

BLDR



HORIZONS ETFs
by Mirae Asset

Horizons North American Infrastructure Development Index ETF

ETF Snapshot

Rebuilding North America

Arguably, one of the most important long-term trends in public investment is reinvestment in infrastructure. Most major infrastructure in North America is quite old, developed between the 1930s and 1970s, and will require extensive public and private investment to ensure the United States and Canada can accommodate population expansion and economic growth.

According to McKinsey & Company, infrastructure spending in the United States will need to exceed \$150 billion annually until 2030 just to maintain the current level of infrastructure support, let alone grow crucial infrastructure.

Similarly, the Council on Foreign Relations estimates Canada will spend 2.5% of its equivalent percentage of GDP to maintain key infrastructure needs; roughly \$40 billion a year based on the current GDP size of Canada.

Horizons North American Infrastructure Development Index ETF trades under the ticker BLDR and provides exposure to the companies likely to benefit from crucial public and private infrastructure investment.

Name:

Horizons North American Infrastructure Development Index ETF

Launch Date:

October 27, 2021

Ticker:

BLDR

Management Fee:

0.60% (Plus applicable sales taxes.)

Investment Manager:

Horizons ETFs Management (Canada) Inc.

Underlying Index:

Solactive North American Infrastructure Development Index

Bloomberg Index Ticker:

SONABLDN

Currency Hedging:

All USD currency is hedged back to CAD

Distributions:

Annually, if any

Rebalanced:

Quarterly

Eligibility:

All registered and non-registered investment accounts

Horizons North American Infrastructure Development Index ETF

Infrastructure

BLDR seeks to replicate, to the extent possible and net of expenses, the performance of an index designed to provide exposure to the performance of North American publicly listed companies generally engaged in the development and production of infrastructure project building materials and equipment, as well as the logistics, construction and engineering services used for the development and maintenance of infrastructure projects. Currently, BLDR seeks to replicate, directly or indirectly, the performance of the Solactive North American Infrastructure Development Index, net of expenses. BLDR seeks to hedge any U.S. dollar portfolio exposure back to the Canadian dollar at all times.

How Much Will Be Spent on Infrastructure?

The U.S. has been a straggler in relative spending on infrastructure. The Council on Foreign Relations highlights that Biden's ambitious infrastructure spending plan is only a start, there is still likely \$2.5 to \$3 trillion in shortfalls on infrastructure spending to maintain global competitiveness according to The American Society of Civil Engineers.

The type of infrastructure needed is heavily focused on crucial transportation needs in particular, such as roads (a \$3.4 trillion shortfall according to the ASCE) and The Environmental Protection Agency estimates that drinking water, wastewater and irrigation systems will require \$632 billion in additional investment over the next decade.

The need for infrastructure creates a generational investment opportunity as North America will likely need to embark on their largest rebuilding efforts in decades.

Companies likely to be engaged in key industries such as:



Logistics: Logistics and engineering companies to design and oversee key public and private infrastructure projects



Transportation: Transportation infrastructure companies, including railroads and manufacturers of mass transit systems and infrastructure



Construction: Construction equipment, machinery and vehicle manufacturers. Industrial sector companies providing the crucial machinery needed to meet the increasing demand for construction



Water and Energy: Water and energy infrastructure companies that build and operate key energy and utilities. There is a growing focus on companies that specialize in clean energy solutions



Horizons North American Infrastructure Development Index ETF

Key Features

Key Features

- Direct exposure to the “Rebuild North America” theme
- Focus on owning infrastructure development companies (i.e.: “the builders”)
- Diversification across North America – leading U.S. and Canadian names
- U.S. exposure is currency hedged

Solactive North American Infrastructure Development Index

The Solactive North American Infrastructure Development Index (the “Underlying Index”), is designed to provide exposure to the performance of North American publicly listed companies generally engaged in the development and production of infrastructure product building materials and equipment, as well as the logistics, construction and engineering services used for the development and maintenance of infrastructure projects.

- The Underlying Index will hold 50 eligible constituent names which are rebalanced quarterly based on their market capitalization.
- Constituents issuers will be drawn from publicly listed companies headquartered in North America and may include small-, mid- and large-capitalization companies. In addition, a company must meet minimum trading, liquidity and market capitalization requirements to be considered for inclusion.
- A company is considered to be an “Infrastructure Development Company” if it is classified according to the Index provider as primarily operating in any of the following segments: Transportation Infrastructure Construction, Transportation Operators, Telecommunication Infrastructure, Water and Energy Infrastructure, Infrastructure Materials and Components, Infrastructure Construction, and Construction Machinery – these are referred to as the Underlying Index Categories
- The highest ranking, by market capitalization, Canadian headquartered security is selected from each Index Category. The maximum weight of an Index Constituent is 10%
- On each selection day the minimum aggregate weight of Canadian headquartered companies in the Underlying Index is 20%

To learn more, please visit www.HorizonsETFs.com/ETF/BLDR



Commissions, management fees and expenses all may be associated with an investment in Horizons North American Infrastructure Development Index ETF (the “ETF”) managed by Horizons ETFs Management (Canada) Inc. The ETF is not guaranteed, its values change frequently and past performance may not be repeated. The prospectus contains important detailed information about the ETF. **Please read the prospectus before investing.**

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