

# LITHIUM & BATTERY TECHNOLOGY INDEX FACT SHEET

as of 8/14/20



A benchmark to track global companies associated with the development, production and use of lithium battery technology.

## The Case for Lithium Battery Technology

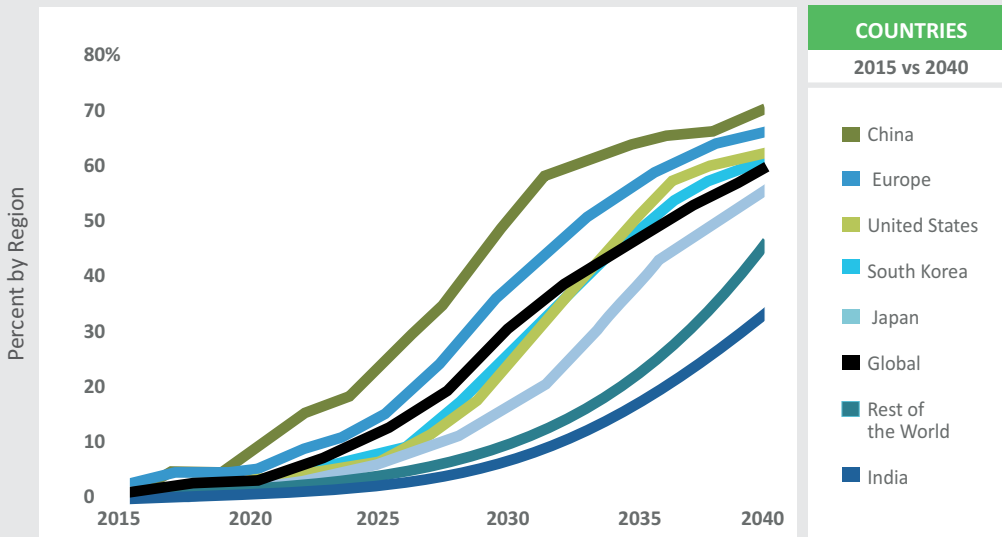
Growing global demand for lithium-ion batteries to power consumer devices, grid storage, and electric vehicles, coupled with constrained supply and capacity has created favorable conditions for companies associated with the lithium and battery technology supply chain.

- 1. Growing Global Opportunity** - According to Markets and Markets, the lithium-ion battery market is expected to grow from an estimated \$44.2 USD billion in 2020 to \$94.4 billion by 2025, at a CAGR of 16.4%.<sup>1</sup>
- 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** - Automakers are accelerating their planned electric vehicle launch plans to comply with increasingly stringent regulations in Europe and China. While COVID-19 has delayed some these plans, government incentives, evolving consumer preference, price parity, and a slate of new innovative models, will fuel accelerating EV growth in the post pandemic world.

1. Markets and Markets, January 2020

## Driving Demand

**By 2025, EVs will be 10% of global vehicle passenger sales, rising to 28% in 2030 and 58% in 2040.**



Source: Bloomberg, New Energy Finance, Electric Vehicle Outlook 2020



## Overview

The EQM Lithium and Battery Technology Index (BATTIDX) tracks global companies associated with the development, production and use of lithium battery technology including:

- the development and production of lithium battery technologies and/or battery storage solutions,
- the exploration, production, development, processing, and/or recycling of the materials and metals used in lithium-ion batteries such as Lithium, Cobalt, Nickel, Manganese, Vanadium and/or Graphite, and/or
- the development and production of electric vehicles.

**Ticker** BATTIDX

**Inception Date** 8/14/20

**Index Calculation/  
Publication** Refinitiv

**Total # Holdings** 64

**# US Holdings** 6

**# Non-US Holdings** 58

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

**Weighting Scheme** Modified market-cap 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](mailto:info@eqmindexes.com).

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

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## Top Constituents

For a complete list of holdings, go to [eqmindexes.com](http://eqmindexes.com).



	Index Wt %
1 TESLA INC	7.46
2 CONTEMPORARY AMPEREX TECHN-A	7.18
3 BHP GROUP LTD-SPON ADR	6.96
4 MMC NORILSK NICHEL PJSC-ADR	5.11
5 LG CHEM LTD	4.85
6 BYD CO LTD-H	3.78
7 GLENCORE PLC	3.49
8 SAMSUNG SDI CO LTD	3.21
9 PANASONIC CORP	2.60
10 NIO INC - ADR	2.11

Source: Bloomberg

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 development and production of **lithium battery technology and/or battery storage solutions**; the exploration, production, development, processing, and/or recycling of the materials and metals used in **lithium battery chemistries** such as **Lithium, Cobalt, Nickel, Manganese, Vanadium and/or Graphite**; and/or the development and production of electric vehicles.
- The Index seeks to provide exposure to global companies associated with the development, production and use of **lithium battery technology** including:

- Companies deriving more than 50% of their revenue from the development and production of **lithium battery technologies and/or battery storage solutions**;
- Companies in the battery materials supply chain that demonstrate a **verifiable beneficial interest** in lithium battery technology as verified by one of the following factors:
  - 50% revenue or profit** derived from the mining activity or metal processing, operations, contracts, and/or projects utilized in lithium battery chemistries, and/or
  - global market share** in the top five or at least 10% of global market share of any lithium battery metal utilized in the lithium battery chemistry that represents a primary source of revenue and/or net income for the company.

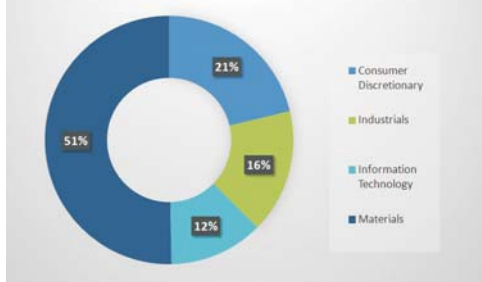
- Companies deriving more than 90% of their revenue from the development and production of **electric vehicles**.

- Listing on a regulated stock exchange in the form of shares tradable for foreign investors without restrictions.
- Market capitalization of at least 250 million USD at time of purchase, and above \$200 million USD at time of reconstitution.
- Average daily traded value of at least 1,000,000 USD over the last six months at time of purchase, or 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.
- The only allowable industry concentrations will be in the battery metals and mining industry classified under the diversified metals & mining GICS sub-industry grouping and/or GICS materials industry group.

## Portfolio Weightings

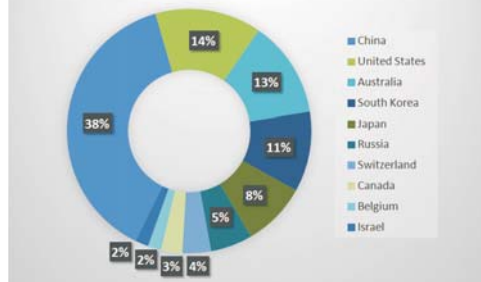
For Illustrative Purposes Only

### Sector Weightings



Source: Bloomberg, EQM Indexes

### Top 10 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.

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### Disclosure

*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.*