

# Tortoise Water Index<sup>SM</sup>



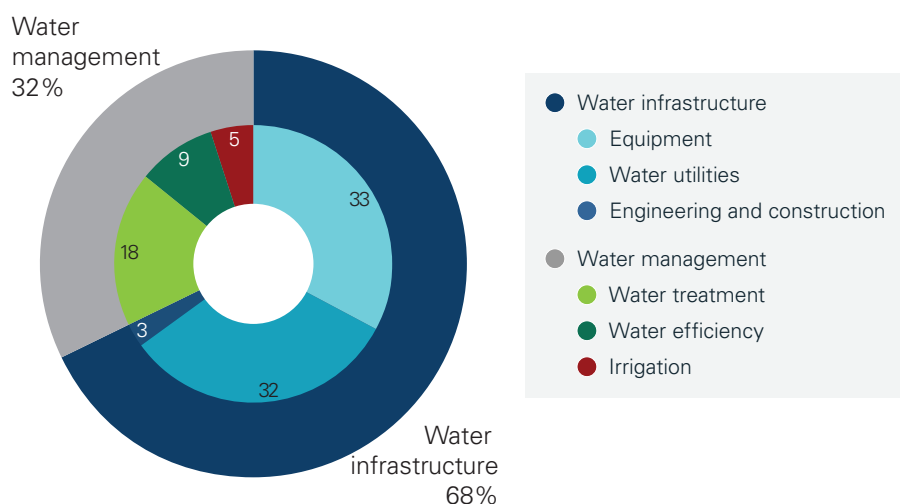
## About the index

The Tortoise Water Index<sup>SM</sup> is a float-adjusted, modified market capitalization-weighted index comprised of companies that are materially engaged in the water infrastructure or water management industries. Water infrastructure companies' principal business is providing public water distribution or supporting water distribution infrastructure via equipment or engineering and construction. Water management companies' primary business is providing technologies or products that manage or facilitate water distribution and usage, including the fields of water efficiency, water treatment and irrigation.

## Methodology summary

- Float-adjusted, modified market capitalization-weighting
- Fundamental weighting based on percentage of company's gross revenues derived from water related activities
  - Direct water exposure: companies derive 50% or more of their revenues from water related activities; this segment will represent at least 70% of the index
  - Indirect water exposure: companies derive substantial, but less than a majority of gross revenues from water related activities
- No single issuer greater than 7.5% as of the rebalance reference date
  - No single issuer with indirect water exposure greater than 4% as of the rebalance reference date

## Sector breakdown\*



## Key information

### Tickers

|              |        |
|--------------|--------|
| Price        | TBLUE  |
| Total return | TBLUET |

### Base date

December 31, 2010

### Inception date

August 31, 2016

### Calculated by

S&P Dow Jones Indices

### Rebalancing

Quarterly

## Index portfolio characteristics\*

|                              |                 |
|------------------------------|-----------------|
| <b>Number of companies</b>   | 34              |
| <b>Market capitalization</b> | \$138 billion   |
| <b>Constituent size</b>      |                 |
| Average                      | \$4,057 million |
| Median                       | \$1,775 million |

## Key eligibility requirements

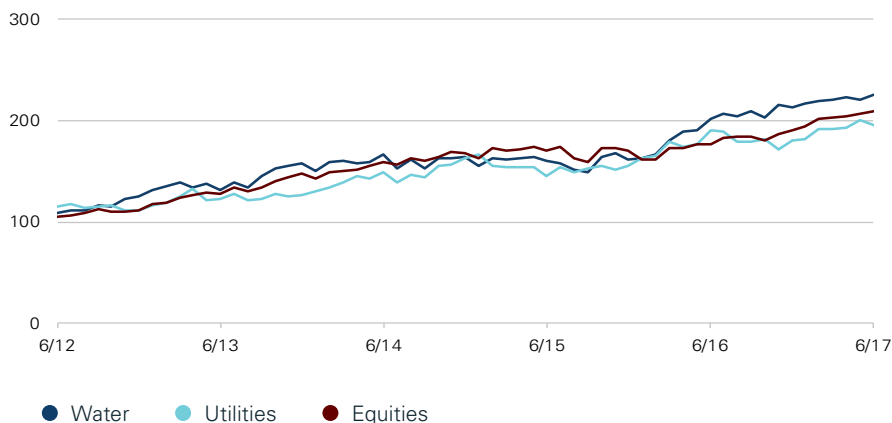
- Classification as a water infrastructure or water management company based on deriving significant gross revenues from water related activities
- Market capitalization of \$200 million at time of index inclusion
- Listed on NYSE, NASDAQ or TSX

## Top 10 constituents\*

| Name                               | Index weight |
|------------------------------------|--------------|
| A.O. Smith Corporation             | 7.6%         |
| American Water Works Company, Inc. | 7.5%         |
| Aqua America, Inc.                 | 7.5%         |
| Xylem Inc.                         | 7.4%         |
| Cia de Saneamento Basico           | 5.5%         |
| Rexnord Corporation                | 3.4%         |
| Valmont Industries, Inc.           | 3.4%         |
| Aegion Corporation                 | 3.4%         |
| Calgon Carbon Corporation          | 3.3%         |
| Ecolab Inc.                        | 3.3%         |
| <b>Total</b>                       | <b>52.3%</b> |

\*As of most recent rebalance date (6/16/2017)  
Due to rounding, totals may not always equal 100%.

## 5 year historical index performance as of 6/30/2017



## Historical index statistics as of 6/30/2017

|                      | Water | Utilities | Equities |
|----------------------|-------|-----------|----------|
| <b>Total returns</b> |       |           |          |
| 5 year               | 15.6% | 11.2%     | 14.6%    |
| 3 year               | 10.6% | 9.4%      | 9.6%     |
| 1 year               | 12.0% | 2.5%      | 17.9%    |
| <b>Sharpe ratio</b>  |       |           |          |
| 5 year               | 1.15  | 0.84      | 1.47     |
| 3 year               | 0.80  | 0.69      | 0.92     |
| 1 year               | 1.47  | 0.22      | 2.79     |
| <b>Sortino ratio</b> |       |           |          |
| 5 year               | 2.18  | 1.31      | 3.01     |
| 3 year               | 1.40  | 1.10      | 1.73     |
| 1 year               | 3.59  | 0.30      | 9.81     |

## Disclaimers

**The characteristics provided for the index are illustrative of the characteristics of an asset class and are not indicative of the performance of any investment product. The historical data of the index prior to its inception date was calculated on the same basis on which the index is currently calculated. Past characteristics are no guarantee of future results. It is not possible to invest directly in an index.**

Utilities = S&P Utilities Select Sector Index, a modified market-cap weighted index composed of constituents of the S&P 500 in the utility sector (as defined by the Global Industry Classification Standard). Equities = S&P 500<sup>®</sup> Index, an unmanaged, market-value weighted index of stocks that is widely regarded as the standard for measuring large-cap U.S. stock market performance. Sharpe ratio is the excess return per unit of risk in an index (total return minus risk free rate divided by standard deviation). Risk free rate is the interest an investor would expect from a risk-free investment and is based on the BofA Merrill Lynch 3-Month Treasury Bill Index, an unmanaged index that measures returns of three-month treasury bills. Standard deviation is a statistical measure of the historical volatility of the index, usually computed using monthly returns. Sortino ratio is calculated as the measure of total return per unit of downside risk in an index. Downside risk or deviation reflects the square root of sum of squared deviations of monthly total returns below 0% divided by total number of months, on an annualized basis.

Index return data: Bloomberg.

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