

2848

Global X MSCI Japan Climate Change ETF

FUND OBJECTIVE

The Global X MSCI Japan Climate Change ETF seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI Japan Climate Change 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:

Core

As of 3/22/2022

Index Provider: MSCI

KEY FEATURES



Climate change



Minimize
Tracking Error



Diversified
Portfolio

MSCI Japan Climate Change Index

SELECTION POOL

- Selection universe includes all the existing constituent of an underlying MSCI Japan index(Parent Index)

SECURITY SELECTION

- Exclude companies involved in Controversial Weapons
- Exclude companies with involvement in Tobacco
- Exclude companies with an Environment Controversy Score of 0 and 1
- Exclude companies driving 1% or more revenue from the mining of thermal coal and its sale to external parties
- Exclude companies not rated by MSCI ESG Research for Low Carbon Transition Assessment
- Exclude companies with ESG Controversy Score lower than 1

WEIGHTING AT SELECTION

- Assign Combine score calculated by multiplying Category Tilt Score and Relative Tilt Score
- Multiply Combined Score with the weight in parent index and normalize to 100%
- Classify constituents into two universe: High Climate Impact Intermediate Universe and Low Climate Impact Intermediate Universe
- Renormalize the weights of securities in each universe so that the aggregate weights of securities in each universe are equal to the weight of two universes in the MSCI Japan Index
- Weight of single constituent is capped at 5%

REBALANCES/REVIEWS

- The Index is rebalanced on a semi-annual basis, as of the close of the last business day of May and November

For more information on the Index, please visit MSCI'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.

GLOBAL X

Global X Japan Co. Ltd. Registration No. : Director of Kanto Local Finance Bureau (Financial Instruments Firms) No.3174 Member of Japan Investment Advisers Association Member of The Investment Trusts Association, Japan



Investment Risks

The Fund will invest in financial instruments whose prices fluctuate and as a result the NAV per unit of the Fund will also fluctuate. Therefore the invested amount will not be guaranteed and a loss of principal may be caused. All the gains and losses accrued to the trust assets will be attributable to the investors. Investment trusts are not deposits.

Major factors to cause fluctuation of NAV per unit:

Price Volatility risks / Credit risks (Stock Price Volatility, REIT Price Volatility), Other risks

The performance of the NAV may not completely match that of the index. The factors to cause fluctuation of NAV per unit are not limited to those mentioned above. Please read "Investment Risks" in the fund's Prospectus describing in detail.

Fee Structure

<Fees directly charged to customers>

Subscription commission: Determined by the Distributor. (Subscription Commission is a consideration for explanation of products, provision of product information and investment information, and execution of application at the time of the subscription of the Fund)

Redemption Fee: Nil

Exchange commission: Determined by the Distributor.

(Exchange Commission is a consideration for administrative procedures for exchange of units of the Fund.)

<Fees indirectly charged during holding period>

Management Fee (Trust Fee):

Trust fee is calculated daily as sum of 1 and 2 as shown below during the holding period.

1. The amount obtained by multiplying the total net assets of the trust assets by the ratio up to 0.3025% per annum (0.275 before tax).
2. The amount obtained by multiplying lending charges due to lending of stocks and REITs held in the trust assets by up to 55% (50% before tax).

Other Expenses and Brokerage Commissions

Fund Listing Expenses and Annual Fees for Use of Trademarks of the Index with tax levied on them can be borne by the unitholders, and can be paid from the trust assets.

Commissions associated with securities transactions (including brokerage commissions on trade of securities, fees for future transactions and option transactions) and auditing fees shall be charged to the trust assets.

※As expenses for brokerage commissions on trade of securities, etc. shall vary depending on circumstances, specific rate of fees or the maximum amounts thereof cannot be disclosed in advance.

※As REITs are traded on market prices, their expenses can not be displayed.

※Please see further details described under "Expenses and Taxes of the Fund" in the Prospectus.

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