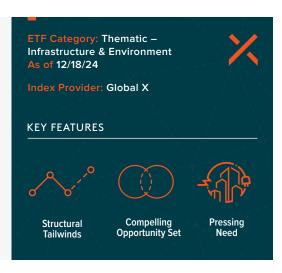


# U.S. Electrification ETF

# **FUND OBJECTIVE**

The Global X U.S. Electrification ETF (ZAP) seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the Global X U.S. Electrification Index.

For informational purposes only. This document should be used to highlight some of the criteria to be used by index provider when publishing index constituents and is not comprehensive.\*



# **GLOBAL X U.S. ELECTRIFICATION INDEX**

#### **SELECTION**

- The Index is designed to track the performance of U.S. listed companies involved in electrification.
- The following sub-themes are analyzed for inclusion:
  - Conventional Electricity
  - Alternative Electricity
  - Grid Infrastructure and Smart Grid Technologies
- The following companies/business activities are NOT considered contributing to Electrification revenue:
  - Non-electric energy companies: excluding companies primarily focused on oil and gas exploration, production, and distribution
- The index classifies companies based on the below revenue thresholds:
  - Significant Play: Companies earning greater than or equal to 75% of revenue attributable to one of more of the core businesses of the sub-themes in aggregate
  - Pure Play: Companies earning greater than or equal to 50% of revenue attributable to one of more of the core businesses of the subthemes in aggregate
  - Diversified Play: Companies earning between 25% and 50% of revenue attributable to one of more of the core businesses of only that applicable sub-theme

# **SELECTION POOL**

- Companies that fulfill the following conditions qualify for eligibility:
  - Listed in the United States
  - Domiciled in a Developed Market
  - Security Level Market Capitalization of at least \$200M for new constituents and \$160M for existing constituents
  - Average Daily Traded Value ("ADTV") in the last 6 month of at least \$2M for new constituents and \$1.4M for existing constituents
  - Must be traded on 90% of eligible Scheduled Trading Days for the past 6 calendar months
  - Free Float should be a minimum of 10% of outstanding shares
  - Any company earning less than 50% of revenue from United States will be excluded
- Companies must meet certain revenue thresholds to be considered for inclusion in the final index:
  - Conventional Electricity: New constituents must be Significant-Plays to be eligible for inclusion; existing constituents must maintain Pure-Play revenue requirements to remain eligible for inclusion
  - Alternative Electricity: New constituents and existing constituents must be Pure-Plays to be eligible for inclusion
  - Grid Infrastructure and Smart Grid Technologies: New constituents and existing constituents must be Pure-Plays and/or
     Diversified Plays to be eligible for inclusion







# **WEIGHTING SCHEME**

- · The weight of index constituent will be determined based on the free-float market capitalization, subject to the following caps:
  - Single security cap of 4%
  - The aggregate weight of Diversified-Play companies will be capped at 10%

# REBALANCES/RECONSTITUTION

The index follows a semi-annual reconstitution and rebalance schedule. Adjustments are made at the close of the last business day in April
and October of each year.

For more information on the Index, please visit Mirae's website.

\*For the complete and current index methodology please refer to Mirae's website. This summary document is accurate as of the time of its publication and Global X does not guarantee that it is current at any point thereafter.

Carefully consider the fund's investment objectives, risks, and charges and expenses before investing. This and other information can be found in the fund's full or summary prospectus, which may be obtained by visiting globalxetfs.com. Please read the prospectus carefully before investing.

Investing involves risk, including the possible loss of principal. Narrowly focused investments will be more susceptible to factors affecting that sector and subject to more volatility. ZAP is non-diversified.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. Indices are unmanaged and do not include the effect of fees, expenses or sales charges. One cannot invest directly in an index.

Global X Management Company LLC serves as an advisor to the Global X Funds. The Funds are distributed by SEI Investments Distribution Co. (SIDCO, 1 Freedom Valley Drive, Oaks, PA, 19456), which is not affiliated with Global X Management Company LLC or Mirae Asset Global Investments. The Global X U.S. Electrification Index is owned and was developed by Global X Management Company LLC for use by Global X Funds.





