



S-Network Medical Breakthroughs Index (PMBI)

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Index Objective

The S-Network Medical Breakthroughs Index is a portfolio of small and mid-cap biotechnology stocks listed on US stock exchanges that have one or more drugs in either Phase II or Phase III US FDA clinical trials. PMBI uses a modified capitalization weighting methodology.

Highlights

Index companies have a 5 Billion USD cap.

Dates

Reference Dates: The last business day of the month preceding the reconstitution month.

Rebalance Dates: Rebalanced quarterly on the third Friday of the last month of each calendar quarter.

Reconstitution Dates: Reconstituted semi-annually on the third Fridays of June and December.

Weight Dates: The close of trading on the Thursday prior to the 2nd Friday of the rebalancing month.

Supporting Documents

This methodology is meant to be read in conjunction with supporting documents providing greater detail with respect to the policies, procedures and calculations described herein.

The list of the main supplemental documents for this methodology can be found in the Methodologies and Governance tabs on the [Index Resources](#) page as follows:

Supporting Documents
Index Maintenance Policy
Index Governance
Index Policies
Methodology Policies
Glossary
Index Change and Consultation Policy

Index Construction

Universe

Companies listed on a US stock exchange.

Selection

All companies selected for inclusion in must be principally engaged in the biotechnology sector. Constituents must have a market capitalization of no less than \$200 million and no more than \$5 billion. Constituents must sustain an average daily trading volume in excess of \$1 million for the 90-day period

preceding a reconstitution. Constituents must have one or more drugs in either Phase II or Phase III US Food and Drug Administration (FDA) clinical trials. Constituents must be able to sustain their cash burn rates for at least 24 months.

Any current index constituent that exceeds the eligibility threshold by more than 10% will be deleted from the index.

Any constituent subject to pending transaction and trading at net present value to the transaction will be removed from the Index at the next rebalancing.

Weighting

PMBI uses a modified capitalization weighting methodology, which is not adjusted for float. The index weight of the largest stock is capped at 4.5% and the excess weight is redistributed proportionately over the remainder of the index.

Rebalancing and Reconstitution

The index is rebalanced on the “Rebalance Date” and additionally reconstituted on the “Reconstitution Date”.

Data used for reconstitutions are as of the “Snapshot Date”.

Share weights for the rebalanced Indexes are computed as of the “Weight Dates”.

Changes to the Indexes related to the rebalances/reconstitutions are as of the “Rebalance Date”.

Index Maintenance

Please refer to the Index Maintenance Policy document for information on Corporate Actions, Data Sourcing, Pricing, Financial distress, Index Dissemination, and Data Correction Policy.

Corporate Actions:

Please refer to the Index Maintenance Policy document for information on Corporate Action processing.

Index Calculation

Please refer to the Index Maintenance Policy document for information on index calculations.

Index Governance

The index is governed and managed by a VettaFi Index Committee for the purpose of meeting the goals of the index. For more information, please refer to the Index Governance document.

Index Policies

Please refer to the Index Policies document for information regarding Announcements, Holiday Schedules, Unexpected Exchange Closures, and Recalculation Policy.

Index Information

Index	Price Index	Base Date	Base Value	Total Return Index	Base Date	Base Value
S-Network Medical Breakthroughs Index	PMBI	08/27/14	4473.03	PMBITR	08/27/14	4725.08

Methodology Updates and Changes

Date	Version	Previous	New
Sep 2025	1.0.0	Nov 2020	Methodology converted to new VettaFi format

Contact Information

For any questions regarding an index, please contact:

Disclaimer

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