

As at September 4, 2024

TSX

UTES

Higher monthly income and growth potential from Canada's largest utilities, pipelines and telecommunication companies.

KEY ETF FACTS

NAV PER UNIT: \$10.00

INCEPTION DATE: September 3, 2024

ETF TICKER: UTES

TARGET YIELD: 16.00%

ASSET CLASS: Canadian Utilities

STYLE: Index-Based with active covered call strategy and 25% leverage

CUSIP: 30054A109

EXCHANGE: Toronto Stock Exchange (TSX)

CURRENCY: CAD

MANAGEMENT FEE²: 0.60%

REGISTERED ACCOUNT ELIGIBILITY: Yes

DISTRIBUTION FREQUENCY: Monthly

KEY INDEX FACTS

INDEX: Solactive Canada Utility Index

INDEX PROVIDER: Solactive AG

NUMBER OF HOLDINGS: 10

WEIGHTING: Equal Weighted

REBALANCING SCHEDULE: Quarterly

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

¹ Estimate only. Actual yield changes daily based on market conditions. Target yield is gross of MER.

² Plus applicable sales taxes.

Source: Bloomberg, as at September 4, 2024.

INVESTMENT OBJECTIVE

UTES seeks to replicate, to the extent reasonably possible before fees and expenses, up to 1.25x the performance of the Solactive Canada Utility Index, while mitigating downside risk. The Evolve Fund invests primarily in the equity constituents of the Index. To enhance yield, as well as to mitigate risk and reduce volatility, the Evolve Fund will employ a covered call option writing program.

TOP 10 HOLDINGS

TOP 10 HOLDINGS	WEIGHT	SECTOR	ALLOCATION
1. PEMBINA	10%	UTILITIES	40%
2. ALTAGAS	10%	TELECOMMUNICATIONS	30%
3. ROGERS	10%	PIPELINES	30%
4. EMERA	10%		
5. FORTIS	10%		
6. ENBRIDGE	10%		
7. TC ENERGY	10%		
8. HYDROONE	10%		
9. TELUS	10%		
10. BCE	10%		

GEOGRAPHIC ALLOCATION

CANADA	100%
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Who Should Consider This ETF?

Investors:

- Seeking regular dividend income with long-term capital appreciation;
- Willing to take the risk associated with a levered exposure (up to 125%) to Canadian utilities, pipelines and telecommunication securities; and
- Seeking increased yield from a covered call strategy.

INDEX METHODOLOGY

- Index: Solactive Canada Utility Index
- FactSet Categories: Utilities, Pipelines, and Telecommunication
- Ranked by free float market capitalization in descending order
- Maximum of 4 securities are then selected from each index category
- Top 10 largest companies are then selected and equally weighted
- Quarterly rebalance: February, May, August, November

WHY INVEST?



Stable Revenues

Long-term contracts and the essential nature of services provide consistent revenues.



High Dividends

Reliable cash flows allow companies to consistently pay high dividends to investors.



Lower Volatility

Low stock price volatility relative to other equities due to the stability of businesses.



Defense Sector

Strong performance during economic downturns due to the non-cyclical demand for services.



Interest Rate Sensitivity

Capital intensive so as the cost of borrowing decreases, profitability usually increases.

DISCLAIMER

Commissions, management fees and expenses all may be associated with exchange traded funds (ETFs). Please read the prospectus before investing. ETFs are not guaranteed, their values change frequently and past performance may not be repeated.

Evolve ETFs

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