

Press Release

Entering a New Realm of Investing - Solactive Delivers Innovative 'Global Metaverse Index' for First Canadian Metaverse ETF by Horizons ETFs

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FRANKFURT AM MAIN – Decades have passed since the establishment of the first virtual worlds, such as *World of Warcraft* or *Second Life*, and developers' aspirations to create immersive universes where users can roam freely have not reduced their pace. Meta's (formerly known as Facebook) new 'Metaverse' depicts the latest development in that segment, and through the inclusion of virtual reality content in real life, so-called augmented reality, both the digital and non-digital world coalesce more and more. Solactive now released its **Solactive Global Metaverse Index**, including publicly listed companies that potentially stand to benefit from the adoption and usage of technologies expected to grow and support the functioning of the metaverse. Canadian ETF pioneer Horizons ETF will issue an ETF tracking the index.

In 2007, *Second Life* founder Philip Rosedale argued that a 3D world wide web would become status quo with all internet users owning a digital avatar eventually. With a growing demand in both virtual and augmented reality services, recent studies project the metaverse opportunity to reach at least \$800 USD billion of market capitalization by 2024.¹ Horizons ETFs' new **Horizons Global Metaverse Index ETF ("MTAV")** enables investors to capture the massive performance potential of companies operating in the fields of AR/VR, Creator Economy, Digital Infrastructure, Digital Marketplaces, Gaming, and Digital Payment.

The **Solactive Global Metaverse Index** includes companies headquartered in one of the countries, which are part of the Developed Markets and Emerging Markets². To receive a pure selection of constituents, companies must not be classified under any of the following industries: casinos/gaming, electronics/appliance stores, food retail, and motor vehicles. The selection procedure of the **Solactive Global Metaverse Index** is powered by Solactive's proprietary big data and natural language processing (NLP) algorithm **ARTIS®**. ARTIS® is utilizing advanced algorithms to parse high volumes of public documents to evaluate companies' exposure to specific themes or topics. Each company identified by ARTIS® receives a score that reflects its exposure to the index strategy. This set of companies are then reviewed to ensure relevance to the theme of the index based

¹ <https://www.bloomberg.com/professional/blog/the-metaverse-is-already-now-four-surprising-bi-charts/>

² As defined by the Solactive Country Classification Framework

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on business operations. Companies that do not exhibit relevant business exposure to the theme are removed from the selection process at this stage. The final index contains 50 companies.

"The metaverse is the next frontier of the human experience and technological innovation. We believe that the metaverse will become an extremely important realm for social and economic interaction over the next decade," said Steve Hawkins, President and CEO of Horizons ETFs. "Even today, these technologies are already reframing the way that we engage with one another, from virtual reality to non-fungible tokens ("NFTs"). MTAV is the first index-based ETF in Canada to offer direct exposure to the global companies that are investing heavily in building and expanding the digital worlds that encompass the metaverse."

Timo Pfeiffer, Chief Markets Officer at Solactive, comments: *"I remember my first exposure to digital worlds was two grey blocks passing a giant pixel to each other, which was, at the time, a deeply absorbing experience. Now, with technology progressing and computation power rising, unimaginable worlds can be created and experienced immersively in virtual spaces; or our non-digital world can be enhanced through augmented reality, which offers widespread application in our daily lives. With Horizons ETFs, we share a spirit for innovation to always deliver our clients the latest trends in investing. We're happy to be part of such a cutting-edge product."*

Horizons Global Metaverse Index ETF ("MTAV") started trading on November 29th, 2021, under the ticker symbol MTAV:TSX on Toronto Stock Exchange ("TSX").

For more information please visit: <http://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 18,000 indices calculated daily, we offer a full suite of solutions, including market-leading ESG and thematic indices.

As at April 2020, 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.

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