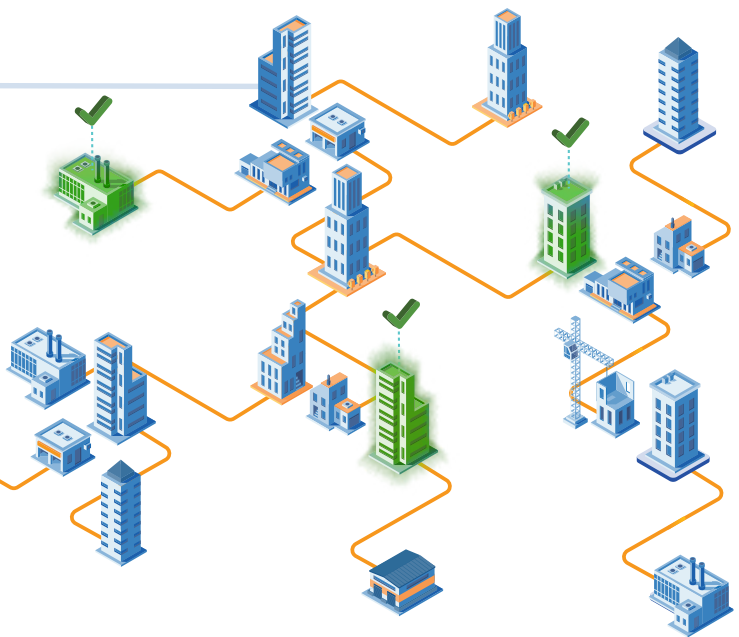# DEFINE **UNIVERSE**

- 11,000+ large, mid, small and micro-cap stocks from developed and emerging markets

- Based on their initial classification, stocks are narrowed down to around 200 names

- Also added to the list are additional companies materially involved in the sector, using proprietary research

IDENTIFY AND **CLASSIFY**

Companies are identified as belonging to the Artificial Intelligence value chain and classified into the following categories

ENGAGERS

Companies whose focus is providing AI-powered products & services

AI-Powered Solution Providers

Vertical solution providers address needs of a specific industry, e.g. pharma, auto-makers etc. through AI-powered services

Horizontal solution providers address a need across a wide array of industries through AI powered-services

ENHANCERS

Companies who are a prominent force in AI but whose relevant product or service is not currently a core part of their revenue

ENABLERS

Companies who are key players in this space, with some of their core products and services enabling AI

Component Manufacturers

Component manufacturers provide the Central Processing Units (CPUs), Graphic Processing Units (GPUs) and low-latency memory chips, including AI-tailored chips to handle the calculations and memory requirements involved in AI's crunching of huge amounts of data, as well as high-speed communications equipment and sensors required for real-time AI applications

Platform Providers

AI has an insatiable thirst for calculation power, which might require significant capital expenditure on hardware. Therefore, even the most innovative AI companies get 'Infrastructure / Platform as a Service' from platform providers

Algorithm Providers

AI is driven by 'cognitive algorithms'. Algorithm providers offer APIs (pre-built algorithm libraries) which can perform common cognitive functions, such as understanding text or voice, image recognition and other core AI functions

ANALYSE **AI INTENSITY**

Intensity scores are assigned to each company based on:

- How core AI is to the company's product offering

- How meaningful is the AI theme in driving the company's revenue

- The company's investment in AI R&D

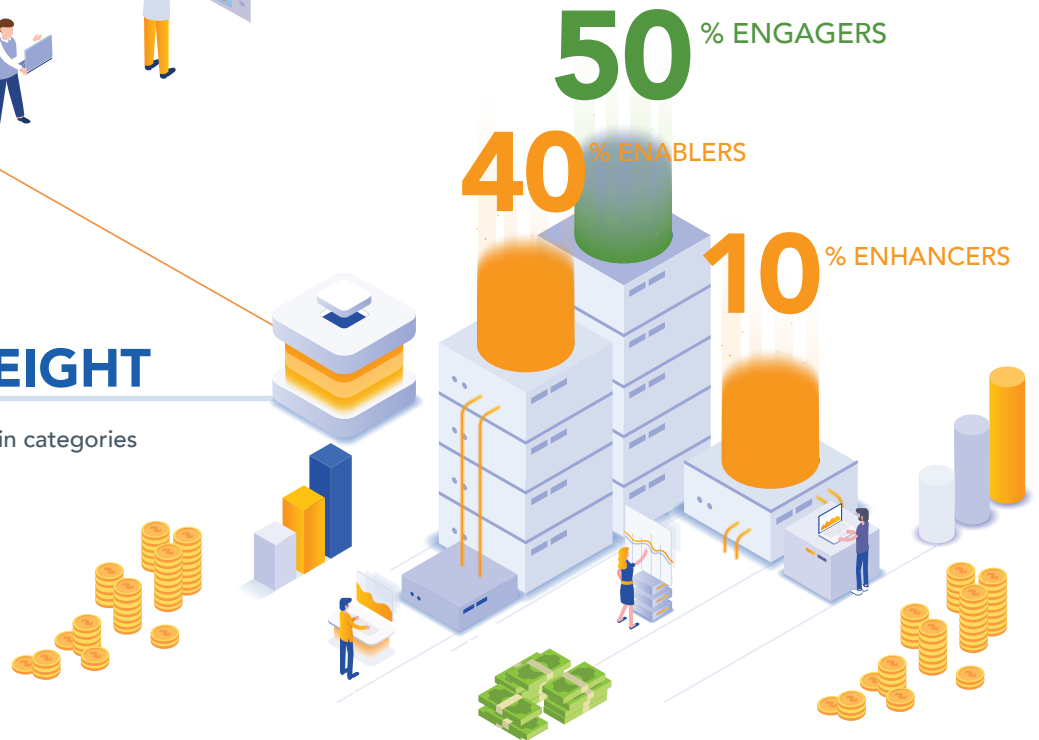- Relevance of the AI solutions the company is developing

SELECT THE **TOP**

Only companies with the top 15 intensity scores in each category are selected for inclusion*

50% ENGAGERS

40% ENABLERS

10% ENHANCERS

ALLOCATE **WEIGHT**

Weight is allocated equally within categories

* Prior to being selected based on their intensity score, companies are screened for the following liquidity requirements: minimum $250m market cap, average daily volume of $3m, free float >20%. More than one company may share the same intensity score.

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Important Information