

Notification to Unit Holders

ASX Announcements Office

1 August 2023



Change of Index, Name and Management Fee for Global X S&P/ASX 200 High Dividend ETF

Global X Management (AUS) Limited (“Global X”), the Responsible Entity of the Global X S&P/ASX 200 High Dividend ETF (formerly the *Global X S&P/ASX 300 High Yield Plus ETF*) (ASX: ZYAU), an exchange traded fund quoted on the ASX AQUA market (the “Fund”), announces that the benchmark index of the Fund has changed following the close of trading on the Australian Securities Exchange on 31 July 2023.

The Fund now aims to provide investors with a return that (before fees and expenses) tracks the performance of the S&P/ASX 200 High Dividend Index. This index comprises 50 high dividend-yielding companies from the S&P/ASX 200 with a positive 12-month forecast dividend yield, excluding those companies classified by the Global Industry Classification Standard (GICS) as REITs and stocks ranked in the bottom 10% by momentum value. The index constituents are weighted according to forecast dividend yield multiplied by float market cap.

As a result of the change the Fund’s name has changed from the Global X S&P/ASX 300 High Yield Plus ETF to the Global X S&P/ASX 200 High Dividend ETF. The management fee has been reduced from 0.35% to 0.24%. The ASX code remains as ZYAU.

Summary of Changes

A summary of changes being made to the Fund is as follows:

	Previous	New (Effective following close of ASX trading on 31 July 2023)
Investment Objective	The Fund aims to provide investors with a return that (before fees and expenses) tracks the performance of the S&P/ASX 300 Shareholder Yield Index.	The Fund aims to provide investors with a return that (before fees and expenses) tracks the performance of the S&P/ASX 200 High Dividend Index.
Investment Universe	The Index comprised 40 stocks from the S&P/ASX 300 with the highest shareholder yield, which is defined as the amount of common dividends and common share buybacks in the last year.	The Index is comprised of high dividend yielding companies from the S&P/ASX 200 with a positive 12-month forecast dividend yield, excluding those companies classified by the Global Industry Classification Standard (GICS) as REITs and stocks ranked in the bottom 10% by momentum value.
Selection Criteria	At each rebalancing, the index selects 40 constituents from the eligible stocks in the index universe according to the following process: <ol style="list-style-type: none">1) Companies must have a minimum three-month Average Daily Value Traded (ADVT) of AUD 1 million as of the rebalancing reference date in order to be eligible for index inclusion. At each rebalancing, current constituents are considered for deletion if their	At each rebalancing, the index selects 50 constituents from the eligible stocks in the index universe according to the following process: <ol style="list-style-type: none">1) Rank the eligible stocks in the index universe by 12-month forecast dividend yield.2) Select the highest ranking 50 stocks, capping the number of stocks selected from each GICS Sector at 15



	<p>three-month ADVT falls below AUD 750,000.</p> <p>2) Over the observation period, companies must have Free Cash Flow to Equity (FCFE) of at least the total cash paid for common dividends and common share repurchases.</p> <p>3) Over the observation period, companies must have a positive dividend payout and a non-negative one-year DPS growth rate to be eligible for index inclusion. The dividend amount used in the DPS growth rate is grossed up to include the value of franking credits. Current constituents are considered for deletion if their decline in DPS growth is 5% or greater.</p> <p>4) S&P Dow Jones Indices only considers cash dividend payments declared as regular by the paying company for index eligibility, selection and weighting purposes. Cash dividend payments declared as special by the paying company, including recurring special cash dividends, are not considered. For eligibility and weighting purposes, regular cash dividend amounts before withholding tax are used.</p>	<p>a. Automatically select all securities ranked within the top 40.</p> <p>b. Select current constituents ranked within the top 60 in rank order, until the target stock count has been reached.</p> <p>c. If at this step the target stock count is still not satisfied, select the highest ranked non-constituents from uncapped Sectors in rank order until the target stock count is reached.</p>
Weighting	Constituents are weighted by the product of their float-adjusted market capitalization and shareholder yield, subject to single stock cap of 5%. Any excess weight is proportionally redistributed to all noncapped constituents.	The constituents are weighted by forecast dividend yield multiplied by free market cap.
Number Of Holdings	40	50
Fund Name	Global X S&P/ASX 300 High Yield Plus ETF	Global X S&P/ASX 200 High Dividend ETF
ASX Code	ZYAU	ZYAU
Management Fee	0.35%	0.24%

Supplementary PDS

A Supplementary Product Disclosure Statement updating the Fund's PDS dated 16 March 2023 has been issued reflecting these changes and is attached. The Supplementary Product Disclosure Statement can also be found at the Responsible Entity's website: www.globalxetfs.com.au/ZYAU



Effective date of changes

The changes took effect following close of trading on the Australian Securities Exchange on 31 July 2023.

Rationale for changes

The changes are expected to provide the following benefits to investors:

- **Higher dividend yield potential** – the new index ranks the eligible universe by forecast dividend yield in descending order and skews the constituent weightings towards higher dividend players within the eligible universe.
- **Lower transaction costs** – the new index historically has significantly less turnover than the current index.
- **Low-cost access** – the Fund's management fee is lowered to 0.24%.

Next stages

Investors who wish to remain in the Fund are not required to take any action. Investors who wish to exit the Fund can do so through the normal channels such as their broker or advisor.

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

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