



INDEX METHODOLOGY

BVP NASDAQ EMERGING CLOUD INDEX™

EMCLOUD

INDEX DESCRIPTION

The BVP Nasdaq Emerging Cloud Index is designed to track the performance of companies providing cloud-based software and services.

SECURITY ELIGIBILITY CRITERIA

Eligible security types

Security types generally eligible for the Index include common stocks and ordinary shares.

If the security is a depositary receipt representing a security of a non-U.S. issuer, then references to the “issuer” are references to the underlying security.

Multiple classes of securities

One security per issuer is permitted. If an issuer has multiple securities, the security with the highest three-month average daily dollar volume (ADDTV) is considered for possible inclusion into the Index.

Eligible exchanges

Eligible securities must be listed on the Nasdaq Stock Market, the New York Stock Exchange, NYSE American or the CBOE Exchange.

Industry or sector eligibility

The issuer of the security must derive the majority of its revenue from business-oriented software products, as determined by Bessemer Venture Partners (BVP), which are both:

- Provided to customers through a cloud delivery model – e.g., hosted on remote and multi-tenant server infrastructure, accessed through a web browser or mobile device, or consumed as an API.

- Provided to customers through a cloud economic model – e.g., as a subscription based, volume-based, or transaction-based offering.

Market capitalization eligibility

Each security must have a minimum market capitalization of \$500 million.

Liquidity eligibility

Each security must have a minimum three-month average daily dollar trading volume of \$5 million.

Seasoning eligibility

The security must have “seasoned” for at least three months on an Index-eligible exchange.

Float eligibility criteria

This index does not have a float eligibility criterion.

Other eligibility criteria

The issuer of the security may not have entered into a definitive agreement or other arrangement which would likely result in the security no longer being Index eligible.

The security may not be issued by an issuer currently in bankruptcy proceedings.

INDEX CALENDAR

Reconstitution schedule

Index reconstitutions occur semi-annually in February and August.

Reconstitution reference dates

The Security Eligibility Criteria are applied using market data as of the end of January and July.

Reconstitution announcement dates

Index Reconstitutions changes are announced in early February and August.

Reconstitution effective dates

Index Reconstitutions become effective at market open on the trading after the third Friday in February and August.

Rebalance schedule

The Index is rebalanced semi-annually in conjunction with the Index Reconstitution.

Rebalance reference dates

The Index Rebalance uses the Last Sale Price (“LSP”) of all Index Securities at the close of trading on the third Friday in February and August.

Rebalance announcement dates

Index Rebalance changes are announced in early February and August.

Rebalance effective dates

Index Rebalance changes become effective at market open on the trading after the third Friday in February and August.

CONSTITUENT SELECTION

Constituent selection process

The semi-annual Reconstitution is carried out by Bessemer Venture Partners (BVP). The potential index constituents are provided for final verification, and changes are made accordingly to index membership.

Securities that meet the applicable Security Eligibility Criteria are included in the index.

In addition, for a security to be considered as a new addition to the Index, the security must:

- Have grown annual revenue at least 15% for each of the last two full fiscal years as determined by BVP.

For a security to stay in the Index, the security must:

- Have grown annual revenue at least 7% in at least one of the last two fiscal years as determined by BVP.

CONSTITUENT WEIGHTING

Constituent weighting scheme

The Index is an equal-weighted index.

Constituent weighting process

The Index employs an equal-weight adjustment scheme: all Index Securities have equal index market capitalization.

For additional information about index weighting, see **Nasdaq Standard Index Weight Adjustment Guidelines**.

INDEX MAINTENANCE

Deletion policy

If, at any time other than an Index Reconstitution, Nasdaq determines that an Index Security has or will undergo a fundamental alteration such as a delisting, bankruptcy, acquisition, or other major corporate event that would make it ineligible for Index inclusion, the Index Security is removed as soon as practicable.

Replacement policy

Index Securities are not replaced in the Index outside of the Index Reconstitution.

Addition policy

Index Securities are not added to the Index outside of the Index Reconstitution.

Corporate actions

In the interim periods between scheduled index reconstitution and rebalancing events, individual Index securities may be the subject to a variety of corporate actions and events that require maintenance and adjustments to the Index. Specific treatment of each type of corporate action or event is described in **Nasdaq Corporate Actions and Events Manual – Equities**, which is incorporated herein by reference.

In certain cases, corporate actions and events are handled according to the weighting scheme or other index construction techniques employed. Wherever alternate methods are described, the Index will follow the “Non-Market Cap Corporate Action Method.”

Index share adjustments

Other than as a direct result of corporate actions, the index does not normally experience share adjustments between scheduled index rebalance and reconstitution events.

ADDITIONAL INFORMATION

Announcements

Nasdaq announces Index-related information via the Nasdaq Global Index Watch (GIW) website at <http://indexes.nasdaqomx.com>.

For more information on the general Index Announcement procedures, please refer to the **Nasdaq Index Methodology Guide**.

Holiday schedules

The Indexes are calculated Monday through Friday, except on days when the Nasdaq US exchange is closed.

Unexpected market closures

For information on Unexpected Market Closures, please refer to the **Nasdaq Index Methodology Guide**.

Calculation types

For information on the Index calculation types as well as the mathematical approach used to calculate the Index(es), please refer to the **Nasdaq Index Policies & Procedures: Calculation Manual – Equities & Commodities**.

Recalculation and restatement policy

For information on the Recalculation and Restatement Policy, please refer to the **Nasdaq Index Recalculation Policy**.

Data sources

For information on data sources, please refer to the **Nasdaq Index Methodology Guide**.

Contact information

For any questions regarding an Index, please contact the Nasdaq Index Client Services team at indexservices@nasdaq.com.

Index dissemination

Index values and weightings information are available through Nasdaq Global Index Watch (GIW) website at <https://indexes.nasdaqomx.com/> as well as the Nasdaq Global Index FlexFile Delivery Service (GIFFD) and Global Index Dissemination Services (GIDS). Similar to the GIDS offerings, Genium Consolidated Feed (GCF) provides real-time Index values and weightings for the Nordic Indexes.

For more detailed information regarding Index Dissemination, see the **Nasdaq Index Methodology Guide**.

Index calculation and dissemination schedule

The index is calculated during the trading day and is disseminated once per second from 09:00:01 to 17:16:00 ET. The closing value of the indexes may change up until 17:15:00 ET due to corrections to the Last Sale Price of the Index Securities.

Website

For further information, please refer to Nasdaq GIW website at <https://indexes.nasdaqomx.com/>.

FTP and dissemination service

Index values and weightings are available via FTP on the Nasdaq Global Indexes FlexFile Delivery Service (GIFFD). Index values are available via Nasdaq's Global Index Dissemination Services (GIDS).

GOVERNANCE

Index governance

All Nasdaq Indexes follow the same governance structure. For a detailed list of this information, please see the **Nasdaq Index Methodology Guide**.

Nasdaq Index Management Committee

The Nasdaq Index Management Committee approves all new Index Methodologies. This committee is comprised of full-time professional members of Nasdaq. The committee meets regularly, and reviews items including, but not limited to, pending corporate actions that may affect Index constituents, statistics comparing the composition of the indexes to the market, companies that are being considered as candidates for addition to an Index, and any significant market events.

For a detailed overview of the Index Management Committee, please see the **Nasdaq Index Methodology Guide**.

Internal reviews of methodology

For a detailed description on internal reviews of the Methodology, please see the **Nasdaq Index Methodology Guide**.

Communication with stakeholders and consultations

For a detailed description on Consultations and Communications with Stakeholders, please see the **Nasdaq Index Methodology Guide**.

Index cessation

Nasdaq has a documented procedure that is followed for Index Cessation that includes termination/retirement of an Index or Index Family.

For more information, please refer to the **Nasdaq Index Cessation Policy**.

Discretionary adjustment

This Index Methodology was created by Nasdaq to achieve the aforementioned objective of measuring the underlying purpose of each Index governed by this methodology document. Any deviations from this methodology are made in the sole judgment and discretion of Nasdaq so that the Index continues to achieve its objective.

For more information on potential adjustments including Calculation and Pricing Disruptions, Expert Judgment, and Unexpected Reconstitution/Rebalances, please refer to the **Nasdaq Index Methodology Guide**.

GLOSSARY OF TERMS AS USED IN THIS DOCUMENT

For the glossary of key terms, please refer to the **Nasdaq Index Methodology Guide**.

DISCLAIMER

Nasdaq may, from time to time, exercise reasonable discretion as it deems appropriate in order to ensure Index integrity, including but not limited to, quantitative inclusion criteria. Nasdaq may also, due to special circumstances, if deemed essential, apply discretionary adjustments to ensure and maintain the high quality of the index construction and calculation. Nasdaq does not guarantee that any Index accurately reflects future market performance.

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