



**NYSE<sup>®</sup> FactSet<sup>®</sup> U.S. Tech Breakthrough  
Index<sup>™</sup> (NYFSUTB)**

Version 1.0  
Valid from  
October 10, 2019

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## Version History:

### Version 1.0 (Effective October 10, 2019)

The methodology document covers the newly-launched NYSE® FactSet® U.S. Tech Breakthrough Index™ (NYFSUTB).

## 1. Index summary

<b>Factsheet</b>	
<b>Full Name</b>	NYSE® FactSet® U.S. Tech Breakthrough Index™
<b>Index Tickers</b>	Price Return (USD): NYFSUTB Gross Total Return (USD): NYFSUTBT
<b>Index Description</b>	The NYSE® FactSet® U.S. Tech Breakthrough Index™ is a rules-based equity benchmark designed to track the performance of U.S. listed companies engaged in cutting edge research and development of products and services in the areas of robotics and artificial intelligence, cyber security, cloud and data tech, financial technology, and genomics and immunology. Index compositions and corporate actions, including Rebalance information, can be accessed from ICE Data Services at <a href="https://www.theice.com/market-data/indices/equity-indices/products">https://www.theice.com/market-data/indices/equity-indices/products</a> .
<b>Eligible Stocks</b>	Common stocks of companies incorporated in the U.S. and listed on the following U.S. exchanges: New York Stock Exchange (NYSE), NYSE American, NYSE Arca, NASDAQ Global Select Market, NASDAQ Global Market, NASDAQ Capital Market, Cboe BZX, Cboe BYX, Cboe EDGA, Cboe EDGX, Investors Exchange (IEX)
<b>Number of Constituents</b>	Variable
<b>Weighting</b>	Modified float-adjusted, market capitalization weighted
<b>Index Reconstitutions</b>	The Index is reconstituted annually after the close of the third Friday in December each year (“Reconstitution Date”). If the Reconstitution Date is a holiday, it will occur on the next Index Business Day.
<b>Index Rebalances</b>	Index constituent weights are rebalanced semi-annually after the close of the third Friday in June and December each year (“Rebalance Date”). If the Rebalance Date is a holiday, it will occur on the next Index Business Day.
<b>Calculation Frequency</b>	Price and Total Return: Every 15 seconds between 09:30 & 18:00 ET
<b>Base Date</b>	December 19, 2014
<b>Base Level</b>	1000.00
<b>Historic Data Available Since</b>	December 19, 2014
<b>Bloomberg Code</b>	NYFSUTB <INDEX> / NYFSUTBT <INDEX>
<b>Reuters Code</b>	.NYFSUTB / .NYFSUTBT
<b>Launch Date</b>	October 10, 2019
<b>Website</b>	<a href="https://www.theice.com/market-data/indices">https://www.theice.com/market-data/indices</a>

## 2. Governance

### Index Sponsor & Administrator

ICE Data Indices, LLC (“IDI”) is the Index Sponsor and the Index Administrator. The NYSE® FactSet® U.S. Tech Breakthrough Index™ is calculated and maintained by IDI based on a methodology developed by IDI, and which uses industry classifications developed and maintained by FactSet Research Systems Inc. (“FactSet”).

IDI is responsible for the day-to-day management of the Index in accordance with its rules, including retaining primary responsibility for all aspects of the Index determination process, including implementing appropriate governance and oversight, as required under the International Organization of Securities Commission’s Principles for Financial Benchmarks (the IOSCO Principles). The IDI Governance Committee is responsible for helping to ensure IDI’s overall compliance with the IOSCO Principles, by performing the Oversight Function which includes overseeing the Index development, design, issuance and operation of the Indices, as well as reviewing the control framework. IDI is also responsible for decisions regarding the interpretation of these rules and the Governance Committee is responsible for reviewing all rule book modifications with respect to the Index to ensure that they are made objectively, without bias, and in accordance with applicable law and regulation and IDI’s policies and procedures. Consequently, all IDI and the Governance Committee discussions and decisions are confidential until released to the public.

### Cases not covered in rules

In cases which are not expressly covered in these rules, operational adjustments will take place along the lines of the aim of the Index. Operational adjustments may also take place if, in the opinion of the Index Administrator, it is desirable to do so to maintain a fair and orderly market in derivatives on this Index and/or this is in the best interests of the investors in products based on the Index and/or the proper functioning of the markets.

Any such modifications described under this section or exercise of Expert Judgment will also be governed by any applicable policies, procedures and Guidelines in place by IDI at such time.

### Rule book changes

The Governance Committee reviews all rule book modifications and Index changes to ensure that they are made objectively, without bias and in accordance with applicable law and regulation and IDI’s policies and procedures. These rules may be supplemented, amended in whole or in part, revised or withdrawn at any time in accordance with applicable law and regulation and IDI applicable policies and procedures. Supplements, amendments, revisions and withdrawals may also lead to changes in the way the Index is compiled or calculated or affect the Index in another way.

### Limitations of the Index

The Index may be subject to potential limitations, such as a decline in the pool of available eligible securities due to advancements in technology, shifts in demographic spending or the economy, changes in regulation or accounting rules, consolidation in certain sectors or industries, or other factors. Other limitations may include the ability of the Benchmark to operate in illiquid or fragmented markets.

By design, this Index is focused on representing several selected technology and biotechnology industries and is therefore expected to be heavily weighted towards a few sectors. Should the underlying markets transform due to consolidation and technology transformation, the companies included in the Index will adjust and change accordingly.

IDI seeks to manage and mitigate these limitations through the Benchmark design, review and oversight process.

### **3. Index Description**

The NYSE® FactSet® U.S. Tech Breakthrough Index™ is a rules-based equity benchmark designed to track the performance of U.S. listed companies engaged in cutting edge research and development of products and services in the areas of robotics and artificial intelligence, cyber security, cloud and data tech, financial technology, and genomics and immunology.

The NYSE® FactSet® U.S. Tech Breakthrough Index™ is compiled utilizing RBICS (Revere Business Industry Classification System) classifications, Revere Hierarchy classifications, FactSet Supply Chain Relationships, and FactSet Fundamentals licensed from FactSet.

## **4. Publication**

### **4.1 The opening, intraday and closing or daily publication of Index values.**

#### **Opening**

The first Index level is calculated and published at 09:30 ET, when the U.S. equity markets open for their regular trading session. The calculation of that level utilizes the most updated prices available to IDI at that moment from any exchange, including the official primary exchange. In the case of constituents that have a non-traded, halted or suspended status, or have not opened for the current day, the previous day's reference prices (primary exchange official closes) or estimated prices (for IPOs, buyouts and swap offers) are used.

#### **Dissemination Frequency**

The level of the price return and total return Indices is published every 15 seconds to the ICE Data Global Index Feed (ICE Data GIF). The calculated Index levels incorporate, as available to IDI, the latest traded price of each constituent from within the regular trading session of their respective market. If the last traded price of a constituent is not available to IDI, the previous day's reference price (typically primary exchange official closes) is used. The index only holds equities listed and traded in the U.S., and thus, intraday calculations of the Index would incorporate trades on a consolidated level, from all exchanges including those not designated as the official primary exchange.

The Index is calculated from 09:30 until 18:00 ET on those days specified as Index Business Days. Index Business Days will be classified as days on which the U.S. Equity Markets (e.g. NYSE, NASDAQ and NYSE American) are open for a full or partial day of trading.

#### **Closing Level**

The closing level is the last level disseminated on the trading day and uses the official close prices from the primary listing market for each constituent. For constituents that have non-traded, halted or suspended status, or have not opened for the current day, the previous day's reference prices (primary exchange official closes) or estimated prices (for IPOs, buyouts and swap offers) are used instead. In the case of exceptional market conditions, the Index Administrator reserves the right to utilize other prices in the calculation of the official closing level, as indicated below in Section 4.2.

#### **Sources of Data**

The Consolidated Tape (CTS/UTDF) is the primary market data source for U.S. equity real-time and closing prices. Additional sources of data less commonly used include market data vendors, company announcements, exchange announcements and other official sources.

### **4.2 Exceptional market conditions and corrections**

The Index Administrator retains the right to delay the publication of the opening level of the Index. Furthermore, the Index Administrator retains the right to suspend the

publication of the level of the Index if it believes that circumstances prevent the proper calculation of the Index.

If Index constituent prices are cancelled, the Index will not be recalculated unless the Index Administrator decides otherwise.

Reasonable efforts are made to ensure the correctness and validity of data used in real-time Index calculations. Where errors have occurred in the determination or calculation of an Index closing value, the decision to make a restatement will be assessed on a case by case basis. Such decision will take account of the significance, impact, age and scale of the error.

There is the possibility of an exchange or market-wide event resulting in the normal closing auction not going off or official closing prices not being available. In those situations, the Index will take guidance from the respective exchange(s) and address on an event-by-event basis. Exchange or market-wide events include, but are not limited to, the following:

- Volatility Halts
  - LULD (Limit Up / Limit Down)
  - Market Wide Circuit Breaker
- Technological Problems / Failures
- Natural Disaster or Other BCP-Related Event

## **4.3 Changes to the Index**

### **Announcement policy**

Changes to the Index methodology will be announced by an Index announcement which will be distributed by IDI via [www.theice.com/market-data/indices/equity-indices](http://www.theice.com/market-data/indices/equity-indices) and ICE Data Services at [www.theice.com/market-data/indices/equity-indices/products](http://www.theice.com/market-data/indices/equity-indices/products).

As a general rule, the announcement periods that are mentioned below will be applied. However, Emergency actions, including urgently required corporate action treatments, often resulting from late notices from the relevant company or exchange, may require the Index Administrator to deviate from the standard timing.

### **Inclusion of New Constituents**

The inclusion of new companies in the Index will typically only occur during the annual Reconstitutions, although there could be exceptions based on a specific corporate action affecting a current constituent. The inclusion of the new company will be announced at least two trading days before the effective date of the actual inclusion, although as it relates to a scheduled Reconstitution the announcement would occur after the close of trading on the Monday preceding the second Friday of the relevant month. For example, for the Reconstitution effective for market open on December 23, 2019, the announcement would occur after the close on December 9, 2019.

### **Removal of Constituents**

Components would be removed from the Index as a result of periodic corporate actions as well as the results of the annual Reconstitution and semi-annual Rebalance. All removals will be announced at least one trading day before the effective date of the removal, although as it

relates to a scheduled Reconstitution or Rebalance the announcement would occur after the close of trading on the Monday preceding the second Friday of the relevant month. It should be noted that in the case of mergers and acquisitions, every effort will be made to remove the company at some reasonable time ahead of the suspension in trading in the acquired company. There will be certain situations and corporate actions that would require the removal of a company that has already ceased trading. In those cases, the company will be removed from the Index at its last traded price, or, at the discretion of the Index Administrator, at a derived price that most accurately represents its post-suspension value.

### **Corporate Actions**

In case of an event that could affect one or more constituents, the Index Administrator will inform the market about the intended treatment of the event in the Index shortly after the firm details have become available and have been confirmed. When possible, the corporate action will be announced, even if not all information is known, at least one trading day before the effective date of the action. Once the corporate action has been effectuated, the Index Administrator will confirm the changes in a separate announcement.

### **Reconstitution/Rebalance: Publication of Results**

The new composition of the Index, including the companies to be a part of the Index and their corresponding new Index shares, will be announced after the close of trading on the Monday preceding the second Friday of the relevant month and can be accessed from ICE Data Services at [www.theice.com/market-data/indices/equity-indices/products](http://www.theice.com/market-data/indices/equity-indices/products).

### **Index Reviews**

IDI shall undertake regular reviews of the Index, the methodology and the market which it represents to ensure it continues to meet the Index objective, in accordance with IDI's policies and procedures. Should changes to the Index be required or proposed, this will be communicated to stakeholders in accordance with IDI's policies and procedures.

### **Consultations**

IDI may from time to time consult with stakeholders on proposed material changes that affect the Index in accordance with IDI's policies and procedures [https://www.theice.com/publicdocs/Consultation\\_Policy.pdf](https://www.theice.com/publicdocs/Consultation_Policy.pdf). Such proposals shall be published to stakeholders and all feedback received will be considered by the Index Administrator. Any resulting changes to the Index will be announced prior to it being implemented.

### **Rule Changes**

Barring exceptional circumstances, the Index Administrator shall announce Rule changes to stakeholders prior to implementation. The announcement will include the date on which the changes shall take effect.

## 5. Calculation

### 5.1 Calculation of the Index

The Index is calculated on a Price Return and Gross Total Return basis in USD. The current Index level is calculated by dividing the current modified Index market capitalization by the Index divisor. The divisor was set on the Index Inception Date (i.e. the backtest start date) to yield an Index level of 1000.00. The divisor is updated as a result of corporate actions and composition changes.

A full description of the formulae used to calculate Index values can be found in the “NYSE Indices - Guide to Index Mathematics” at <https://www.theice.com/market-data/indices/equity-indices/methodologies>.

## **6. Index Reconstitutions and Rebalances**

### **6.1 General aim of Reconstitutions and Rebalances and frequency**

#### **General aim of the periodical Reconstitution or Rebalance**

The general aim of the semi-annual Rebalance and annual Reconstitution of the Index is to ensure that the selection and weightings of the constituents continue to reflect, as closely as possible, the Index's objective of identifying, selecting and tracking the performance of U.S. listed companies engaged in cutting edge research and development of products and services in the areas of robotics and artificial intelligence, cyber security, cloud and data tech, financial technology, and genomics and immunology, based on sector classifications provided by FactSet. The Index Administrator reserves the right to, at any time, change the number of stocks comprising the Index by adding or deleting one or more stocks, or replacing one or more stocks contained in the Index with one or more substitute stocks of its choice, if in the Index Administrator's discretion such addition, deletion or substitution is necessary or appropriate to maintain the quality and/or character of the Index. Such Index constituent changes are reviewed by the Governance Committee to ensure that they are made objectively, without bias and in accordance with applicable law and regulation and IDI's policies and procedures.

#### **Frequency**

Changes to the Index composition and constituent weights may occur during a scheduled Reconstitution and Rebalance and as a result of the removal of an Index constituent. During the semi-annual Rebalances, components may be removed from the Index if they do not meet the market capitalization and liquidity criteria as laid out in Section 6.2. Components will not be added to the Index during the semi-annual Rebalances.

The Index is reconstituted annually after the close of the third Friday in December each year ("Reconstitution Date"). Index constituent weights are rebalanced semi-annually after the close of the third Friday in June and December each year ("Rebalance Date"). If the Reconstitution Date or Rebalance Date is a holiday, it will occur on the next Index Business Day.

The data used to reconstitute and rebalance the Index is as of the close of business on the first Friday in June and December ("Reference Date").

### **6.2 Index universe and selection principle**

#### **Constituent Selection and Weighting Schema**

The following rules are used for the initial constituent selection and ongoing Reconstitutions.

1. Starting universe: Common stocks, ADRs, or GDRs of companies that are primarily listed for trading and electronically quoted on a major stock market that is accessible by foreign investors in one of the following countries:

<b>Eligible Countries</b>		
Australia	Hungary	Poland
Austria	Iceland	Portugal
Belgium	India	Singapore
Brazil	Indonesia	South Africa
Canada	Ireland	Republic of Korea (South Korea)
Chile	Israel	Spain
Colombia	Italy	Sweden
Czech Republic	Japan	Switzerland
Denmark	Malaysia	Taiwan
Egypt	Mexico	Thailand
Finland	Netherlands	Turkey
France	New Zealand	United Kingdom
Germany	Norway	United States
Greece	Peru	
Hong Kong	Philippines	

2. Companies must belong to one of the following five thematic segments: (i) Robotics and Artificial Intelligence; (ii) Cyber Security; (iii) Cloud and Data Tech; (iv) Financial Technology; and (v) Genomics and Immunology.
3. For the **Robotics and Artificial Intelligence** theme, securities must have a minimum float-adjusted market capitalization of \$500 million or greater, and a three-month Average Daily Trading Value (ADTV) of \$2 million or greater on the Reference Date.
  - a. Companies must also be classified as deriving 50% or more revenues from one of the following (22) RBICS Focus Level 6 industry classifications.

<b>Eligible RBICS Level 6 Industries</b>	
Business Intelligence Software	3D Modeling/Rapid Prototyping Automation Providers
Communication and Collaboration Content Sites	Computer Aided Design (CAD) Software
Diversified Customer Relationship Software	Household Robots
Media Download and Streaming Digital Content Sites	Industrial Robots and Robotic Assembly Line Makers
Mobile Platform Applications Software	Machine Vision and Quality Control Manufacturing
Other Hosting Services	Microprocessor (MPU) Semiconductors
Other Programmable Logic and ASIC Semiconductors	Motion Control and Precision Motors Manufacturing
Programmable Logic Device Semiconductors	Other Communications Semiconductors
Video Multimedia Semiconductors	Other Processor Semiconductors
Web Navigation Sites and Software	Smart Phone Manufacturing
Web Search Sites and Software	Surgical Robotic Systems

- b. In addition, companies that are market leaders in one of the (22) aforementioned RBICS Level 6 industry classifications above (but are not classified as Focus) are eligible. Market leadership is defined as:
  - i. Having a 20% or more market share in one of the (22) aforementioned RBICS Level 6 industry classifications or;
  - ii. Generating \$1 billion or more in absolute annual revenues from one of the (22) aforementioned RBICS Level 6 industry classifications

- c. Companies selected in Steps 6.2(3)(a) and 6.2(3)(b) are included in the Robotics and Artificial Intelligence theme.
4. For the **Cyber Security** theme, securities must have a minimum float-adjusted market capitalization of \$300 million or greater, and a three-month Average Daily Trading Value (ADTV) of \$2 million or greater on the Reference Date.
- a. Companies must also be classified as deriving 50% or more revenues from one of the following (12) Cyber Security-related RBICS Focus Level 6 industries.

<b>Eligible RBICS Level 6 Industries</b>	
<b>Cyber Security Hardware Category</b>	<b>Cyber Security Software and Services Category</b>
Customer Premises Network Security Equipment	Network Security Access Policy Software
General Carrier Edge (Access) Equipment	Network Security Software
Carrier Edge Network Management Equipment	Enterprise Security Management Software
Wireline Equipment	Other Network Software
	Government IT Services
	Aerospace and Defense IT Services
	Security and Management Consulting
	Multi-Type Home and Office Software*

\*Companies in the RBICS Focus Level 6 industry of “Multi-Type Home and Office Software” must also be classified to the RBICS Focus path in Revere Hierarchy as “Technology > Software > Home/Office > Handheld/Smart Phone > System Utilities > Security”

5. For the **Cloud and Data Tech** theme, securities must have a minimum float-adjusted market capitalization of \$300 million or greater, and a three-month Average Daily Trading Value (ADTV) of \$2 million or greater on the Reference Date.
- a. Companies must also be classified as deriving 50% or more revenues from one of the following (20) RBICS Focus Level 6 industries.

<b>Eligible RBICS Level 6 Industries</b>	
Business Intelligence Software	Managed Hosting Services
Data Storage Drives and Peripherals	Multi-Type Business and Personal Systems
Data Storage Infrastructure Software	Other Hosting Services
Disk Storage Systems	Other Network Software
Diversified Customer Relationship Software	Software Development Software
Diversified IT Infrastructure Software	Web Navigation Sites and Software
General Enterprise Management Software	Web Search Sites and Software
General and Mixed Type Software*	Colocation and Data Center Services
General Information Technology (IT) Consulting*	Industrial and Warehouse Equity REITs*
Internet Department Stores	Multi-Type Equity REITs*

\*Companies classified to “Industrial and Warehouse Equity REITs” or “Multi-Type Equity REITs” are further screened for those companies that are engaged primarily in the Data Center and Colocation business based on their Business Description profiles as compiled by FactSet Fundamentals.

\*Companies classified to “General and Mixed-Type Software” or “General Information Technology (IT) Consulting” must also have revenue exposure to one or more of the other (18) aforementioned RBICS Focus Level 6 industries.

6. For the **Financial Technology** theme, securities must have a minimum float-adjusted market capitalization of \$300 million or greater, and a three-month Average Daily Trading Value (ADTV) of \$2 million or greater on the Reference Date.
- a. Companies must also be classified as deriving 50% or more revenues from one of the following (17) RBICS Focus Level 6 industries.

Eligible RBICS Level 6 Industries	
Alternative Exchanges and ECNs	Market Makers and Specialists
Blockchain Technology	Mixed Electronic Transaction Processing
Commercial Bank and Credit Union Software	Other Finance Industry Software
Cryptocurrency Trading and Exchanges	Payment Processing Software
Electronic Payment Processing	Personal Loans
Financial and Compliance ERP Software	Point-of-Sale (POS) Terminal Manufacturing
General Consumer Finance Services	Retail Industry Software
Insurance Software	Trading Software
Investment Management/Brokerage Software	

7. For the **Genomics and Immunology** theme, securities must have a minimum float-adjusted market capitalization of \$300 million or greater, and a three-month Average Daily Trading Value (ADTV) of \$2 million or greater on the Reference Date.
- a. Companies must also be classified as deriving 50% or more revenues from one of the following (60) RBICS Focus Level 6 industries.

Eligible RBICS Level 6 Industries	
Active and Intermediate Chemicals OEMs	Immune Deficiency Disorders Biopharmaceuticals
Analytical and Bioanalytical Services	Immunoassays Clinical Diagnostics Devices
Autoimmune Disorders Biopharmaceuticals	Intermediary Metabolism Biopharmaceuticals
Bacterial Vaccines	Liver Disorders Biopharmaceuticals
Bioanalytical Consumables	Lower Respiratory Biopharmaceuticals
Biological Specimen Storage	Multi-Type Diagnostic Patient Care
Biologics OEMs	Multi-Type Drug Discovery Services
Breast Cancer Biopharmaceuticals	Musculoskeletal System Biopharmaceuticals
Broad Spectrum Antibacterial Agents	Narrow Spectrum Antibacterial Agents
Cardiovascular System Biopharmaceuticals	Neurology Biopharmaceuticals
Clinical and Preclinical Limited Service CROs	Ophthalmology Biopharmaceuticals
Clinical Limited Service CROs	Other Bacterial Infections Biopharmaceuticals
Dermatology Biopharmaceuticals	Other Biopharmaceutical OEMs
Diversified Bioanalytical Instruments	Other Chemistry Clinical Diagnostics Devices
Diversified Biopharmaceuticals	Other Drug Delivery Devices
Diversified Contract Manufacturing Organizations	Other Endocrinology/Metabolism Biopharmaceuticals

Diversified Contract Research Organizations	Other Immunology Biopharmaceuticals
Diversified Development and Manufacturing Services	Other Oncology Biopharmaceuticals
Drug Delivery Technology Development	Other Respiratory System Biopharmaceuticals
Drug Development Software	Point of Care Testing Kits
Drug Lead Discovery, Validation and Optimization	Preclinical Limited Service CROs
Drug Target Discovery and Validation	Scientific Analytical Instruments
Full Service CROs	Specialized Clinical Laboratories
General Clinical Diagnostics Devices	Surgical Biopharmaceuticals
General Infectious Diseases Biopharmaceuticals	Transplantation Biopharmaceuticals
Genetic Molecular Diagnostic Test Kits	Type 1 Diabetes Biopharmaceuticals
Heart Disorders Biopharmaceuticals	Type 2 Diabetes Biopharmaceuticals
Hematological Oncology Biopharmaceuticals	Urology Biopharmaceuticals
Hematology Biopharmaceuticals	Vascular Disorders Biopharmaceuticals
Home Testing Clinical Diagnostics Devices	Viral Biopharmaceuticals

- b. Using the FactSet Supply Chain Relationships database, which captures a list of Relationship Keywords (compiled and maintained by FactSet) characterizing the nature of each company relationship, count the number of relationships, for each company identified in Step 6.2(7)(a), that mentions keywords related to Genomics and Immuno Biopharmaceutical products and technologies.
  - c. Compute a Genomics and Immuno Biopharmaceutical Composite Relationship Keyword score (calculated by FactSet) for each company identified in Step 6.2(7)(b), and rank them in descending order beginning with the company that has the highest score. The Composite Relationship Keyword score is based on the number of relationships mentioning keywords related to Genomics and Immuno Biopharmaceutical products and technologies. The score is scaled from 1 to 100 (highest = 100, lowest = 1), and takes into account both the absolute number of relationships and the number of relationships relative to the company's size as measured by market capitalization.
  - d. Select the top 50 ranked companies from Step 6.2(7)(c).
8. Companies that remain after Steps 6.2(1) to 6.2(7) shall be further filtered by their primary exchange listing and country of incorporation, so that only U.S. incorporated companies listed on the New York Stock Exchange (NYSE), NYSE American, NYSE Arca, NASDAQ Global Select Market, NASDAQ Global Market, NASDAQ Capital Market, Cboe BZX, Cboe BYX, Cboe EDGA, Cboe EDGX, and Investors Exchange (IEX) are included in the Index.
  9. These U.S. listed and incorporated securities must have a minimum float-adjusted market capitalization of \$500 million or greater, and a three-month Average Daily Trading Value (ADTV) of \$2 million or greater on the Reference Date.
  10. The percentage weight of each company within the (5) thematic segments will be calculated to identify those companies which appear in (2) or more thematic segments. Those companies will be removed from the thematic segment where it

has the higher percentage weighting and kept in the thematic segment where it has the lower percentage weighting.

### **6.3 Weighting methodology and periodical update of weighting**

Constituent weights are determined by dividing their individual float-adjusted market capitalization by the total float-adjusted market capitalization of all constituents. Individual security weights are capped at 4% and individual thematic segment weights are maintained at a minimum of 10% or greater.

First, each of the (5) thematic segments will be checked to ensure that they have a minimum weight of 10% or greater. Any theme(s) with less than a 10% weight will have their weight increased by proportionately reallocating weights from other thematic segments exceeding a 10% weight, with the lowest-weighted thematic segment below 10% receiving priority. The process will continue until no individual thematic segment has a weighting of less than 10% of the Index.

Within each thematic segment, individual security weights are capped at 4%, with excess weight redistributed proportionally among remaining securities whose weights are less than 4%. If this redistribution leads to additional security weights exceeding 4%, the aforementioned redistribution process is repeated iteratively until no security weight exceeds 4%.

#### **Determining constituent weightings at Semi-Annual Index Rebalances and Annual Reconstitution**

At semi-annual Index Rebalances and Annual Reconstitutions, constituent weights are adjusted to reflect their respective float-adjusted market capitalizations based upon company data as of the Reference Date, subject to the diversification limits set forth above. At the semi-annual Rebalance, the portfolio is tested for market capitalization and liquidity based on the principles in Section 6.2 above.

Constituent percentage weights as determined in the Reconstitution and Rebalance process outlined above are converted to Index shares to be implemented on the effective date using information from the Reference Date. Subsequent adjustments to the Index composition may be made to account for corporate actions that occur between the Reference Date and the Rebalance or Reconstitution Date.

The newly adjusted portfolio becomes the basis for the Index's value effective on the first trading day following the semi-annual adjustments. The divisor will be adjusted to ensure continuity of the Index's value.

### **6.4 Special considerations for Index backtest**

For the backtest of the Index, the percentage weights for Reconstitutions and Rebalances were converted to Index shares and implemented after the close of the third Friday of the month. Corporate actions were adjusted for in the Index backtest; however, the exact treatment in the backtest and live Index may differ due to differences in timing and knowledge of those actions. For example, special cash

dividends, spin-offs and rights issues that are reinvested back into the parent company in the live Index were instead reinvested proportionately across the Index constituents based on weighting in the calculation of the backtest of the Index.

## **7. Corporate Actions**

### **7.1 General**

Apart from normal Rebalance and Reconstitution changes, the Index composition may be adjusted at other times in order to maintain the continuity of the Index level and the composition. The underlying aim is that the Index continues to reflect as closely as possible the Index's objective of tracking the performance of U.S. listed companies engaged in cutting edge research and development of products and services in the areas of robotics and artificial intelligence, cyber security, cloud and data tech, financial technology, and genomics and immunology, based on sector classifications provided by FactSet.

Adjustments take place in reaction to events that occur with constituents in order to mitigate or eliminate the effect of that event on the Index performance.

A full description of standard corporate action events and their handling can be found in the "NYSE Indices - Corporate Action Handling Guide" at <https://www.theice.com/market-data/indices/equity-indices/methodologies>.

## 8. Disclaimer

The products and services mentioned herein solely in relation to the Indices (each an “Index”) may not be available in all jurisdictions. This document does not constitute an offer of services in jurisdictions or circumstances where ICE Data Indices, LLC (“IDI”) does not have the necessary or appropriate licenses or approvals for the offering of the products and services described herein. Each Index provides a general investment strategy, does not take into account any of the specific needs or financial circumstances of any person, entity or group of persons and should not be considered investment advice. All information provided by IDI, including without limitation, any materials that describe any Index, is of general nature only.

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