# ROBO Index 3rd QTR 2026 Commentary

*As of September 30, 2026*

The ROBO Global Robotics & Automation Index declined 5.23% during the third quarter of 2026, compared with a 1.34% gain for the VettaFi Full World Index. ROBO remained ahead year to date, returning 17.07% through September versus 12.96% for the benchmark. Four of the eleven subsectors finished higher. Manufacturing & Industrial Automation fell 13.3% and Actuation declined 11.1%, making them the largest detractors, while Healthcare (+8.6%) made the largest positive contribution, followed by Business Process Automation (+15.7%) and Logistics Automation (+4.6%). Sensing (+1.7%) also finished higher. Autonomous Systems (-18.4%) had the weakest subsector return. Currency added approximately 0.6 percentage points.

The pullback followed a first-half gain of approximately 23.5%, while earnings expectations continued to improve. Among companies with available second-quarter results, 63 reported year-over-year sales growth and 56 reported EPS growth. At September-end, weighted consensus estimates called for EPS growth of approximately 29% in fiscal 2026 and 32% in fiscal 2027. Over the preceding 90 days, weighted fiscal 2027 sales and EPS estimates had each increased approximately 4.4%. FactSet's September-end portfolio snapshot put ROBO at approximately 2.0x next-twelve-month EV/sales and 25.7x next-twelve-month earnings. Our reading is that the quarter reflected a reassessment of valuations and the timing of growth, alongside company-specific demand and execution issues. Higher financing costs and uncertainty over U.S. market access also complicated the backdrop.

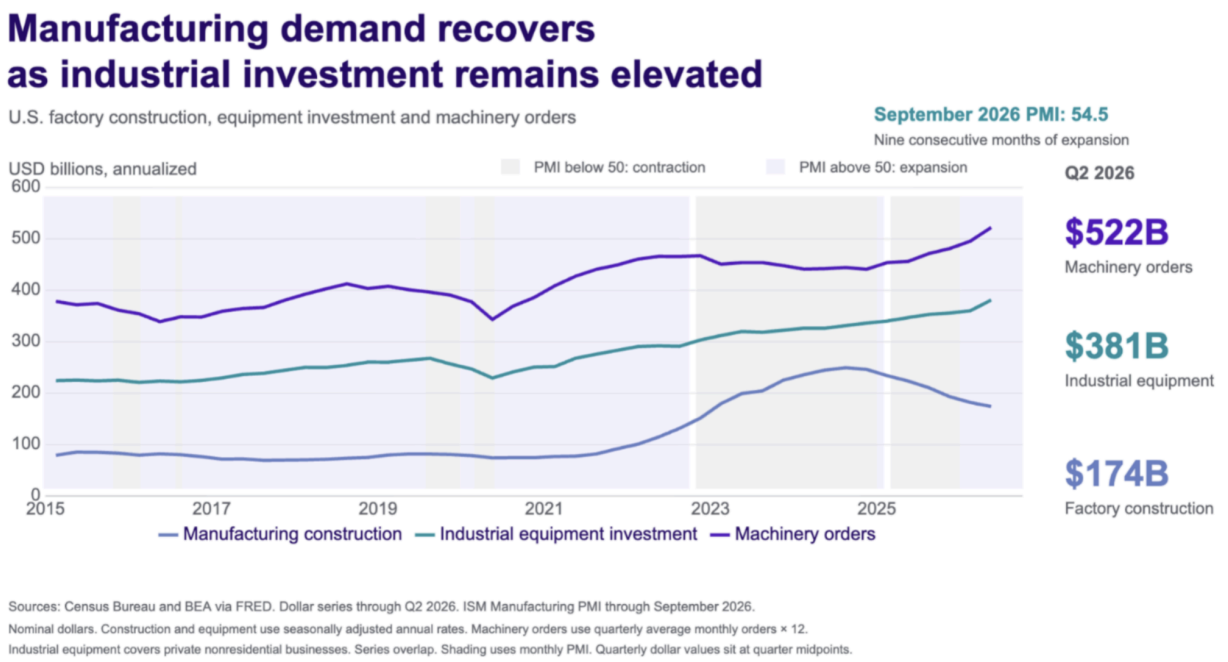
### An improving industrial backdrop with more work ahead

The latest International Federation of Robotics report recorded approximately 603,000 industrial robot installations in 2025, up 11%, taking the global operating base above five million. China accounted for approximately 59% of installations, while U.S. deployments rose 12% to 38,400, moving ahead of Japan into second place as Japanese installations fell 19%. These figures cover industrial robots alone. Medical robotics, service robots and emerging autonomous applications expand the opportunity beyond that total, while the existing industrial fleet creates demand for upgrades, maintenance, inspection and connectivity.

China's scale also warrants a distinction between where robots are installed and who supplies them. Chinese manufacturers increased their domestic installations by 15%, yet their share of that market fell to 55% from 57% as the overall market grew faster. Foreign suppliers consequently gained share in the world's largest industrial robotics market. This points to a global supply chain, with opportunities for component makers and automation suppliers serving customers across regions.

Chinese robotics holdings declined sharply during the quarter, including Han's Laser (-46.1%), Estun Automation (-23.5%) and Inovance (-20.8%).

Robot supplier Fanuc (-15.7%) reported stronger factory-automation orders across several Asian markets, supported by semiconductor and AI-server investment alongside automotive and other demand. Component shortages extended delivery times, however, and management cautioned that some customers were ordering earlier to secure equipment.




U.S. manufacturing conditions remain constructive and trending positive. Through the second quarter, nominal industrial equipment investment and machinery orders continued to rise, while factory construction spending fell further below its 2024 peak.

The Federal Reserve's September rate increase raised the hurdle for financed capital spending, while full expensing of eligible equipment improved its after-tax economics. Reshoring and stronger manufacturing demand continued to support investment, particularly where automation can increase capacity, reduce waste or address labor shortages. Bipartisan Senate permitting legislation introduced in September also proposed faster federal reviews for energy and infrastructure projects, offering potential further support for industrial expansion if enacted.

U.S. market access presented another source of uncertainty following the FCC's late-July restrictions on foreign-produced advanced robotic devices. Conditional approvals granted to selected products by September showed that the exemption process was operating, making product eligibility and manufacturing plans important to assessing the eventual impact.

### Physical AI investment reaches across the value chain

Physical AI, the application of AI to machines operating in the physical world, is extending the capabilities of established industrial platforms. On September 30, Fanuc and Hitachi announced a partnership to test AI-enabled tasks such as parts picking and production changeovers in Hitachi factories, targeting customer deployment from fiscal 2027. The opportunity extends beyond new robot designs to making existing platforms more adaptable.

Acquisition activity also targeted broader technical capabilities and potential markets. In August, machine-vision specialist Cognex (-16.2%) reported record quarterly revenue, up 17%, and an 80% increase in adjusted EPS. Its subsequent agreement to acquire RealSense for approximately $500 million, expected to close in the fourth quarter, would add 3D depth perception and broaden its addressable market from product inspection into mobile robots and other autonomous applications.

Microchip Technology (-14.4%) completed its acquisition of Hailo in September, adding AI acceleration and vision processing to its embedded semiconductor portfolio for applications ranging from smart cameras to autonomous machines. Qualcomm (0.0%) also agreed to acquire PickNik Robotics, whose motion-planning software would help developers build robotic manipulation applications on its computing platforms.

Corporate spending on AI infrastructure continues to create a clear tailwind across the Computing & AI subsector. Infineon (-27.6%) reported record quarterly revenue in August and identified power supplies for AI data centers as its leading growth driver. Following its August agreement, Infineon completed its acquisition of C2i Semiconductors on October 5, adding software-defined power-management capabilities to help AI servers respond to rapidly changing power demands.

### Growth beyond factory automation

Healthcare's positive contribution was concentrated in Illumina (+55.7%), whose gain more than offset declines elsewhere in the subsector. The sequencing company's second-quarter reported revenue grew 9.5%, and it raised its full-year revenue and adjusted earnings outlook, supported by clinical demand and adoption of its NovaSeq X platform.

Business Process Automation advanced. PTC (+23.5%) raised its annual outlook in July, while management highlighted customer interest in modernizing engineering and product data to support AI applications. Octave (+15.9%), the industrial software business spun off from Hexagon in May, and Autodesk (+7.5%) also rose.

In Logistics Automation, warehouse investment showed signs of recovery. AutoStore (+29.4%), whose systems automate the storage and retrieval of goods, reported second-quarter revenue growth of 43% and order growth of 45% in August. Zebra Technologies (+41.8%) reported a 9.2% increase in organic sales as demand improved across its frontline-worker and asset-tracking businesses. Their gains more than offset declines at Daifuku (-16.4%) and GXO Logistics (-12.3%), underscoring the uneven recovery within the subsector.

In Autonomous Systems, technical demonstrations and pilots marked progress toward wider commercial deployment. Joby Aviation (-32.2%) announced a roughly 3,200-mile autonomous flight across the United States using a converted Cessna Caravan with an onboard safety pilot and remote supervision, a demonstration separate from its electric air-taxi certification program. Joby also agreed to acquire Resonant Sciences for approximately $500 million, a deal that would add sensing and mission-systems capabilities to its defense business. UBTECH (-27.7%) announced humanoid testing with Hitachi in manufacturing. Repeat deployments and recurring revenue will be important measures of commercial progress.

We remain constructive on the robotics and automation outlook. Manufacturing demand strengthened, equipment investment remained elevated, and earnings expectations continued to improve despite the quarter's share-price declines. Reshoring and favorable tax treatment support capital spending, while advances in physical AI and acquisitions broaden the applications automation suppliers can serve. Together, these developments support continued growth across industrial automation, logistics, healthcare and the technologies that enable them.

# THNQ Index 3rd Quarter 2026 Commentary

*As of September 30, 2026*

## Q3 Performance: A Broader Set of AI Winners Emerges

The ROBO Global Artificial Intelligence Index (THNQ) advanced 6.8% in the third quarter, bringing its year-to-date net total return to 53.7% through September 30, 2026. Beneath the headline performance, an important shift in market leadership emerged. Despite a 5.8% decline in semiconductors, the Index's largest subsector, strength across cybersecurity, cloud infrastructure, data analytics and healthcare AI drove positive quarterly returns. The performance highlights a widening opportunity set across artificial intelligence, as investors increasingly recognize the companies enabling AI deployment and commercialization throughout the broader ecosystem.

This divergence was particularly striking given the semiconductor sector's approximately 30.5% average weighting. The group detracted 2.4 percentage points from quarterly performance, while Network & Security alone contributed 2.85 points. Healthcare and Big Data/Analytics each added approximately 1.8 points, illustrating how a diversified collection of AI technologies can participate in the industry's growth even as individual segments experience sharp corrections.

## The AI Landscape in Q3: From Infrastructure Investment to an Inference Economy

The third quarter marked another important stage in AI's evolution, with advances in personal AI agents, increasingly capable reasoning models, accelerating applications in science and healthcare, and continued investment in computing infrastructure.

Three developments stood out.

First, AI is increasingly moving toward inference-intensive applications, where models generate predictions, complete tasks and interact with software and real-world systems. As inference becomes more efficient and affordable, new applications become economically viable. Meanwhile, more complex reasoning and autonomous agents can generate substantially more computational activity through repeated model calls, data retrieval, tool execution and verification.

Second, personal AI agents are beginning to redefine how users interact with technology. Meta's September introduction of Muse demonstrated how AI can progress from answering individual questions to managing multi step tasks, interacting with applications and maintaining context over time. This development carries implications throughout the AI value chain, from cloud infrastructure and software platforms to data management, networking, identity and cybersecurity.

Third, infrastructure investment continues to expand the requirements of AI computing systems. As of quarter end, Meta projected $130 billion to $145 billion in capital expenditures for 2026. As AI systems grow more powerful and deployments become more demanding, spending increasingly encompasses networking, memory, power conversion, cooling, custom processors and the supporting software needed to operate these systems efficiently.

Together, these trends point toward an increasingly interconnected AI economy. The investment opportunity extends across the technologies required to produce intelligence, distribute it economically, secure its operation and apply it to productive tasks.

## Q3 Subsector Performance

THNQ's quarterly results reflected substantial differences across its underlying subsectors.

| THNQ subsector | Q3 return | Contribution to Index |
|---|---|---|
| Network & Security | +20.5% | +2.85 pp |
| Healthcare | +30.4% | +1.80 pp |
| Big Data / Analytics | +18.9% | +1.80 pp |
| Cloud Providers | +11.8% | +1.45 pp |
| Business Process | +11.9% | +0.93 pp |
| Ecommerce | +7.3% | +0.85 pp |
| Consumer | +20.4% | +0.68 pp |
| Factory Automation | -16.2% | -0.34 pp |
| Cognitive Computing | -12.0% | -0.88 pp |
| Semiconductor | -5.8% | -2.39 pp |
| Total Index | +6.75% | +6.75 pp |

*Source: VettaFi Index Research, THNQTR attribution, June 30 to September 30, 2026. Returns and contributions are rounded.*

The breadth of positive returns also coincided with strong underlying fundamentals. As of October 2, 54 of THNQ's 55 constituents had reported their latest Q2 2026 results. Approximately 93% reported positive year-over-year revenue growth, while 83% delivered positive earnings growth. On a weighted-average basis, sales increased 41.7%, EPS rose 71.9% and EBITDA expanded 64.8%.

Those results provide important fundamental context for the Index's year-to-date gains, although performance across individual companies remains sensitive to valuations, competitive positioning and expectations for future growth.

## Subsector Commentary: Where AI Investment Is Flowing

### Semiconductors: Valuation Pressure Meets Expanding Infrastructure Demand

Semiconductors declined 5.8% during Q3, representing the largest negative contribution to THNQ performance. The sell-off reflected substantial dispersion across the group, as previously strong performers experienced corrections amid shifting expectations for AI infrastructure spending and future growth.

Yet several companies continued making meaningful strategic progress. Global Unichip, a leading provider of custom ASIC design services and a key partner within TSMC's ecosystem, gained 66.1% during the quarter. MediaTek advanced 16.6%, while NVIDIA and AMD also recorded positive returns.

The growing demand for custom AI accelerators, specialized connectivity and power-efficient computing architectures continues to create opportunities beyond traditional GPU suppliers.

One particularly important development is the industry's transition toward higher-voltage data-center power infrastructure.

As AI processors become more powerful and rack densities increase, conventional power distribution systems face mounting efficiency and scalability challenges. The emerging adoption of 800-volt direct-current architectures could materially reshape how data centers distribute power, creating new demand for advanced power semiconductors, digital controllers, solid-state transformers and circuit protection.

THNQ constituent Infineon was especially active during the quarter. The company announced a collaboration with LS Electric focused on DC infrastructure, agreed to acquire C2i Semiconductors to strengthen its digital power-management capabilities, and expanded its partnership with SolarEdge to develop solid-state circuit protection for 800V data centers.

Despite these developments, Infineon's shares declined 27.6% during Q3, demonstrating that new growth opportunities do not necessarily translate into immediate share-price appreciation.

The broader implication is that AI infrastructure investment increasingly encompasses the entire computing system, including the technologies required to power, connect and operate increasingly dense clusters of processors.

**Network & Security: Agents Create New Infrastructure and Protection Requirements**

Network & Security advanced 20.5%, making it THNQ's largest positive contributor at approximately 2.85 percentage points.

The subsector benefited from growing demand for AI-ready infrastructure and cybersecurity solutions as organizations deploy increasingly sophisticated AI applications.

Everpure was among the strongest individual contributors, gaining approximately 66% during the quarter and adding 1.30 percentage points to Index performance.

The data-storage company reported 38% year-over-year revenue growth in its latest fiscal quarter and secured a design win with a second top-five hyperscaler. At its September analyst meeting, management outlined preliminary fiscal 2028 revenue expectations of $7.0 billion to $7.3 billion, reflecting its expanding opportunities in hyperscale storage and enterprise data management.

Arista Networks also advanced, supported by growing demand for high-performance AI networking. In August, the company highlighted its 1.6 Tbps networking platforms, launched in June, designed for increasingly demanding scale-up, scale-out and scale-across AI infrastructure.

Cybersecurity represented another major area of strength.

As AI agents gain access to enterprise applications, sensitive information and operational systems, organizations face increasingly complex challenges surrounding identity, permissions, data security and autonomous behavior.

Several THNQ constituents introduced products or announced partnerships addressing these emerging requirements.

CrowdStrike introduced Falcon Guardian, designed to monitor and control AI-agent behavior during execution, and expanded its collaboration with OpenAI to secure Codex agents. Palo Alto Networks acquired Console to strengthen the agentic capabilities of its Cortex security platform.

These developments suggest that AI adoption could expand cybersecurity spending into additional categories, including agent identity, runtime protection, automated threat detection and secure execution environments.

As agents become more capable, their commercial value increasingly depends on whether enterprises can deploy them securely and reliably.

**Big Data, Cloud Infrastructure and Business Process Automation: The Software Behind AI Deployment**

Big Data/Analytics advanced 18.9%, Cloud Providers gained 11.8%, and Business Process rose 11.9%.

Together, these three subsectors contributed approximately 4.2 percentage points to THNQ performance.

The results reflected growing investor interest in software platforms that enable AI applications to access enterprise information, execute increasingly complex tasks and integrate into existing business operations.

Elastic gained 60.8%, while Snowflake rose 33.4%. Both companies operate in markets where enterprise AI adoption increases the importance of organizing, retrieving and analyzing data.

In August, Snowflake previewed expanded Cortex Agents capabilities supporting more sophisticated analytical workflows, code execution and conversation management. These developments illustrate the growing importance of data platforms as enterprises build AI applications that operate across multiple systems while maintaining access controls and governance.

Cloudflare and Microsoft were also notable performers, advancing approximately 41.6% and 37.7%, respectively.

Cloudflare continued expanding its developer infrastructure to support autonomous applications, including isolated execution environments for coding agents. Such capabilities highlight the infrastructure requirements associated with agents that can operate software and interact with external tools.

Across business applications, the opportunity increasingly centers on connecting AI capabilities to existing workflows, proprietary data and operational systems.

For investors, a key consideration is whether these platforms can translate growing AI usage into additional revenue, stronger customer retention and sustained earnings growth.

**Healthcare AI: Proprietary Data and Clinical Applications Drive Performance**

Healthcare was THNQ's strongest sub sector by percentage return, gaining 30.4% during Q3.

The group contributed approximately 1.80 percentage points to Index performance, with notable strength from Tempus AI and Illumina, which advanced 41.4% and 55.7%, respectively.

AI's applications in healthcare continue expanding across diagnostics, clinical decision support, genomics and drug discovery.

Tempus announced an agreement to acquire Personalis at an enterprise value of approximately $1.5 billion, net of its existing stake, expanding its capabilities in personalized cancer testing and minimal residual disease monitoring. The company also received an award of up to $9.5 million through ARPA-H's ADVOCATE initiative to develop an autonomous AI system for cardiovascular care.

Meanwhile, Illumina expanded its Billion Cell Atlas initiative to additional AI-focused drug developers. The program aims to create large-scale biological datasets capable of supporting the development and validation of advanced models for drug discovery.

These developments illustrate the growing convergence of biological data, computational infrastructure and AI.

Healthcare offers a particularly compelling opportunity for applied AI because improvements in diagnostic accuracy, research productivity and treatment development can create measurable economic value. Commercial success will depend on clinical validation, regulatory milestones, reimbursement and integration into established healthcare workflows.

**Consumer AI and Ecommerce: Personal Agents Expand AI's Addressable Market**

Consumer AI advanced 20.4%, while Ecommerce gained 7.3%.

Meta Platforms was a significant contributor, rising 28.8% during Q3. Its introduction of Muse provided one of the quarter's clearest examples of AI transitioning toward personalized, autonomous applications.

The shift toward persistent personal agents could create substantial incremental demand across consumer platforms, cloud services, identity infrastructure and digital commerce.

For example, an AI assistant coordinating a purchase may interact with product databases, retailers, payment systems, shipping providers and customer-service applications. Each interaction creates additional requirements for computing, software integration and secure access.

Shopify, which advanced 29.9% during the quarter, has positioned its commerce infrastructure to support purchases initiated through AI platforms, including integrations built around its Agentic Storefronts offering and Universal Commerce Protocol.

The opportunity remains early, with important questions surrounding consumer adoption, merchant economics and the degree to which AI platforms capture value from transactions.

Nevertheless, personal agents represent another potential source of recurring demand for the broader AI technology ecosystem.

**Cognitive Computing and Factory Automation: A Selective Market for Emerging Technologies**

Cognitive Computing declined 12.0%, while Factory Automation fell 16.2%.

Weakness in companies including IBM, Tesla, IonQ and Cognex contributed to the underperformance.

These results reinforce the substantial differences in maturity, adoption cycles and market expectations across AI-related businesses.

While investors increasingly recognize opportunities in robotics and physical AI, commercial adoption remains uneven. Companies must demonstrate that new capabilities can operate reliably in production environments and deliver attractive economics.

The performance divergence also highlights an important distinction between long-term technological potential and the timing of commercial returns.

## Strategic Developments: AI Expands Toward the Edge and Physical World

Another defining Q3 development was the growing interest in bringing advanced AI capabilities into devices, machines and real-world environments.

Several notable acquisitions, partnerships and product introductions highlighted this trend.

AMD announced an approximately $8.2 billion agreement to acquire World Labs, bringing spatial-intelligence research and advanced world-model capabilities into its broader computing ecosystem. The proposed acquisition reflects growing interest in computing architectures designed for simulation, robotics and physical AI.

Qualcomm agreed to acquire PickNik Robotics, the developer behind the widely adopted MoveIt robotics software framework. The transaction is intended to integrate advanced motion planning and robotics development capabilities more closely with Qualcomm's Dragonwing computing platforms.

Meanwhile, Ambarella introduced the X7, its first standalone edge-AI accelerator, designed to add AI capabilities to existing computing systems. The company also partnered with ZEDEDA to support centralized management and deployment of AI applications across distributed edge devices.

These developments suggest that AI infrastructure providers increasingly see opportunities in the technologies required to bring intelligence closer to where data is generated and decisions must be executed.

Moving inference toward the edge can reduce communication delays, support local processing and improve the economics of applications that require continuous interaction with their environments.

For the broader industry, these transactions also illustrate how companies are expanding beyond their historical positions in the technology stack through acquisitions, partnerships and new product development.

The convergence of AI computing, robotics software and edge infrastructure represents an increasingly important area of opportunity across both the THNQ and ROBO Global Robotics and Automation ecosystems.

## Outlook: What We Are Watching in Q4 and Beyond

The third quarter reinforced the strength of the AI investment cycle while demonstrating that leadership across the sector continues to evolve.

THNQ's strong year-to-date performance, broad participation across multiple subsectors and substantial underlying earnings growth suggest that the opportunity increasingly extends across the technologies required to develop, deliver and commercialize AI.

Looking ahead, several developments warrant particular attention.

Inference economics and monetization. Continued improvements in computational efficiency could enable additional applications and greater overall usage. The critical question is whether expanding demand generates attractive returns on the substantial infrastructure investments being made.

AI agents and enterprise adoption. Personal and enterprise agents could materially increase the amount of computing, data processing and software interaction associated with everyday tasks. Successful adoption will depend on reliability, security and measurable productivity improvements.

Power and infrastructure constraints. Rising rack densities and increasingly sophisticated AI systems could create additional opportunities in power conversion, networking, storage and system-level optimization. The transition toward 800V architectures represents one area where technology requirements may evolve considerably.

Cybersecurity and trust. Greater autonomy introduces additional challenges around credentials, permissions, execution environments and data protection. Companies delivering effective security solutions could benefit as organizations expand their use of agentic applications.

Edge and physical AI. Recent acquisitions and product launches suggest growing interest in bringing advanced intelligence into robots, industrial equipment and connected devices. Evidence of commercial deployment, customer returns and expanding application demand will be important indicators of progress.

The next phase of AI development should increasingly reward companies that can translate technological advances into reliable, scalable and economically valuable products and services.

THNQ's diversified exposure across the AI ecosystem offers a perspective on how that evolution is unfolding, with opportunities spanning computing infrastructure, cybersecurity, enterprise software, healthcare and emerging physical applications.

# HTEC Index 3rd Quarter 2026 Commentary

*As of September 30, 2026*

The ROBO Global Healthcare Technology and Innovation Index (HTEC) ended the third quarter with a return of 18.64%, building on the momentum established in the second quarter. Gains were broad, with Genomics and Data Analytics leading the advance as investors continued to focus on molecular diagnostics, clinical data integration, and AI-enabled healthcare technologies.

Seven of the index's nine subsectors generated positive returns during the period, reflecting participation across several areas of healthcare innovation.

### Top Performing Subsectors

Genomics led the index for the second consecutive quarter with a 57.37% return, following 60.94% in Q2. Data Analytics was the second strongest subsector with a 47.62% gain, followed by Process Automation at 26.31%, Precision Medicine at 16.32%, and Diagnostics at 14.34%, rounding out the sub sectors with double-digit returns.

Moderna (Precision Medicine) delivered a standout return of 174.98%. Its investigational individualized mRNA cancer therapy, intismeran autogene, is being developed with Merck and studied in combination with Merck's Keytruda for melanoma and other cancers. The program represents an important part of Moderna's effort to expand beyond respiratory vaccines, although its ultimate commercial impact remains dependent on clinical outcomes and regulatory review.

The program also illustrates the role of genomic analysis in personalized cancer treatment. Personalis provided sequencing for the clinical development program, while Tempus AI's agreement with Moderna concerns a prospective commercial role in genomic sequencing. The agreement addresses potential commercialization rather than the trial itself. More broadly, personalized therapies create demand for sequencing, analytics, and manufacturing capabilities across the healthcare technology ecosystem.

Within Genomics, CareDx Inc returned 128.07%, while GRAIL Inc gained 105.24%. Twist Bioscience advanced 87.83%, following 116.50% in Q2. Twist's work as one of the independent evaluators in Anthropic's research highlights the intersection of synthetic biology and AI. Illumina Inc (+55.65%), Natera Inc (+52.26%), and Adaptive Biotechnologies Corp (+34.73%) further reinforced subsector breadth. Together, these businesses illustrate the range of genomic tools supporting diagnostics, research, and clinical decision-making.

In Data Analytics, Veeva Systems Inc advanced 60.84%, while Tempus AI Inc continued its momentum with a 41.38% gain. Their platforms address demand for life sciences software and the integration of clinical and molecular data.

In Process Automation, new index constituent Insilico Medicine advanced 51.60%. IQVIA Holdings Inc (+39.14%), Tecan Group AG (+39.96%), and Thermo Fisher Scientific Inc (+34.71%) also posted strong gains, demonstrating the breadth of the subsector beyond AI-driven drug discovery.

In Medical Instruments, Conmed Corporation returned 41.25%, while Becton, Dickinson and Company gained 18.77% and Glaukos advanced 17.45%.

### Subsector Laggards

Robotics recorded the weakest subsector return during the quarter, declining 8.34%. Regenerative Medicine was also in the red, dropping 4.58%. Capital expenditure discipline and sales cycles for high-cost equipment remain important considerations for investors in capital-intensive healthcare technologies.

Within Robotics, Omnicell Inc fell 17.99%, while Novanta Inc declined 12.36% and Stryker Corporation dropped 12.33%.

In Medical Instruments, Align Technology Inc declined 12.48%. Demand for discretionary orthodontic procedures remains sensitive to consumer spending conditions.

### Long Term Outlook

The structural drivers underpinning healthcare technology innovation remain strong. Aging populations, chronic disease burdens, clinical labor shortages, and rising healthcare expenditures continue to create demand for platforms that improve care and efficiency.

Short-term capital deployment dynamics may create uneven performance across capital-intensive sub sectors such as Robotics and Medical Instruments. Over time, the opportunity for HTEC companies will depend on their ability to translate innovation into measurable clinical utility, operational productivity, and sustained commercial adoption.

## About VettaFi

VettaFi is a differentiated index provider, helping asset managers across the globe build and grow their product suites. With an industry-leading index platform, VettaFi partners with issuers to develop innovative investment solutions and bring them to market. VettaFi's portfolio of investor-oriented media publications and events connects clients' products with investors. This robust ecosystem enables asset managers to effectively reach their target audience, whether digitally or in-person.

Significant investments and the backing of TMX Group have further strengthened our ability to help our partners by expanding our capability set and geographic reach.

Our combined strength and entrepreneurial spirit empowers us to deliver the specialized insights and services that enable asset managers and investors to achieve growth and success.

VettaFi owns and administers the ROBO Global Index Series. For more information, please visit: www.vettafi.com.

**vettafi.com | 225 Liberty Street, 23rd Floor, New York, NY 10281**

**VettaFi Disclaimer**

**This Document Is Impersonal and Not a Solicitation.** ROBO Global, LLC is a wholly owned subsidiary of VettaFi LLC. VettaFi LLC, collectively with its affiliates and subsidiaries, is referred to herein as ("VettaFi"). This document does not constitute an offering of any security, product, or service. All information provided by VettaFi in this document is impersonal and not customized to the specific needs of any entity, person, or group of persons.

**About the Indexes**. The Robo Global Robotics and Automation Index™ (the "Index") seeks to track the combined performance of a basket of global stocks that identify eleven (11) subsectors of suitable product and technology maturity to the robotics and automation theme. These subsectors carry high growth and earnings potential and are regularly screened to identify companies that are publicly traded, meet a minimum robotics revenue threshold, are positioned as technology and growth leaders, and satisfy our ESG Policy. The ROBO Global® Healthcare Technology and Innovation Index Series' objective is to provide investors with comprehensive, transparent and diversified benchmarks representing the global value chain of disruptive and emerging technologies in the healthcare sector. The index series benchmark companies that have a distinct portion of their business and revenue derived from the field of healthcare technologies, and the potential to grow within this space through innovation and/or market adoption of their products and/or services. The ROBO Global® Artificial Intelligence Index Series' objective is to provide investors with comprehensive, transparent and diversified benchmarks representing the global value chain of Artificial Intelligence technologies. The index series benchmark companies that have a distinct portion of their business and revenue derived from the field of Artificial Intelligence, and the potential to grow within this space through innovation and/or market adoption of their products and/or services. The Index and its trademarked name are the exclusive property of VettaFi.

**No Advisory Relationship**. VettaFi is not a fiduciary or an investment advisor, and VettaFi makes no representation regarding the advisability of investing in any investment fund or other vehicle. This document should not be construed to provide advice of any kind, including, but not limited to, investment, tax or legal.

**You Must Make Your Own Investment Decision.** It is not possible to invest directly in an index. Exposure to an asset class represented by an index is available through investable instruments based on that index. You should not make a decision to invest in any investment fund or other vehicle based on the statements set forth in this document. You should only make an investment in an investment fund or other vehicle after carefully evaluating the risks associated with such an investment in the investment fund, as detailed in the offering memorandum or similar document prepared by or on behalf of the issuer. This document does not contain, and does not purport to contain, the level of detail necessary to give sufficient basis to an investment decision. VettaFi does not sponsor, endorse, sell, promote, or manage any investment fund or other investment vehicle that is offered by third parties and that seeks to provide an investment return based on the performance of any index.

**No Warranties; Limitation of Liability. While VettaFi believes that the information contained in this document (collectively, the "Content") is reliable, VettaFi does not guarantee the accuracy, completeness, timeliness, or availability of the Content in whole or in part. VettaFi is not responsible for any errors or omissions, regardless of the cause, in the Content which may change without notice. VettaFi makes no warranties, express or implied, as to results to be obtained from use of the Content, and VettaFi expressly disclaims all warranties of suitability with respect thereto. VettaFi shall not be liable for any claims or losses of any nature in connection with the use of the Content, including but not limited to, lost profits or punitive or consequential damages, even if VettaFi has been advised of the possibility of same.**

**Research May Not Be Current**. This document has been prepared solely for informational purposes based on information generally available to the public from sources believed to be reliable.

VettaFi does not assume any obligation to update the Content following publication in any form or format.