

HAEB



HORIZONS ETFs
by Mirae Asset

Horizons Active ESG Corporate Bond ETF

ETF Snapshot

An Active Approach to ESG Fixed Income Investing

The Horizons Active ESG Corporate Bond ETF is an actively managed ETF that will invest in North American corporate bonds that have gone through a fundamental credit research process and in addition will be scored to evaluate Environmental, Social and Governance (ESG) metrics of each issuer.

The investment objective of HAEB is to seek long-term moderate capital growth and generate high income. HAEB invests in a portfolio of debt (including debt-like securities) of Canadian and U.S. companies directly, or through investments in securities of other investment funds, including exchange traded funds. Each security in HAEB's portfolio must achieve minimum inclusion requirements based on ESG metrics.

Name:

Horizons Active ESG Corporate Bond ETF

Launch Date:

September 22, 2021

Ticker:

HAEB

Management Fee:

0.55% (Plus applicable sales taxes.)

Investment Manager:

Horizons ETFs Management (Canada) Inc.

Sub-Advisor:

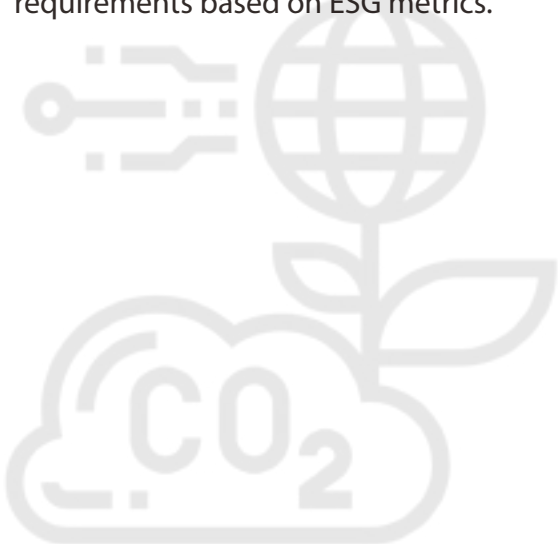
Fiera Capital Corporation

Distribution Frequency:

Monthly

Eligibility:

All registered and non-registered investment accounts



Horizons Active ESG Corporate Bond ETF

Screening Process

HAEB Screening Process

Fiera Capital Corporation (the 'Sub-Advisor' or 'Fiera Capital') takes a quantitative and qualitative approach to ESG screening. Each issuer must reach a minimum ESG score to be considered for inclusion in the portfolio. Further, the Sub-Advisor will independently evaluate each issuer and monitor its adherence or improvement to its commitment to ESG-friendly business practices.

HAEB ESG Parameters

Low-Carbon Impact



- Focuses on issuers that set ambitious carbon reduction targets in order to participate in the transition towards a low carbon economy
- Seeks to have a lower carbon footprint than the broader Canadian corporate bond universe by having a lower weighted average level of carbon intensity
- Seeks to limit exposure to the fossil fuel industry with a lower exposure than the broader Canadian corporate bond universe

ESG-Focused



- Issuer must meet a minimum ESG score to be considered for inclusion
- Aims to invest at least 50% of the portfolio in issuers with an ESG score that ranks within the top third of the universe
- Issuers with more than 10% of earnings from Adult Entertainment, Alcohol, Cannabis, Firearms, Gambling, Military Contracting and Tobacco are excluded

Measureable Transparency



- Fiera will determine ESG scores of each issuer using both an external provider and an internal ranking system
- ESG scores are reviewed regularly and issuers will be removed at the quarterly rebalance if they fall below a minimum ESG threshold
- Not restricted to Green bonds (or other labeled bonds)

Fiera Capital Corporation

Fiera Capital is one of the largest fixed income managers in Canada. Publicly traded with offices across the U.S. and Canada, Fiera Capital has become a leader in the realm of non-traditional investment solutions. It has vast experience and expertise in Canadian fixed income, North American preferred shares, Canadian and foreign equities, asset allocation, and alternative strategies.



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Key Features

More than ESG – Active Security Selection

HAEB is not just focused on ESG. The Sub-Advisor will actively seek to out-perform the broader North American corporate bond universe through the security selection of issuers that have attractive relative valuations. All issuances in the portfolio must meet HAEB's ESG standards, but unlike an index strategy, the Sub-Advisor will also actively weight issuances that meet requirements with a goal to generate better risk/adjusted returns than traditional index strategies.

Fiera Capital's Tactical Fixed Income Process



- 1 Identify key factors
- 2 Determine outlook for those factors
- 3 Compare outlook to what is already discounted in the market
- 4 Trend analysis
- 5 Interest rate anticipation and yield curve positioning
- 6 Sector allocation
- 7 Security selection
- 8 Short-term trading

Key Features

- All bonds in the portfolio go through an extensive ESG-screening process
- Portfolio is managed by a corporate credit team that oversees more than \$20 billion in fixed-income assets
- Fiera Capital's Integrated Fixed Income team has extensive expertise in the North American corporate bond market and often works directly with issuer management teams
- Each issuer is independently evaluated for both ESG factors and credit metrics
- Active management can potentially improve liquidity by not being forced to buy and sell issuers the way an index does on rebalance

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



Commissions, management fees and expenses all may be associated with an investment in Horizons Active ESG Corporate Bond 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.**

The sub-advisor and investment manager have a direct interest in the management fees of the ETF, and may, at any given time, have a direct or indirect interest in the ETF or its holdings.

Horizons ETFs Management (Canada) Inc. is a member of the Responsible Investment Association (RIA), HAEB is not affiliated, sponsored or supported by the RIA and investment decisions are not made in conjunction or with consideration from the RIA.