

# NATONTR / EQM Future of Defence Index

Index fact sheet as of March 31, 2026

## NATONTR Facts

**Ticker**  
 Price Return: NATOP  
 Total Return: NATOT  
 Net Total Return: NATONTR

**Index Launch**  
 December 01, 2017

**Base Value**  
 100 on December 01, 2017

**Index Calculation**  
 Every fifteen (15) seconds

**Rebalancing Dates**  
 Quarterly  
 (Jan/Apr/Jul/Oct)

**Index Rules**  
 Available at vettafi.com

## Portfolio Characteristics

Number of Companies: 59  
 U.S. Companies: 37  
 Non-U.S. Companies: 22

Company Size by Market Capitalization (millions):

Average: \$43,675  
 Median: \$13,930  
 Largest: \$335,196  
 Smallest: \$1,676

Annualized Return\*: 21.43%  
 Annualized Volatility\*: 18.71%  
 Information Ratio\*: 1.15  
 Trailing P/E: 27.12  
 Forward P/E: 35.08  
 Price/Book: 5.81  
 EV/Sales: 2.80  
 Dividend Yield: 0.97%

\*Annualized performance and volatility are since inception, including back-test results prior to December 01, 2017

An index designed to provide defence exposure by investing in global companies generating revenues from NATO and non-NATO ally defence and cyber defence spending.

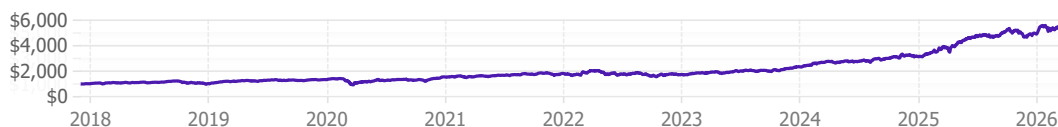
## The Case for Future of Defence

- NATO Defence Budget Accelerated by Recent Events** - NATO members must follow a guideline seeking a 2% of GDP, combined with equipment spending of 20% by 2024. The resolve for the "2/20" guideline established at NATO's Wales Summit a decade ago, has been accelerated by Russia's invasion of Ukraine.<sup>1</sup>
- Need for Modernized Defence Solutions** - Companies exposed to NATO and NATO+ ally spending such as military aircraft, defence equipment, and future of defence applications such as cyber security, stand to benefit from increased spending levels and the need for modernized defence solutions such as unmanned, autonomous jets and combat vehicles and cyber defence solutions.
- Global Growth Opportunity** - The global defence market is expected to grow at a CAGR of 5.6% to an expected size of \$718.12 billion<sup>2</sup>, and the global cyber security market to a CAGR of 13.8% by 2030.<sup>3</sup> The rise of data breaches and increasing sophistication of cyberattacks poses a global security threat, driving increased adoption of cloud-based cybersecurity solutions.

<sup>1</sup>AtlanticCouncil.org, September 15, 2023; <sup>2</sup>Business Research, January 2023;

<sup>3</sup>Fortune Business Insights, December 6, 2023

## Performance of \$1,000 invested

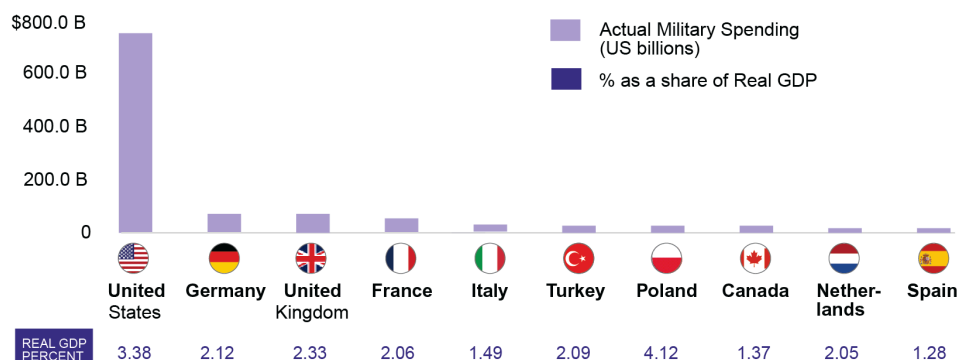


## Performance Data

	3 Month	6 Month	YTD	1 Year	Annualized		
					3 Year	5 Year	8 Year
Total Return	3.2%	-3.2%	3.2%	34.1%	37.8%	26.5%	21.2%
Net Total Return	3.2%	-3.3%	3.2%	33.8%	37.4%	26.1%	20.8%
Price Return	3.1%	-3.6%	3.1%	32.8%	36.4%	25.0%	19.7%

## NATO Defence Expenditures

NATO has called for Allies to meet the 2% of the GDP guideline for defence spending. 23 out of 32 NATO members are now above the 2% target.



As of June 17, 2024. Numbers are estimates. Source: NATO

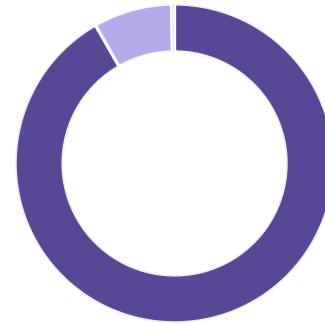
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## Top 10 Constituents

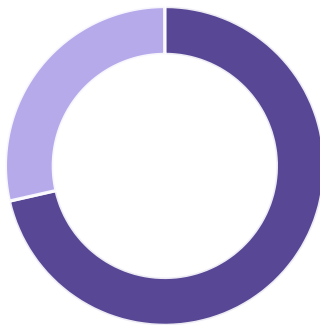
Company Name	Index Weight
PALO ALTO NETWORKS INC	5.80%
BAE SYSTEMS PLC	5.69%
CISCO SYSTEMS, INC.	5.10%
LOCKHEED MARTIN CORPORATION	5.06%
NORTHROP GRUMMAN CORPORATION	5.00%
RTX CORP.	4.73%
SAFRAN SA	4.73%
GENERAL DYNAMICS CORPORATION	4.60%
CROWDSTRIKE HOLDINGS INC	4.25%
PALANTIR TECHNOLOGIES INC	4.18%
<b>TOTAL</b>	<b>49.15%</b>

## Market Capitalization



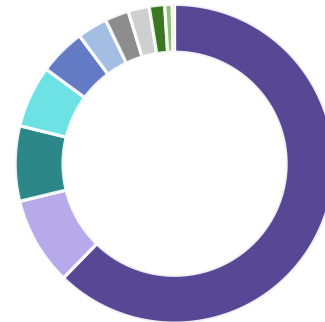
Large-Cap	91.7%
Mid-Cap	8.0%
Small-Cap	0.3%

## Sector Weightings



Industrials	71.5%
Technology	28.5%

## Country Weightings



United States	62.3%	France	8.9%
United Kingdom	7.6%	Germany	6.3%
South Korea	4.7%	Israel	3.1%
Italy	2.4%	Sweden	2.1%
Norway	1.6%	Turkey	0.8%
Australia	0.2%		

## About VettaFi

VettaFi, a data, analytics, and thought leadership company, is transforming financial services from an industry to a community one relationship at a time. In addition to providing interactive online tools and research, VettaFi offers asset managers an array of indexing and digital distribution solutions to innovate and scale their businesses. With billions in assets benchmarked to its indices and more than 200 customers globally asset managers look to VettaFi for benchmarks and best-in-class index solutions. VettaFi owns and administers the EQM Index Series.

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