

## Announcement

### Methodology change of the Indxx Global Medical Devices Index

**New York – July 30, 2021** - Effective July 30, 2021 the following are the changes in the methodology of the Indxx Global Medical Devices Index:

- Initial Universe (Section 1.2.1)

Below is the amended methodology which will be effective from July 30, 2021.

July 2021

# INDXX GLOBAL MEDICAL DEVICES INDEX METHODOLOGY

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# 1. INDXX GLOBAL MEDICAL DEVICES INDEX

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## 1.1 INDEX DESCRIPTION

The Indxx Global Medical Devices Index is designed to track the performance of companies that are trading in the medical devices industry.

The index has a base date of February 27, 2015 with an initial value of 1,000.

The index is currently available in the following versions:

- Net Total Return (Bloomberg Ticker: MTFGMDNT)

## 1.2 CREATION OF MASTER LIST

### 1.2.1 Initial Universe

To be eligible for inclusion in the Initial Universe, securities must:

- Have their country of listing in the following countries: Austria, Belgium, Canada, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Norway, Portugal, Singapore, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom and United States.
- Not have their domicile in the following countries: Australia, Brazil, Chile, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Malaysia, Mexico, New Zealand, Peru, Philippines, Poland, Qatar, Russian Federation, South Africa, South Korea, Taiwan, Thailand, Turkey and United Arab Emirates.
- Have a minimum total market capitalization of \$500 million.
- Have a 6-month average daily turnover greater than or equal to \$2 million.
- Have traded on 90% of the eligible trading days in the last 6 months. In case a security does not have a trading history of 6 months (only IPOs), such a security must have started trading at least 3 months before the start of the Reconstitution/Rebalancing Process and should have traded on 90% of the eligible trading days for the past 3 months.

### 1.2.2 Free Float

All securities must have a minimum free float equivalent to 10% of shares outstanding.

### 1.2.3 Maximum Price

Securities trading at a price of \$10,000 or above are ineligible for inclusion in the Index. This rule is not applicable for existing constituents. Existing constituents shall remain in the initial universe irrespective of their stock price.

### 1.2.4 Security Type

The following security types are eligible for inclusion:

- Common Stock
- ADR
- GDR

### 1.2.5 Share Classes

- The existing share class/listing in the portfolio is retained if it satisfies all the eligibility criteria of the index
- The most liquid share class/ listing is considered for inclusion

## 1.3 SECURITY SELECTION PROCESS

All companies from the masterlist that are a part of the FactSet Fundamentals sub industry 'Medical, Surgical and Dental Suppliers' and FactSet Sector 'Health Technology' will form the 'Selection List' for the index.

## 1.4 FINAL COMPOSITION

From the Selection List:

- The top 50 companies by market capitalization will form the final index.

## 1.5 WEIGHTING

The index is equally weighted.

## 1.6 BUFFER RULES

Buffer Rules are employed to reduce Portfolio Turnover. The following buffer rules apply:

### 1.6.1 Market Capitalization

A constituent shall continue to be included in the Initial Universe if its market capitalization is greater than or equal to 80% of the previously defined market capitalization limit. To illustrate, if an existing index member qualifies all other selection criteria but doesn't qualify the market capitalization criteria to the extent of 20% deviation then it will be retained in the Investible Universe.

### 1.6.2 Liquidity

A constituent shall continue to be included in the Initial Universe if its 6-month ADTV is greater than or equal to 70% of the previously defined liquidity limit. To illustrate, if an existing index member qualifies all other selection criteria but doesn't qualify liquidity criteria to the extent of 30% deviation then it will be retained in the Investible Universe.

## 1.7 INDEX CALCULATOR

The calculator of this index is Solactive AG.

## 1.8 INDEX PUBLISHER

This index is published by Indxx.

## 1.9 INDEX EDITOR

This index is edited by Indxx.

## 1.10 RECONSTITUTION AND REBALANCING RULES

- The index follows an annual reconstitution and rebalancing schedule. The new portfolio becomes effective at the close of last trading day of February each year. This day is called the 'Effective Day.'
- The security selection and portfolio creation process start on the close of seventeenth trading day prior (Sixteen trading days prior) to the effective day, called the 'Selection Day.' The selection list is created based on the data as of the Selection Day.
- Weights are calculated at the close of the sixth trading day prior (five trading days prior) to the Effective Day. Index Shares are frozen using weights as of this day.

## 1.11 CORPORATE ACTIONS

The corporate action guidebook is present in the Announcements section of our website, under 'Index Documents'.

## 2. APPENDIX

### 2.1 METHODOLOGY CHANGES

Methodology changes since July 2021 are as follows:

Section	Previous Value	New Value	Effective Date
1.2.1	Their listing in a Developed Market and Emerging Market except Malaysia, Korea and Taiwan. Developed Market and Emerging Market is defined by Indxx in its 'Country Classification and Investability Requirements' document.	<ul style="list-style-type: none"> <li>Have their country of listing in the following countries: Austria, Belgium, Canada, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Norway, Portugal, Singapore, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom and United States.</li> <li>Not have their domicile in the following countries: Australia, Brazil, Chile, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Malaysia, Mexico, New Zealand, Peru, Philippines, Poland, Qatar, Russian Federation, South Africa, South Korea, Taiwan, Thailand, Turkey and United Arab Emirates.</li> </ul>	July 30, 2021

### 3. DISCLAIMER

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