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

Report as of Date: December 8, 2023

- Index Weighted Total Emission: 543,438.40 metric tonneCo2e
- Index Weighted Total Revenue: 7,634.25 Mil USD
- Index Carbon Intensity: 71.18 metric tonneCo2e per Mil USD Revenue
- Index Carbon Impact: 36.85 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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