

Press Release

Global X ETFs Tackles Global Water Scarcity with the Release of its Global X Global Clean Water Industry ETF

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FRANKFURT AM MAIN – Constituting only 1.2 percent of the Earth's surface, clean water is one the most valuable resources of the planet and vital for every life form. Water scarcity, a global demographic change, and industrial demand present new challenges to the global water sector, with climate change condensing the pressure even more. In the wake of potential global water scarcity, Global X recognized the need for action and released its Global X Clean Water ETF (AQWA), tracking companies active in the business of clean water provision. The ETF tracks the Solactive Global Clean Water Industry Index.

Access to clean water and sanitation is one of the United Nations' Sustainable Development Goals as more than 2.2 billion people globally lack safely managed drinking water.¹ As demand for water processing services is expected to increase, companies operating in this business are estimated to benefit equally from this development. The **Global X Clean Water ETF (AQWA)**, tracking the **Solactive Global Clean Water Industry Index**, includes 39 companies advancing the provision of clean water through industrial water treatment, storage, and distribution infrastructure, as well as purification and efficiency strategies among other activities.

The Solactive Global Clean Water Industry Index

The Solactive Global Clean Water Industry Index includes companies from Developed and Emerging Markets (excluding India) as defined by the Solactive Country Classification. Companies are only eligible if they generate at least 50% of their revenues from clean water industry-related business operations. This catalog may include companies involved in **industrial water treatment**, e.g., recycling (including water reclamation), purification, and conservation; **water storage**, e.g., transportation, metering, and distribution infrastructure; **production of household and commercial water purifier and heating products**, and **provision of consulting services** identifying and implementing water efficiency strategies at the corporate and municipal levels.

¹ United Nations: <https://sdgs.un.org/goals/goal6>

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ARTIS®

The selection of the **Solactive Global Clean Water Industry Index's** constituents is based on Solactive's proprietary Natural Language Processing Engine ARTIS®. ARTIS® utilizes advanced algorithms to parse high volumes of public documents evaluating companies' exposure to various themes or topics. The sophisticated procedure not only detects potential index constituents considering a firm's exposure to a theme but also ranks its importance to the very subject or industry.

ESG Screening

In addition to its inherent sustainability approach, the **Solactive Global Clean Water Industry Index features an ESG screening** for compliance with **UN Global Compact principles**. Non-companies are excluded from the selection, and the next highest-ranking security will be evaluated until 40 index components are reached. As ESG provider serves **Minerva Analytics Ltd.**

"The access to clean water is a fundamental human right, and we are very proud to serve as Global X's partner for this meaningful release," comments Timo Pfeiffer, Chief Markets Officer at Solactive. "With investing in this ETF, investors own a tool to both diversify their portfolios while effectively spurring companies active in making our planet more sustainable."

The Global X Clean Water ETF (AQWA) started trading on April 12th, 2021 on NASDAQ.

For more information please visit: <https://www.solactive.com>

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Note to editors

About Solactive

Solactive is a leading provider of indexing, benchmarking, and calculation solutions for the global investment and trading community. Headquartered in Frankfurt, and with offices in Hong Kong, Toronto, Berlin, and Dresden, we innovate and disrupt the status quo as the partner of choice for our clients.

The unique blend of our 250 staff's expertise in data, data science, financial markets, and technology enables our clients' continued success through the delivery of a superior experience, unique customization capabilities, and the best value for money available in the industry. With more than 14,000 indices calculated daily, we offer a full suite of solutions, including market-leading ESG and thematic indices.

As at February 2021, Solactive served approximately 450 clients across the world, with approximately US\$200 billion invested in products linked to our indices. Solactive is registered with ESMA as a benchmark administrator and is supervised by the BaFin.

Disclaimer

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