

## **HORIZONS ETFs ANNOUNCES HBB INDEX METHODOLOGY UPDATE**

**TORONTO – April 30, 2021** – Horizons ETFs Management (Canada) Inc. (“**Horizons ETFs**”) announces certain modifications to the methodology of the Solactive Canadian Select Universe Bond Index (“**SOLHBB**” or the “**Index**”), which is the underlying index for the Horizons Cdn Select Universe Bond ETF (“**HBB**” or the “**ETF**”). The Index methodology was modified to further optimize its exposure to the Canadian bond market.

SOLHBB is administered by Solactive AG to measure the performance of the investment grade Canadian bond market denominated in Canadian Dollars (“**CAD**”). HBB seeks to replicate, to the extent possible, the performance of the Solactive Canadian Select Universe Bond Index, net of expense. Both the objective of the Index and the ETF remain unchanged.

A summary of the changes to SOLHBB’s methodology is as follows:

- The Index will now be calculated based upon Last Evaluated Mid Price, instead of Last Evaluated Ask Price of the Index components;
- Clarification that the Index is composed only of bonds where the country of issuance is Canada, the, country of issuing entity is Canada, and the denomination is in CAD;
- An increase of the Minimum Amount Outstanding for government bonds to CAD \$100 million;
- An addition of DBRS to the ratings agency list;
- Simplification of the capping and bucketing of issues, reducing to the top 85% of corporate bonds (by Market Value) to be included in the Index;
- Simplification of the capping and bucketing of issues, reducing to the top 99% of government bonds (by Market Value) to be included in the Index;
- Specification that the weighting of the Index components will now be based upon their respective Market Values; and
- Clarification that bonds components (Government or Corporate) are only removed from the index if they no longer meet the minimum rating criteria (>BBB-), or no longer meet the Index inclusion requirements.

The Index changes are effective at the close of business April 30<sup>th</sup>. HBB will reflect these changes simultaneously. HBB’s name, ticker and management fee remain the same.

A complete copy of the updated Index methodology for SOLHBB, including the defined terms noted above, can be found at [www.HorizonsETFs.com](http://www.HorizonsETFs.com) or [www.Solactive.com](http://www.Solactive.com).



**About Horizons ETFs Management (Canada) Inc. ([www.HorizonsETFs.com](http://www.HorizonsETFs.com))**

Horizons ETFs Management (Canada) Inc. is an innovative financial services company and offers one of the largest suites of exchange traded funds in Canada. The Horizons ETFs product family includes a broadly diversified range of solutions for investors of all experience levels to meet their investment objectives in a variety of market conditions. Horizons ETFs has approximately \$18 billion of assets under management and 92 ETFs listed on major Canadian stock exchanges.

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*Certain statements may constitute a forward-looking statement, including those identified by the expression “expect” and similar expressions (including grammatical variations thereof). The forward-looking statements are not historical facts but reflect the author's current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. These and other factors should be considered carefully and readers should not place undue reliance on such forward looking statements. These forward-looking statements are made as of the date hereof and the authors do not undertake to update any forward-looking statement that is contained herein, whether as a result of new information, future events or otherwise, unless required by applicable law.*