

BATTERY METALS AND MINING INDEX FACT SHEET

as of 12/31/19



A benchmark to track global companies engaged in the production, mining and/or integration or recycling of metals and materials used in advanced battery technology.

The Case for Battery Metals

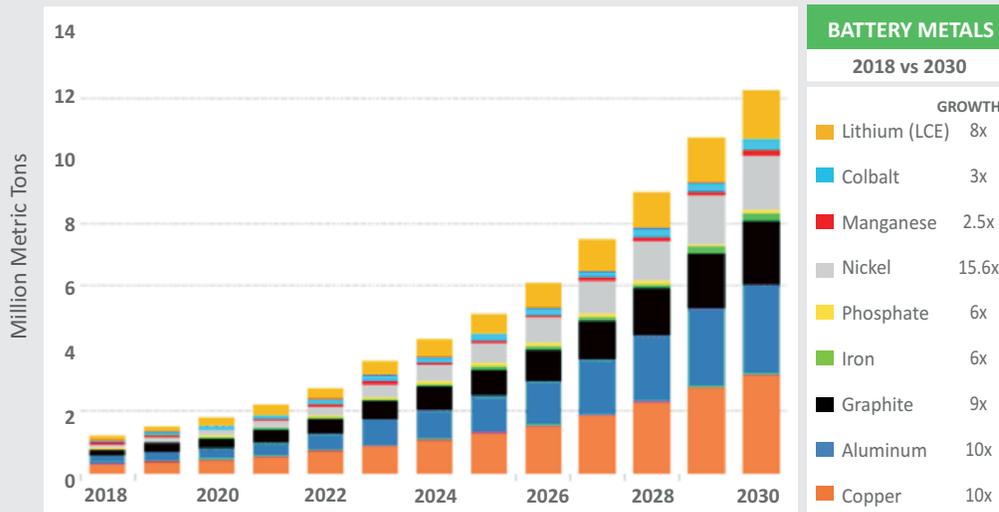
Growing global demand for lithium-ion batteries to power consumer devices, electric vehicles, and grid storage, coupled with constrained supply and capacity has created favorable conditions for battery metal and mining stocks. This growth trend creates potential for investment in the underlying elements contained in lithium-ion batteries and other advanced battery technology such as: Lithium, Cobalt, Nickel, Graphite, Manganese, Vanadium and for battery recycling.

- 1. Growing Global Opportunity** - According to Markets and Markets, the lithium ion battery market is expected to grow from U\$37.4 billion in 2018 to \$92.2 billion by 2024, at a CAGR of 16.2%.
- 2. Multiple Drivers of Demand** - A number of factors continue to fuel growth in lithium-ion batteries, including continued demand for mobile devices, the accelerating pace of global electric vehicle adoption and a rising need for grid energy storage solutions.
- 3. Constrained Supply Conditions** - Several factors are constraining supply in the face of accelerating demand such as a tightly held supply chain, limited natural resources, time delays in ramping-up production, and geopolitical concerns.

1. Markets and Markets, January 2019

Driving Demand

2018 vs 2030 – Lithium-ion Battery Metals Demand Forecast



Source: Bloomberg, New Energy Finance, 1/3/20



Overview

The EQM Battery Metals and Mining Index (BATTIDX) tracks the price movements in shares of global companies engaged in the production, mining and/or integration or recycling of metals and materials used in batteries. The Index seeks to provide exposure to companies in the battery production supply chain that utilize elements such as Lithium, Cobalt, Nickel, Manganese, Graphite and other materials. The Index seeks to offer “pure play,” diversified exposure to this growing market opportunity.

Ticker BATTIDX

Inception Date 5/1/18

**Index Calculation/
Publication** Refinitiv

Total # Holdings 41

US Holdings 2

Non-US Holdings 39

**Rebalance
(Aug/Nov/Feb/May)** Quarterly

Weighting Scheme Modified,
equal weighting

Licensing Information

EQM Indexes® LLC licenses its indexes to firms involved in the issuance of Exchange Traded Products (ETPs). If you are interested in licensing an index from EQM Indexes LLC or have an idea for a new index product, contact us at info@eqmindexes.com.

Provided by EQM Indexes

Not investment advice or a recommendation to buy or sell securities. Investors may not invest directly in an index.

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as of 12/31/19

Representative Constituents

For a complete list of holdings, go to eqmindexes.com.



Source: Bloomberg

	Index Wt %
1 ZHEJIANG HUAYOU COBALT CO-A	5.36
2 NANJING HANRUI COLBALT CO L-A	4.86
3 CHINA MOLYBENDUM CO LTD-H	4.54
4 UMICORE	4.02
5 TIANQI LITHIUM CORP-A	3.64
6 SUMITOMO METAL MINING CO LTD	3.62
7 GLENCORE PLC	3.47
8 GANFENG LITHIUM CO LTD-H	3.29
9 CLEAN TEQ HOLDINGS LTD	2.95
10 ALBEMARLE CORP	2.87

Inclusion of a security within the Index is not a recommendation by EQM Indexes to buy, sell, or hold such security, nor is it considered to be investment advice. EQM Indexes is not an investment advisor, and makes no representation regarding the advisability of investing in any such security.



Constituent Requirements

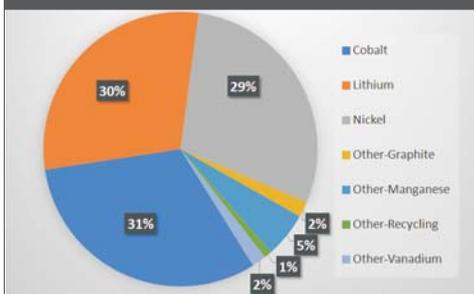
In order to be eligible for inclusion in the index, companies must meet the following conditions:

- Publicly traded companies engaged in the exploration, production, development, processing, and/or recycling of the materials and metals used in advanced battery chemistries such as Lithium, Cobalt, Nickel, Manganese, and/or Graphite.
- The Index seeks to provide exposure to companies in the battery materials supply chain that demonstrate a verifiable beneficial interest in advanced battery metals and/or mining as verified by one of the following factors:
 - ownership/partnership interest** in mineral deposits, resources, and/or reserves used in advanced battery chemistries,
 - revenue or profit** derived from the mining activity or metal processing, operations, contracts, and/or projects utilized in advanced battery chemistries, and/or
 - investment and/or economic share** in companies engaged in mining activity or metal processing, operations, contracts, and/or projects utilized in advanced battery chemistries.

Portfolio Weightings

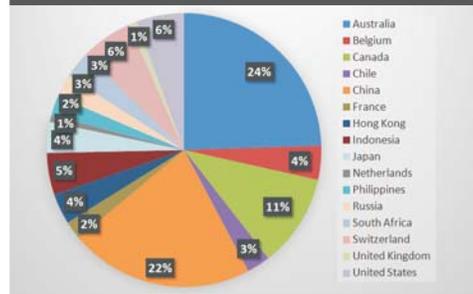
For Illustrative Purposes Only

Metal Weightings



Source: Bloomberg, EQM Indexes

Country Weightings



Source: Bloomberg

About EQM Indexes

EQM Indexes, LLC ("EQM Indexes") is a woman-owned firm dedicated to creating and supporting indexes that track growth industries and emerging investment themes. Co-founded by Jane Edmondson, a former Institutional Portfolio Manager with more than 25 years of investment industry experience, EQM Indexes' index designs spans a wide range of asset classes and financial instruments. EQM Indexes does not provide investment advice, nor offer the sale of securities, but does partner and receive compensation in connection with licensing its indices to third parties to serve as benchmarks for Exchange Traded Products ("ETPs"). All information provided by EQM Indexes is impersonal and not tailored to the needs of any person, entity or group of persons. It is not possible to invest directly in an index. EQM Indexes makes no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. Inclusion of a security within an index is not a recommendation by EQM Indexes to buy, sell, or hold such security, nor is it considered to be investment advice. While EQM Indexes has obtained information from sources believed to be reliable, EQM Indexes does not perform an audit or undertake any duty of due diligence or independent verification of any information it receives.

- Listing on a regulated stock exchange in the form of shares tradable for foreign investors without restrictions.
- Market capitalization of at least 100 million USD.
- Average daily trading volume of at least 1,000,000 USD over the last six months.
- Adequate constituent liquidity and accessibility for an exchange listed product as determined by the Index Provider.
- Non-US companies will be U.S. exchange traded ADR versions if available, provided their liquidity is comparable to locally traded shares.

Disclosure

The MSCI ACWI Metals & Mining Index ("MSCI ACWI Metals & Mining Index Net USD") is composed of large and mid cap stocks across 23 Developed Markets (DM) countries and 24 Emerging Markets (EM) countries. All securities in the index are classified in the Metals & Mining industry (within the Materials sector) according to the Global Industry Classification Standard (GICS). Unless otherwise noted, index returns reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. Investors may not make direct investments into any index.