

The Scientific Beta Report

Don't just be smart. Be Scientific.



OVERVIEW

The Global X Scientific Beta ETFs are a family of funds that provide core equity exposure to U.S. and international markets. The ETFs may be considered viable alternatives to actively managed funds as they seek to outperform market capitalization weighted indexes by following a methodology rooted in academic research, while preserving the lower costs and transparency of an ETF.

SCIU
United States

SCID
Europe

SCIX
Asia ex-Japan

SCIJ
Japan

All data as of 12/31/2018

	Ticker	Gross Expense Ratio	Net Expense Ratio ¹		Since Fund Inception	1 Year	3 Year Annualized	Annualized Since Fund Inception
Global X Scientific Beta US ETF	SCIU	0.28%	0.19%	NAV	19.31%	-7.36%	6.83%	4.98%
				Market Price	19.26%	-7.42%	6.83%	4.97%
				SBUXRHMG Index	20.41%	-7.20%	7.06%	5.24%
Global X Scientific Beta Europe ETF	SCID	0.38%	—	NAV	2.92%	-16.27%	2.41%	0.79%
				Market Price	2.81%	-16.31%	2.39%	0.76%
				SBRXRHMN Index	4.05%	-16.01%	2.64%	1.10%
Global X Scientific Beta Asia ex-Japan ETF	SCIX	0.38%	—	NAV	4.63%	-10.39%	6.18%	1.25%
				Market Price	4.19%	-11.19%	6.04%	1.14%
				SBAXRHMN Index	4.37%	-10.11%	6.43%	1.18%
Global X Scientific Beta Japan ETF	SCIJ	0.39%	—	NAV	15.29%	-15.29%	4.18%	3.99%
				Market Price	14.08%	-16.42%	4.12%	3.69%
				SBJURHMN Index	16.45%	-15.02%	4.44%	4.27%

The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Indices are unmanaged and do not include the effect of fees, expenses, or sales charges. One cannot invest directly in an index. For performance data current to the most recent month end, please call 1-888-gxfund-1 or visit our website at globalxfunds.com.

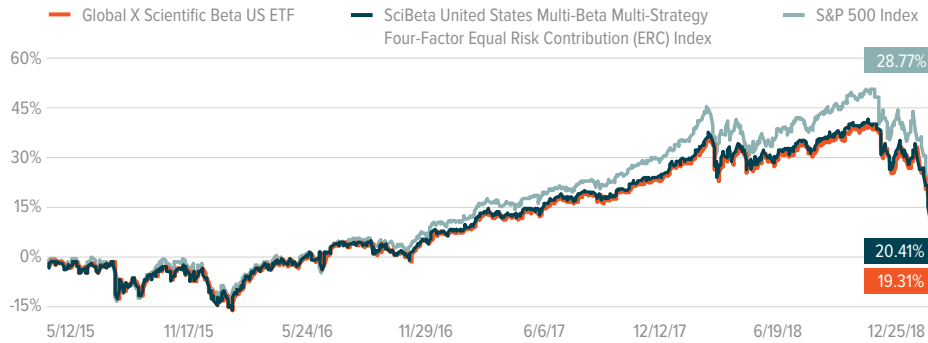
¹Fee waivers are contractual and in effect until at least March 1, 2019.



PERFORMANCE AND ATTRIBUTION

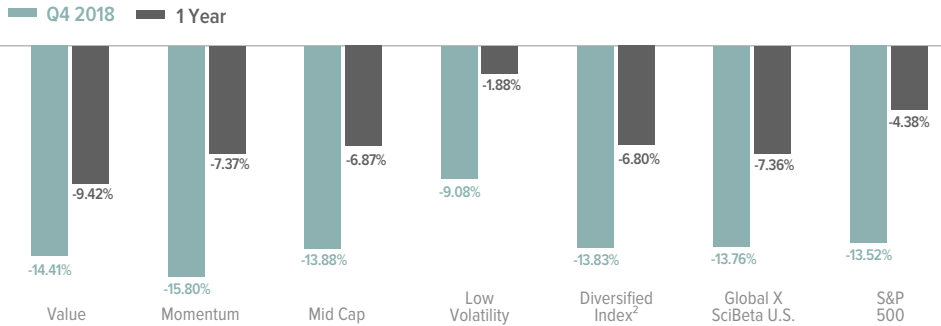
SINCE INCEPTION¹ PERFORMANCE AS OF 12/31/2018

Source: Bloomberg, December 2018



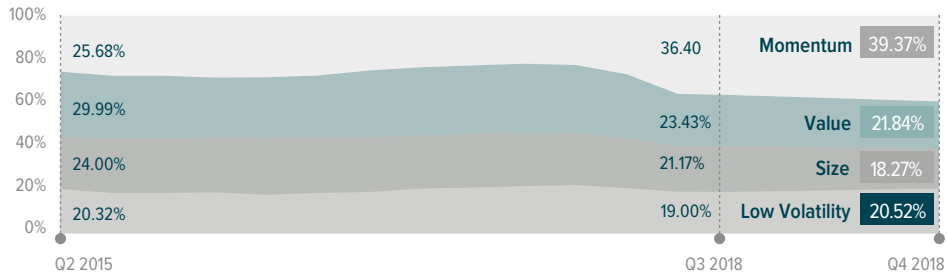
ONE YEAR AND MOST RECENT QUARTER RETURNS

Source: ERI Scientific Beta and Bloomberg, December 2018



SCIBETA U.S. HISTORICAL ALLOCATION SINCE INCEPTION¹

Source: ERI Scientific Beta, December 2018



¹Since inception of SCIU ETF, 5/12/15.

²Diversified index is represented by the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC Index for the relevant region. The index represents the performance of the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC scheme without applying factor tilts.

RISK AND DIVERSIFICATION

SCIU TOP 10 HOLDINGS

Source: Global X Funds, As of 12/31/18

Total	8.02%
NextEra Energy Inc	1.16%
CME Group Inc	1.01%
ConocoPhillips Corp	0.80%
Occidental Petroleum Corp	0.79%
Ameren Corp	0.77%
Exelon Corp	0.76%
FirstEnergy Corp	0.73%
Phillips 66 Co	0.68%
Walmart Inc	0.68%
JPMorgan Chase & Co	0.64%

Holdings subject to change.

S&P 500 INDEX TOP 10 HOLDINGS

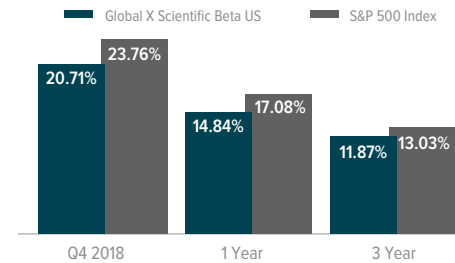
Source: Bloomberg, As of 12/31/18

Total	21.00%
Microsoft Corporation	3.73%
Apple, Inc.	3.38%
Amazon.com, Inc.	2.93%
Berkshire Hathaway, Inc. Class B	1.89%
Johnson & Johnson	1.65%
JPMorgan Chase & Co.	1.54%
Alphabet, Inc. Class C	1.52%
Facebook, Inc. Class A	1.50%
Alphabet, Inc. Class A	1.49%
Exxon Mobil Corporation	1.37%

Holdings subject to change.

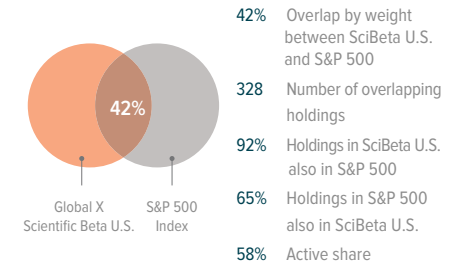
VOLATILITY

Source: Bloomberg, December 2018



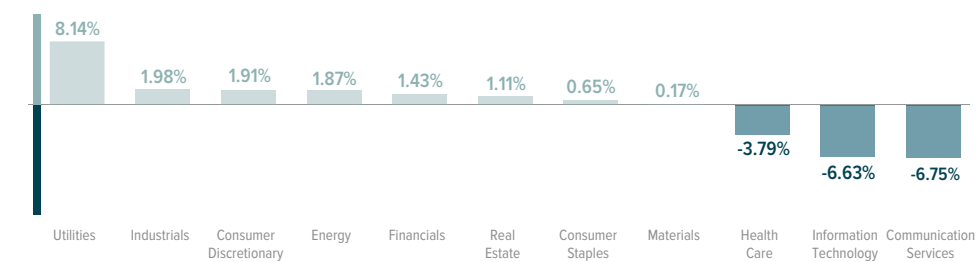
HOLDINGS OVERLAP

Source: Global X Funds, Bloomberg and S&P



SCIBETA U.S. SECTOR OVERWEIGHT/UNDERWEIGHT VS. S&P 500

Source: Global X Funds, Bloomberg. As of 12/31/18

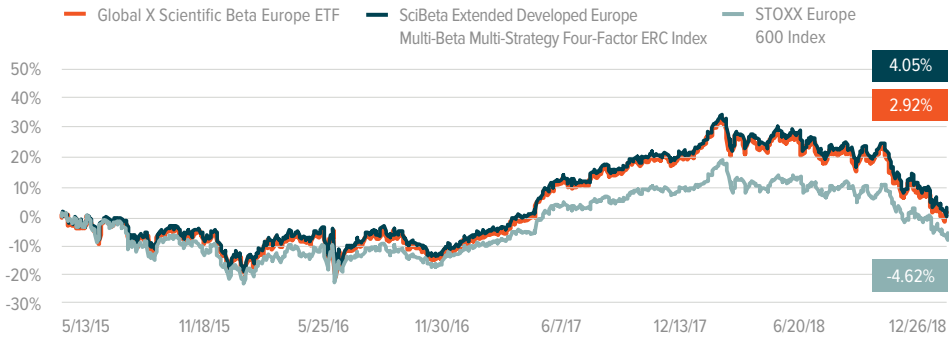




PERFORMANCE AND ATTRIBUTION

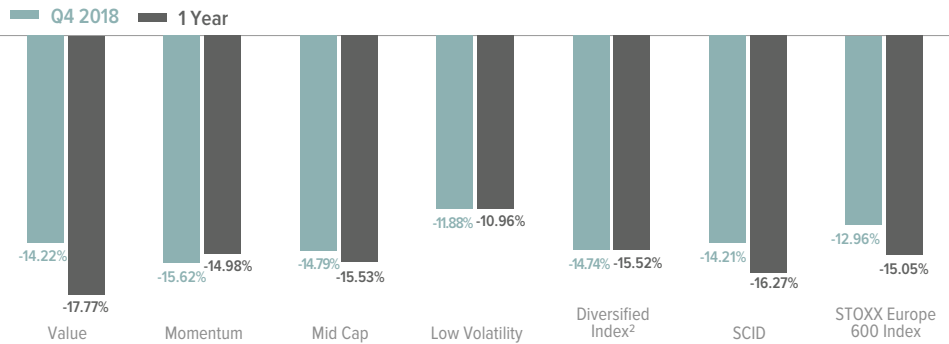
SINCE INCEPTION¹ PERFORMANCE AS OF 12/31/2018

Source: Bloomberg, December 2018



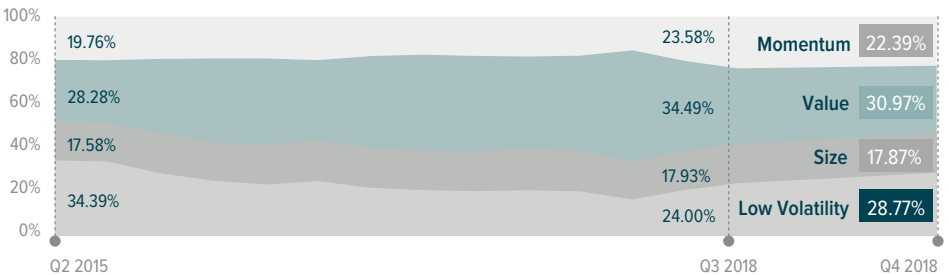
ONE YEAR AND MOST RECENT QUARTER RETURNS

Source: ERI Scientific Beta and Bloomberg, December 2018



SCID HISTORICAL ALLOCATION SINCE INCEPTION¹

Source: ERI Scientific Beta, December 2018



¹Since inception of SCID ETF, 5/12/15.

²Diversified index is represented by the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC Index for the relevant region. The index represents the performance of the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC scheme without applying factor tilts.

RISK AND DIVERSIFICATION

SCID TOP 10 HOLDINGS

Source: Global X Funds, As of 12/31/18

Total	7.55%
Koninklijke Ahold Delhaize NV	1.37%
Royal Dutch Shell PLC	0.83%
Orsted Co	0.78%
SCOR SE	0.72%
Equinor ASA	0.70%
Vonovia SE	0.67%
Compass Group PLC	0.67%
Eni SpA	0.64%
Coca-Cola European Partners PLC	0.61%
Sanofi SA	0.56%

Holdings subject to change.

STOXX EUROPE 600 INDEX TOP 10 HOLDINGS

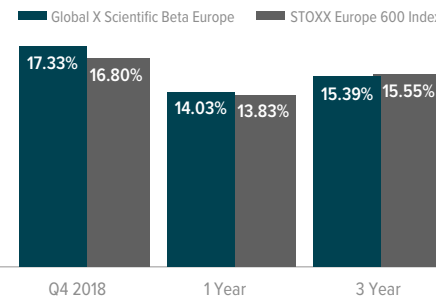
Source: STOXX, As of 12/31/18

Total	17.97%
Nestle SA	2.95%
Novartis AG	2.59%
Roche Holding AG	2.07%
HSBC Holdings PLC	2.00%
TOTAL SA	1.69%
Royal Dutch Shell PLC	1.58%
BP PLC	1.51%
SAP SE	1.28%
Sanofi SA	1.17%
Astrazeneca PLC	1.13%

Holdings subject to change.

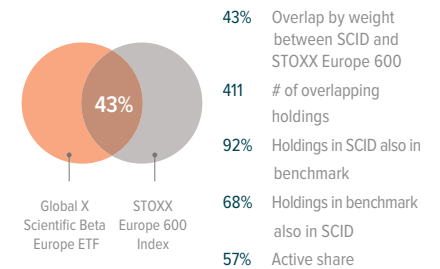
VOLATILITY

Source: Bloomberg, December 2018



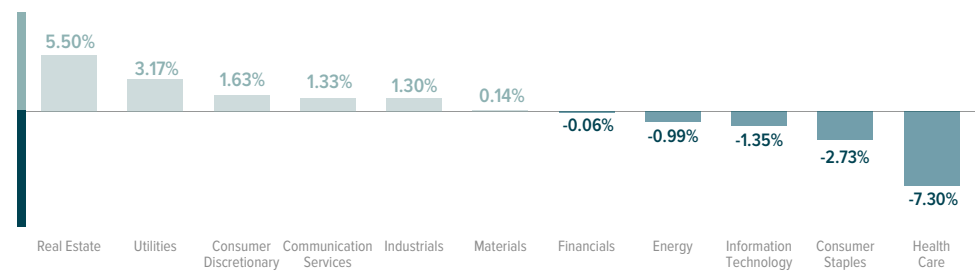
HOLDINGS OVERLAP

Source: Global X Funds and Bloomberg



SCID SECTOR OVERWEIGHT/UNDERWEIGHT VS. STOXX EUROPE 600 INDEX

Source: Global X Funds, Bloomberg, As of 12/31/18

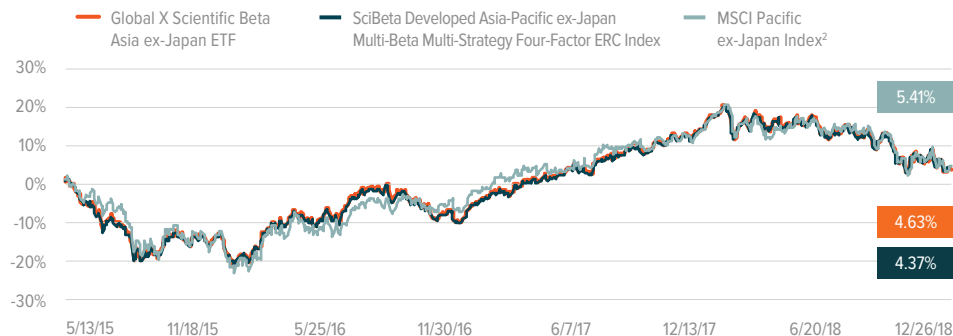




PERFORMANCE AND ATTRIBUTION

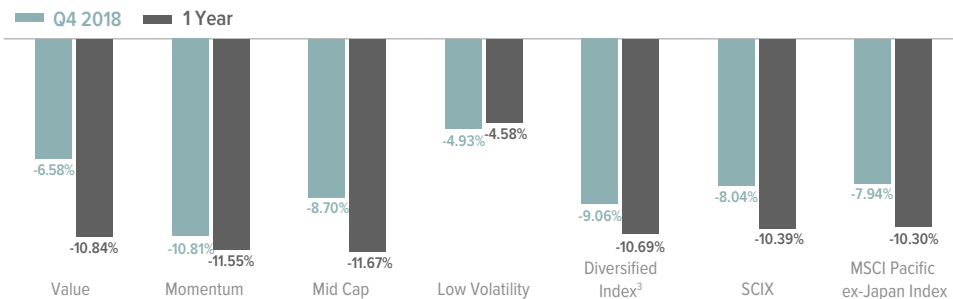
SINCE INCEPTION¹ PERFORMANCE AS OF 12/31/2018

Source: Bloomberg, December 2018



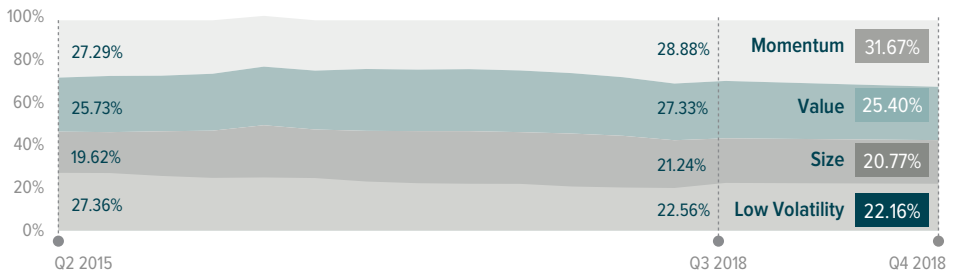
ONE YEAR AND MOST RECENT QUARTER RETURNS

Source: ERI Scientific Beta and Bloomberg, December 2018



SCIX HISTORICAL ALLOCATION SINCE INCEPTION¹

Source: ERI Scientific Beta, December 2018



¹Since inception of SCIX ETF, 5/12/15.

²MSCI Daily Net Total Return Asia Pacific ex-Japan USD Index

³Diversified Index is represented by the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC Index for the relevant region. The index represents the performance of the Scientific Beta Multi-Beta Multi-Strategy Four-Factor ERC scheme without applying factor tilts.

RISK AND DIVERSIFICATION

SCIX TOP 10 HOLDINGS

Source: Global X Funds, As of 12/31/18

Total	20.11%
CLP Holdings Ltd	2.71%
Wilmar International Ltd	2.35%
Brambles Ltd	2.01%
Swire Properties Ltd	1.99%
Contact Energy Ltd	1.93%
Hong Kong & China Gas Co Ltd	1.86%
CapitaLand Mall Trust	1.86%
Link REIT	1.85%
NWS Holdings Ltd	1.80%
Spark New Zealand Ltd	1.75%

Holdings subject to change.

MSCI PACIFIC EX-JAPAN INDEX TOP 10 HOLDINGS

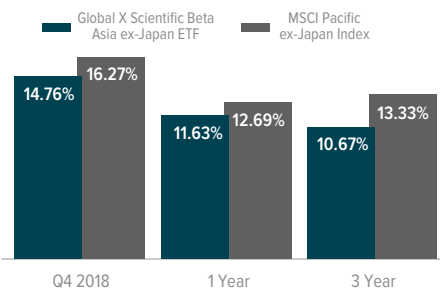
Source: MSCI, As of 12/31/18

Total	36.66%
AIA Group Ltd.	6.46%
Commonwealth Bank of Australia	5.78%
BHP Billiton Ltd.	4.57%
Westpac Banking Corp.	3.90%
CSL Ltd.	3.80%
Australia & New Zealand Banking Group	3.19%
National Australia Bank Ltd.	2.99%
Hong Kong Exchanges and Clearing Ltd.	2.21%
DBS Group Holdings Ltd.	2.01%
Woolworths Group	1.75%

Holdings subject to change.

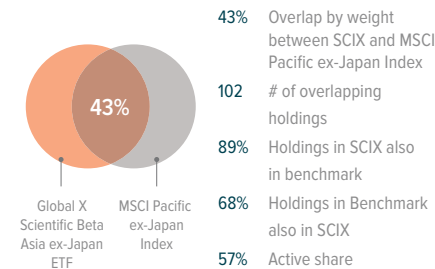
VOLATILITY

Source: Bloomberg, December 2018



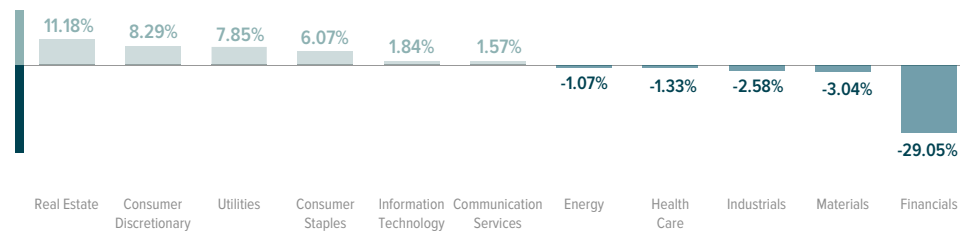
HOLDINGS OVERLAP

Source: Global X Funds, Bloomberg



SCIX SECTOR OVERWEIGHT/UNDERWEIGHT WITH MSCI PACIFIC EX-JAPAN INDEX

Source: Global X Funds, Bloomberg

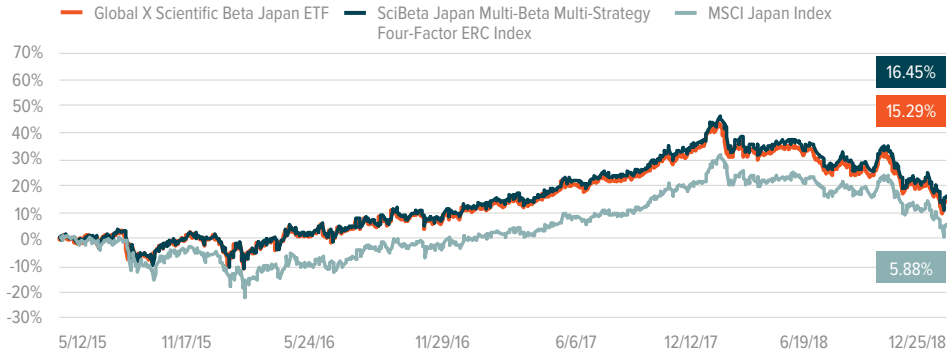




PERFORMANCE AND ATTRIBUTION

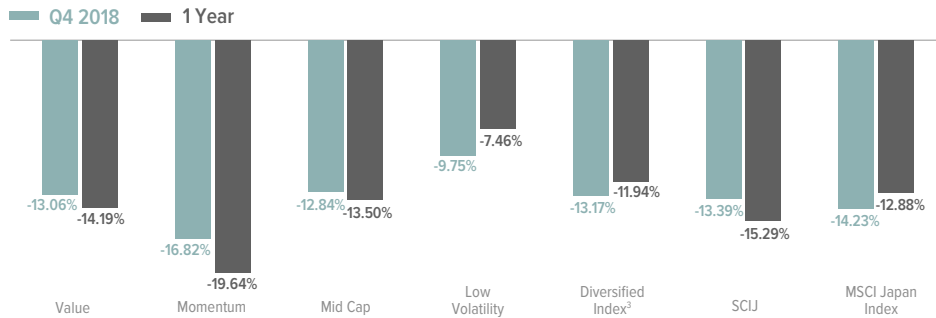
SINCE INCEPTION¹ PERFORMANCE AS OF 12/31/2018

Source: Bloomberg, December 2018



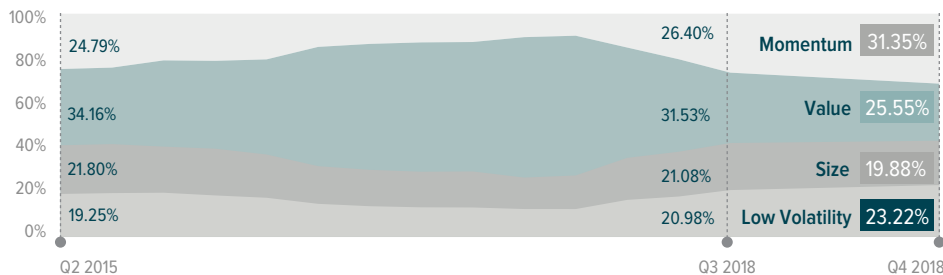
ONE YEAR AND MOST RECENT QUARTER RETURNS

Source: ERI Scientific Beta and Bloomberg, December 2018



SCIJ HISTORICAL ALLOCATION SINCE INCEPTION¹

Source: ERI Scientific Beta, December 2018



¹Since inception of SCIJ ETF, 5/12/15.

²MSCI Daily Net Total Return Japan USD Index

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RISK AND DIVERSIFICATION

SCIJ TOP 10 HOLDINGS

Source: Global X Funds, As of 12/31/18

Total	10.15%
Mitsubishi Corp	1.36%
NEC Corp	1.10%
Suzuki Motor Corp	1.05%
Japan Retail Fund Investment Corp	1.01%
Toho Gas Co Ltd	0.98%
Nippon Building Fund Inc	0.97%
Kansai Electric Power Co Inc	0.96%
Mitsui & Co Ltd	0.96%
Chugoku Electric Power Co Inc	0.89%
Nikon Corp	0.87%

Holdings subject to change.

MSCI JAPAN INDEX TOP 10 HOLDINGS

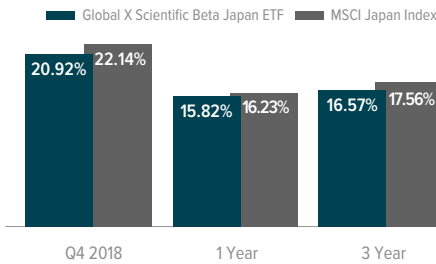
Source: MSCI, As of 12/31/18

Total	18.68%
Toyota Motor Corp.	4.34%
Sony Corp.	2.00%
Mitsubishi UFJ Financial Group	1.87%
Softbank Group Corp.	1.79%
Takeda Pharmaceutical Co Ltd.	1.63%
Keyence Corp.	1.61%
Sumitomo Mitsui Financial Group	1.44%
Honda Motor Co Ltd.	1.40%
KDDI Corp.	1.38%
Mizuho Financial Group	1.22%

Holdings subject to change.

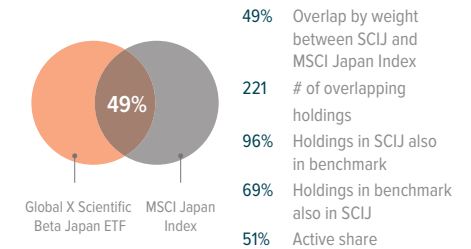
VOLATILITY

Source: Bloomberg, December 2018



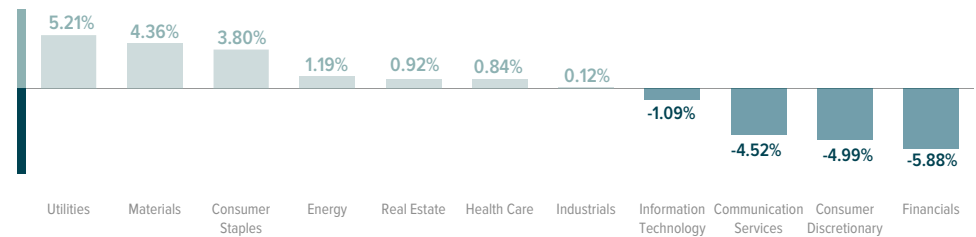
HOLDINGS OVERLAP

Source: Global X Funds, Bloomberg, As of 12/31/18



SCIJ SECTOR OVERWEIGHT/UNDERWEIGHT WITH MSCI JAPAN INDEX

Source: Global X Funds, Bloomberg, As of 12/31/18



**Definitions:**

The objective of the Scientific Beta Multi-Beta Multi-Strategy Four-Factor Equal Risk Contribution Indexes (USA, Japan, Extended Developed Europe, Asia ex-Japan) is to represent the performance of large and medium capitalization companies from their respective regions while outperforming the capitalization-weighted reference index for that region, with a limited amount of relative risk against that reference.

The S&P 500 is an index of 500 stocks chosen by factors such as market size, liquidity and industry grouping. The Index is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large-cap universe.

The STOXX Europe 600 Index is derived from the STOXX Europe Total Market Index (TMI) and is a subset of the STOXX Global 1800 Index. With a fixed number of 600 components, the STOXX Europe 600 Index represents large, mid and small capitalization companies across 18 countries of the European region: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

The MSCI Pacific ex Japan Index captures large and mid cap representation across 4 of 5 Developed Markets (DM) countries in the Pacific region (excluding Japan). With 150 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

The MSCI Japan Index is designed to measure the performance of the large and mid cap segments of the Japanese market. With 318 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in Japan. Active Share is the percentage of holdings in a portfolio that do not overlap with the benchmark index.

Carefully consider the Funds' investment objectives, risk factors, charges and expenses before investing. This and additional information can be found in the Funds' summary or full prospectus, which may be obtained by calling 1-888-GX-FUND-1 (1.888.493.8631), or by visiting www.globalxfunds.com. Read the prospectus carefully before investing.

Investing involves risk, including the possible loss of principal. In addition to the normal risks associated with investing, international investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations. For the Scientific Beta Japan ETF, the Japanese economy may be subject to considerable degrees of economic, political and social instability, which could have a negative impact on Japanese securities. In addition, Japan is subject to the risk of natural disasters, such as earthquakes, volcanoes, typhoons and tsunamis, which could negatively affect the Fund.

Diversification may not protect against market risk. There is no assurance the goals of the strategy discussed will be met.

Shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. Global X NAVs are calculated using prices as of 4:00 PM Eastern Time. The market price is the Mid-Point between the Bid and Ask price as of the close of exchange and do not represent the returns you would receive if you traded shares at any other times.

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