



2020 CORPORATE OVERVIEW

BROMPTON
FUNDS

VALUE
INTEGRITY
PERFORMANCE
THE FOUNDATION FOR EXCELLENCE



ABOUT BROMPTON

Brompton was founded in 2000 and has had a long, successful track record of delivering well-conceived alternative investments that are focused on providing investors with a meaningful level of regular distributions. We have been in an extremely low interest rate environment for some time now, and investors struggle to find suitable investments that generate sufficient income to meet their cash flow needs. Our funds are designed to address investors' cash flow requirements and to provide them with value-added diversification strategies. Since inception, Brompton has paid out over \$2.8 billion in distributions. For those investors that do not require the regular cash flow, our funds also offer commission-free distribution reinvestment plans for additional units in the funds. Of course, no investment will be successful over the long run if you pay too much for it. For the level of service provided, our funds are known for their low management fees and costs.

Our active equity strategies consider ESG factors as part of our selection of securities. Our goal is to deliver superior risk adjusted returns while considering ESG scores of our underlying investments. The ESG Score is an overall score of a company as determined by an independent consultant based on reported information in the environment, social and corporate governance pillars. Our ESG ratings are available on our website and in our marketing materials.

the foundation for excellence

VALUE

- Fair investor terms, including net asset value redemption rights and prohibition against dilutive offerings
- Among the lowest management fees in the industry
- Maintain low general and administrative costs to improve overall investor returns

INTEGRITY

- Brompton maintains high standards of business practice
- Independent Review Committee members are highly respected business leaders who provide valuable insight, experience and oversight
- Exceeds the requirements set out for Independent Review Committees

PERFORMANCE

- Brompton offers income, growth, sector specific and tax-advantaged investment solutions
- Many funds provide a high level of monthly distributions
- Brompton seeks to achieve top-ranked performance. Two ETFs in 2020 provided leading performance

January 2021

Dear Investors,

I would like to take this opportunity to thank you for your continued interest in Brompton Funds. We aim to provide unique investment solutions for investors seeking monthly income and growth with a focus on top-performing portfolio management, low costs and investor-friendly product features.

In addition to our unique closed-end fund line up, Brompton continues to expand its family of exchange traded funds (ETFs) which are listed on the TSX, each with a focus on superior long-term risk adjusted returns, high monthly distributions and low-cost active management. Our ETF solutions were designed to benefit from well positioned investment themes, such as Healthcare (HIG), Technology (TLF), Global Dividend Growth (BDIV), North American Financials (BFIN), Preferred Shares (BPRF) and European Dividend Growth (EDGF). In 2020, we also added Global Real Assets (BREA) and North American Low Volatility Equity income (BLOV) to the ETF line-up. From May 1, 2020 to December 31, 2020, BREA has grown its net asset value per unit from \$20.00 to \$21.57 and paid total cash distributions of \$0.66. For the same period, BLOV has grown its net asset value per unit from \$20.00 to \$21.72 and paid total cash distributions of \$0.53.

Our preferred share fund, Brompton Flaherty & Crumrine Investment Grade Preferred ETF (BPRF) was the top performing preferred share fund since launching in Canada over 2 years ago among all Canadian funds in the Preferred Share Fixed Income Category and has an inception to date return of 8.4% per annum. Our technology fund, Brompton Tech Leaders Income ETF (TLF), was the top performing Technology Covered Call fund in Canada in 2020 and over the last 2, 3, 4 and 5 years. And for investors looking for attractive ideas outside of North America, Brompton European Dividend Growth ETF (EDGF) was the top performing actively managed European equity ETF over the past 2 and 3 years.⁽¹⁾

Our website includes a wealth of information, including commentaries from our portfolio managers, recorded webinars and presentations providing fund and sector updates, along with complete portfolio holdings. Tax slips to complete your 2020 tax return will be provided by your investment dealer.

Again, we appreciate your continued interest in Brompton and look forward to offering you additional high-quality investment products in 2021. Please call our investor relations line, if you have questions, at 1-866-642-6001 or 416-642-6000.

Yours truly,

Brompton Funds



Mark A. Caranci

President & Chief Executive Officer



⁽¹⁾ Source: Morningstar Direct. Based on total return performance as at December 31, 2020. BPRF: 2-year absolute ranking out of 74 funds in the Canada Fund Preferred Share Fixed Income category, which includes Canadian-domiciled open-end and exchange-traded funds that invest at least 90% of their fixed income holdings in preferred shares. Annual compound NAV returns: 1-yr: 5.1%, since inception (2018-10-17): 8.4%. TLF: Absolute ranking for each period among 3 Technology covered call ETFs in the Canada Fund Sector Equity category. Annual compound NAV returns: 1-yr: 38.4%, 3-yr: 25.5%, 5-yr: 23.5%, since inception (2011-05-20): 14.5%. EDGF: 2-year absolute ranking out of 6 funds and 3-year absolute ranking out of 5 funds among actively managed ETFs in the Canada Fund European Equity category, which includes Canadian-domiciled open-end and exchange-traded funds that must invest at least 90% of their equity holdings in a diversified portfolio of securities domiciled in 2 or more countries in Europe. Annual compound NAV returns: 1-yr: 0.5%, 3-yr: 6.4%, since inception (2017-07-21): 6.7%. Rankings accessed on January 8, 2020. Performance and rankings are subject to change daily. © 2021 Morningstar. All Rights Reserved. The information contained herein: (i) is proprietary to Morningstar and/or its content providers; (ii) may not be copied or distributed; and (iii) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.



Bloom Investment Counsel, Inc.

Bloom Investment Counsel, Inc. was established in 1985 and is the portfolio manager of Blue Ribbon Income Fund and Canadian High Income Equity Fund. Bloom specializes in the management of segregated investment portfolios for wealthy individuals, foundations, corporations, institutions and trusts. In addition to its conventional investment management business, Bloom currently manages specialty high-income equity portfolios comprised of dividend-paying common equity securities, income trusts and real estate investment trusts. Bloom has managed more than ten TSX-listed closed-end portfolios in this specialty area since 1997, with an aggregate market value of over \$2.5 billion and currently manages four closed end funds in this specialty area.



Brompton Funds Limited

In addition to providing Investment Fund Manager services to all funds under management, Brompton Funds Limited is also a Portfolio Manager. The team oversees investments for several Canadian, US and Global focused equity funds. They also provide active covered call writing overlays for approximately \$1.6 billion of Brompton AUM, with the goal of enhancing risk-adjusted returns for investors.



Flaherty & Crumrine Incorporated

Flaherty & Crumrine Incorporated was founded in 1983 and specializes in the management of US preferred securities and corporate debt instruments. Flaherty & Crumrine is the portfolio manager for Flaherty & Crumrine Investment Grade Fixed Income Fund, which invests in investment grade preferred securities and corporate debt, primarily of US issuers. The firm uses intensive credit analysis, thorough analysis of securities' terms and structure and active portfolio management, exploiting pricing inefficiencies in the fixed income markets to provide attractive rates of return on its funds.



Nuveen Asset Management, LLC

Nuveen Asset Management, LLC ("NAM"), is the sub-advisor for the Symphony Floating Rate Senior Loan Fund. NAM specializes in the management of debt and equity strategies including senior loan portfolios. NAM, a registered investment adviser, has been in business for over thirty years and had an aggregate of over U.S.\$226.9 billion of assets under management as of December 31, 2020. NAM is an indirect subsidiary of Nuveen, LLC which is a subsidiary of Teachers Insurance and Annuity Association of America.

Commissions, trailing commissions, management fees and expenses all may be associated with exchange-traded fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all 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. Exchange-traded funds are not guaranteed, their values change frequently and past performance may not be repeated.

Certain statements contained in this document constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information may relate to matters disclosed in this document and to other matters identified in public filings relating to the Funds, to the future outlook of the Funds and anticipated events or results and may include statements regarding the future financial performance of the Funds. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Actual results may vary from such forward-looking information. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no obligation to update or revise them to reflect new events or circumstances.



VALUE
INTEGRITY
PERFORMANCE
THE FOUNDATION FOR EXCELLENCE

Investor Relations
PHONE 416.642.6000
TOLL FREE 1.866.642.6001
FAX 416.642.6001
info@bromptongroup.com
www.bromptonfunds.com

Address
Bay Wellington Tower,
Brookfield Place
181 Bay Street
Suite 2930, Box 793
Toronto, Ontario M5J 2T3

DIRECTORS OF BROMPTON FUNDS

The Board of Directors of the Manager of each of Brompton's funds consists of four members who are responsible for overseeing the management of the funds and their reporting.

The Board of Directors monitors the performance of the portfolio managers and periodically reviews the investment strategies of the existing funds to ensure that they meet the long-term objectives of the funds and their investors.



MARK A. CARANCI, BComm, CPA, CA

Mr. Caranci has over 25 years of experience in the investment business, merchant banking and public accounting and, as a principal of Brompton, participates in the direction of all activities in the group. Mr. Caranci was appointed as the Chief Financial Officer of Brompton Group of companies in 2000 and in 2007, was appointed as the President, Chief Executive Officer and director of Brompton Funds. Mr. Caranci is a Chartered Professional Accountant and is a member of the Ontario Institute of Chartered Accountants and received a Bachelor of Commerce degree from the University of Toronto.



RAYMOND R. PETHER, BA, MBA

Mr. Pether has over 35 years of experience in the investment business having held numerous high level positions in investment management, oil & gas, banking and real estate finance. Mr. Pether co-founded the Brompton Group in 2000 and participates in the direction of all activities in the group, and is a director of Brompton Funds. Mr. Pether received a Bachelor of Arts degree in Economics from the University of Western Ontario and a Master of Business Administration degree from McMaster University.



CHRISTOPHER S.L. HOFFMANN, LLB, MS

Mr. Hoffmann joined the Brompton Group of companies in 2004. From 1989 to 2004 Mr. Hoffmann was a partner at McCarthy Tétrault. From 1987 to 1989 Mr. Hoffmann was Executive Vice President and Chief Operating Officer of a private investment and holding company. From 1980 to 1987 Mr. Hoffmann was a partner at Burnet, Duckworth & Palmer. Mr. Hoffmann is a member of the Law Society of Ontario and received a Bachelor of Laws and a Bachelor of Civil Law from McGill University, and a Master of Science from University of California, Berkeley. Mr. Hoffmann has been a director of numerous public and private companies and not-for-profit corporations. He is currently a director of the Canadian Opera Foundation and the Toronto Central Local Health Integration Network.

INDEPENDENT REVIEW COMMITTEE OF BROMPTON FUNDS

The Independent Review Committee ("IRC") is comprised of a minimum of three members, each of whom must be independent of the funds, the manager, and any affiliate companies of the manager.

The function of the IRC is to provide decisions on conflict of interest matters that the Manager has referred to the IRC and to provide oversight on any conflicts that IRC members identify on their own. The IRC is invited to attend all Board meetings and has access to management at all times.



PATRICIA MEREDITH, BMath, MBA, PhD, FCPA/FCA

Patricia Meredith is a global thought leader, author and consultant in the emerging field of strategic governance. She is best known for her role as Chair of Canada's Task Force for the Payment System Review, bringing together government, community and industry leaders to transform the payments system in under two years. Dr. Meredith is a Director of many public, private and not-for-profit organizations. She was Executive Vice-President and Chief Strategy Officer of a major financial institution and Senior Strategy Advisor to financial services and technology companies for a global strategy consultancy. From 2010 to 2012, Pat was the Chair of the Task Force for the Payments Review. The Task Force, which applied a catalytic governance process, delivered a community supported action plan that enabled government and industry to quickly act on all four of the recommendations. With her Catalytic Governance co-authors, Steven Rosell and Ged Davis, she is working to create a community of leaders developing better approaches to governing in the information age. Dr. Meredith has a PhD in Business Strategy, an MBA in Management Information Systems and a Bachelor of Mathematics. She is a Fellow of the Institute of Chartered Professional Accountants of Ontario and of the Clarkson Institute for Board Effectiveness at the Rothman School of Management at the University of Toronto. She teaches Advanced Strategic Management and Competitive and Organizational Strategy to MBAs and executives. Patricia is Chair, of the Audit and Finance Committee of the Canadian Institute for Advanced Research (CIFAR). She is also the winner of the 2017 Donner Prize Award for the Best Public Policy Book by a Canadian.



Raj Kothari, BComm, MBA, FCPA/FCA

Raj Kothari was a Partner and Vice Chair of PwC Canada and served as Managing Partner for Greater Toronto at PwC until December 31, 2017 and was a member of PwC Canada's Extended Leadership Team until June 30, 2018. He also served as the National Asset and Wealth Management Leader, Global Transformation Leader for Asset and Wealth Management Assurance Practice and as founding board member of PwC's Global Service Delivery Centre in India. Raj's professional and business experience, over 40 years, spans Canada, UK and India in the areas of business operations, business assurance and advisory services, transaction support, valuation of Asset Management Companies and advisory services to small and large clients in a variety of businesses. In Canada, he specialized in advising clients in the asset management and investment fund industry. His experience also includes banking, insurance, trading and manufacturing businesses. Raj graduated from the Advanced Management Program (AMP) at Harvard Business School and obtained an MBA from CASS Business School at the City, University of London. He also qualified as a chartered accountant in both Canada and the UK. Raj is currently enrolled in the Directors' Certification Program at Harvard Business School. Raj currently serves on the board of IMCO (Investment Management Corporation of Ontario), a \$70-billion pension plan in Canada. He also serves as Chair of the Board of Governors of the Toronto General Western Hospital Foundation, and on the boards of the Ontario Arts Foundation, and the Aga Khan Museum in Toronto.



KEN S. WOOLNER, BSc, PEng

Mr. Woolner has over 30 years of experience in the oil and gas industry and currently serves as President, Chief Executive Officer and Director of Velvet Energy Ltd., a private Calgary based production and exploration company. From February 2006 to June 2011 he served as a corporate director. From April 2005 to February 2006, Mr. Woolner was Executive Chairman of White Fire Energy Ltd., a public oil and gas company operating in Western Canada and a trustee of Sequoia Oil & Gas Trust. Mr. Woolner was President and Chief Executive Officer of Lightning Energy Ltd. from December 2001 to April 2005, when it merged with Argo Energy Ltd. to create Sequoia Oil & Gas Trust and White Fire Energy Ltd. Mr. Woolner was the President and Chief Executive Officer and a director of Velvet Exploration Ltd. from April 1997 to July 2001 when it was acquired by El Paso Oil & Gas Inc., and was a director of El Paso Oil and Gas Canada Inc. from July 2001 to May 2002. Mr. Woolner is a professional engineer and received a Bachelor of Science degree in Geological Engineering from the University of Toronto.

OFFICERS & DIRECTORS

Brompton has assembled a highly qualified team to manage the affairs of the funds and to provide a superior level of service to unitholders.



FROM LEFT TO RIGHT:

BACK ROW: Stephen Allen, Ann Wong, Kathryn Banner, Michelle Tiraborelli, Christopher Cullen, Michael Clare.

FRONT ROW: Raymond Pether, Mark Caranci, Laura Lau, Christopher Hoffmann

CORPORATE INFORMATION

Independent Review Committee

Raj Kothari BComm, MBA, FCPA/FCA

Patricia Meredith, BMath, MBA, PhD, FCPA/FCA

Ken S. Woolner, BSc, PEng

Officers & Directors

Mark A. Caranci, BComm, CPA, CA
Director, President and Chief Executive Officer

Christopher S.L. Hoffmann, LLB, MS
Director

Raymond R. Pether, BA, MBA
Director

Ann P. Wong, BA, MAcc, CPA, CA, CFA
Chief Financial Officer and Chief Compliance Officer

Stephen Allen, BA
Senior Vice President

Christopher Cullen, BAsC (Hons), MBA, CFA
Senior Vice President

Laura Lau, BAsC (Hons), CFA, DMS
Senior Vice President and Chief Investment Officer

Michelle L. Tiraborelli, BSc (Hons), MBA
Senior Vice President

Michael D. Clare, BComm (Hons), CPA, CA, CFA
Vice President and Portfolio Manager

Kathryn A.H. Banner, BA, MA
Vice President and Corporate Secretary

Investor Relations

PHONE 416.642.6000

TOLL FREE 1.866.642.6001

EMAIL info@bromptongroup.com

Auditors

PricewaterhouseCoopers LLP

Website

www.bromptongroup.com

Address

Bay Wellington Tower, Brookfield Place
181 Bay Street
Suite 2930, Box 793
Toronto, Ontario M5J 2T3

PHONE 416.642.9061

FAX 416.642.6001

INVESTOR INFORMATION

BROMPTON'S WEBSITE PROVIDES INVESTORS WITH A WEALTH OF INFORMATION ON ALL OF OUR FUNDS. THE WEBSITE INCLUDES:

- Fund overviews and a summary of each fund's key investment features
- NAV per unit/share and distributions
- Tax information, regulatory filings and financial reports
- Portfolio Manager commentary and market insights
- Web-based presentations
- Links to media appearances
- Quarterly summaries of portfolio holdings and sector allocations

For further information, please visit our website or contact investor relations:

WEBSITE: www.bromptongroup.com

PHONE: 416.642.6000

TOLL FREE: 1.866.642.6001

EMAIL: info@bromptongroup.com



BROMPTON

FUNDS