

Notification to Unit Holders

Market Announcements Office
ASX Limited
12 August 2024



Termination of Global X Global Carbon ETF (Synthetic) (GCO2)

Global X Management (AUS) Limited (**Global X**), the responsible entity of the Global X Global Carbon ETF (Synthetic) (**Fund**) announces that the Global X board of directors have resolved to terminate the Fund (**Termination**), effective after the close of trading on 13 September 2024 (**Last Trading Day**). Global X has applied to the ASX for in-principle advice and as of the 12th of August the ASX has confirmed it is likely to agree to the trading status of the Fund on the AQUA market, to be revoked. As the in-principle advice on revocation is granted, Global X will seek formal revocation of trading status to be granted after the final distribution is paid to investors. Investors will have the opportunity to sell their units in the Fund (**Units**) on the ASX, or continue to hold Units in the Fund until the Termination Commencement Date (defined below) and participate in the Fund's winding up. For the avoidance of doubt, the ASX is involved in the revocation of trading status, which is separate to the Termination. The ASX is not involved in the Termination of the Fund. To see the ASX's In principle decision in more depth please refer to the ASX's conditions for trading status to be revoked.

As a result of the Termination, Units in the Fund will be suspended from trading after the close of trading on the Last Trading Day and wound up in accordance with Part 5C.9 of the *Corporations Act 2001* and the Fund's constitution, beginning on the Termination Commencement Date.

The decision to terminate the Fund has been driven by several reasons, including that:

1. the Fund has not reached sufficient size to effectively track the benchmark and meet its investment objective as stated in the Product Disclosure Statement;
2. the Fund has not reached sufficient size to be cost effective for investors relative to other carbon credit exchange traded funds (ETFs) listed on the ASX; and
3. due to limited secondary market trading volumes in the Fund, average bid-offer spreads are higher than for comparable carbon credit ETFs listed on the ASX.

Having considered the alternatives, Global X has resolved that termination of the Fund is in the best interests of investors as a whole.

Global X has decided to provide investors with 30 calendar days' notice of its intention to terminate the Fund (commencing on the date of issue of this notice). This communication outlines the steps that will be taken to effect the revocation from trading status and the Termination of the Fund, and seeks to inform investors as to what action they may take.

Important dates

Set out below are a summary of the key dates relating to the Termination.

Trading period (in which investors may buy and sell units on the ASX, and authorised participants may make application and redemption requests).	12 August 2024 to 13 September 2024
Last day for dealings in the Units in the Fund and last day for redemption of Units in the Fund by authorised participants (the Last Trading Day).	13 September 2024



The date at which termination will commence (Termination Commencement Date).	13 September 2024
Ex-date for distribution of income for the period after 1 July 2024.	16 September 2024
The date at which an investor needs to be recorded as the beneficial owner of Units in the Fund in the Clearing House Electronic Sub-register System (CHESS) (the Termination Record Date).	17 September 2024
Final distribution to be paid to investors holding Units on the Termination Record Date (the Termination Payment Date).	27 September 2024

The dates above are subject to change. Any change will be announced to the market via the ASX.

How will the termination of the Fund affect investor's Units?

As a holder of Units, investors will have several choices as to the action they can take in response to this communication. In any event Units will not be able to be traded on the ASX after the Last Trading Day. Investors should consult their financial adviser to ensure that they understand the implications, including the costs and risks, of their choice.

As a holder of Units, investors may either;

1. sell their Units on the ASX in the ordinary way via their broker prior to the close of trading on the Last Trading Day. Global X expects that the market makers will continue to make a market for Units until 13 September 2024;
2. redeem their Units with Global X in the ordinary way, if they are an authorised participant, prior to the close of trading on the Last Trading Day, or
3. hold their Units until the close of trading on the Termination Commencement Date and receive a pro-rata share of the proceeds of winding up.

If an investor chooses to sell their Units on the ASX, they will incur brokerage costs and any spread costs as they normally would when transacting on the ASX. Similarly, if an investor is an authorised participant and chooses to redeem their Units with Global X, they will incur the costs associated with a redemption as set out in section 6.4 of the PDS for the Fund. Investors deciding to sell their Units are able to have regard to the prevailing price of the underlying securities and their Units at the relevant time. During the Trading Period, investors will incur fees and costs in accordance with the 'fees and other costs' section in the PDS.

Performance information for both the Fund and the benchmark Index, as well as the full portfolio holdings of the Fund are published daily on www.globalxetfs.com.au.

Where an investor holds their Units until the close of trading on the Termination Commencement Date and/or on the Termination Record Date, they will receive, on the Termination Payment Date, a distribution of income for the period from 1 July 2024 to the Termination Payment Date, together with the investor's pro rata share (based on the number of Units held by the investors) of the amount remaining in the Fund after the realisation of its assets, less any relevant liabilities or expenses (as defined in the Constitution) in Australian dollars. Global X will bear all transaction costs associated with the liquidation of the assets of the Fund. Investors should be aware that the price of the underlying securities may change and the net asset value per Unit of the Fund may change between the date of this communication and the completion of Termination.

How and when will I receive payment following the Termination?

Following Termination Commencement Date, the assets of the Fund will be sold and the proceeds of winding up will be distributed to investors. If an investor holds Units on the Termination Record Date, they will be entitled to receive a pro-rata share of the proceeds of winding up as well as their share of a distribution of income for the period from 1 July 2024 to the Termination Payment Date, which is expected to be paid to their nominated bank account on the Termination Payment Date. Global X will bear the costs associated with selling the assets of the Fund and winding up the fund. These costs will not be borne by investors.



To verify or amend a nominated bank account, investors may contact Computershare Investor Services Pty Limited (the Registrar) either by phone on 1300 382 656 (or on +61 3 9415 4339 if calling from outside Australia) or by registering for an 'Investor Centre' account at www-au.computershare.com/investor.

ASX's conditions for trading status to be revoked.

1.1 Issuer's Notification to Holders:

- **What the Issuer Must Do:** The Issuer needs to send a written or electronic notice to all AQUA Product holders. This notice must be approved by ASX and should include:
 - The specific date and time when the Trading Status will be revoked.
 - Instructions for holders to sell their units before this date if they wish.
 - Information on what will happen if they do not sell their units before the revocation: they will receive a share of the proceeds from winding up the AQUA Product.

1.2 Timing for Revocation:

- Trading Status cannot be revoked until at least one month after the notice is sent to holders. This gives holders at least one month to sell their units on ASX if they choose.

1.3 Maintaining Liquidity:

- The Issuer must keep adequate arrangements in place to ensure there is enough liquidity in the AQUA Product until the Trading Status is revoked. This includes maintaining a proper bid-ask spread to facilitate trading.

2. Validity and Amendments:

- These conditions apply only until 6 February 2025. They are subject to any changes in ASX Operating Rules or policies during this time.

3. Regulatory Consideration:

- ASX has only reviewed Rule 10A.3.1(g) from Schedule 10A of the ASX Operating Rules. ASX is not making any statements about the Issuer's compliance with other rules.



For any queries on this matter please contact Global X at +61 2 8311 3488 or info@globalxetfs.com.au

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The value of return of an investment will fluctuate and investor may lose some or all of their investment. Past performance is not an indication of future performance.