

Global X China Clean Energy ETF – Details of Investment Strategy

<p>Expected exposure to the securities or other investments that reflect the stated Green or ESG investment focus</p>	<p>Provide investment results that, before fees and expenses, closely correspond to the performance of the Solactive China Clean Energy Index (“Index”).</p>
<p>Relevant Green or ESG criteria or principles considered</p>	<p>The index is designed to represent Chinese companies that are active in the field of clean energy, in particular, companies headquartered in China or Hong Kong with significant exposure to “Affordable and Clean Energy” and its supply chain. As at 30 June 2020, it comprised 20 constituent stocks with total market capitalization of approximately RMB 1.21 trillion.</p>
<p>Investment selection process and criteria adopted by the Green or ESG Fund /</p> <p>ESG analysis and evaluation methodology /</p> <p>Reference ESG benchmark being tracked and the characteristics and general composition of the benchmark</p>	<p>The Index comprises of companies headquartered in China or Hong Kong and listed on one of the following exchanges and should have listing history of at least 6 months: (i) the SEHK in Hong Kong, (ii) the Shanghai Stock Exchange or Shenzhen Stock Exchange in China; or (iii) the New York Stock Exchange or NASDAQ Stock Market in the United States. In addition, the companies must be from one of these clean energy -related industries according to the FactSet Industries and Economic Sector: (a) Alternative Power Generation, (b) Engineering & Construction, (c) Industrial Specialties, (d) Miscellaneous Manufacturing, (e) Semiconductors, (f) Electrical Products, (g) Electronic Production Equipment (h) Electric Utilities or (i) Chemicals: Specialty. The FactSet Industries and Economic Sector is a proprietary industry classification matrix used by FactSet to determine the classification of securities. Companies with significant exposure to clean energy will be identified and added to the list of eligible constituents. The companies must also have average daily value traded of at least HKD 20 million over six months prior to and including the selection day of the constituent securities of the Index. Effective from 6 February 2020, if a company is not classified in the sector Utilities according to FactSet Industries and Economic Sector, the company should have a Debt-to-Earnings Before Interest and Tax ratio of less than, or equal to, 30 over the past 12 months.</p>