

The Arctic Index

Defining the universe of sustainable Arctic investing



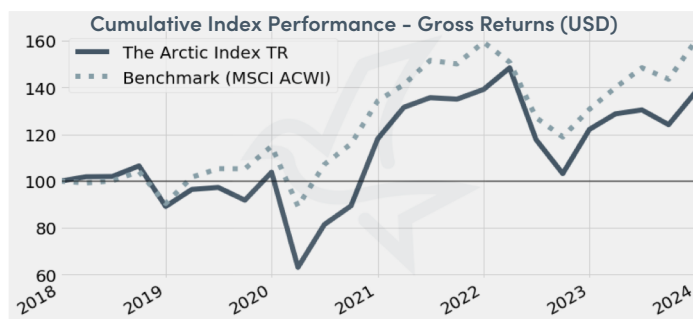
Dec 31, 2023

Index Description

The Arctic Index is an equal-weighted composite index that captures globally listed companies with economic exposure to the Arctic region. The index provides exposure to the growth potential of sustainable industries in the Arctic while promoting the responsible use and conservation of the region's natural resources. The Arctic Index is the first and only equity benchmark for the Arctic, both as a distinct geographic region and a 21st century thematic investment trend.

Key Features

- Captures total Arctic 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	68
Rebalance	Quarterly	Market Cap <i>billion</i>	\$517.6

Performance & Fundamentals

	3 Mo	6 Mo	1 Yr	3 Yr	ITD
Total Return	10.75%	5.62%	13.04%	16.92%	37.95%
Benchmark Return	11.26%	7.59%	22.22%	19.10%	59.78%

Correlation <i>ITD</i>	0.84	Ann Volatility	22.12	Dividend Yield	3.55
Beta	1.12	Semi variance	17.59	P/E	26.29
Sharpe Ratio	0.28	Tracking Error	12.28	P/CF	8.29
Information Ratio	-0.08	Skewness	-0.76	P/B	1.53

Country & Sector Weighting

Country	Count	Weight
United States	14	22.99%
Norway	14	18.62%
Iceland	11	15.49%
Canada	7	9.50%
Other	22	33.40%



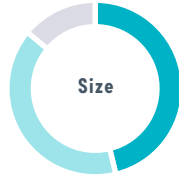
Sector	Count	Weight
Industrials	20	30.81%
Materials	13	18.86%
Consumer Staples	12	18.44%
Financials	7	9.86%
Other	16	22.03%





Size & Currency Weighting

Size	Count	Weight
Small Cap	32	46.23%
Mid Cap	26	39.80%
Large Cap	10	13.97%



Currency	Count	Weight
US Dollar	17	26.76%
Norwegian Krone	15	19.97%
Euro	10	13.92%
Iceland Krona	9	13.61%
Other	17	25.74%



Top Constituents

Constituent	Bloomberg Ticker	Country of Domicile	Currency	Weight
LINDBLAD EXPEDITIONS	LIND US	United States	USD	2.08%
VESTAS WIND SYSTEMS A/S	VWS DC	Denmark	DKK	1.74%
PANGAEA LOGISTICS SOLUTIONS	PANL US	United States	USD	1.89%
SCANDIC HOTELS GROUP AB	SHOT SS	Sweden	SEK	1.79%
NORWEGIAN AIR SHUTTLE AB	NAS NO	Norway	NOK	1.75%

Sustainability Context

The Arctic is a global center for sustainable development, with Iceland and Norway leading the world in fossil-fuel independence, and is home to 6 of the top-12 most fossil fuel-independent countries. The region is also a hub for Europe’s cutting edge tech R&D, an attractive area for data centers with its abundant clean energy and cool temperatures, a strategic location for new telecommunications and shipping routes, and boasts preferential placement of its financial institutions to drive development. The Arctic is poised for an explosion in infrastructure development, from ports and airstrips to hotels and housing, with construction and engineering firms that boast the highest sustainability standards and strict regulatory environments.

Geographic Scope

The Arctic Index adheres to the geographic definition of the Arctic articulated by the Arctic Council’s Arctic Human Development Report (AHDR). The AHDR 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 Index.

