

### FUND OBJECTIVE

The Global X Blockchain ETF (BKCH) seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the Solactive Blockchain 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 - Disruptive Technology

As of 4/03/23

Index Provider: SOLACTIVE



### KEY FEATURES



High Growth Potential



Global Tailwinds



Unconstrained Approach

## SOLACTIVE BLOCKCHAIN INDEX

### SELECTION

- The index is designed to track the performance of companies that have or are expected to have business operations in the provision of blockchain technologies.
- Companies may be involved in the following "Blockchain Activities":
  - Digital Asset Mining
  - Blockchain & Digital Asset Transactions
  - Blockchain Applications
  - Blockchain & Digital Asset Hardware
  - Blockchain & Digital Asset Integration
- Each company is classified as follows according to the extent to which it generates revenues from Blockchain Activities:
  - Pure-Play: Derives at least 50% of revenue from Blockchain Activities.
  - Pre-Revenue: Has primary business operations in blockchain technology but does not currently generate revenue.
  - Diversified: Derives less than 50% revenue from Blockchain Activities.
- If there are fewer than 25 Index Components after all Pure-Plays have been included, Pre-Revenue companies are included until the index reaches 25 Index Components. If there are fewer than 25 Index Components after all Pre-Revenue companies have been included, Diversified companies are included until the index reaches 25 components.
- The maximum number of constituents is 40.

### SELECTION POOL

- Eligible companies must have:
  - Share Class Market Capitalization of \$50 million if they are not current constituents and \$30 million if they are current constituents
  - Average Daily Value Traded of at least \$500,000 over the last six months and \$250,000 for existing constituents.
  - Primary listing in a Developed Market or Emerging Market (excluding India).
  - Traded on 90% of the eligible trading days for the previous 6 months.
  - Free Float percentage of total shares outstanding of at least 10% or a minimum Free Float Market Capitalization of \$1 billion.

### WEIGHTING SCHEME

- Index components are weighted based on the lesser of:
  - Free Float Market Capitalization.
  - Average daily trading value multiplied by 50.
- Each component is subject to maximum weight of 12% and a minimum weight of 0.3%.
- The aggregate weight of companies weighted above 4.5% cannot exceed 45% of the index weight. The remaining companies are capped at 4.5%.
- The aggregate weight of Pre-Revenue and Diversified companies cannot exceed 10% of the index weight, and the maximum weight of the individual aforementioned companies is 2%.

### REBALANCES/REVIEWS

- The index follows a semi-annual rebalancing schedule, made on second Friday of May and November each year, at the close of business.
- The index follows a semi-annual review on the second Friday in February and August.



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

\*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 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](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 BKCH may invest may be limited. Narrowly focused investments typically exhibit higher volatility. Investments in blockchain companies may be subject to the following risks: the technology is new and many of its uses may be untested; theft, loss or destruction of key(s) to access the blockchain; intense competition and rapid product obsolescence; cybersecurity incidents; lack of liquid markets; slow adoption rates; lack of regulation; third party product defects or vulnerabilities; reliance on the Internet; and line of business risk. Blockchain technology may never develop optimized transactional processes that lead to realized economic returns for any company in which the Fund invests. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other nations. BKCH 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.

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