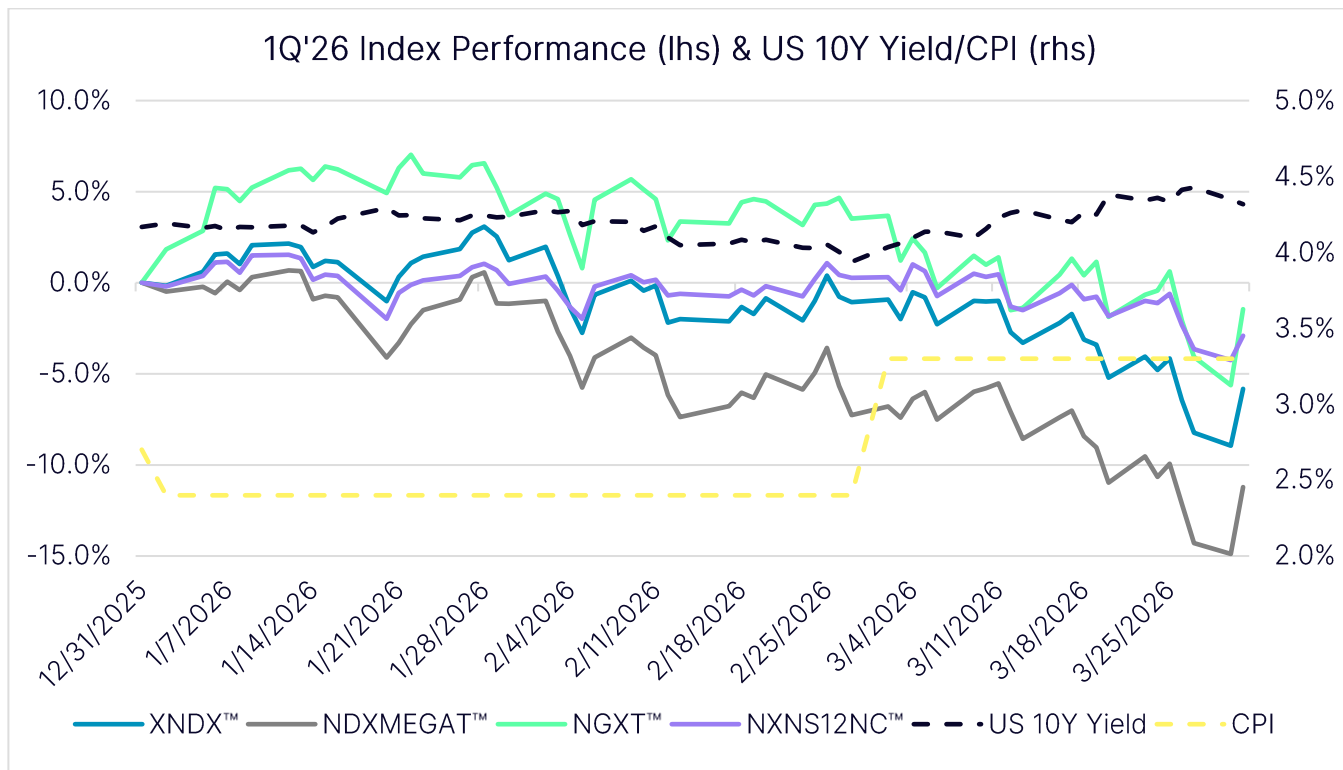


Nasdaq Nexus 12% Net Cost™ Index: 1Q'26 Performance Review

Pranay Dureja, *QIS and Derivatives Strategist*, Nasdaq Index Insights

The Nasdaq Nexus 12% Net Cost™ Index (NXNS12NC™) is designed to deliver excess-return exposure to the Nasdaq-100 Total Return™ (XNDX™), the Nasdaq-100 Mega™ (NDXMEGAT™) and the Nasdaq Next Generation 100 Total Return™ (NGXT™) Indexes (i.e. "component indexes"), while targeting a constant 12% level of volatility. NXNS12NC uses the truVol® Risk Control Engine (RCE) to dynamically allocate between the indexes and non-renumeraling cash (i.e. "unallocated" exposure) to achieve the volatility target. To determine allocation among the component indexes, NXNS12NC uses an allocation signal that compares current CPI and 10-year Treasury Rates to the past five years. It allocates to NDXMEGAT when rates and inflation are high (top 75th percentile), to NGXT when they are low (bottom 25th percentile), and to XNDX otherwise. On a daily basis, the maximum change in exposure is 20% for XNDX, 10% for NDXMEGAT, and 5% for NGXT. Therefore, to maintain its volatility target while following the allocation signal, NXNS12NC can tactically hold long and short positions on the Nasdaq-100 Futures Excess Return™ (NDXNQER™) Index. As NXNS12NC is an excess return index, it is important to keep in mind not only the constantly changing level of equity exposure (by design, to meet the 12% volatility target), but also the impact of financing costs on final index returns. With an effective Fed Funds rate of 3.64% through March 2026, the drag on index returns from financing costs alone was approximately 0.91% for the quarter.

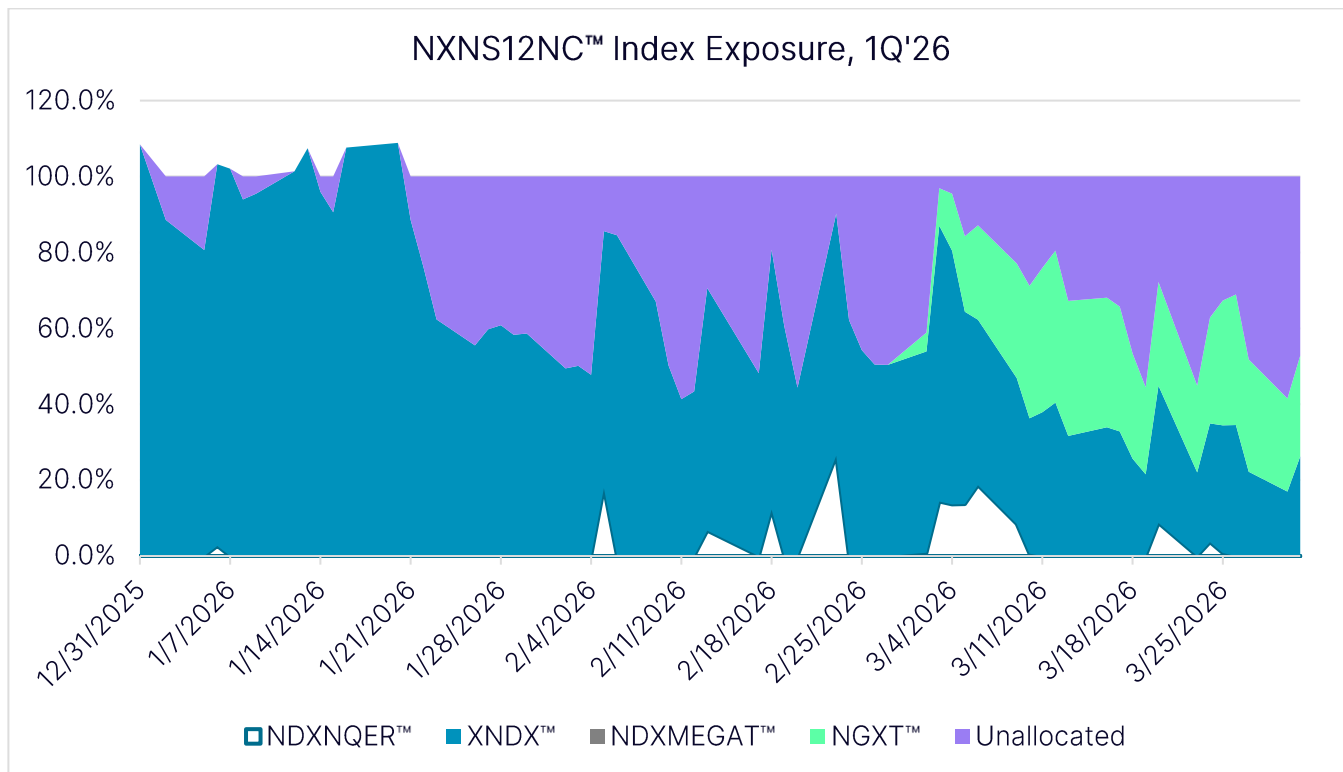
In the first quarter of 2026, NXNS12NC delivered a return of -2.9%. XNDX experienced a gross return of -5.8% in the quarter, NDXMEGAT returned -11.2%, while NGXT registered -1.4%. US Treasuries ended the quarter with the 10-year yield up by ~15 bps, while CPI finished up by ~60 bps. The U.S.–Iran conflict that started in late February drove markets lower in the first quarter of 2026. Global equity markets sold off as oil prices jumped after Iran effectively closed the Strait of Hormuz, a route that carries about 25% of the world's oil (per International Energy Agency estimates). Bottom up, the Nasdaq-100® continued to receive strong earnings growth at +17% YoY, which was 5% over the expected growth rate. Smaller constituents in the index continue to dominate, leading to a mean reverting effect being seen in performance contribution.



Nasdaq Nexus 12% Net Cost™ Index Allocation Metrics

Asset Allocation	Starting	Minimum	Average	Maximum	Ending
Nasdaq-100 Index®	108.5%	17.0%	59.3%	108.9%	26.3%
Nasdaq-100 Mega™ Index	0.0%	0.0%	0.0%	0.0%	0.0%
Nasdaq Next Generation 100™ Index	0.0%	0.0%	9.6%	40.0%	26.5%
Nasdaq-100 Futures Excess Return™ Index	0.0%	0.0%	2.4%	26.4%	0.0%

As of March 31, NXNS12NC maintained a net equity allocation of 52.8%, with the rest unallocated. This was an aggregate decrease in equity exposure compared to the December 31 allocation of 108.5%, while throughout the quarter the index was allocated between XNDX, NGXT, and NDXNQR. With the allocation signal sitting at 6.72% on March 31 - in the 1st quartile of the past 5 years of levels - equities were allocated to large- and mid-cap exposure through XNDX and NGXT. Average net exposure to equities throughout the quarter was 71.4%. Allocations to equities decreased after January due to heightened volatility driven by mega-cap equity valuations, global trade uncertainty, and the aforementioned U.S.-Iran Conflict. Volatility remained elevated throughout much of the quarter, resulting in lower allocations to equities compared to the previous quarter.



Sources: Nasdaq, Bloomberg, Factset, Salt Financial. All Data as of 03/31/2026

About Salt Financial and their award-winning approach to volatility control:

Salt Financial LLC is a leading provider of index solutions and risk analytics, powered by the patent-pending truVol® Risk Control Engine (RCE). We leverage the rich information contained in intraday prices to better estimate volatility to develop index-based investment products for insurance carriers, investment banks, asset managers, and fund sponsors. Salt is committed to collaborating with industry leaders to empower the pursuit of financial outperformance for investors worldwide. For more information, please visit www.saltfinancial.com.

Disclaimer:

Nasdaq®, Nasdaq-100 Index®, Nasdaq-100® and NDX® are registered trademarks of Nasdaq, Inc. The information contained above is provided for informational and educational purposes only, and nothing contained herein should be construed as investment advice, either on behalf of a particular security or an overall investment strategy. Neither Nasdaq, Inc. nor any of its affiliates makes any recommendation to buy or sell any security or any representation about the financial condition of any company. Statements regarding Nasdaq-listed companies or Nasdaq proprietary indexes are not guarantees of future performance. Actual results may differ materially from those expressed or implied. Past performance is not indicative of future results. Investors should undertake their own due diligence and carefully evaluate companies before investing. **ADVICE FROM A SECURITIES PROFESSIONAL IS STRONGLY ADVISED.**