

# ROBO GLOBAL® HEALTHCARE TECHNOLOGY AND INNOVATION INDEX (HTEC)

## AUGUST 31, 2020

### THE HTEC OPPORTUNITY

Massive disruption is taking the healthcare space by storm. Rapidly evolving technologies are quietly and completely morphing the medical field as we know it. Robotics, artificial intelligence, and healthcare technologies are becoming significant change agents in the industry and investors should be taking notice.

HTEC provides unique, global exposure to best-in-class companies leading the healthcare technology revolution, across diagnostics, robotics, genomics, precision and regenerative medicine, lab automation, instruments, data analytics and telehealth.

#### Main Drivers for the Healthcare Technology Revolution:

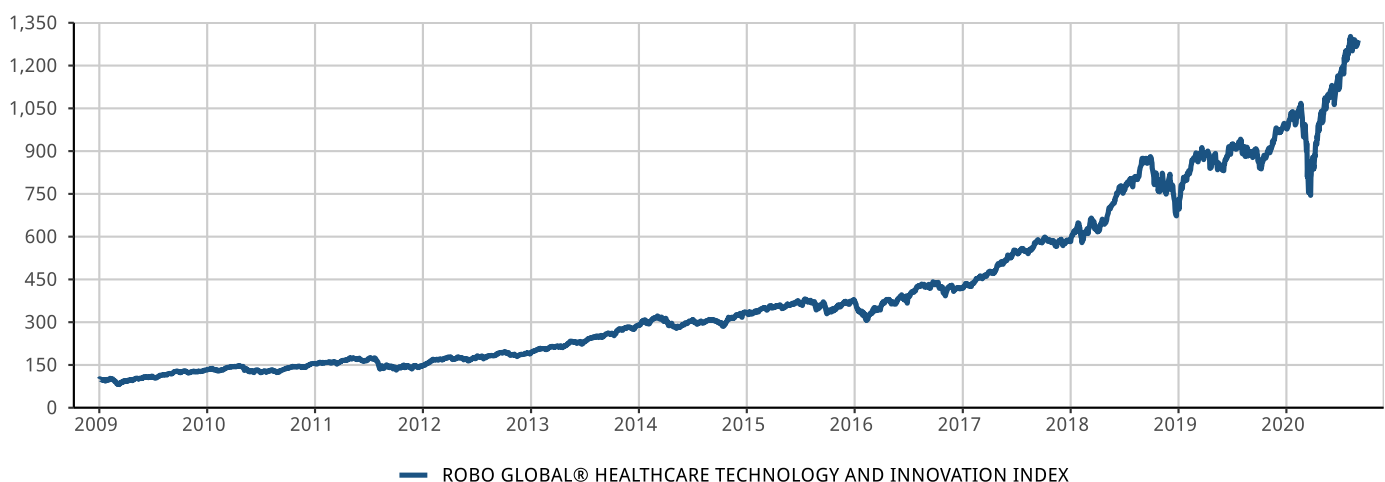
- Healthcare's shift to a preventive approach
- Augmented physician capabilities and productivity
- Reduced healthcare costs

### THE ROBO GLOBAL® HEALTHCARE TECHNOLOGY AND INNOVATION INDEX

The ROBO Global® Healthcare Technology and Innovation Index was launched in April 2019 with the objective of providing investors with a comprehensive, transparent, and diversified benchmark that represents the global value chain of healthcare technology and innovation.

#### Performance Chart<sup>1</sup>

The ROBO Global® Healthcare Technology and Innovation Index Performance - Rebased 100 = January 2009



<sup>1</sup>The data shown is derived from the published index values. Prior to 30 April 2019, the data is based on simulated back-casted data.

## Monthly Performance<sup>2</sup>

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	0.74%	-4.22%	-7.80%	17.15%	8.37%	3.27%	9.96%	2.07%					30.92%
2019	12.72%	6.71%	1.19%	-2.11%	-4.09%	10.28%	1.40%	-3.60%	-3.10%	2.80%	9.44%	0.46%	34.92%
2018	8.48%	-2.14%	1.90%	2.96%	11.93%	4.71%	3.48%	11.19%	0.69%	-11.07%	2.77%	-9.39%	25.25%
2017	3.35%	5.56%	4.72%	4.83%	3.91%	5.15%	0.32%	4.90%	2.03%	-0.11%	0.71%	-1.44%	39.31%
2016	-11.86%	0.13%	8.13%	3.98%	3.57%	1.08%	9.04%	-0.36%	3.41%	-7.86%	3.17%	0.58%	11.58%
2015	-0.04%	4.64%	0.99%	-1.40%	3.65%	1.24%	3.26%	-5.16%	-5.99%	2.90%	7.34%	1.07%	12.34%

## Key Statistics<sup>2</sup>

	6 Mos.	1 Year	Since 2008
Performance (eff.)	35.68%	43.38%	1,188.69%
Performance (p.a.)			24.48%
Volatility	39.10%	29.90%	19.15%
Information Ratio		1.39	1.23

<sup>2</sup>including back-casted data prior to 30 April 2019

## Fundamentals<sup>3</sup>

P/E	43.51
P/E NTM	178.57
P/B	6.52
EV/Sales	6.53
P/Cash Flow	33.61

<sup>3</sup>Fundamentals are updated on a daily basis. The calculation is based on the median.

## METHODOLOGY

The index methodology follows a modified factor weighting scheme and rebalances on a quarterly basis to more effectively respond to and capture changes in the technological and competitive landscapes while maintaining critical diversification. Including more than 80 stocks across 9 subsectors in 15 countries, the index is built to minimize risk by limiting reliance on the largest-cap players, and to capture the growth of rapidly developing healthcare technology companies around the globe.

## Index Facts

Go Live Date	30th April 2019
Index Components	84
Eligible Universe	ROBO Global@ Industry Classification
Weighting	HTEC Factor measuring revenue and market/technology leadership
Rebalance Frequency	Quarterly

Calculation Frequency	Every 15 seconds 9am to 11.30pm GMT
Dividend Treatment	Price and total return versions are available. The total return index is calculated with net dividends reinvested.
History Availability	Daily back to 31 December 2008
Base Value / Base Date	1000 / 30 April 2019
Bloomberg / Reuters Ticker	HTEC Index / .HTEC

Each company in the ROBO Global® Industry Classification System is assigned a "HTEC Score" based on the company's level of revenues, market and technology leadership, and investments in the field of healthcare technology and innovation. These scores range from 1-100 with 100 representing significant levels of revenues and leadership. A company must have a minimum HTEC Score of 50 to be considered for inclusion in the index. Companies are weighted by dividing each individual company's HTEC Score by the sum of the total HTEC Scores among index constituents. To respond to new entrants and maintain the desired diversification, the index rebalances on a quarterly basis.

## Top 10 Holdings<sup>4</sup>

NATERA INC	2.08%	VOCERA COMMUNICATIONS INC	1.67%
INVITAE CORP	2.03%	INTUITIVE SURGICAL INC	1.63%
NUANCE COMMUNICATIONS INC	1.76%	ABIOMED INC	1.63%
VARIAN MEDICAL SYSTEMS INC	1.74%	CHARLES RIVER LABORATORIES INTERNATIONAL INC	1.62%
NEOGENOMICS INC	1.72%	INSULET CORP	1.61%

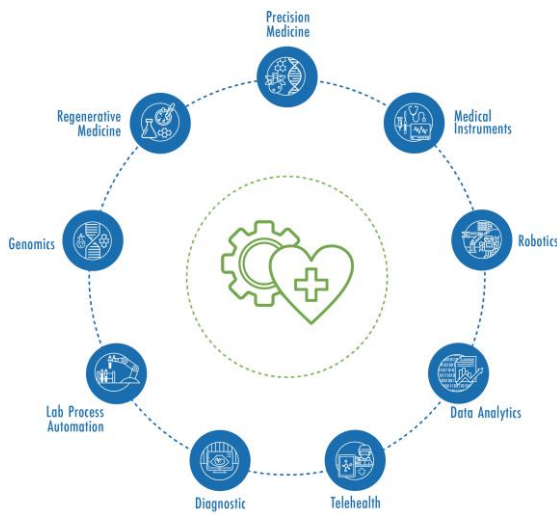
<sup>4</sup>Top 10 Holdings are updated on a daily basis.

## COVERAGE TEAM

The coverage team incorporates full-time financial and research professionals supported by industry entrepreneurs and academic leaders who specialize in global developments across the robotics, artificial intelligence, and healthcare technologies. The strategic advisory board, including more than 7 PhDs and some of the most highly respected technology visionaries, works closely with our management team to identify early key industry trends and associated companies.

## INDUSTRY CLASSIFICATION

In the absence of a benchmark industry classification system specific to this emerging industry, in 2013 we created the ROBO Global® Industry Classification for the investment and research community. To date, we have identified 9 subsectors of suitable product and technology maturity to the Healthcare Technology and Innovation theme that carry high growth and earnings potential. On a regular basis, we screen our proprietary database of over 1,000 companies to identify those that are publicly traded, fit into these 9 sub-sectors, meet a minimum revenue threshold, are positioned as technology and growth leaders, and satisfy our ESG Policy.

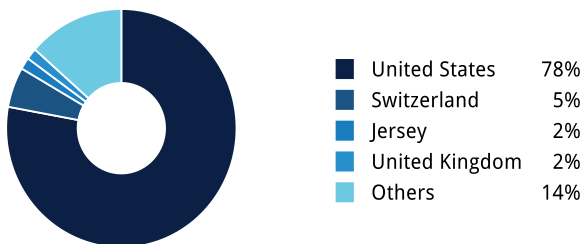


Medical Instruments	27%
Process Automation	15%
Precision Medicine	13%
Diagnostics	13%
Genomics	10%
Data Analytics	8%
Robotics	5%
Telehealth	4%
Regenerative Medicine	4%

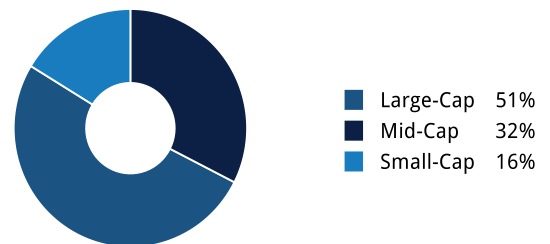
## INDEX MEMBERS

Index members are identified from the ROBO Global® Industry Classification in accordance with predetermined rules and objective criteria, including minimum market capitalization and average daily value traded.

### Geographic Breakdown<sup>5</sup>



### Market Capitalization Breakdown<sup>5</sup>



<sup>5</sup>Charts are presented based on each company's daily weightings in the index.

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