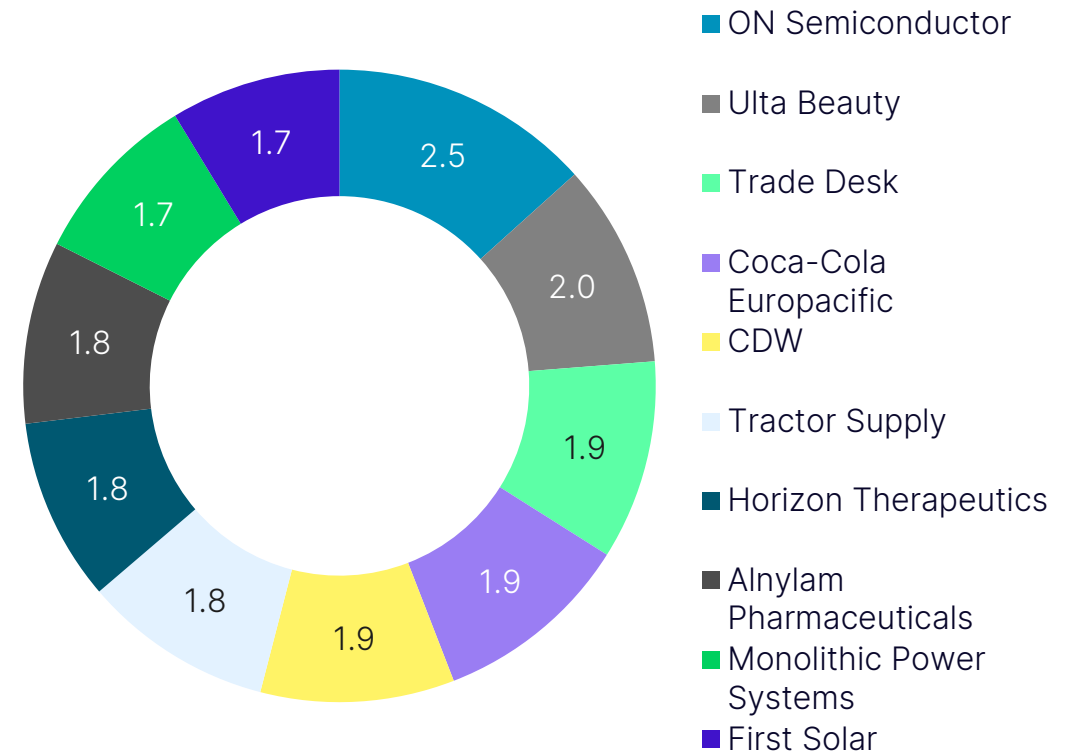


Top 10 Constituents: NGXESG vs NGX

NGXESG: Top 10 Weight = 22.9%

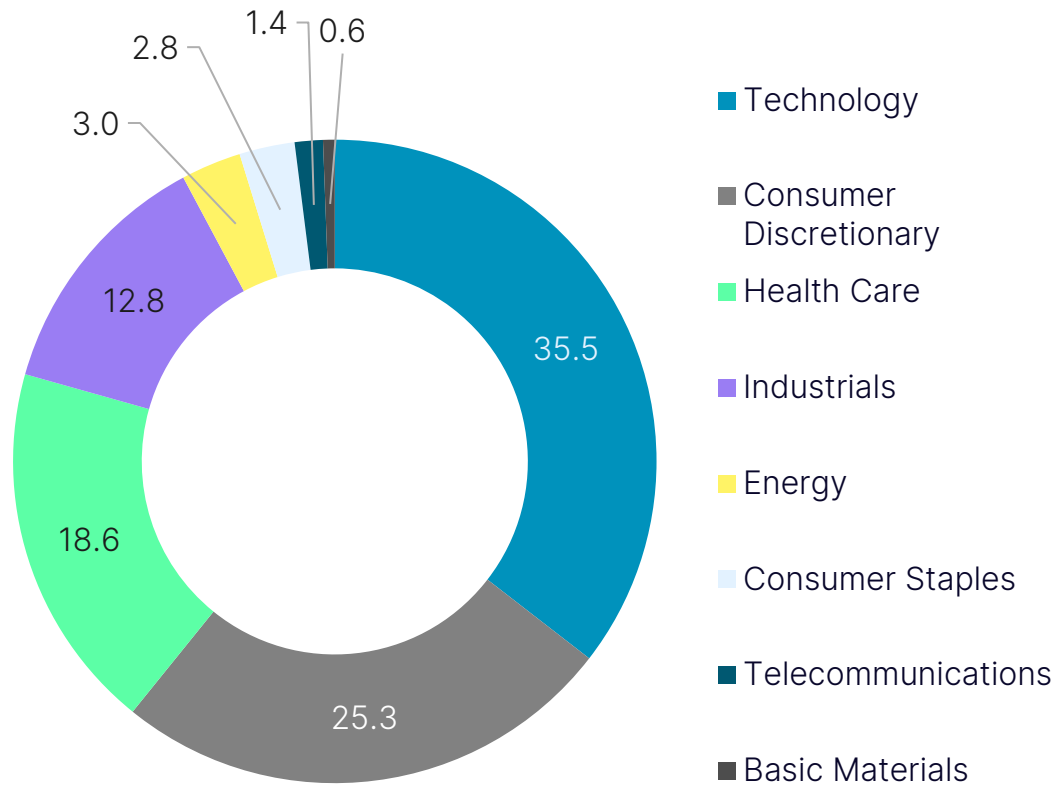


NGX: Top 10 Weight = 19.0%

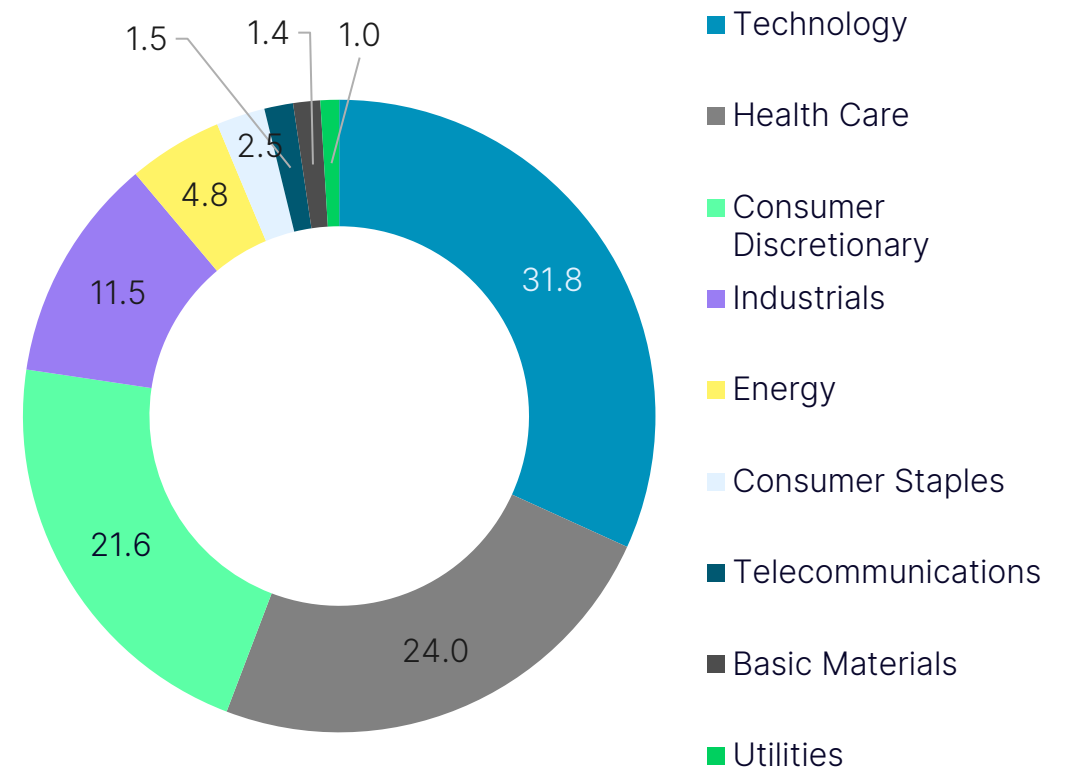


Sector Exposures: NGXESG vs NGX

NGXESG Index Weight by ICB Industry

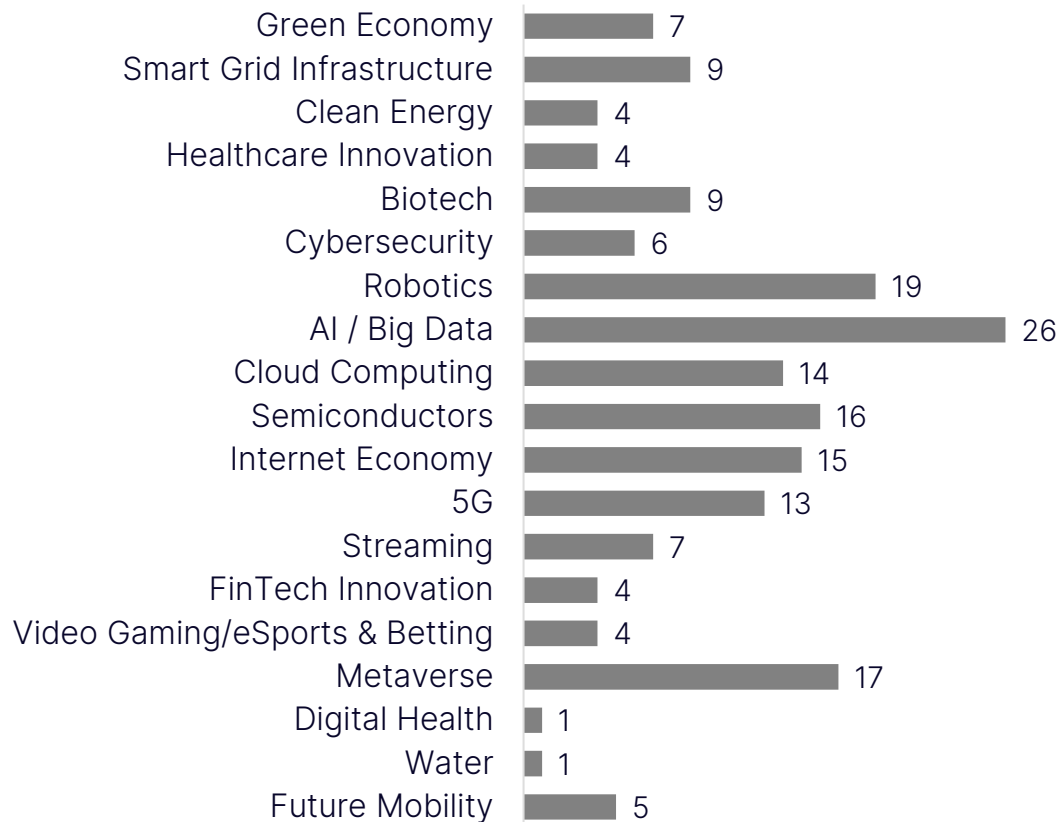


NGX Index Weight by ICB Industry

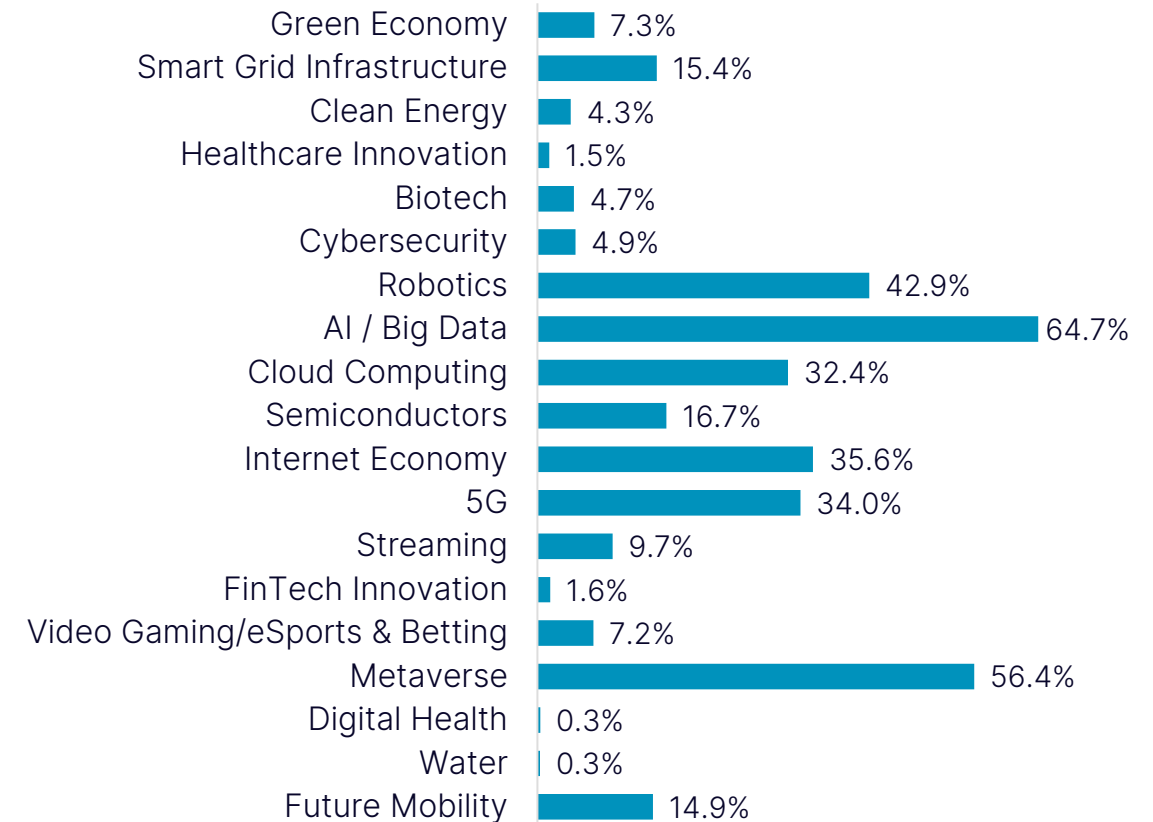


Nasdaq-100 by Thematic Exposures

of Constituents per Theme



Index Weight per Theme

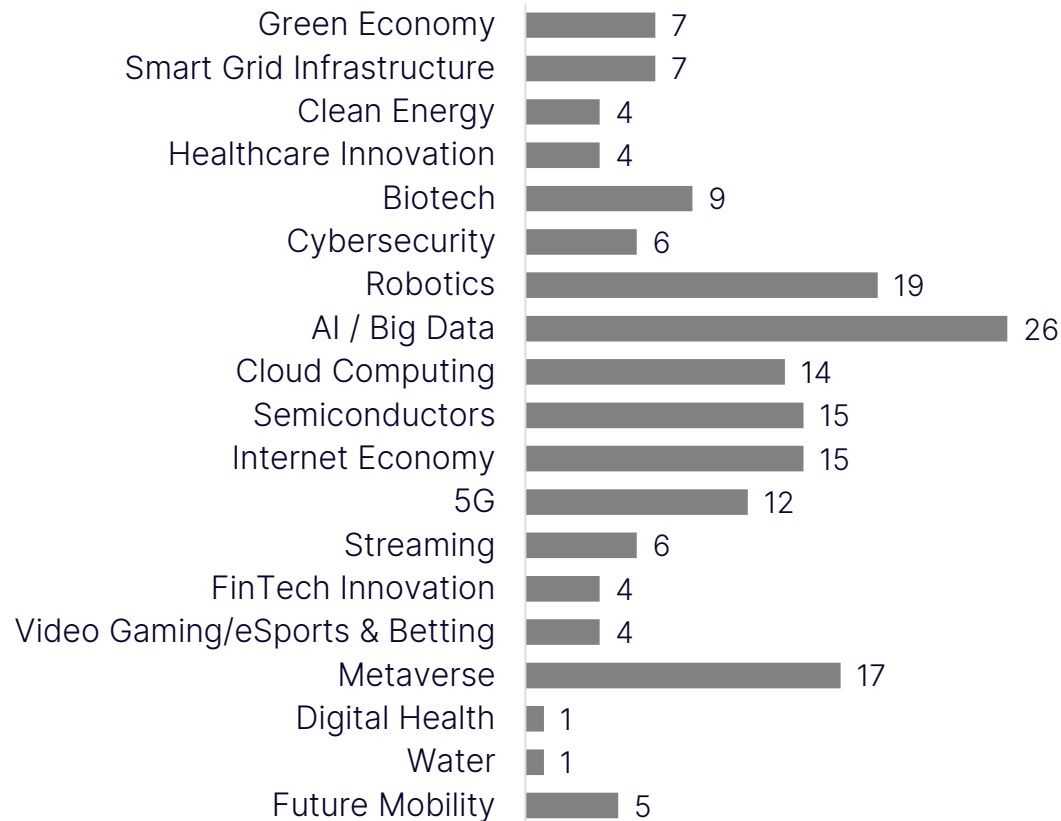


Source: Nasdaq, FactSet. Data as of 03/31/2023.

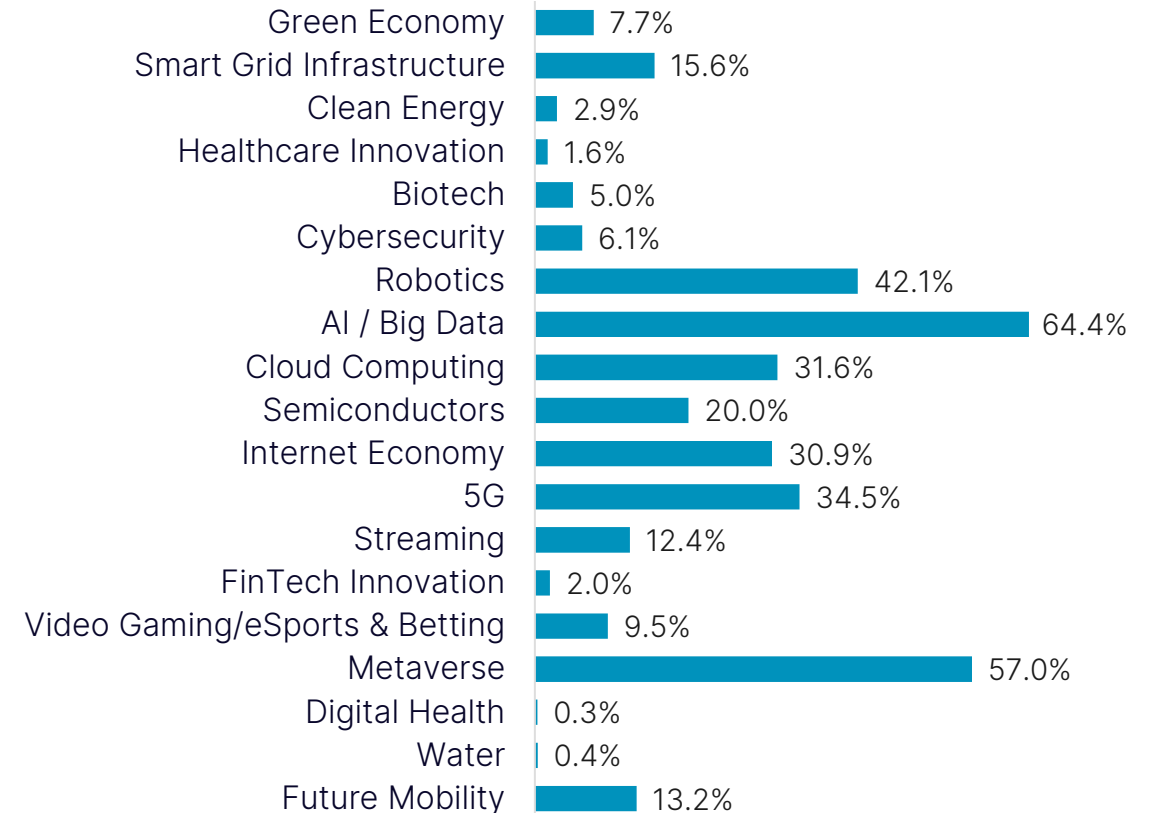
Based on overlap with existing Nasdaq Thematic Indexes, except for 5G, Streaming, and Video Gaming/eSports & Betting where competitor products were analyzed.

Nasdaq-100 ESG by Thematic Exposures

of Constituents per Theme



Index Weight per Theme

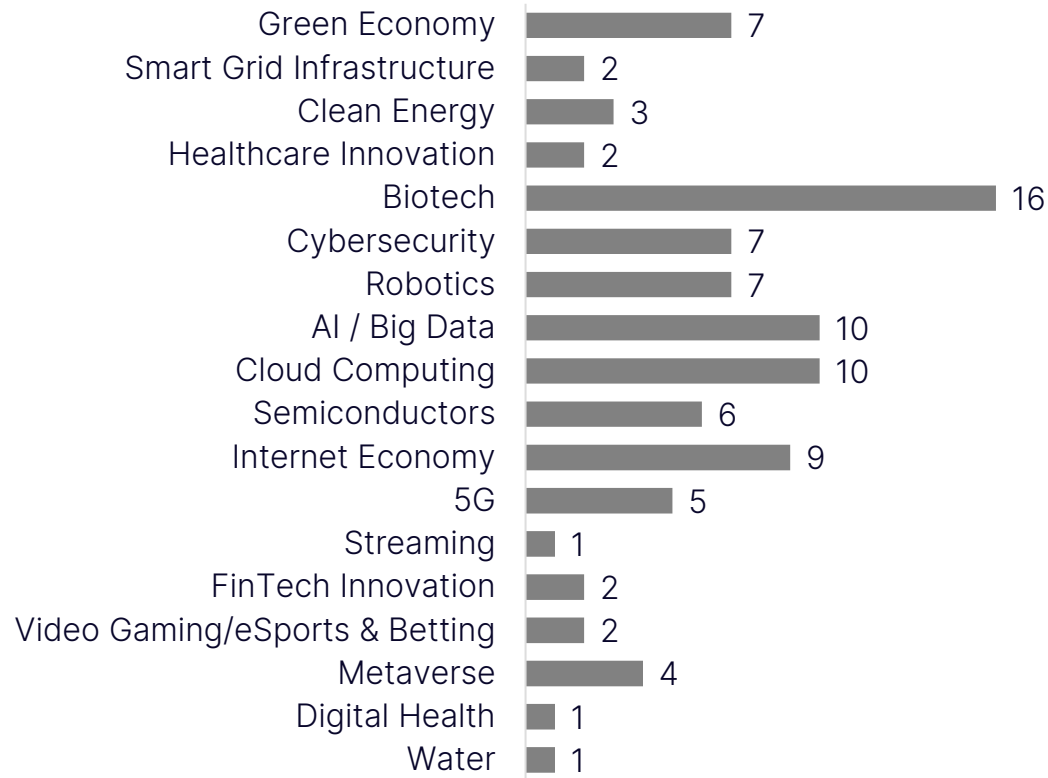


Source: Nasdaq, FactSet. Data as of 03/31/2023.

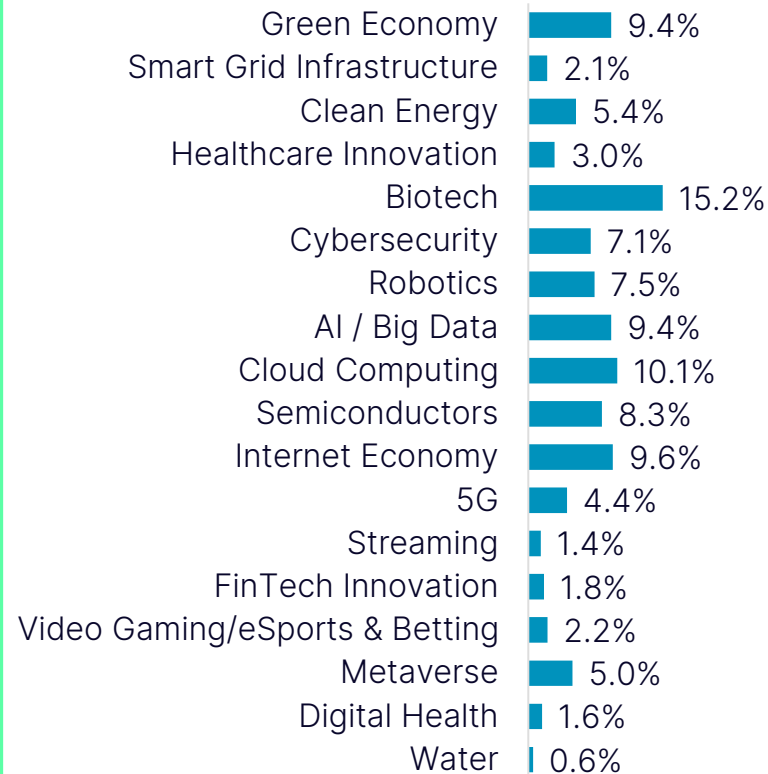
Based on overlap with existing Nasdaq Thematic Indexes, except for 5G, Streaming, and Video Gaming/eSports & Betting where competitor products were analyzed.

Nasdaq Next Generation 100 by Thematic Exposures

of Constituents per Theme



Index Weight per Theme

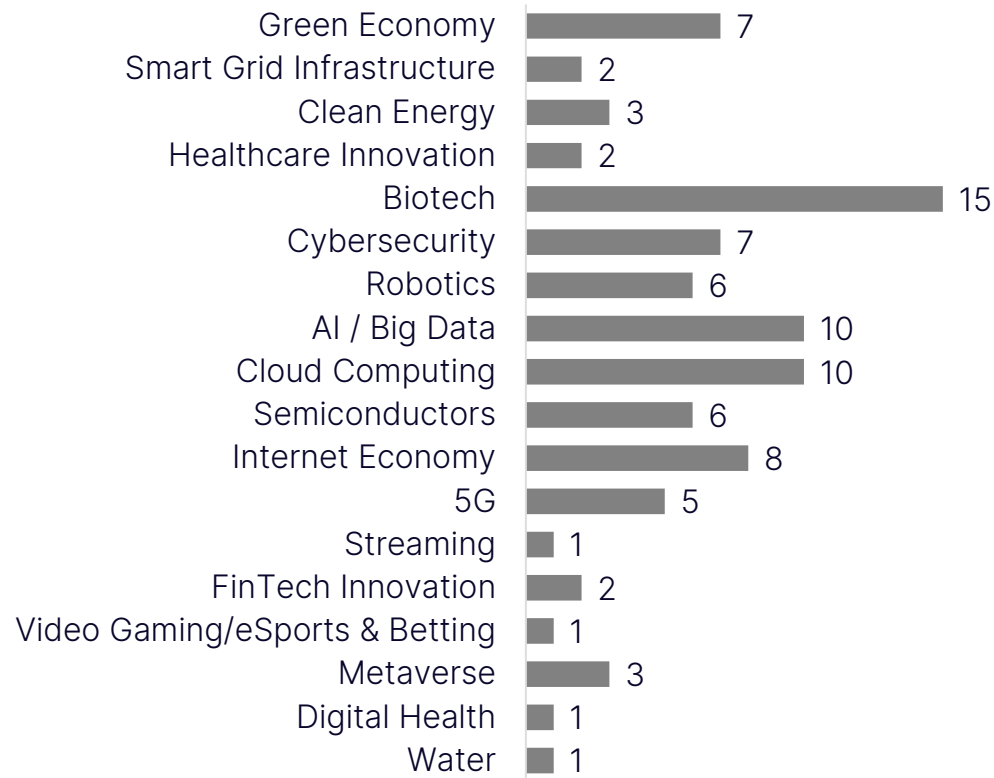


Source: Nasdaq, FactSet. Data as of 03/31/2023.

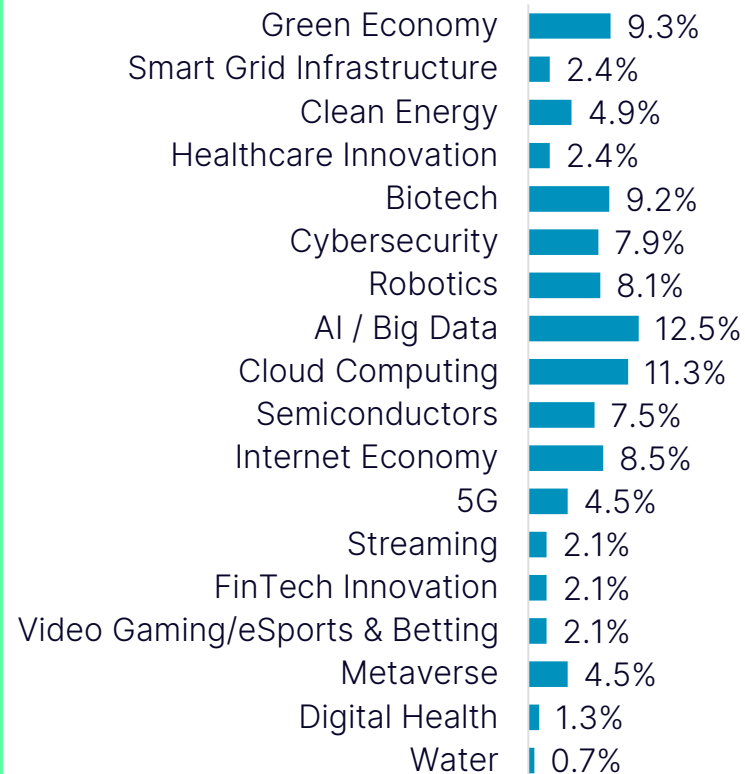
Based on overlap with existing Nasdaq Thematic Indexes, except for 5G, Streaming, and Video Gaming/eSports & Betting where competitor products were analyzed.

Nasdaq Next Generation 100 ESG by Thematic Exposures

of Constituents per Theme



Index Weight per Theme



Source: Nasdaq, FactSet. Data as of 03/31/2023.

Based on overlap with existing Nasdaq Thematic Indexes, except for 5G, Streaming, and Video Gaming/eSports & Betting where competitor products were analyzed.

Top 10 Largest Overweights: NDXESG vs NDX

| Symbol | Nasdaq-100 ESG Weight (%) | Nasdaq-100 Weight (%) | Difference Weight (%) | Company Name | ICB Industry |
|--------|---------------------------|-----------------------|-----------------------|---------------------------|------------------------|
| NVDA | 7.0 | 5.2 | 1.8 | NVIDIA | Technology |
| MSFT | 13.8 | 12.6 | 1.2 | Microsoft | Technology |
| AAPL | 13.4 | 12.3 | 1.0 | Apple | Technology |
| CSCO | 2.6 | 1.6 | 0.9 | Cisco Systems | Telecommunications |
| ADBE | 2.1 | 1.3 | 0.7 | Adobe | Technology |
| PEP | 2.6 | 1.9 | 0.7 | PepsiCo | Consumer Staples |
| QCOM | 1.6 | 1.1 | 0.5 | QUALCOMM | Technology |
| AMAT | 1.2 | 0.8 | 0.4 | Applied Materials | Technology |
| NFLX | 1.6 | 1.2 | 0.4 | Netflix | Consumer Discretionary |
| ADP | 1.1 | 0.7 | 0.4 | Automatic Data Processing | Industrials |

Top 10 Largest Underweights: NDXESG vs NDX

| Symbol | Nasdaq-100 ESG Weight (%) | Nasdaq-100 Weight (%) | Difference Weight (%) | Company Name | ICB Industry |
|--------|---------------------------|-----------------------|-----------------------|----------------------|------------------------|
| AMZN | 3.1 | 6.2 | 3.1 | Amazon.com | Consumer Discretionary |
| META | 1.1 | 3.6 | 2.5 | Meta Platforms | Technology |
| TSLA | 2.5 | 3.9 | 1.4 | Tesla | Consumer Discretionary |
| GOOGL | 2.9 | 3.7 | 0.8 | Alphabet A | Technology |
| GOOG | 2.9 | 3.6 | 0.7 | Alphabet C | Technology |
| KHC | 0.1 | 0.4 | 0.3 | Kraft Heinz | Consumer Staples |
| TMUS | 1.1 | 1.3 | 0.3 | T-Mobile US | Telecommunications |
| COST | 1.5 | 1.7 | 0.2 | Costco Wholesale | Consumer Discretionary |
| MCHP | 0.2 | 0.4 | 0.2 | Microchip Technology | Technology |
| MNST | 0.3 | 0.4 | 0.2 | Monster Beverage | Consumer Staples |

Top 10 Largest Overweights: NGXESG vs NGX

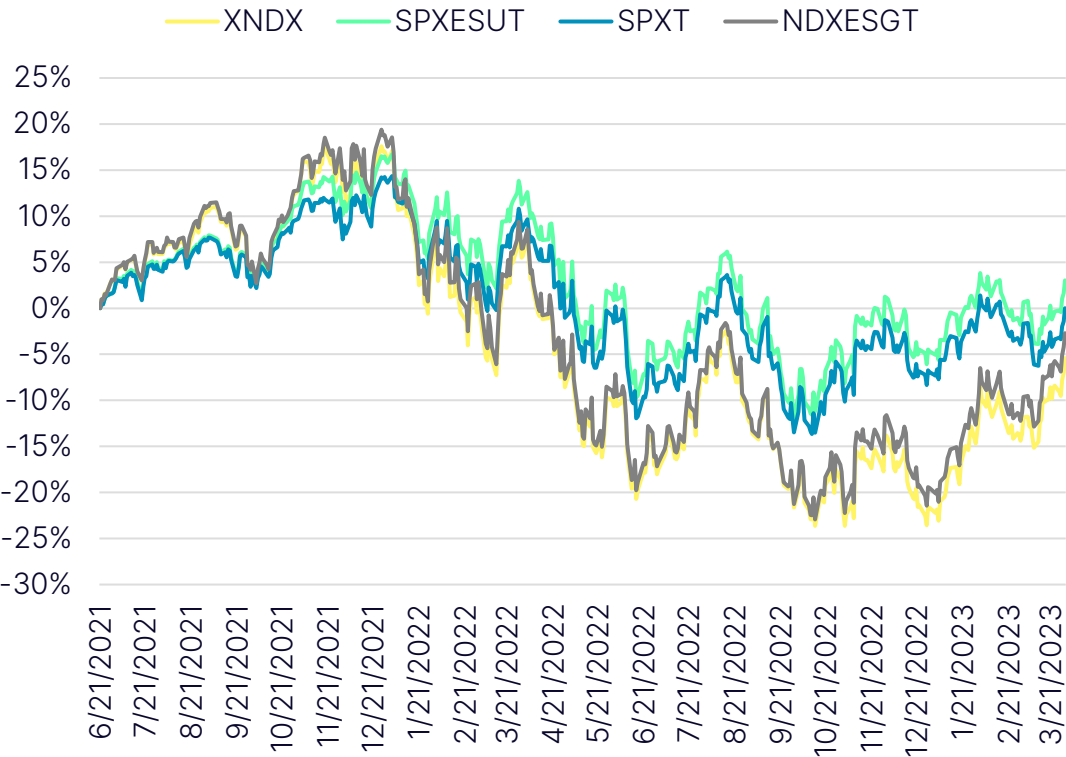
| Symbol | NGXESG Weight (%) | NGX Weight (%) | Difference Weight (%) | Company Name | ICB Industry |
|--------|-------------------|----------------|-----------------------|----------------------------|------------------------|
| CDW | 3.2 | 1.9 | 1.3 | CDW | Technology |
| CCEP | 2.8 | 1.9 | 0.9 | Coca-Cola Europacific | Consumer Staples |
| ICLR | 2.0 | 1.2 | 0.8 | ICON | Health Care |
| ULTA | 2.7 | 2.0 | 0.7 | Ulta Beauty | Consumer Discretionary |
| LKQ | 1.8 | 1.1 | 0.7 | LKQ | Consumer Discretionary |
| FLEX | 1.4 | 0.7 | 0.6 | Flex Ltd. | Technology |
| ZBRA | 1.8 | 1.2 | 0.6 | Zebra Technologies A | Industrials |
| TTWO | 2.1 | 1.4 | 0.6 | Take-Two Interactive | Consumer Discretionary |
| TSCO | 2.5 | 1.8 | 0.6 | Tractor Supply | Consumer Discretionary |
| JBHT | 1.8 | 1.3 | 0.5 | JB Hunt Transport Services | Industrials |

Top 10 Largest Underweights: NGXESG vs NGX

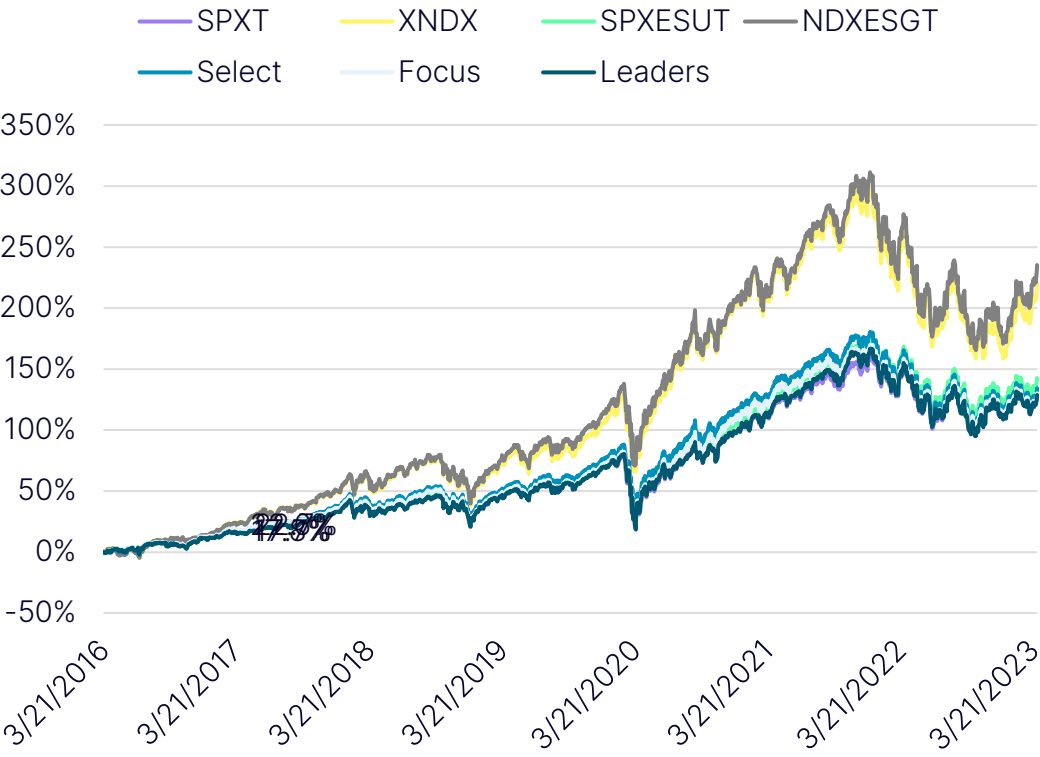
| Symbol | NGXESG Weight (%) | NGX Weight (%) | Difference Weight (%) | Company Name | ICB Industry |
|--------|-------------------|----------------|-----------------------|--------------------------|------------------------|
| HZNP | 0.5 | 1.8 | 1.3 | Horizon Therapeutics | Health Care |
| STLD | 0.6 | 1.4 | 0.8 | Steel Dynamics | Basic Materials |
| ALNY | 1.0 | 1.8 | 0.7 | Alnylam Pharmaceuticals | Health Care |
| ON | 1.9 | 2.5 | 0.6 | ON Semiconductor | Technology |
| SRPT | 0.3 | 0.9 | 0.5 | Sarepta Therapeutics | Health Care |
| ARGX | 0.3 | 0.8 | 0.5 | argenx ADR | Health Care |
| RPRX | 0.7 | 1.1 | 0.5 | Royalty Pharma A | Health Care |
| SWKS | 0.9 | 1.3 | 0.4 | Skyworks Solutions | Technology |
| UAL | 0.6 | 1.0 | 0.4 | United Airlines Holdings | Consumer Discretionary |
| VTRS | 0.4 | 0.8 | 0.4 | Viatis | Health Care |

Performance – NDX vs. NDXESG

Since Inception
6/21/2021 – 3/31/2023



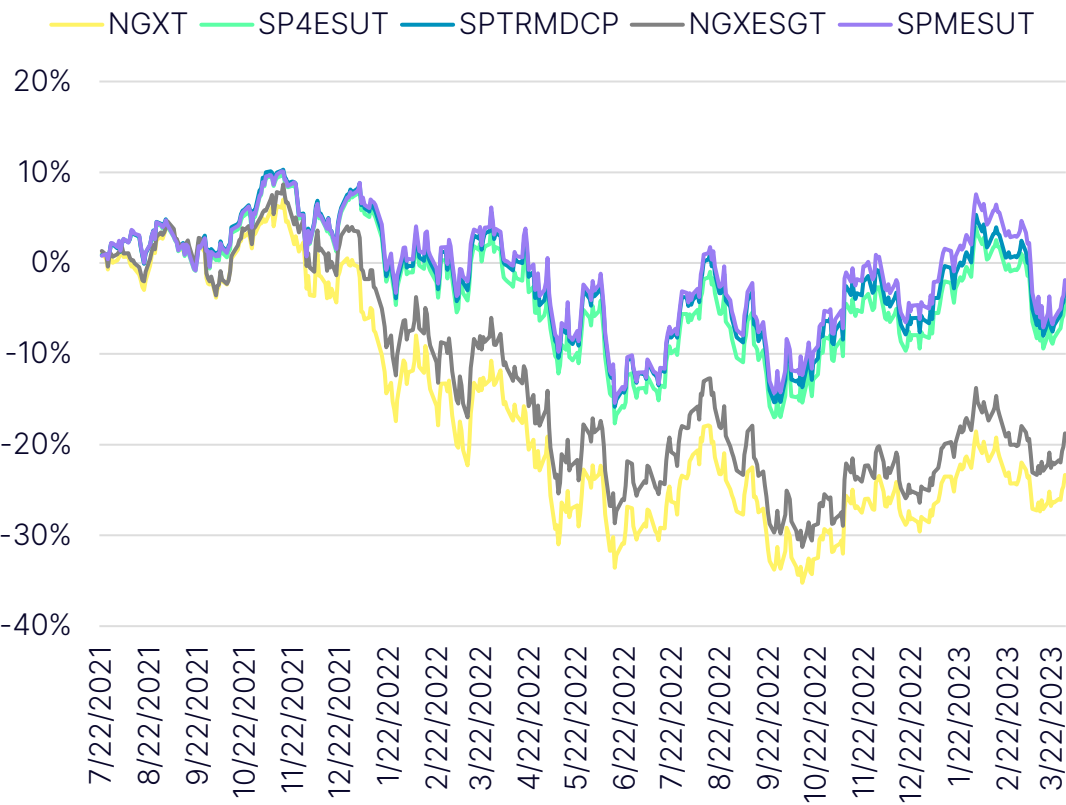
Since Beginning of Backtest
3/21/2016 – 3/31/2023



*XNDX: Nasdaq-100 TR; NDXESGT: Nasdaq-100 ESG TR; SPXESUT: S&P 500 ESG Index TR; SPXT: S&P 500 TR; Select: MSCI USA ESG Universal Sel Business Screens TR; ; Focus: MSCI USA Extended ESG Focus TR; Leaders: MSCI USA Extended ESG Leaders TR

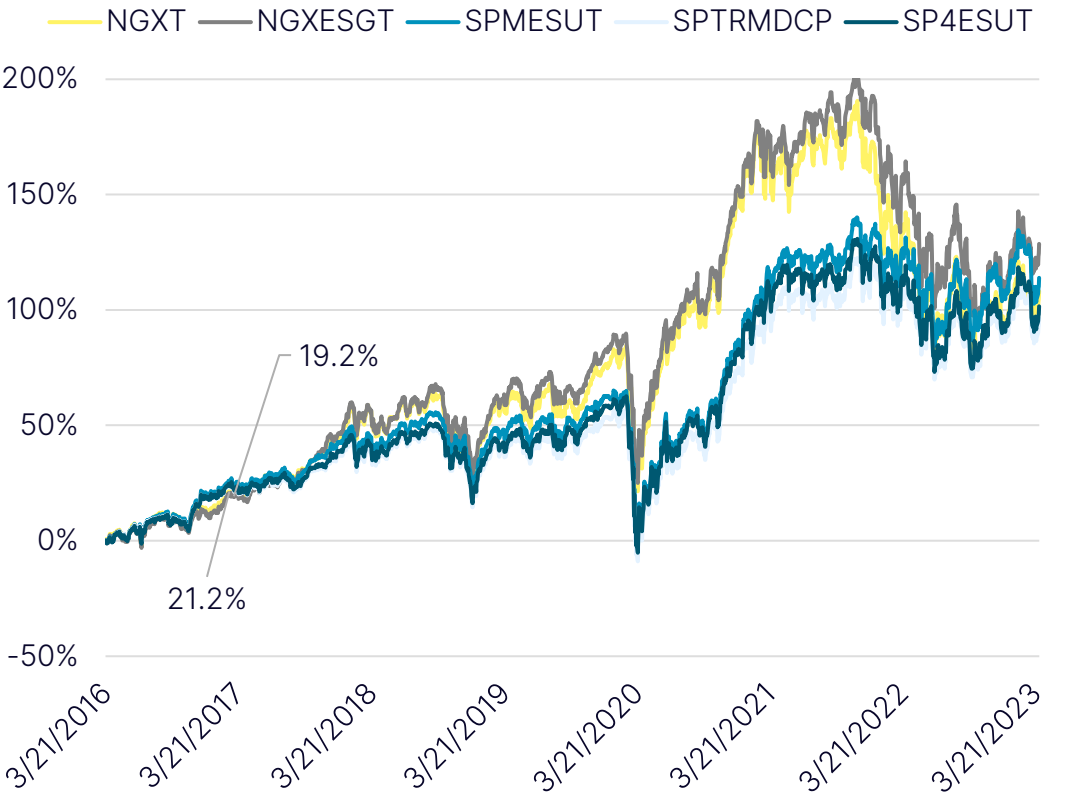
Performance – NGX vs. NGXESG

Since Inception
7/22/2021 – 3/31/2023



*NGXT: Nasdaq Next Generation 100 TR; NGXESGT: Nasdaq Next Generation 100 ESG TR; SP4ESUT: S&P Sustainability Screened TR; SPTRMDCP: S&P MidCap 400 TR; SPMESUT: S&P MidCap 400 ESG TR

Since Beginning of Backtest
3/21/2016 – 3/31/2023



ESG Comparisons – NDXESG/NDX

| Index | Benchmark | Number of Securities | % Exclusion from the Benchmark | Weighted Average | Simple Average |
|--|------------------|----------------------|--------------------------------|-------------------------------|-------------------------------|
| | | | | Sustainalytics ESG Risk Score | Sustainalytics ESG Risk Score |
| MSCI USA Index | -- | 626 | n/a | 21.6 | 21.9 |
| MSCI USA Extended ESG Focus Index | MSCI USA Index | 317 | 49% | 20.8 | 21.1 |
| MSCI USA Extended ESG Leaders Index | MSCI USA Index | 270 | 57% | 19.3 | 20.2 |
| MSCI USA ESG Universal Select Business Screens Index | MSCI USA Index | 572 | 57% | 19.9 | 21.3 |
| Nasdaq-100 Index | -- | 101 | n/a | 20.5 | 20.7 |
| Nasdaq-100 ESG Index | Nasdaq-100 Index | 93 | 8% | 18.6 | 20.1 |
| S&P 500 Index | -- | 504 | n/a | 21.6 | 21.6 |
| S&P 500 ESG Index | S&P 500 Index | 303 | 40% | 20.7 | 20.8 |



Data as of 3/31/2023.

Source: Nasdaq Global Indexes, Sustainalytics, FactSet, Bloomberg.

ESG Comparisons – NGXESG/NGX

| Index | Benchmark | Number of Securities | % Exclusion from the Benchmark | Weighted Average | Simple Average |
|--|----------------------------------|----------------------|--------------------------------|-------------------------------|-------------------------------|
| | | | | Sustainalytics ESG Risk Score | Sustainalytics ESG Risk Score |
| Nasdaq Next Generation 100 Index | -- | 104 | n/a | 21.4 | 21.7 |
| Nasdaq Next Generation ESG 100 Index | Nasdaq Next Generation 100 Index | 95 | 9% | 18.4 | 20.6 |
| S&P MidCap 400 Index | -- | 399 | n/a | 23.5 | 23.5 |
| S&P MidCap 400 Sustainability Screened Index | S&P MidCap 400 Index | 362 | 9% | 22.8 | 22.8 |
| S&P MidCap 400 ESG Index | S&P MidCap 400 Index | 245 | 39% | 22.2 | 22.2 |

RESOURCES

RESOURCES

Nasdaq-100 ESG Index (NDXESG)

- Overview
 - <https://indexes.nasdaqomx.com/Index/Overview/NDXESG>
- Methodology
 - https://indexes.nasdaqomx.com/docs/methodology_NDXESG.pdf
- Research
 - https://indexes.nasdaqomx.com/docs/NDXESG_Research.pdf
- Fact Sheet
 - https://indexes.nasdaqomx.com/docs/FS_NDXESGT.pdf
- Carbon Credit Report
 - NDXESG: <https://indexes.nasdaqomx.com/docs/Carbon%20Footprint%20Report%20-%20NDXESG.pdf>
 - NDX: <https://indexes.nasdaqomx.com/docs/Carbon%20Footprint%20Report%20-%20NDX.pdf>

RESOURCES

Nasdaq Next Generation 100 ESG Index (NGXESG)

- Overview
 - <https://indexes.nasdaqomx.com/Index/Overview/NGXESG>
- Methodology
 - https://indexes.nasdaqomx.com/docs/methodology_NGXESG.pdf
- Research
 - https://indexes.nasdaqomx.com/docs/NGXESG_Research.pdf
- Fact Sheet
 - https://indexes.nasdaqomx.com/docs/FS_NGXESGT.pdf
- Carbon Credit Report
 - NGXESG: <https://indexes.nasdaqomx.com/docs/Carbon%20Footprint%20Report%20-%20NGXESG.pdf>
 - NGX: <https://indexes.nasdaqomx.com/docs/Carbon%20Footprint%20Report%20-%20NGX.pdf>

APPENDIX

APPENDIX

NDXESG / NGXESG Exclusions Based on ESG risk

- Companies with a “Severe” ESG Risk Rating are automatically disqualified from inclusion.
 - A rating of greater than 40 is considered “Severe”; 30-40 is considered “High”; 20-30 is “Medium”; 10-20 is “Low”; and 0-10 is “Negligible”.
- Exclude any company that has not been researched yet.

APPENDIX

NDXESG / NGXESG Exclusions Based on ESG risk – continued

- Exclude any company that has a controversy score equal to 5:
 - The controversy rating reflects:
 - Incidents with negative Environmental, Social, and Governance (ESG) implications.
 - A company's level of involvement in and how it manages these issues.
 - Categorical scores are on a scale of 1 to 5.

APPENDIX

NDXESG / NGXESG Exclusions Based on International Norms

- A company must not violate the *United Nations Global Compact*:
 - 10 principles around human rights, labor, environment, and anti-corruption.
 - <https://www.unglobalcompact.org/what-is-gc/mission/principles>
- Securities are excluded from NDXESG/NGXESG that are classified as non-compliant.
 - Each company in the index is therefore classified as either compliant or on the watch-list with the UN Global Compact framework for following international norms.

APPENDIX

NDXESG / NGXESG Exclusions Based on Business Involvements

Business Involvements Considered*:

1. Energy (Arctic Oil & Gas; Nuclear Power; Oil & Gas; Oil Sands; Shale Energy; Thermal Coal)
2. Health & Life (Alcohol; Recreational Cannabis; Tobacco)
3. Defense & Military (Controversial weapons; Military Contracting; Riot Control; Small Arms)
4. Values-Based (Adult Entertainment; Gambling)

APPENDIX

NDXESG / NGXESG Weighting Scheme

$$ESG \text{ Risk} - \text{Adjusted NDX Market Value} = \frac{40 - ESG \text{ Risk Rating Score}}{40} \times NDX \text{ Market Value}$$

- Initial security weights are calculated by dividing a security's ESG Risk-Adjusted NDX Market Value by the sum of the ESG Risk-Adjusted NDX Market Values of all Index Securities.
- Afterwards, the same four-stage weight adjustment process as exists for NDX at its annual reconstitution is applied to produce final weights on a quarterly basis for NDXESG.
- (All the above applies for NGX and NGXESG, as well.)

APPENDIX

NDXESG / NGXESG Weighting Scheme – continued

*For Illustrative
Purposes Only.*

*The information
included on this
slide is not based on
actual data.*

| Security | Parent Index Market Value | ESG Risk Rating Score | (40-ESG Risk Rating Score)/40 | ESG Adjusted Market Value | Weight in ESG Index (before capping) | Weight in Parent Index | ESG Excess Weight |
|-----------|------------------------------|-----------------------------|--|------------------------------|--|------------------------------|-------------------------|
| Company A | 157,440,900.96 | 9.669091 | 0.76 | 119,383,139.64 | 5% | 2% | 3% |
| Company B | 408,425,550.79 | 10.14988 | 0.75 | 304,788,747.93 | 12% | 5% | 7% |
| Company C | 466,765,510.49 | 10.33926 | 0.74 | 346,115,277.80 | 14% | 6% | 8% |
| Company D | 337,399,212.20 | 10.56613 | 0.74 | 248,274,134.49 | 10% | 4% | 6% |
| Company E | 36,052,270.56 | 12.02819 | 0.70 | 25,211,182.25 | 1% | 0% | 1% |
| Company F | 590,398,129.57 | 16.18527 | 0.60 | 351,504,303.67 | 14% | 7% | 7% |
| Company G | 268,545,835.16 | 19.19268 | 0.52 | 139,692,956.82 | 6% | 3% | 2% |
| Company H | 311,917,708.29 | 20.84302 | 0.48 | 149,385,045.36 | 6% | 4% | 2% |
| Company I | 547,470,308.53 | 22.79236 | 0.43 | 235,516,830.87 | 10% | 7% | 3% |
| Company J | 24,733,442.74 | 24.69826 | 0.38 | 9,461,619.64 | 0% | 0% | 0% |
| Company K | 435,838,825.61 | 27.38121 | 0.32 | 137,493,977.85 | 6% | 5% | 0% |
| Company L | 118,577,295.32 | 27.73561 | 0.31 | 36,356,957.07 | 1% | 1% | 0% |
| Company M | 307,719,744.86 | 28.36004 | 0.29 | 89,546,103.32 | 4% | 4% | 0% |
| Company N | 441,090,355.41 | 33.1488 | 0.17 | 75,549,938.88 | 3% | 6% | -2% |
| Company O | 834,726,757.15 | 35.35263 | 0.12 | 96,982,201.14 | 4% | 10% | -7% |
| Company P | 550,834,597.82 | 37.24048 | 0.07 | 38,001,025.35 | 2% | 7% | -5% |
| Company Q | 269,359,777.85 | 37.4192 | 0.06 | 17,379,073.33 | 1% | 3% | -3% |
| Company R | 844,981,656.98 | 38.72938 | 0.03 | 26,841,302.95 | 1% | 11% | -10% |
| Company S | 359,845,558.64 | 39.02818 | 0.02 | 8,742,612.50 | 0% | 5% | -4% |
| Company T | 646,652,051.08 | 39.70698 | 0.01 | 4,736,994.67 | 0% | 8% | -8% |

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