INDEX METHODOLOGY

ISE CTA CLOUD COMPUTING^{TM} INDEX

CPQ^{TM}

INDEX DESCRIPTION

The ISE CTA Cloud Computing Index (the “Index”) is designed to track the performance of companies involved in the cloud computing industry. The companies are selected based on classification determined by Consumer Technology Association (CTA).

SECURITY ELIGIBILITY CRITERIA

To qualify for index inclusion, securities must meet the following Security Eligibility Criteria, which are applied as of the Reconstitution Reference Date.

Security Types

A security must be classified as a common stock, ordinary share or depositary receipt.

References to a depositary receipt’s “issuer” are references to the issuer of the underlying security.

Multiple Securities per Issuer

One security per issuer is permitted. If an issuer has multiple otherwise-eligible securities, one of which is an Index Security as of the Reconstitution Reference Date, only that Index Security may be eligible; otherwise, only the security with the highest three-month average daily traded value may be eligible.

Listing Exchanges

A security must be listed on a U.S. exchange as defined in the **Nasdaq Eligible Exchanges**.

Industries and Sectors

A security must be classified by CTA as a Cloud Computing company, as defined below:

- Infrastructure-as-a-Service (IaaS): Companies that deliver cloud computing infrastructure – servers, storage, and networks as an on-demand service.

- Platform-as-a-Service (PaaS): Companies that deliver a platform for the creation of software in the form of virtualization, middleware, and/or operating systems, which is then delivered over the internet.
- Software-as-a-Service (SaaS): Companies that deliver software applications over the internet enabling other companies to conduct their operations using the application.

Market Capitalization

A security must have a market capitalization of at least $500 million (USD).

Liquidity

A security must have a three-month average daily value traded (ADVT) of at least $5 million (USD).

Seasoning

A security must have been traded for at least three months prior to the Reconstitution Effective Date.

Float

At least 20% of a security's total shares outstanding must be publicly available for trading (float shares).

Other Eligibility Criteria

A security's issuer must not be identified by the U.S. Securities and Exchange Commission (SEC) as having used to audit its financial statements an accounting firm that has been identified by the Public Company Accounting Oversight Board (PCAOB) under the Holding Foreign Companies Accountable Act (HFCAA).

If, at index 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, or other events as described in Section 3 of **Corporate Actions and Events Manual – Equities**.

CONSTITUENT SELECTION

Constituent Selection Process

An index reconstitution is conducted quarterly based on the Reconstitution Reference Date.

Every security that meets the applicable *Security Eligibility Criteria* is included in the Index.

CONSTITUENT WEIGHTING

Constituent Weighting Scheme

The Index is a modified theme strength-weighted index.

Constituent Weighting Process

An index rebalance is conducted quarterly based on the Rebalance Reference Date.

The Consumer Technology Association (CTA) provides each security with a binary score of 0 or 1 for each category (IaaS, PaaS, and SaaS) defined above. A score of 1 indicates that the company operates in that category; a score of 0 indicates that the company does not operate in that category.

The Cloud Score CS_i for each security i is defined as $CS_i = 3 \times IaaS_i + 2 \times PaaS_i + SaaS_i$, where $IaaS_i$, $PaaS_i$, and $SaaS_i$ are the security's three binary scores.

Each Index Security's initial weight is determined by dividing its Cloud Score by the sum of the Cloud Scores of all Index Securities.

Initial security weights are then adjusted to meet the following constraints, producing the final weights:

- No Index Security weight may exceed 4.5% of the Index.
- No Index Security weight may exceed 10% of the ratio between the Index Security's free float market capitalization and the median free float market capitalization of all Index Securities.
- No Index Security weight may be lower than 0.25%.

For additional information about index weighting, see **Nasdaq Index Weight Calculations**.

INDEX CALENDAR

Reconstitution & Rebalancing Schedule

Reconstitution Frequency	Quarterly
Rebalance Frequency	Quarterly
Reconstitution Reference Dates	Last trading day of January, April, July, and October, respectively
Reconstitution Announcement Dates	After the close on the sixth trading day prior to the Reconstitution Effective Date
Reconstitution Effective Dates	At market open on the first trading day after the third Friday in March, June, September, and December, respectively
Rebalance Reference Dates	• Generally, the last trading day of February, May, August, and November, respectively

	• For Cloud Score data, the last trading day of January, April, July, and October, respectively
Rebalance Announcement Dates	Same as the Reconstitution Announcement Dates
Rebalance Effective Dates	Same as the Reconstitution Effective Dates

Holiday Schedule

The Index is calculated Monday through Friday, except on days when the US markets are closed.

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 Index may change up until 17:15:00 ET due to corrections to the Last Sale Price of the Index Securities.

INDEX MAINTENANCE

Deletion Policy

If, at any time other than an index reconstitution, Nasdaq becomes aware that an Index Security has become ineligible for continued inclusion, it is removed from the Index as soon as practicable. This includes events such as filing bankruptcy or similar protection from creditors, delisting or other arrangement including mergers and acquisitions. Refer to the **Corporate Actions and Events Manual – Equities** for further information.

Replacement Policy

Index Securities are not replaced in the Index outside of an index reconstitution.

Addition Policy

Index Securities are not added to the Index outside of an index reconstitution.

Corporate Actions

In the interim periods between scheduled index reconstitution and rebalancing events, individual Index Securities may be 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 reconstitution and rebalancing events.

ADDITIONAL INFORMATION

Announcements

Nasdaq announces Index-related information via the Nasdaq Global Index Watch (GIW) website at https://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 **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.**

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

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

APPENDIX: METHODOLOGY CHANGE LOG

Effective Date	Methodology Section	Previous	Updated
7/6/2026	Security Eligibility Criteria: Listing Exchanges	A security must be listed on The Nasdaq Stock Market, the New York Stock Exchange, NYSE American or the Cboe BZX Exchange.	A security must be listed on a U.S. exchange as defined in the **Nasdaq Eligible Exchanges**. *Note: This update includes the treatment of TXSE as an eligible U.S. exchange.*

Effective Date	Methodology Section	Previous	Updated
12/19/2022	Constituent Weighting: Constituent Weighting Process	--	A minimum general Index Security weight constraint is added: 0.25% for each Index Security. A maximum security-specific Index Security weight constraint is added: 10% of the ratio between the Index Security's free float market capitalization and the median free float market capitalization of all Index Securities.
9/19/2022	Security Eligibility Criteria: Other Eligibility Criteria	--	A security whose issuer is identified by the SEC as having used for financial audit an accounting firm identified by the PCAOB under the HFCAA is no longer eligible.

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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