



Global X Artificial Intelligence ETF



Invest in a smarter future

Thematic Growth – Disruptive Technology

FUND DETAILS

ASX Code	GXAI
Bloomberg Code	GXAI AU Equity
IRESS Code	GXAI.AXW
Benchmark	Indxx Artificial Intelligence & Big Data Index
Mgt. Fee (% p.a.)*	0.57%
Rebalance Frequency	Semi-Annually
Distribution Frequency	Semi-Annually
W-8 BEN Form Required	No

* Calculated on the Net Asset Value (NAV) of the Fund. All fees and costs are inclusive of GST. Refer to the PDS for a complete list of fees and costs.

INTRODUCING GXAI

The Global X Artificial Intelligence ETF (GXAI) seeks to invest in companies that potentially stand to benefit from the further development and utilization of artificial intelligence (AI) technology in their products and services, as well as in companies that provide hardware facilitating the use of AI for the analysis of big data.

DID YOU KNOW?

- 56% of businesses are now utilising Artificial Intelligence to improve their business operations.³
- AI technology is expected to create 12 million more jobs than it is expected to replace.³
- The integration of automation technologies could add an additional \$170 to \$600 billion a year to Australia's Gross Domestic Product by 2030, estimates management consultancy firm, McKinsey.⁴

WHAT IS ARTIFICIAL INTELLIGENCE?

The field of artificial intelligence (AI) refers to the design of computer systems which can automate tasks that would otherwise require human intelligence or intervention. Virtual assistants, navigational apps, content recommendation systems, and generative AI tools such as ChatGPT are all examples of AI in our daily lives.

The opportunity for AI today lies in the application of machine learning and deep learning. These subsets of the technology focus on creating AI algorithms that seek to emulate the decision-making processes of a human brain. These algorithms are capable of 'learning' from data to enhance accuracy in making increasingly accurate predictions or classifications over time. This includes improvements in its ability to adapt to new situations, understand complex content, and engage in natural human-like interactions.

ChatGPT and generative AI are the latest iterations of this technology. Generative AI models are capable of near instant generation of content based on a single prompt and have the potential to change how a huge portion of the economy operates. While the full scope of the impact is still unknown, it is likely to become a massive driver of growth for numerous industries as it develops.

ARTIFICIAL INTELLIGENCE WILL REVOLUTIONISE THE ECONOMY

AI's broad applicability represents a platform shift in the making, one that will have a broad impact on the adoption of technology across the economy. Roughly 56% of companies utilise AI in their operations today, but most have only engaged in limited implementation, representing a significant opportunity for entrenchment.¹ In industries like healthcare, cybersecurity, manufacturing, and transportation for example, AI can improve service delivery, identify system weaknesses, personalise customer experiences, and foster new product development. Overall, AI could contribute up to US\$16 trillion to global GDP in

KEY FEATURES



High Growth Potential

The market size in the Artificial Intelligence market is projected to reach US\$305.90bn in 2024 with an annual growth rate (CAGR 2024-2030) of 15.83%, resulting in a market volume of US\$738.80bn by 2030.¹



Rapid Commercialization

AI is quickly expanding beyond data centers, enabling innovative commercial applications in diverse sectors, including Agriculture, Health Care, and beyond. Forecasts indicate that over 729mn individuals will use AI tools by 2030, up 254mn from 2023.²



Unconstrained Approach

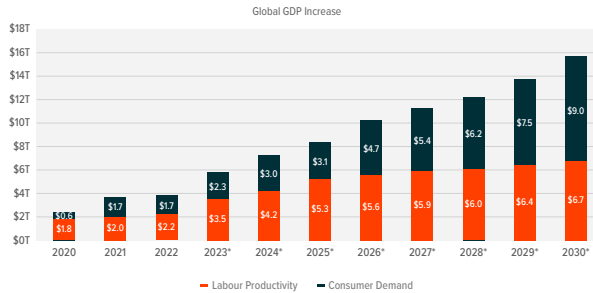
Artificial intelligence spans multiple segments, and its most innovative companies include both household names and newcomers from around the world. GXAI invests accordingly and is unconstrained with respect to sector and geography.



2030 with roughly US\$9 trillion originating from consumption side-effects and the other US\$7 trillion coming from increased productivity and efficiency.² For context, that would equate to almost 14% of global GDP, more than the combined growth of China and India today.³

AI'S RAPID ADVANCEMENT COULD ADD \$16 TRILLION TO THE GLOBAL ECONOMY BY 2030

Source: Global X ETFs with information derived from: Bank of America (2023, March 8). Me, Myself an AI: What you need to know, and Medium. (2023, August 31). The Socioeconomic Impact of AI: Bridging the Digital Divide and Empowering Communities.



HOW TO USE GXAI IN A PORTFOLIO

- As a satellite portfolio component to gain exposure to growing demand and investment in the Artificial Intelligence industry.
- As a thematic tilt towards megatrends, including generative AI and big data.
- To diversify exposure away from major technology stocks in the S&P 500 and Nasdaq 100.

HOW GXAI WORKS

The Indxx Artificial Intelligence & Big Data Index is designed to track the performance of companies that are positioned to benefit from the development and utilisation of Artificial Intelligence (“AI”) technology in their products and services, as well as companies that produce hardware used in Artificial Intelligence applied for the analysis of Big Data. Each component with an Exposure Score >20% is subject to maximum weight of 3%, components with Exposure Score <20% have a maximum weight of 1%. The top 60 securities from Category 1 and top 25 securities from Category 2 will be selected for the final security selection based on their Exposure Score. The index is rebalanced, and distributions are paid semi-annually.

CONSIDERATIONS FOR INVESTING IN FUND

- GXAI invests primarily in companies focused on the artificial intelligence industry and, as such, is particularly sensitive to risks affecting those types of companies. Artificial Intelligence companies may have limited product lines, markets, financial resources, or personnel. They typically face intense competition and potentially rapid product obsolescence, can be adversely impacted by government regulations and actions, and may be subject to additional regulatory oversight regarding privacy concerns and cybersecurity risk.
- Market or economic factors impacting artificial intelligence companies and companies that rely heavily on technology advances could influence the value of GXAI’s investments.
- Concentration risk to a particular stock could adversely impact the Net Asset Value of the Fund, in the case of decline in the value of any stock to which the Index, and therefore the Fund, is exposed.

For more information on Global X Artificial Intelligence ETF (ASX Code: GXAI), please speak to Global X ETFs.

Client Services

+61 2 8311 3488 | info@globalxetfs.com.au

[1] Statista, Nov 2023

[2] Statista, Feb 2024

[3] (CompTIA Community, 2024) <https://connect.comptia.org/blog/artificial-intelligence-statistics-facts>

[4] (Ministers for the Department of Industry, Science and Resources, 2023) https://www.mckinsey.com/~/_media/mckinsey/featured%20insights/future%20of%20organizations/australia%20automation%20opportunity%20reigniting%20productivity%20and%20inclusive%20income%20growth/australia-automation-opportunity-vf.ashx

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