

Agents of innovation

Nasdaq Next Generation 100 Index: Case Studies

January 2024

For professional investors, qualified clients/sophisticated investors

Nasdaq and Invesco have both long been associated with innovation. The Nasdaq Next Generation 100 index provides access to the next generation of innovators, while Invesco enables you to access them through our ETFs.

The index includes the next 100 largest non-financial companies listed on the Nasdaq exchange, outside of the Nasdaq-100 Index. The index provides targeted exposure to those forward-thinking, mid-cap innovators.

Learn more about some of these “agents of innovation” from a selection of sectors, and how they continue to innovate.

Discover some of the next generation of innovators

Etsy Inc.

E-commerce platform, Etsy, provides like-minded entrepreneurs a place to sell a range of creative goods, from hand-crafted pieces to vintage treasures. The Etsy marketplace is an innovative technology platform, with a mission to 'keep commerce human' through connecting buyers and sellers to one of a kind goods.

In 2022, Etsy's research and development (R&D) spend was US\$41m, 51% increase from 2021¹.

Sector: Consumer Discretionary

HQ: Brooklyn

Founded: 2005

Next Generation 100 weighting: 0.68%².

Ticker: ETSY

Tractor Supply Co.

Tractor Supply is the largest rural lifestyle retailer in the U.S., ranking 291 on the Fortune 500 and have goals to reduce their carbon footprint and achieve net zero emissions across all operations by 2040. One way in which the company have been on track to achieve these goals is through their supply distribution, and having become a Smart Way transport partner the company has eliminated over 6 million shipping miles from the road over the last 12 months³.

Tractor Supply annual revenue for 2022 was \$14.20B, a 11.57% increase from 2021⁴.

Sector: Consumer Staples

HQ:

Founded: 1938

Next Generation 100 weighting: 1.64%⁵

Ticker: TSCO

BioMarin Pharmaceutical Inc.

With Genetics and Molecular biology at the company's core, BioMarin Pharmaceutical Inc has been able to develop targeted therapies and products for individuals diagnosed with rare genetic diseases which have previously been overlooked.

BioMarin's annual R&D expenses for 2022 was US\$65m, a 3.31% increase from 2021⁶.

Sector: Healthcare

HQ: California

Founded: 1997

Next Generation 100 weighting: 1.28%⁷

Ticker: BMRN

First Solar Inc.

America's leading solar energy company provider, First Solar, targets innovative technological solutions in order to optimise solar generation and solar energy performance.

The company has dedicated US\$270m⁸ towards a new Research & Development centre in order to meet rising demands for efficient renewable energy. Revenues for the quarter ending September 30 2023 was \$80m, a 27.37% increase year-over-year⁹.

Sector: Technology

HQ: Arizona

Founded: 1999

Next Generation 100 weighting: 1.3%¹⁰

Ticker: FSLR



Footnotes

1. Source: Macrotrends: Etsy R&D 2013-2023, as of 31 December 2023
2. Source: Invesco as of 31 December 2023
3. Source: 2024, Tractor Supply Co.
4. Source: Marcotrends: Coca-Cola Europacific Partners Revenues 2010-2023, as of 30 June 2023
5. Source: Invesco as of 31 December 2023
6. Source: Macrotrends: BioMarin Pharmaceutical R&D Expenses 2010 - 2023, as of 31 December 2023
7. Source: Invesco as of 31 December 2023
8. Source: First Solar, as of 11 January 2023
9. Source: Marcotrends: First Solar Revenues 2010-2023, as of 31 December 2023
10. Source: Invesco as of 31 December 2023

Investment Risks

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

Important Information

This marketing communication is only for Professional Clients in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Liechtenstein, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Dubai and the UK, Qualified Clients/Sophisticated Investors in Israel. It is not intended for and should not be distributed to, or relied upon, by the public.

This is marketing material and is not intended as a recommendation to invest in any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication.

By accepting this document, you consent to communicating with us in English, unless you inform us otherwise.

This document may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent. Nothing in this document should be considered investment advice or investment marketing as defined in the Regulation of Investment Advice, Investment Marketing and Portfolio Management Law, 1995 ("the Investment Advice Law"). Investors are encouraged to seek competent investment advice from a locally licensed investment advisor prior to making any investment. Neither Invesco Ltd. Nor its subsidiaries are licensed under the Investment Advice Law, nor does it carry the insurance as required of a licensee thereunder.

Views and opinions are based on current market conditions and are subject to change.

This document has been communicated by Invesco Investment Management Limited, Ground Floor, 2 Cumberland Place, Fenian Street, Dublin 2, Ireland, Invesco Asset Management Limited, Perpetual Park, Perpetual Park Drive, Henley-on-Thames, Oxfordshire, RG9 1HH, United Kingdom, Invesco Asset Management Limited, Index Tower Level 6 - Unit 616, P.O. Box 506599, Al Mustaqbal Street, DIFC, Dubai, United Arab Emirates. Regulated by the Dubai Financial Services Authority; Invesco Asset Management (Schweiz) AG, Talacker 34, 8001 Zurich, Switzerland.

EMEA3340777/2024



Further information

Telephone +44 (0)20 8538 4900*
Email invest@invesco.com

etf.invesco.com

Portman Square House,
43-45 Portman Square,
London
W1H 6LY

*Please note telephone
calls may be recorded