

### FUND OBJECTIVE

The Global X AgTech & Food Innovation ETF (KROP) seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the Solactive AgTech & Food Innovation 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 - Physical Environment

As of 7/14/21

Index Provider: SOLACTIVE



### KEY FEATURES



High Growth Potential



Global Tailwinds



Unconstrained Approach

## SOLACTIVE AGTECH & FOOD INNOVATION INDEX

### SELECTION

- The index is designed to track the performance of companies that have or are expected to have business operations in technologies for agriculture and innovative food production and distribution.
- Companies may be involved in the following “AgTech Activities”:
  - Precision Agriculture
  - Robotics/Automation
  - Controlled Environment Agriculture
  - Agricultural Biotechnology
- Companies may be involved in the following “Food Innovation Activities”:
  - Protein & Dairy Alternatives
  - Food Waste Reduction
- Each company is classified as follows according to the extent to which it generates revenues from AgTech or Food Innovation Activities:
  - Pure-Play: Derives at least 50% of revenue from AgTech or Food Innovation Activities.
  - Pre-Revenue: Has primary business operations in AgTech or Food Innovation Activities but does not currently generate revenue.
  - Diversified: Derives less than 50% revenue from AgTech or Food Innovation Activities.
- If there are fewer than 15 Index Components after all Pure-Plays have been included, Pre-Revenue companies are included until the index reaches 15 Index Components. If there are fewer than 15 Index Components after all Pre-Revenue companies have been included, Diversified companies are included until the index reaches 15 components.
- The maximum number of constituents is 40 (at most 20 AgTech constituents and at most 20 Food Innovation constituents).

### SELECTION POOL

- Eligible companies must have:
  - Share Class Market Capitalization of \$200 million if they are not current constituents and \$160 million if they are current constituents.
  - Average Daily Value Traded of at least \$2 million over the last six months and \$1.4 million 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 according to their Free Float Market Capitalization:
  - 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 48% of the index weight. The remaining companies are capped at 4.5%.
  - The aggregate weight of Pre-Revenue and Diversified companies cannot exceed 15% of the index weight, and the maximum weight of the individual aforementioned companies is 4%.

### REBALANCING

- The index follows a semi-annual rebalancing schedule, made on the second Friday of May and November each year, at the close of business.
- The index follows a semi-annual review -- if the aggregate index weight of Diversified and Pre-Revenue index components exceeds 20%, then the index is reweighted to cap it at 18% on the second Friday of 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. 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 KROP may invest may be limited. Narrowly focused investments will be more susceptible to factors affecting that sector and subject to more volatility. 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. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. KROP 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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