

**TSX**

**PREF**

## HIGH CREDIT QUALITY PORTFOLIO OF CANADIAN PREFERRED SHARES

Preferred shares are hybrid securities with both equity and fixed income characteristics.

### INVESTMENT OBJECTIVE

PREF seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the Solactive Dividend Stability Canada Preferred Share Index, or any successor thereto. PREF invests primarily in preferred equity securities of companies listed in Canada.

### TOP 10 ISSUES

	WEIGHT
1. TC ENERGY CORP (TRP/PK CN PFD)	9.20%
2. ENBRIDGE INC (ENB/FI CN PFD)	6.92%
3. TC ENERGY CORP (TRP/PJ CN PFD)	4.61%
4. SUN LIFE FINANCIAL INC (SLF/PA CN PFD)	3.59%
5. MANULIFE FINANCIAL CORP (MFC/PB CN PFD)	3.14%
6. SUN LIFE FINANCIAL INC (SLF/PB CN PFD)	2.93%
7. BROOKEFIELD ASSET MANAGEMENT INC (BAM/FI CN PFD)	2.80%
8. EMERA INC (EMA/PH CN PFD)	2.80%
9. WESTCOAST ENERGY INC (W/PM CN PFD)	2.76%
10. GREAT-WEST LIFECO INC (GWO/PG CN PFD)	2.74%

### SECTOR ALLOCATION

FINANCIAL	49%
ENERGY	27%
UTILITIES	17%
CONSUMER, NON-CYCLICAL	7%

### GEOGRAPHIC ALLOCATION

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

<sup>1</sup> Gross of MER. Source: Bloomberg, Morningstar, as at March 31, 2021.

<sup>2</sup> Plus applicable sales taxes.

### KEY FUND FACTS

NAV PER UNIT: \$25.29

INCEPTION DATE: September 26, 2019

ETF TSX TICKER(S): PREF

DIVIDEND YIELD<sup>1</sup>: 4.74%

ASSET CLASS: Canadian Preferred Shares

STYLE: Index-Based

CUSIP: 30053D104

EXCHANGE: Toronto Stock Exchange (TSX)

CURRENCY: CAD

MANAGEMENT FEE<sup>2</sup>: 0.45%

DISTRIBUTION FREQUENCY: Monthly

REGISTERED ACCOUNT ELIGIBILITY: Yes

### KEY INDEX FACTS

INDEX: Solactive Dividend Stability Canada Preferred Share Index

INDEX PROVIDER: Solactive AG

INDEX TICKER: SOLPREFP

WEIGHTING: Market Cap

REBALANCING SCHEDULE: Annually

INDEX HOLDINGS: 41



### Who Should Consider This ETF?

Investors:

- Seeking exposure to preferred shares
- That are willing to take the risks associated with preferred shares
- Seeking yield from preferred shares

## PERFORMANCE (%)

TOTAL RETURNS <sup>3</sup>	YTD	1 YR	SI <sup>4</sup>
PREF	2.43	27.97	5.49

Source: Bloomberg, as at March 31, 2021.

## SUMMARY

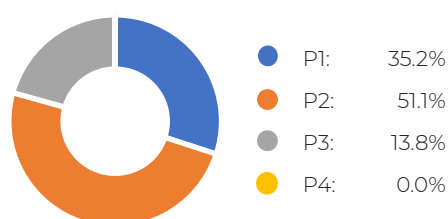
NUMBER OF SECURITIES	41
AVERAGE PRICE <sup>3</sup>	\$25.46
DIVIDEND YIELD <sup>1</sup>	5.10%

Source: Bloomberg, as at March 31, 2021.

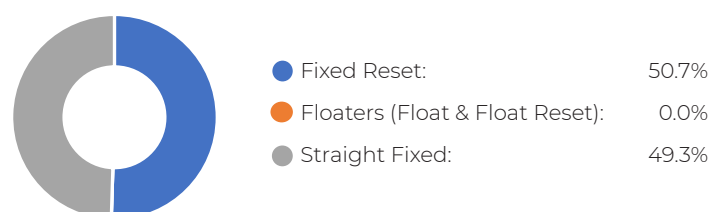
<sup>1</sup> Estimate only. Actual yield changes daily based on market conditions. Dividend yield is gross of MER.

<sup>3</sup> Source: CIBC Mellon, as at March 31, 2021.

## QUALITY ALLOCATION (S&P)



## TERM STRUCTURE/TYPE



## INDEX METHODOLOGY

The Solactive Dividend Stability Canada Preferred Share Index measures the performance of 50 preferred equity securities of companies listed on the TSX, based on market capitalization. The initial composition of the Index as well as any ongoing adjustments upon rebalancing are based on certain criteria, including:

Constituent Securities will be comprised of preferred shares traded in Canadian dollars and listed on the TSX, excluding split share corporations. +

Constituent Securities will have a credit rating of at least P3L or higher (S&P Global Ratings Canada or DBRS group of companies). +

Constituent Issuers must have a minimum size of \$100 million par value, and a minimum average daily trading volume of at least \$100,000 over the prior 12-month period.

<sup>3</sup>For the period ending March 31, 2021. The indicated rates of return are the historical annual compound total returns net of fees (except for figures of one year or less, which are simple total returns) including changes in per unit value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. The rates of return shown in the table are not intended to reflect future values of the ETF or returns on investment in the ETF. ETFs are not guaranteed, their values change frequently and past performance may not be repeated.

<sup>4</sup>Performance since inception of PREF on September 26, 2019, as at March 31, 2021.

## DISCLAIMER

Commissions, trailing commissions, management fees and expenses all may be associated with exchange traded funds (ETFs) and mutual funds. Please read the prospectus before investing. There are risks involved with investing in ETFs and mutual funds. Please read the prospectus for a complete description of risks relevant to the ETF and mutual fund. Investors may incur customary brokerage commissions in buying or selling ETF and mutual fund units. Investors should monitor their holdings, as frequently as daily, to ensure that they remain consistent with their investment strategies.

## Evolve ETFs

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