

Arctic Eco-Tourism Index



Defining the universe of sustainable Arctic investing

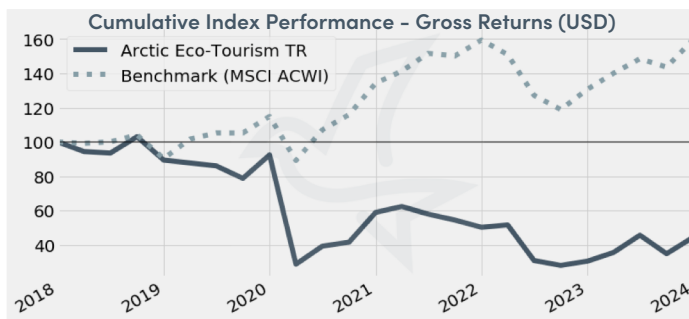
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Index Description

The Arctic Eco-Tourism Index is an equal-weighted index that captures globally-listed companies with economic exposure to the Arctic region through participation in eco-tourism. Areas of Arctic eco-tourism economy include hospitality, cruises, airlines, and expedition-based experiences. The index is designed to provide exposure to the growth potential of these sustainable industries in the Arctic region while promoting the responsible use and conservation of the region's natural resources.

Key Features

- Captures regional & thematic equity exposure
- Companies with commitment to sustainability and align with UN SDGs
- Rules-based eligibility & selection criteria
- Expert advisory committee oversight



| | | | |
|--------------------|---------------|----------------------------------|-----------|
| Launch Date | 2018-01-01 | Benchmark | MSCI ACWI |
| Type | Global Equity | Base Value | 100 |
| Currency | USD | No. Constituents | 8 |
| Rebalance | Quarterly | Market Cap <i>billion</i> | \$72.8 |

Performance & Fundamentals

| | 3 Mo | 6 Mo | 1 Yr | 3 Yr | ITD |
|-------------------------|--------|--------|--------|---------|---------|
| Total Return | 27.31% | -2.59% | 45.66% | -24.55% | -55.42% |
| Benchmark Return | 11.26% | 7.59% | 22.22% | 19.10% | 59.78% |

| | | | | | |
|-------------------------------|-------|-----------------------|-------|-----------------------|-------|
| Correlation <i>ITD</i> | 0.65 | Ann Volatility | 44.56 | Dividend Yield | 0.0 |
| Beta | 1.74 | Semi variance | 32.92 | P/E | 53.37 |
| Sharpe Ratio | -0.12 | Tracking Error | 35.99 | P/CF | 3.48 |
| Information Ratio | -0.46 | Skewness | 0.31 | P/B | 3.98 |

Country & Sector Weighting

| Country | Count | Weight |
|---------------|-------|--------|
| United States | 5 | 64.71% |
| Sweden | 1 | 13.23% |
| Norway | 1 | 12.92% |
| Iceland | 1 | 9.15% |



| Sector | Count | Weight |
|------------------------|-------|--------|
| Consumer Discretionary | 5 | 67.59% |
| Industrials | 3 | 32.41% |





Size & Currency Weighting

| Size | Count | Weight |
|-----------|-------|--------|
| Small Cap | 4 | 50.66% |
| Mid Cap | 1 | 10.34% |
| Large Cap | 3 | 39.00% |



| Currency | Count | Weight |
|-----------------|-------|--------|
| US Dollar | 5 | 64.71% |
| Swedish Krona | 1 | 13.23% |
| Norwegian Krone | 1 | 12.92% |
| Iceland Krona | 1 | 9.15% |



Top Constituents

| Constituent | Bloomberg Ticker | Country of Domicile | Currency | Weight |
|-----------------------------|------------------|---------------------|----------|--------|
| LINDBLAD EXPEDITIONS | LIND US | United States | USD | 15.37% |
| ROYAL CARIBBEAN CRUISES LTD | RCL US | United States | USD | 13.80% |
| SCANDIC HOTELS GROUP AB | SHOT SS | Sweden | SEK | 13.23% |
| NORWEGIAN AIR SHUTTLE AS | NAS NO | Norway | NOK | 11.94% |
| ALASKA AIR GROUP INC | ALK US | United States | USD | 10.34% |

Investment Theme

The allure of the North—with its massive protected areas allowing access to untamed natural beauty, the aurora borealis, and unique tourism experiences—draws global tourism every year with ample development opportunities. Tourism in the Arctic is both a driver of economic growth and a motivation for ensuring sustainable development. As a destination for adventure tourism and cruises, and as a stop-over destination for European flights, the Arctic is already an important player in the tourism industry and has plenty of room for growth.

Geographic Scope

The Arctic Eco-Tourism Index adheres to the geographic definition of the Arctic articulated by the Arctic Council’s Arctic Human Development Report (AHDR). The definition includes Alaska, Canadian territories north of 60°N together with northern Quebec and Labrador, Greenland, the Faroe Islands, Iceland, and the northernmost counties of Norway, Sweden and Finland.

Following the 2022 invasion of Ukraine by Russia all Russian companies and companies doing business in the Russian Arctic were removed from the Arctic Eco-Tourism Index.



Sustainability Context

Eco-tourism recognizes the critical importance of respecting and protecting nature as its primary objective. Visiting national parks and wilderness areas brings income for their management, and creates a reliable market for local products, generating livelihoods. Finally, eco-tourism exposes people to the beauty of the Arctic, encouraging them to respect and protect it. The Eco-Tourism Index contributes primarily to SDGs 1, 8, and 11.

1 NO POVERTY



8 DECENT WORK AND ECONOMIC GROWTH



11 SUSTAINABLE CITIES AND COMMUNITIES

