Evolve ETFs

Evolve Global Materials & Mining Enhanced Yield Index ETF

As at September 30, 2019

TSX BASE

MATERIALS & MINING WITH A COVERED CALL STRATEGY

KEY ETF FACTS

NAV PER UNIT: $19.71 (BASE)
$19.37 (BASE.B)

LISTING DATE: June 12, 2019

TSX TICKER(S): BASE (Hedged)
BASE.B (Unhedged)

INDICATIVE YIELD[1]: 8.00%

ASSET CLASS: Global Equities

STYLE: Index-Based with active covered call strategy

CUSIP: 30053C106 (BASE)
30053C205 (BASE.B)

EXCHANGE: Toronto Stock Exchange (TSX)

CURRENCY: CAD

MANAGEMENT FEE[2]: 0.60%

REGISTERED ACCOUNT ELIGIBILITY: Yes

DISTRIBUTION FREQUENCY: Monthly

KEY INDEX FACTS

INDEX: Solactive Materials & Mining Index PR CAD Hedged (BASE); Solactive Materials & Mining Index PR (BASE.B)

INDEX PROVIDER: Solactive AG

INDEX TICKER: SOLMAMIH (BASE)
SOLMAMIP (BASE.B)

NUMBER OF HOLDINGS: 20

WEIGHTING: Equal Weighted

REBALANCING SCHEDULE: Quarterly

INVESTMENT OBJECTIVE

BASE seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Global Materials & Mining Index, or any successor thereto, while mitigating downside risk. The ETF invests directly or indirectly in equity securities of global issuers engaged in the manufacturing, mining and/or integration of metals and materials, while writing covered call options on up to 33% of the portfolio securities, at the direction of the Manager. The level of covered call option writing may vary based on market volatility and other factors.

TOP 10 HOLDINGS	WEIGHT
1. MMC NORILSK NICKEL PJSC	6.10%
2. ROYAL GOLD INC	5.96%
3. RELIANCE STEEL & ALUMINUM CO	5.81%
4. LYONDELLBASELL INDUSTRIES NV	5.55%
5. ANGLOGOLD ASHANTI LTD	5.40%
6. DUPONT DE NEMOURS INC	5.34%
7. STEEL DYNAMICS INC	5.27%
8. NEWMONT GOLDCORP CORP	5.13%
9. EASTMAN CHEMICAL CO	5.10%
10. SOUTHERN COPPER CORP	5.02%

SECTOR ALLOCATION	
MATERIALS	100%

GEOGRAPHIC ALLOCATION	
UNITED STATES	48%
BRAZIL	12%
LUXEMBOURG	9%
RUSSIA	6%
SOUTH AFRICA	5%
PERU	5%
INDIA	5%
AUSTRALIA	5%
BRITAIN	5%

Who Should Consider This ETF?

Investors who are:

- Seeking capital appreciation through exposure to equity securities of companies involved in materials and mining
- Willing to take the risk associated with equity investments
- Seeking increased yield from covered call strategy

Percentages may not add up to 100% due to rounding.

[1] Gross of MER
[2] Plus applicable sales taxes.

INDEX METHODOLOGY

FactSet RBICS: Sector Mining and Mineral Products, the Sub-Sector Coal and Uranium Mining, and the Industry Diversified Specialty /Performance Chemicals Makers. Companies classified in the RBICS Industry Locks and Deadbolts Manufacturing, the Sub-Sectors Minerals and Construction Materials, the Industry Groups Nonmetallic Minerals Products, Heavy Building Material and Aggregate Products, General Construction Materials Manufacturing, Architectural and Infrastructure Component Makers, Other Metal Product Manufacturing, and Nonmetallic Mineral Mining are excluded from the selection.

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The initial composition of the BASE Index as well as any ongoing adjustments upon rebalancing are based on certain criteria, including:
(i) Constituent Issuers must have securities listed on an exchange (excluding exchange in a country that employs certain restrictions on foreign capital investment);
(ii) Constituent Issuers must have a minimum market capitalization of CAD 5 billion;
(iii) Constituent Issuers must meet a minimum liquidity threshold of CAD 2 million.

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The securities of the Constituent Issuers are then ranked by market capitalization in descending order and the 20 highest ranked securities are selected for inclusion into the Index.

DISCLAIMER

Commissions, management fees and expenses all may be associated with exchange traded mutual funds (ETFs). Please read the prospectus before investing. ETFs are not guaranteed, their values change frequently and past performance may not be repeated. There are risks involved with investing in ETFs. Please read the prospectus for a complete description of risks relevant to the ETF. Investors may incur customary brokerage commissions in buying or selling ETF units.

Investors should monitor their holdings, as frequently as daily, to ensure that they remain consistent with their investment strategies.

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