



XYLU LN

IE0002L5QB31

Global X S&P 500 Covered Call UCITS ETF

EQUITY
INCOME



A fund that seeks to generate income by replicating a buy-write index via premiums received from selling covered calls. This may allow investors to benefit from both reduced volatility and potential income, with underlying equity exposure designed to match constituents of the S&P 500 Index.

For Professional Investors only.

WHAT IS THE GLOBAL X S&P 500 COVERED CALL UCITS ETF (XYLU LN)?

XYLU LN implements a covered call strategy on the S&P 500 Index (SPX). The ETF maintains exposure to the stocks in the S&P 500 while selling at-the-money call options on the index each month.

WHAT IS A COVERED CALL STRATEGY?

A covered call strategy is an option-based income strategy that involves selling call options against owned stocks to generate income while mitigating downside risk. This strategy can also provide a variety of diversification benefits.¹

WHAT ARE CALL OPTIONS?

Call options contracts give a buyer the right, but not the obligation, to purchase a security at a pre-determined price within a specific time frame. This is known as the strike price. The option seller must sell the security at the strike price if the buyer chooses to exercise the option.²

DID YOU KNOW?

XYLU can serve as a versatile premium income solution. Benefits of a covered call strategy may include attractive yields, diversification, risk mitigation, and regular income distributions*.

- **Comparative High Yield:** The covered call strategy employed has recently maintained a relatively higher yield. With a 12-month yield of 9.9%, XYLU outperforms global high yield bonds (7.7%) and emerging market bonds (7.0%) as well as traditional asset classes such as Corporate Bonds (5.3%) and U.S. Equities (1.4%).³
- **Diversification & Income:** XYLU offers the potential for equity sector diversification within an income portfolio. Investors who focus on high dividend strategies often have limited exposure to growth-leaning sectors like IT, healthcare, and consumer discretionary. XYLU is designed to allow investors to capitalize on implied volatility, mitigate risk in these growth-style sectors, and potentially enhance equity portfolio diversification.
- **Outperformance during Downtrends:** Covered call ETFs have historically demonstrated outperformance compared to their respective equity indices during both steep and gradual market declines. This is due to the short call component providing a level of downside risk mitigation.
- **Monthly Distributions:** XYLU aims to provide monthly distributions (for the distribution share class only).

*Note: *For distributing share classes only.

Capital at Risk. All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and your initial investment amount cannot be guaranteed.



FUND DETAILS

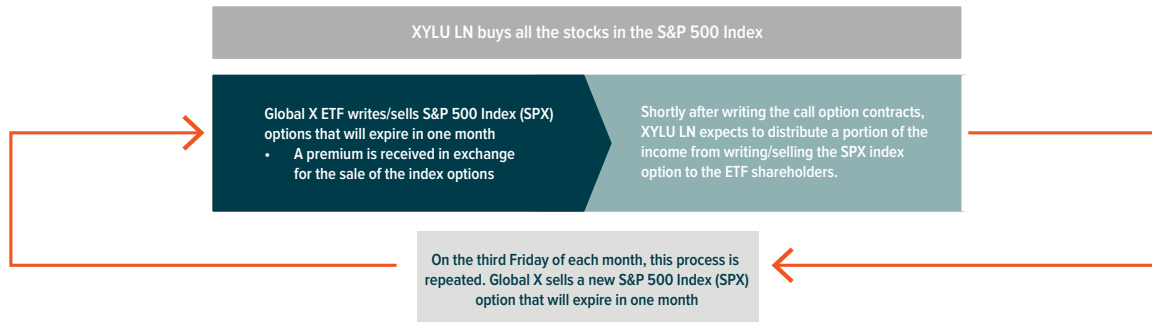
Inception Date	11 July 2023
Total Expense Ratio	0.45%
Ongoing Charges	0.45%
Swap Fee	-0.07%
Primary ISIN	IE0002L5QB31
Primary Ticker	XYLU LN
SFDR Classification	Article 6
Underlying Index	Cboe S&P 500 BuyWrite 15% WHT Index

FUND INVESTMENT APPROACH

- The Global X S&P 500 Covered Call UCITS ETF (XYLU LN) seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the Cboe S&P 500 BuyWrite 15% WHT Index (BXMU).
- The fund maintains equal notional exposure to the long S&P 500 Index component and the short call option component. This means that the short call option position is “covered” by the long S&P 500 Index component.
- The composition of the S&P 500 index component will be reviewed in March, June, and September, following the schedule set by the Index.
- The BXMU Index stipulates that each S&P 500 Index call option in the hypothetical portfolio must be held until maturity, which generally occurs on the third Friday of each month.

COVERED CALL PROCESS EXPLAINS

Source: Global X ETFs. For illustrative purposes only.



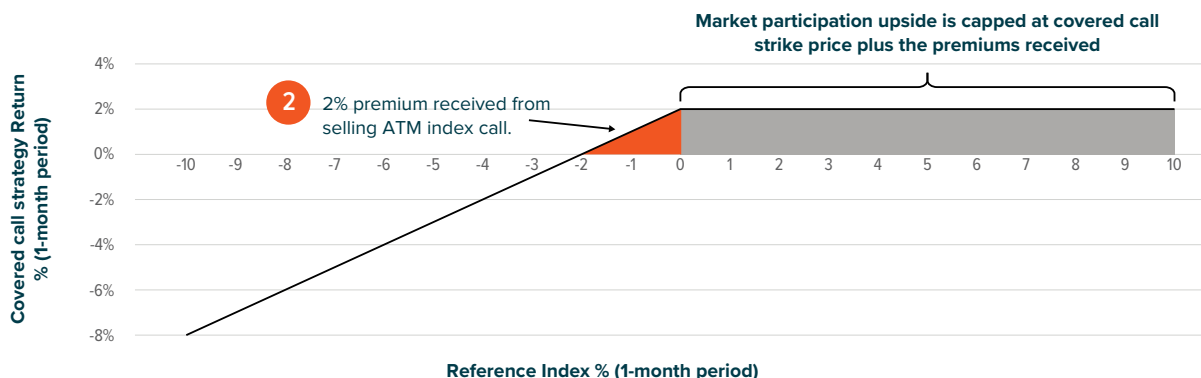
As an example of how an ETF can implement a covered call strategy, the Global X S&P 500 Covered Call ETF (XYLU) maintains exposure to the stocks in the S&P 500, while writing call options on the index each month

GLOBAL X COVERED CALL ETFS: HOW IT WORKS (WITH PREMIUMS)

Source: Global X ETFs for illustrative purposes only to demonstrate mathematical principal. This is not a guarantee of future results. Covered call strategy does not reflect fund fees, which would further reduce returns. Fund market price returns may vary from NAV total returns.

Assuming a 2% premium is received, we can visualise how Global X’s Covered Call ETFs are expected to perform.

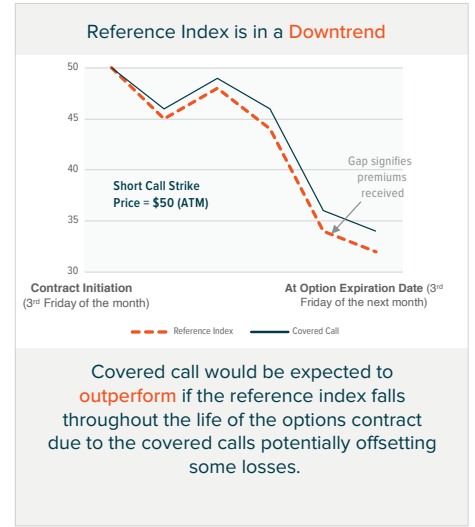
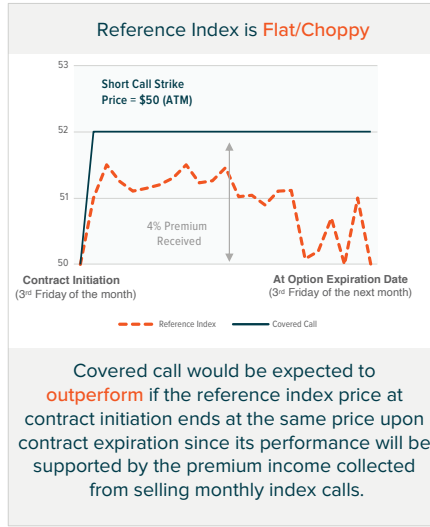
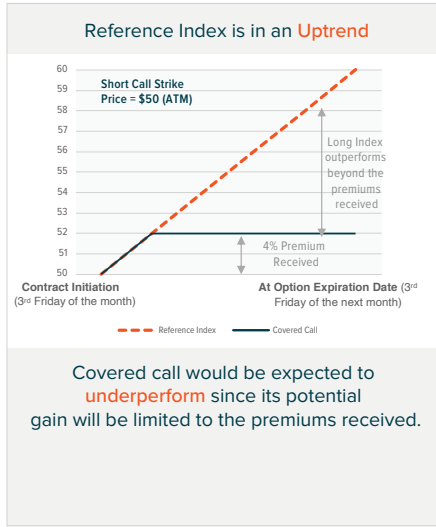
- 1 Purchase the underlying index securities
- 2 Sell an “at-the-money” index call option on 100% of its stock portfolio
- 3 Not Pictured: Distribute half of the premiums received up to 1% of NAV to shareholders.





COVERED CALL PERFORMANCE SCENARIOS

Source: Global X ETFs. Flat/choppy market assumes no fluctuation below the strike price. Capital at Risk. All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and your initial investment amount cannot be guaranteed.



Prospectuses and Key Investor Information Documents (KIIDs) for this ETF are available in English at www.globalxetfs.eu/funds/xylu/
 For more information on the Index, please visit [Cboe's](http://Cboe's website) website.



¹ Global X ETFs, XYLU Presentation, March 2024.

² Ibid

Disclosures

The Global X UCITS ETFs are regulated by the Central Bank of Ireland.

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Investment in the UCITS ETFs concern the purchase of shares in the UCITS ETFs and not in a given underlying asset such as a building or shares of a company, as these are only the underlying assets that may be owned by the UCITS ETFs.

A UCITS ETF's shares purchased on the secondary market cannot usually be sold directly back to a UCITS ETF. Investors must buy and sell shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current net asset value when buying shares and may receive less than the current net asset value when selling them. Changes in exchange rates may have an adverse effect on the value price or income of the UCITS ETF. Past performance of a UCITS ETF does not predict future returns. Future performance is subject to taxation which depends on the personal situation of each investor, and which may change in the future. Neither past experience nor the current situation are necessarily accurate guides to the future growth in value or rate of return of a UCITS ETF. Investment may be subject to sudden and large falls in value, and, if it is the case, the investor could lose the total value of the initial investment. Income may fluctuate in accordance with market conditions and taxation arrangements. The difference at any one time between the sale and repurchase price of a share in the UCITS ETF means that the investment should be viewed as medium term to long term.

Any investment in a UCITS ETF may lead to a financial loss. The value of an investment can reduce as well as increase and, therefore, the return on the investment will be variable. Global X ETFs ICAV is an open-ended Irish collective asset management vehicle issuing under the terms of its prospectus and relevant supplements as approved by the Central Bank of Ireland and is the issuer of certain of the ETFs where stated.

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