



Innovation Meets Sustainability

Nasdaq Next Generation 100 ESG™ Index (NGXESG™)

September 2025
Reconstitution

September 2025 Reconstitution

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 Sustainalytics ESG Risk Rating 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 Next Generation 100™ Index (NGX™) (very low tracking error).



September 2025 Reconstitution

NGXESG Index Mechanics

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



September 2025 Reconstitution

NGXESG Weighting Scheme

- The Nasdaq Next Generation 100 ESG Index is a modified market capitalization-weighted index that considers a company's ESG Risk Rating Score as an adjustment factor.
- Two factors play into the index weight of an issuer:
 - The 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 Next Generation 100 and/or the better the ESG Risk Rating Score, the higher the weight in the NGXESG Index, and vice versa.



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NGXESG™ ESG Exclusions: 16

Symbol	Company Name	ICB Industry	Nasdaq Next Generation 100 ESG: Reason(s) for Exclusion	Nasdaq Next Generation 100™ Weight
EXE	Expand Energy	Energy	ESG Risk Rating Score is greater than 40 Revenue from oil & gas production and shale energy extraction	1.37%
ESLT	Elbit Systems	Industrials	Revenue from military contracting weapons, small arms military/law enforcement and riot control protection equipment and riot control weapons	1.27%
CASY	Casey's General Stores	Consumer Staples	Revenue from tobacco products – retail	1.14%
TLN	Talen Energy	Utilities	ESG Risk Rating Score is greater than 40. Revenue from nuclear production, oil & gas generation and thermal coal power generation	1.05%
DKNK	DraftKings	Consumer Discretionary	Revenue from gambling operations	1.01%



Data as of 9/30/2025

Sources: Sustainalytics, Nasdaq Global Indexes.

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NGXESG™ ESG Exclusions: 16

Symbol	Company Name	ICB Industry	Nasdaq Next Generation 100 ESG: Reason(s) for Exclusion	Nasdaq Next Generation 100™ Weight
EVRG	Evergy	Utilities	Revenue from nuclear production, oil & gas generation and thermal coal power generation	0.95%
BIDU	Baidu	Technology	Global Standards Screening non-compliance	0.95%
LNT	Alliant Energy	Utilities	Revenue from oil & gas generation and thermal coal power generation	0.94%
FTAI	FTAI Aviation	Industrials	ESG Risk Rating Score has not yet been determined	0.93%
SNDK	SanDisk	Technology	ESG Risk Rating Score has not yet been determined	0.89%



Data as of 9/30/2025

Sources: Sustainalytics, Nasdaq Global Indexes.

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NGXESG™ ESG Exclusions: 16

Symbol	Company Name	ICB Industry	Nasdaq Next Generation 100 ESG: Reason(s) for Exclusion	Nasdaq Next Generation 100™ Weight
WWD	Woodward	Industrials	Revenue from military contracting weapon-related products and/or services, and oil & gas supporting products/services	0.82%
TXRH	Texas Roadhouse	Consumer Discretionary	Revenue from alcoholic beverages – retail	0.60%
CART	Maplebear	Technology	ESG Risk Rating Score is greater than 40	0.53%
PPC	Pilgrim's Pride	Consumer Staples	ESG Risk Rating Score is greater than 40	0.52%
LLYVK	Liberty Media – Class C	Consumer Discretionary	ESG Risk Rating Score has not yet been determined	0.34%



September 2025 Reconstitution

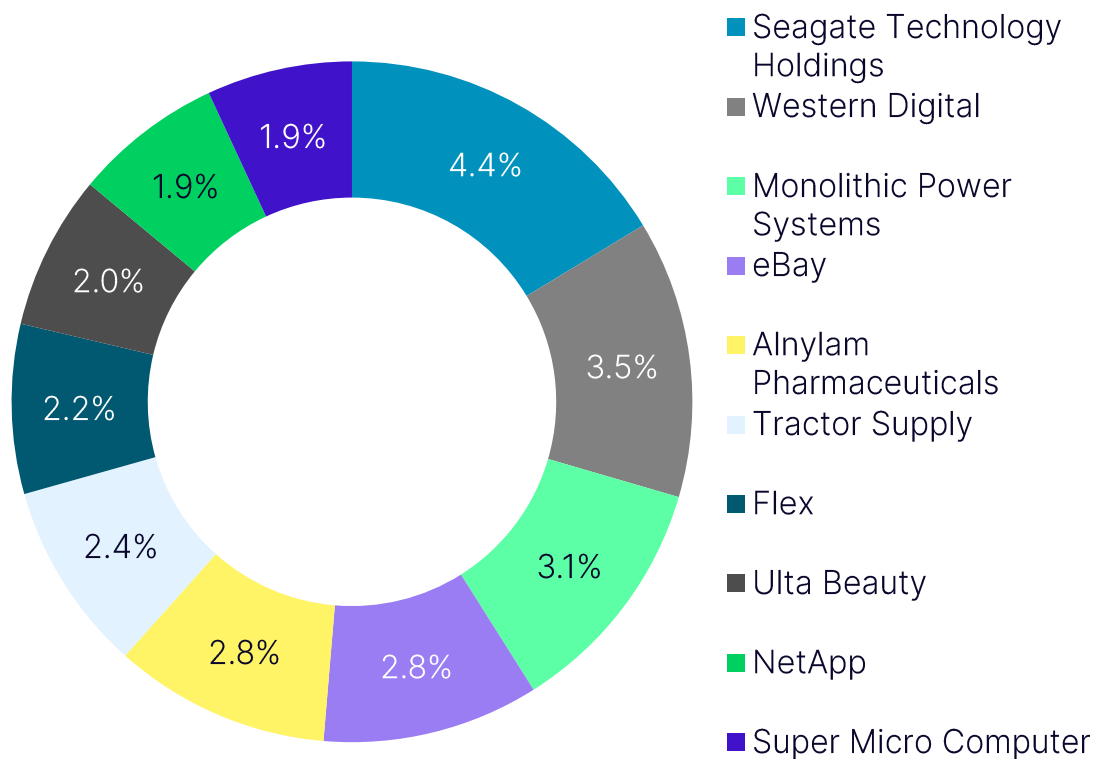
NGXESG™ ESG Exclusions:16

Symbol	Company Name	ICB Industry	Nasdaq Next Generation 100 ESG: Reason(s) for Exclusion	Nasdaq Next Generation 100™ Weight
LLYVA	Liberty Media – Class A	Consumer Discretionary	ESG Risk Rating Score has not yet been determined	0.13%

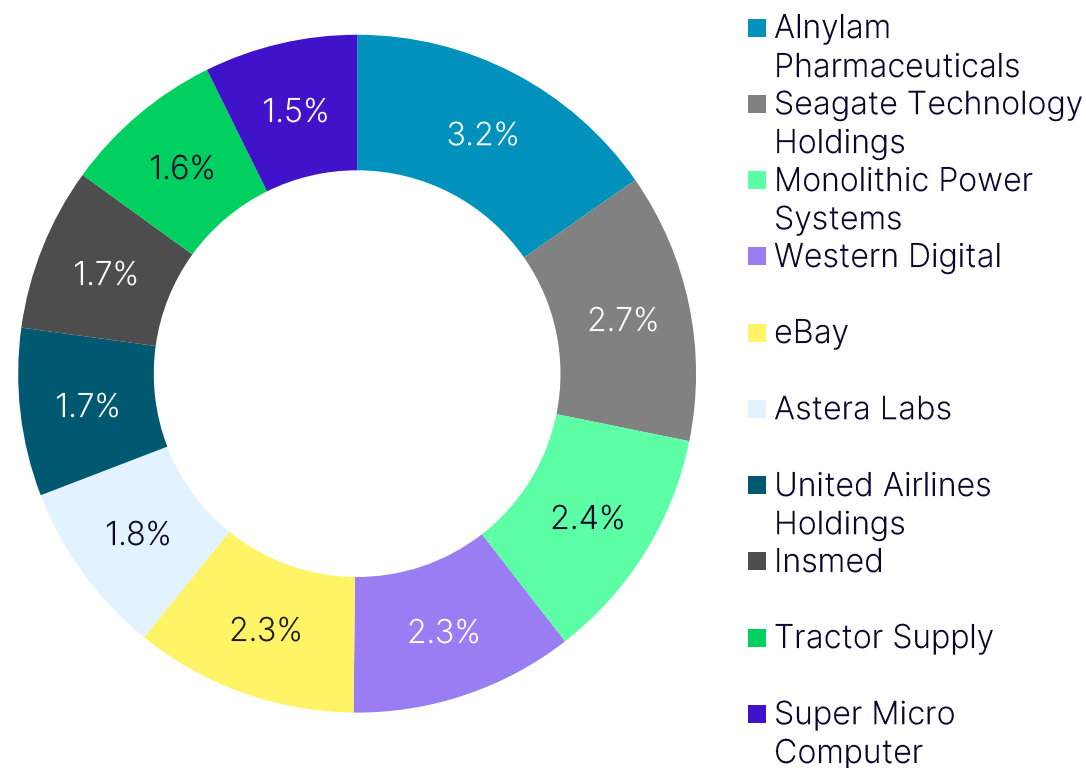
September 2025 Reconstitution

Top 10 Constituents by Index Weight

NGXESG
Top 10 Weight = 26.8%



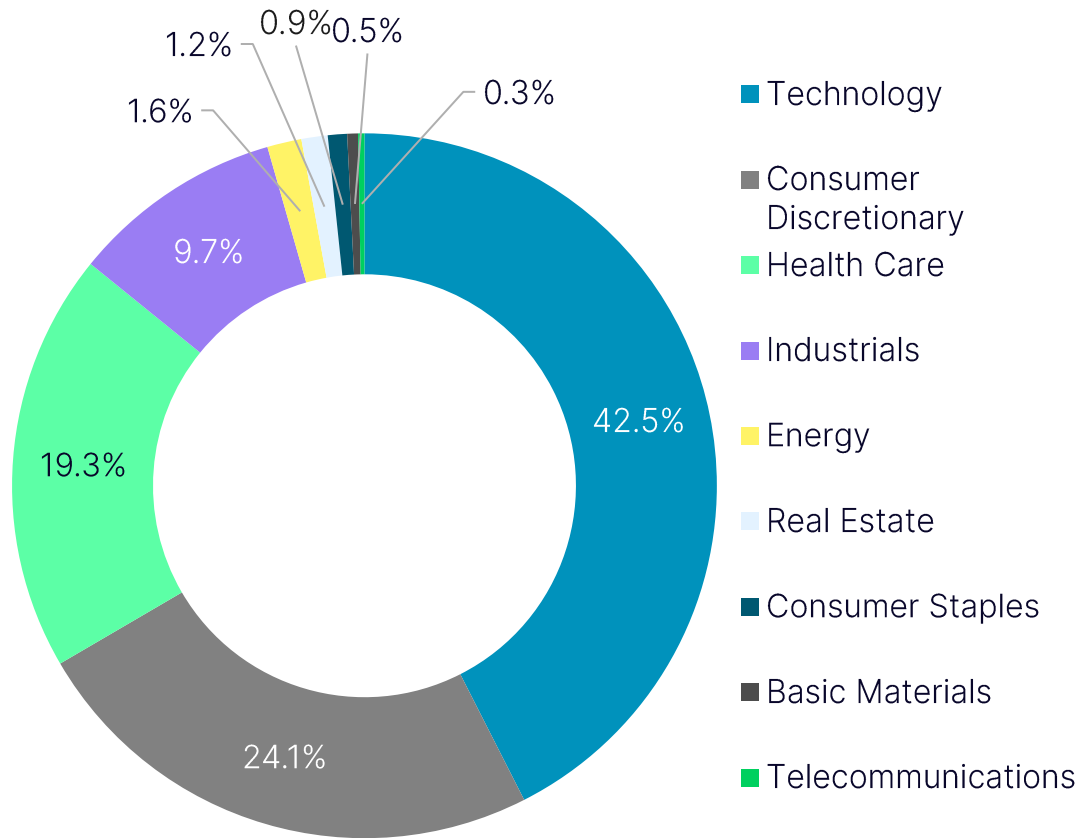
NGX
Top 10 Weight = 21.2%



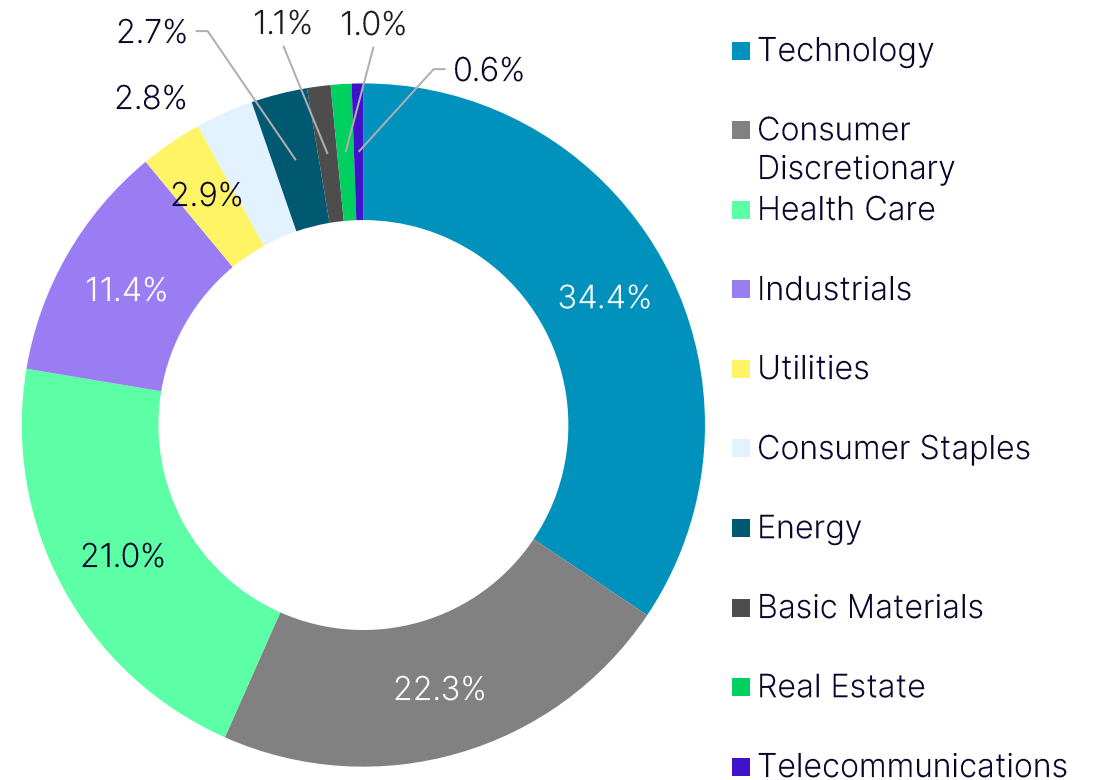
September 2025 Reconstitution

Sector Exposure by Index Weight

NGXESG by ICB Industry

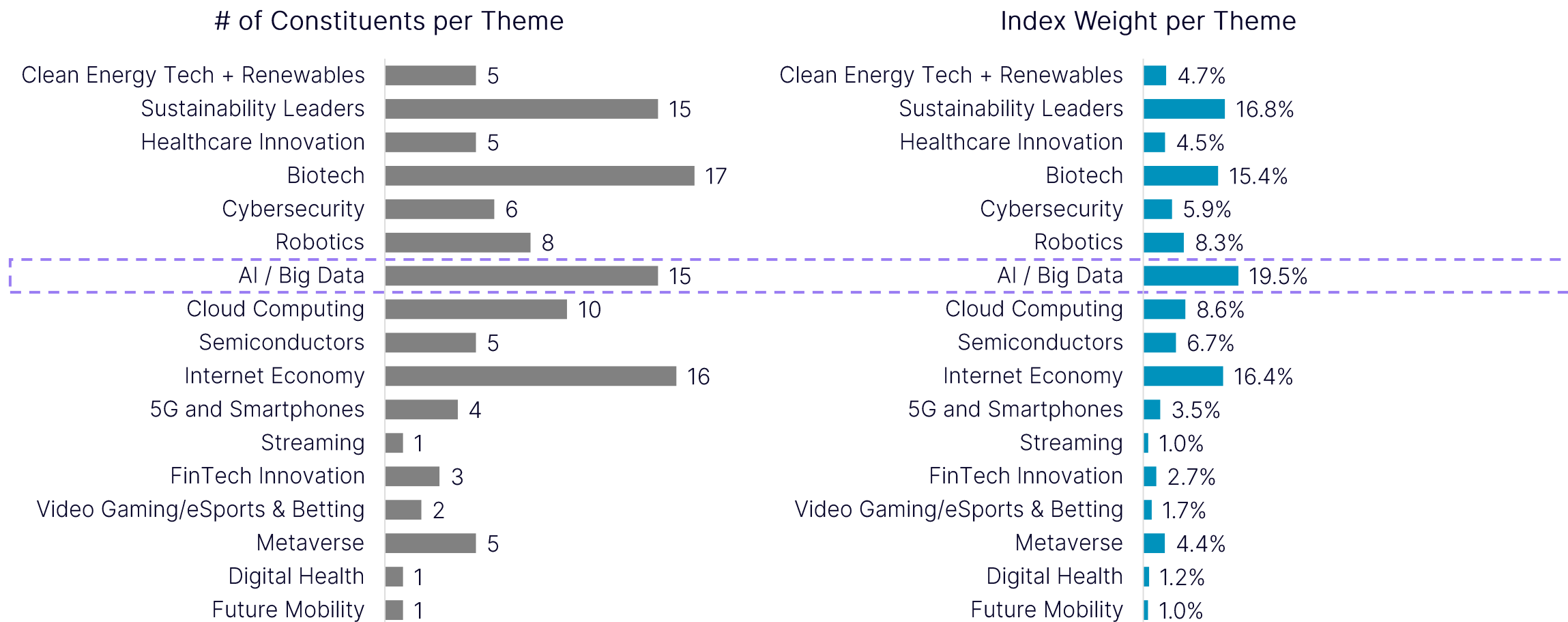


NGX by ICB Industry



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Nasdaq Next Generation 100 by Thematic Exposures

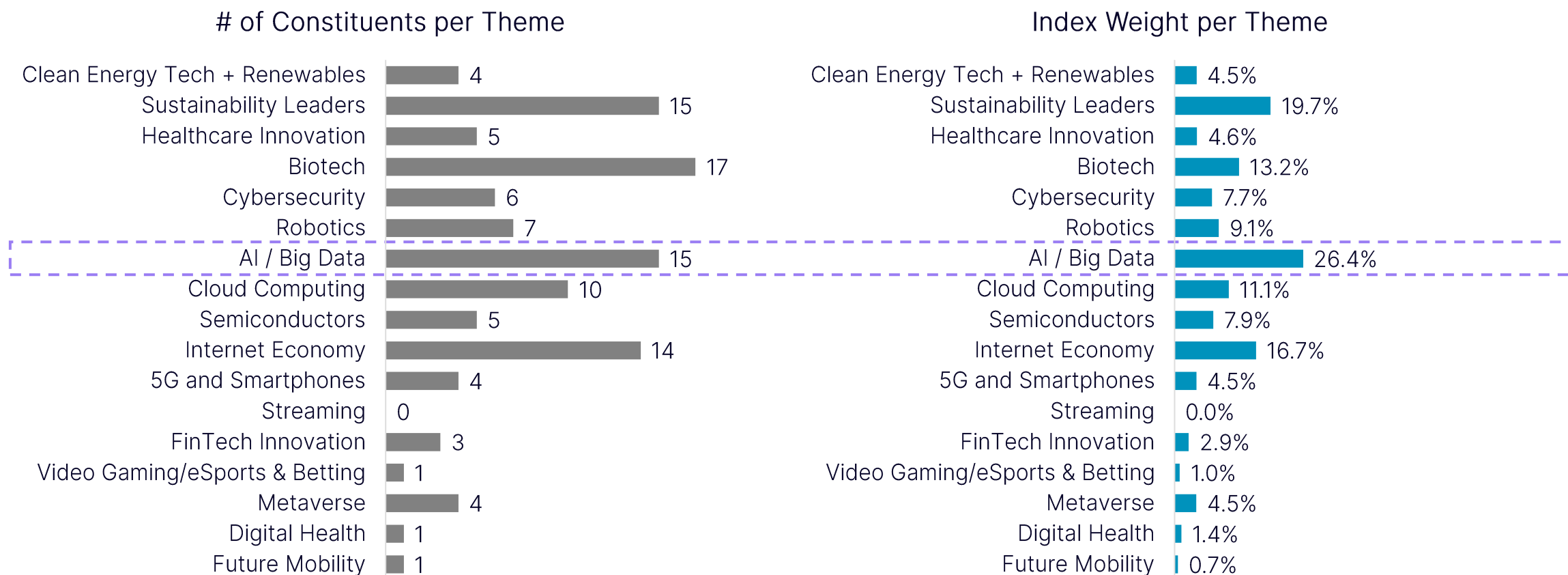


Source: Nasdaq, FactSet. Data as of 9/30/2025.

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

September 2025 Reconstitution

Nasdaq Next Generation 100 ESG by Thematic Exposures



Source: Nasdaq, FactSet. Data as of 9/30/2025.

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

September 2025 Reconstitution

Top 10 Largest Overweights: NGXESG vs. NGX

Symbol	Company Name	ICB Industry	NGXESG Weight	NGX Weight	Weight Difference
STX	Seagate Technology	Technology	4.4%	2.7%	1.7%
WDC	Western Digital	Technology	3.5%	2.3%	1.3%
FLEX	Flex	Technology	2.2%	1.2%	1.0%
TSCO	Tractor Supply	Consumer Discretionary	2.4%	1.6%	0.8%
TRMB	Trimble	Industrials	1.8%	1.1%	0.8%
MPWR	Monolithic Power Systems	Technology	3.1%	2.4%	0.7%
ULTA	Ulta Beauty	Consumer Discretionary	2.0%	1.3%	0.6%
LOGI	Logitech	Technology	1.5%	0.9%	0.6%
NTAP	NetApp	Technology	1.9%	1.3%	0.6%
ZBRA	Zebra Technologies	Industrials	1.3%	0.8%	0.5%



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Top 10 Largest Underweights: NGXESG vs. NGX

Symbol	Company Name	ICB Industry	NGXESG Weight	NGX Weight	Weight Difference
SMMT	Summit Therapeutics	Health Care	0.1%	0.8%	-0.7%
STLD	Steel Dynamics	Basic Materials	0.5%	1.1%	-0.6%
ALNY	Alnylam Pharmaceuticals	Health Care	2.8%	3.2%	-0.5%
UAL	United Airlines	Consumer Discretionary	1.2%	1.7%	-0.5%
NTRA	Natera	Health Care	0.7%	1.2%	-0.4%
INSM	Insmed	Health Care	1.3%	1.7%	-0.3%
RPRX	Royalty Pharma	Health Care	0.5%	0.8%	-0.3%
RIVN	Rivian Automotive	Consumer Discretionary	0.7%	1.0%	-0.3%
LBRDK	Liberty Broadband	Telecommunications	0.2%	0.4%	-0.2%
ARGX	argenx	Health Care	1.0%	1.2%	-0.2%

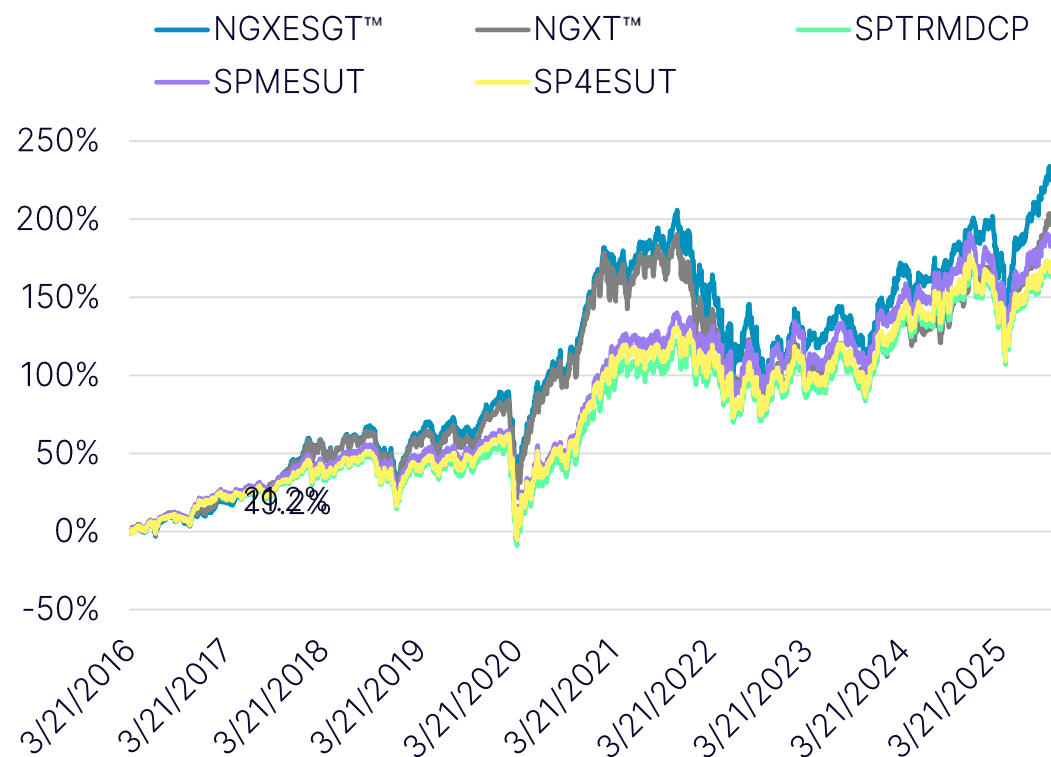


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Performance – NGXESG vs. NGX

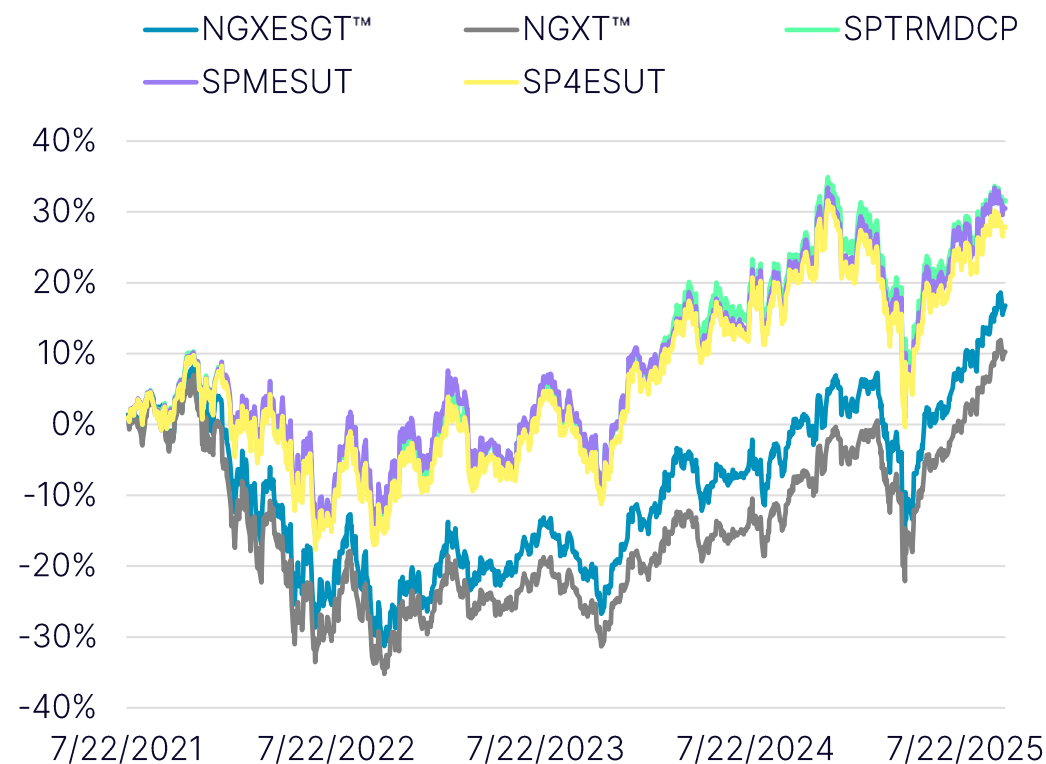
Since Beginning of NGXESG Backtest

3/21/2016 – 9/30/2025



Since NGXESG Inception

7/22/2021 – 9/30/2025



September 2025 Reconstitution

ESG Comparisons – NGXESG vs. NGX

Index Name	Benchmark Index	# of Securities	% Exclusion from the Benchmark	Sustainalytics ESG Risk Score	
				Weighted Average	Simple Average
Nasdaq Next Generation 100™ Index	--	109	--	20.4	21.1
Nasdaq Next Generation ESG 100™ Index	Nasdaq Next Generation 100™ Index	93	15%	17.4	19.8
S&P MidCap 400 Index	--	399	--	22.5	22.5
S&P MidCap 400 Sustainability Screened Index	S&P MidCap 400 Index	357	11%	21.5	21.6
S&P MidCap 400 ESG Index	S&P MidCap 400 Index	272	32%	20.7	20.8



Data as of 9/30/2025.

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

RESOURCES



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

NGXESG Exclusions Based on ESG Risk

Companies with a “Severe” ESG Risk Rating Score 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

NGXESG Exclusions Based on ESG Risk – continued

- Exclude any company that has a Controversy Rating 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

NGXESG Exclusions Based on International Norms

- A company must not violate the United Nations Global Compact and related international norms and standards, such as the Organization for Economic Cooperation and Development (OECD) Guidelines and United Nations (UN) Guiding Principles.
 - 10 principles around human rights, labor, environment, and anti-corruption.
 - <https://www.unglobalcompact.org/what-is-gc/mission/principles>
- Securities are excluded from 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

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

NGXESG Weighting Scheme

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

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



APPENDIX

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%



Source: Nasdaq Global Indexes.

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