

## FUND OBJECTIVE

The Global X Genomics & Biotechnology ETF (GNOM) seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the Solactive Genomics 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.

ETF Category:  
Growth - People & Demographics

As of 4/1/20

Index Provider: SOLACTIVE



## KEY FEATURES



High Growth  
Potential



Targeted  
Exposure



ETF  
Efficiency

## SOLACTIVE GENOMICS INDEX

## SELECTION

- The index is designed to track the performance of companies that have or are expected to have significant exposure to the field of Genomics by using a natural language processing (NLP) algorithm that evaluates publicly available information such as financial websites, search engines, and company publications.
- Companies are first ranked according to the reference frequency of the index theme specific keywords ("Index Score").
- Companies are then screened based on revenue exposure to one of the following Genomics related business operations:
  - Gene editing
  - Genomic sequencing
  - Development and testing of genetic medicine/therapies
  - Computational genomics and genetic diagnostics
- Companies that derive at least 50% of revenue from the above Genomics related business operations above are eligible for the index. Companies that are not confirmed based on the 50% of revenue screen but that are classified as "Biotechnology" by FactSet are further reviewed and analyzed based on Research and Development (R&D) expenditures, product pipeline, and operating business segments. Only those Biotechnology companies with exposure to the Genomics related business activities are eligible for the index.
- The remaining eligible companies are ranked by their Index Scores, and the 40 highest ranking companies constitute the final index.

## SELECTION POOL

- Primary listing is in one of the Developed Countries, as defined by the Solactive Country Classification, or
- American Depositary Receipts (ADRs) that have primary listing in Emerging Countries.
- Market capitalization of at least USD 200 million for new index constituents (existing constituents will remain in the index unless market capitalization falls below USD 160 million)
- Free float percentage of total shares outstanding of at least 10% or a minimum free float market capitalization of USD 1 billion
- Average daily trading volume in the last six months of at least USD 2,000,000 for new index constituents (existing constituents will remain in the index unless average daily trading volume falls below USD 1,400,000)
- Classified under the Economy "Healthcare" in the FactSet Industries and Economic Sectors Classification.

## WEIGHTING SCHEME

- Index components are weighted according to Free Float Market Capitalization with the following constraints applied at each semi-annual rebalance:
  - Each component is subject to maximum weight of 4% and minimum weight of 0.3%.
  - Any component with a market capitalization larger than \$50 billion USD is capped at 2%; for constituents that have been included in the index with the capping applied, the capping remains effective unless the company's market capitalization drops below \$40 billion USD.



## REBALANCES/REVIEWS

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- The index follows a semi-annual reconstitution schedule. Adjustments are made on the second Friday in May and November.
- An existing index constituent is only excluded if it does not have a positive Index Score or it generates less than 50% of its revenues from Genomics related business operations and/or is no longer classified as “Biotechnology”.
- A new company is added only if it passes all selection criteria and ranks in the top 10 in the Index Score ranking.

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

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\*For the complete and current index methodology please refer to the index provider'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.

The selection of the index constituents and their weighting is made by the index provider at its sole discretion.

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

Investing involves risk, including the possible loss of principal. The investable universe of companies in which GNOM may invest may be limited. The Fund invests in securities of companies engaged in Genomics, Healthcare and Biotechnology sectors. These sectors can be affected by government regulations, rapid product obsolescence, intense industry competition and loss or impairment of patents or intellectual property rights. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from social, economic or political instability in other nations. GNOM 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 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. Global X Funds are not sponsored, endorsed, issued, sold or promoted by Solactive, nor does Solactive make any representations regarding the advisability of investing in the Global X Funds. Neither SIDCO, Global X nor Mirae Asset Global Investments are affiliated with Solactive.