

Press Release

Global X expanding thematic ETF range with China Biotech Innovation ETF (CHB) tracking a Solactive Index

25 September 2020

Solactive is proud to present the launch of a thematic index providing targeted exposure towards the rapidly growing Chinese biotechnology sector. The Solactive China Biotech Innovation Index aims to track the individual performance of twenty-seven of the largest and most liquid Chinese companies active in the field of Biotechnology. Global X in the USA utilizes this index for the issuance of an ETF delivering efficient access to a theme and industry characterized by high growth potential at the forefront of technological progress, biological advancement, and applied product development.

China's continued economic growth, demographic structure, strategic emphasis on the domestic biotechnology sector are expected to continue to represent a tailwind for the index's constituents going forward. Research company Global Market Insights forecasts the global industry to grow at a compound annual growth rate of 9.9 %, reaching \$ 775 bn expected annual revenue in 2024. *"There is a sheer force of innovation in life-science and biotech, with a lot of revenue being put back into R&D,"* comments Timo Pfeiffer, Chief Markets Officer at Solactive. *"Hong Kong has become a key hub for Biotech IPOs, and our new index takes advantage of this emerging center of innovation. With our involvement in the launch of the latest Global XETF, we are pleased to help make this exposure investable for clients in the US."*

The Index universe of the **Solactive Chinese Biotech Innovation Index** includes companies headquartered in China and Hong Kong and classified as active in the Biotechnology industry and which are listed on any of the following stock exchanges: HKSE, Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect, NYSE, and NASDAQ. Minimum Average Daily Value Traded and Free Float Market Capitalization filters are applied to ensure the liquidity and size of the selected companies. Furthermore, eligible securities include H-Shares, Red Chips, P-Chips, A-Shares, ADRs, and common stocks with a primary listing on the NYSE or NASDAQ.

The addition of the **Solactive Chinese Biotech Innovation Index** strengthens Solactive's index suite in the thematic space with targeted exposure to companies involved in the emerging Chinese biotech market.

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Note to editors

About Solactive

Solactive is a leading provider of indexing, benchmarking, and calculation solutions for the global investment and trading community. Headquartered in Frankfurt, and with offices in Hong Kong, Toronto, Berlin, and Dresden, we innovate and disrupt the status quo as the partner of choice for our clients.

The unique blend of our 250 staff's expertise in data, data science, financial markets, and technology enables our clients' continued success through the delivery of a superior experience, unique customization capabilities, and the best value for money available in the industry. With more than 14,000 indices calculated daily, we offer a full suite of solutions, including market-leading ESG and thematic indices.

As at April 2020, Solactive served approximately 450 clients across the world, with approximately US\$200 billion invested in products linked to our indices. Solactive is registered with ESMA as a benchmark administrator and is supervised by the BaFin.

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