



INDEX METHODOLOGY

## NASDAQ GLOBAL DISRUPTIVE TECHNOLOGY BENCHMARK™ INDEX

### NYDTB™

#### INDEX DESCRIPTION

The Nasdaq Global Disruptive Technology Benchmark Index is designed to track the performance of a selection of companies engaged in artificial intelligence; robotics; automotive innovation; healthcare innovation; new energy & environment; internet of things; and data computing & processing.

Nasdaq has created a theme and sub-theme classification process to review innovative technologies by analyzing millions of approved patents on a rolling one-year basis. The index aims to select companies that may be innovative in their space based on their rolling one-year patent data.

#### SECURITY ELIGIBILITY CRITERIA

##### Security universe

A security either must be included in the Nasdaq Global Index or must be listed on an exchange operated under Nasdaq – All Markets, New York Stock Exchange, Inc., or Cboe Global Markets Inc. as of the Index Reconstitution Reference Date.

##### Multiple classes of securities

One security per issuer is permitted. If an issuer has multiple otherwise-eligible securities, the security with the highest three-month average daily traded value generally is considered for possible inclusion in the Index. If an issuer has multiple otherwise-eligible securities, one of which is an existing Index Security, the existing Index Security generally is considered for inclusion even if it does not have the highest three-month average daily traded value.

If a security is a depositary receipt, references to its “issuer” are references to the issuer of the underlying security.

## **Eligible exchanges**

A security that is not included in the Nasdaq Global Index must be listed on an exchange operated under Nasdaq – All Markets, New York Stock Exchange, Inc., or Cboe Global Markets Inc.

## **Industry or sector eligibility**

A security issuer must be identified by Nasdaq as involved in at least one of the sub-themes listed in Appendix A.

## **Other eligibility**

If, at reconstitution, Nasdaq becomes aware that an issuer or security will soon undergo a fundamental change that makes it ineligible, Nasdaq will remove the security from consideration. This includes entering into a definitive merger or acquisition agreement or other pending arrangement that would make it ineligible for Index inclusion, or a filing of bankruptcy or similar protection from creditors.

# **INDEX CALENDAR**

## **Reconstitution schedule**

The Index is reconstituted quarterly in January, April, July and October by applying the Quarterly Constituent Selection Process.

## **Reconstitution reference dates**

Unless otherwise specified, the Security Eligibility Criteria and Constituent Selection Process are applied using data as of the end of November, February, May and August, respectively.

## **Reconstitution announcement dates**

Index Reconstitutions are not announced.

## **Reconstitution effective dates**

Index Reconstitutions become effective at market open on the trading day following the third Friday of January, April, July and October.

## **Rebalance schedule**

The Index is rebalanced quarterly in January, April, July and October by following the Constituent Weighting Process. The rebalance announcement and effective dates are the same as those of the reconstitution.

## Rebalance reference dates

The Index Rebalance is conducted using issuer market capitalization as of November, February, May and August to determine Index Security weights, and Last Sale Price as of the month-end of December, March, June and September to calculate Index Shares.

## Holiday schedule

The Index is calculated Monday through Friday and does not close for holidays, as it is a Global Index.

## Index calculation and dissemination schedule

The Index Value is calculated and disseminated five (5) days a week, Monday through Friday, once per second from the start of the trading day in Tokyo (09:00:01 Asia/Tokyo) until the close of the trading day in New York (17:16:00 America/New York).

## CONSTITUENT SELECTION

### Quarterly constituent selection process

All securities that meet the applicable Security Eligibility Criteria are included in the Index.

## CONSTITUENT WEIGHTING

### Constituent weighting scheme

The Index is a market capitalization-weighted index.

### Constituent weighting process

Index Securities' weights are determined by dividing each Index Security issuer's market capitalization by the aggregate market capitalization of all Index Security issuers.

For additional information about index weighting, see [Nasdaq Index Weight Calculations](#).

## INDEX MAINTENANCE

### Deletion policy

If, at any time, Nasdaq determines that an Index Security has or will become ineligible for continued inclusion in the Index due to bankruptcy, delisting, or a definitive agreement that would likely result in the security no longer being Index eligible, the security is removed from the Index as soon as practicable and is not replaced. Ordinarily, a security will be removed from the Index at its Last Sale Price. If,

however, at the time of its removal the Index Security is halted from trading on its primary listing market and an official closing price cannot readily be determined, the Index Security may, in Nasdaq's discretion, be removed at a zero price. The zero price will be applied to the Index Security after the close of the market but prior to the time the official closing value of the Index is disseminated.

## **Corporate actions**

In the 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**.

## **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 and the classification of dividends and associated tax rates, 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](mailto: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**.

## 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

All Nasdaq Indexes are managed by the governance committee structure and have transparent governance, oversight, and accountability procedures for the Index determination process. For further details on the Index Methodology and Governance overlay, refer to the **Nasdaq Index Methodology Guide**.

## GLOSSARY OF TERMS AS USED IN THIS DOCUMENT

See **Nasdaq Index Methodology Guide**.

## APPENDIX A: NASDAQ THEMES AND SUB-THEMES

The following table shows the themes and sub-themes that are covered in this Index.

Theme	Sub-Theme
Artificial Intelligence	Deep Learning
Artificial Intelligence	Image Recognition
Artificial Intelligence	NLP
Artificial Intelligence	Speech Recognition & Chatbots
Automotive Innovation	Autonomous Vehicles
Automotive Innovation	Electric Vehicles
Automotive Innovation	Hybrid Vehicles
Data Computing & Processing	3D Graphics
Data Computing & Processing	Big Data
Data Computing & Processing	Blockchain
Data Computing & Processing	Cloud Computing
Data Computing & Processing	Cyber Security
Data Computing & Processing	Quantum Information & Optics
Data Computing & Processing	Virtual Reality & AR
Healthcare Innovation	Bioinformatics
Healthcare Innovation	Human Augmentation
Healthcare Innovation	Robotic Surgery
Internet of Things	Digital Currency
Internet of Things	Internet of Things
Internet of Things	Mobile Payments
Internet of Things	Wearable Technology
New Energy & Environment	Agriscience
New Energy & Environment	Biofuel
New Energy & Environment	Electric Batteries
New Energy & Environment	Geothermal Energy
New Energy & Environment	Hydro Energy
New Energy & Environment	Lithium Batteries
New Energy & Environment	Nuclear Power
New Energy & Environment	Solar Energy

Theme	Sub-Theme
New Energy & Environment	Waste Management
New Energy & Environment	Wind Energy
Robotics	3D Printing
Robotics	Drones
Robotics	Nanorobotics
Robotics	Spacecraft & Satellites

## APPENDIX B: METHODOLOGY CHANGE LOG

Effective Date	Methodology Section	Description or Summary of Changes
July 24, 2023	Index name	The Index name is changed from Nasdaq Yewno Global Disruptive Technology Benchmark Index to Nasdaq Global Disruptive Technology Benchmark Index.
July 24, 2023	Index description	The index description is changed to reflect the replacement of Yewno, Inc. (Yewno) with Nasdaq, Inc. (Nasdaq) as the developer of the theme and sub-theme classification process.
July 24, 2023	Security eligibility criteria: Industry and sector	The industry or sector eligibility is changed to reflect the replacement of Yewno with Nasdaq as the provider of eligible themes and sub-themes, as listed in Appendix A.

## 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. Additionally, Nasdaq utilizes an AI Model trained on a diverse range of data as part of the constituent selection process. While efforts have been made in-line with industry practices to ensure the quality and reliability of the content, there may be limitations, inaccuracies, or biases present. Nasdaq does not guarantee that any Index accurately reflects future market performance. Neither Nasdaq, Inc., its third-party providers, nor any of their respective affiliates (collectively “Corporations”) make any recommendation to buy or sell any security or any representation about the financial condition of any company. Investors should undertake their own due diligence and carefully evaluate companies before investing. The information contained herein 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. **ADVICE FROM A SECURITIES PROFESSIONAL IS STRONGLY ADVISED.**