

# Brompton North American Financials Dividend ETF

**TSX:BFIN**

## FUND PROFILE

AS AT MAY 31, 2021

|                                       |                   |                               |
|---------------------------------------|-------------------|-------------------------------|
| <b>TSX Symbol</b>                     | CAD Hedged<br>USD | BFIN<br>BFIN.U                |
| <b>CUSIP</b>                          | BFIN<br>BFIN.U    | 11221X107<br>11221X206        |
| <b>Inception Date</b>                 | BFIN<br>BFIN.U    | Oct. 17, 2018<br>Aug. 8, 2019 |
| <b>NAV</b>                            | BFIN<br>BFIN.U    | \$24.09<br>\$26.30            |
| <b>Distribution Rate<sup>1</sup></b>  | BFIN<br>BFIN.U    | 4.1%<br>3.8%                  |
| <b>Monthly Distribution</b>           | BFIN<br>BFIN.U    | \$ 0.08333<br>\$ 0.08333      |
| <b>Total Assets</b>                   |                   | \$38 million                  |
| <b>Management Fee</b>                 |                   | 0.75% p.a.                    |
| <b>Management Style</b>               |                   | Actively Managed              |
| <b>Manager/PM</b>                     |                   | Brompton Funds Limited        |
| <b>Registered Account Eligibility</b> |                   | Yes                           |
| <b>Risk Rating</b>                    |                   | Medium-High                   |

## Overview

This ETF provides monthly distributions and the opportunity for capital appreciation through an investment in an actively managed portfolio of large-cap North American-listed financial services companies selected by Brompton, complemented by a proprietary covered call options program.

Our PM team first uses a top-down analysis to identify attractive sub-sectors. Rigorous fundamental analysis focuses the portfolio on North American Financial Services Companies with a market capitalization of at least \$5 billion. The PMs then actively set the level of covered call writing with the goal of optimizing distributable cash and total returns, while reducing portfolio volatility.

## Investment Highlights: Financial Sector

Why Invest In North American Financials?

- Brompton believes North American Financial companies are attractively valued
- Brompton believes North American Financial companies have strong dividend growth potential
- Opportunity for Canadian investors to diversify their investment in financials

## Portfolio: May 31, 2021

| Sector Allocation <sup>3</sup> | % of NAV | Geographic Allocation <sup>3</sup> | % of NAV |
|--------------------------------|----------|------------------------------------|----------|
| Diversified Banks              | 31.5%    | United States                      | 73.7%    |
| Investment Banking & Brokerage | 14.1%    | Canada                             | 22.3%    |
| Financial Exchanges            | 10.5%    | Cash & short-term inv.             | 4.0%     |
| Regional Banks                 | 9.7%     | Other net liabilities              | (0.1%)   |
| Data Proc. & Services          | 9.1%     |                                    |          |
| Life & Health Insurance        | 8.6%     |                                    |          |
| Asset Management & Cust. Banks | 7.9%     |                                    |          |
| Cash & short-term inv.         | 4.0%     |                                    |          |
| Consumer Finance               | 2.7%     |                                    |          |
| Multi-Sector Holdings          | 2.1%     |                                    |          |
| Other net liabilities          | (0.1%)   |                                    |          |

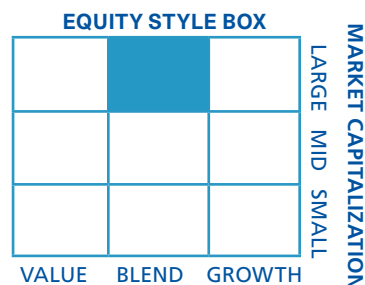
| Top 10 Holdings                 | % of NAV     |
|---------------------------------|--------------|
| Bank of America Corp            | 7.8%         |
| Goldman Sachs Group Inc         | 6.7%         |
| Citigroup Inc                   | 6.3%         |
| National Bank of Canada         | 5.9%         |
| Brookfield Asset Management Inc | 5.2%         |
| First Republic Bank             | 5.1%         |
| Mastercard Inc                  | 5.0%         |
| Royal Bank of Canada            | 4.9%         |
| Morgan Stanley                  | 4.8%         |
| MetLife Inc                     | 4.7%         |
| <b>Total</b>                    | <b>56.4%</b> |

## THIS ETF IS FOR INVESTORS WHO ARE:

- Seeking capital appreciation
- Seeking enhanced income and lower volatility through covered call strategies
- Comfortable with equity risk

ESG SCORE<sup>2</sup>

B+



INVESTMENT APPROACH

**BROMPTON**  
EXCHANGE TRADED FUNDS



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



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

Founded in 2000, Brompton is an experienced investment fund manager with income focused investment solutions including TSX traded closed-end funds and exchange-traded funds. 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. For the level of service provided, our funds are known for their low management fees and costs.

Historical Performance: May 31, 2021

| Annual Compound Returns <sup>4</sup>                         | YTD   | 1-YR  | Since Inception (BFIN) | Since Inception (BFIN.U) |
|--------------------------------------------------------------|-------|-------|------------------------|--------------------------|
| Brompton North American Financials Dividend ETF (CAD Hedged) | 22.9% | 51.7% | 13.1%                  | -                        |
| Brompton North American Financials Dividend ETF (USD)        | 24.8% | 58.5% | -                      | 22.2%                    |

<sup>(1)</sup> Distribution rate based on May 31, 2021 closing market price. Source: Thomson Reuters.

<sup>(2)</sup> Source: Thomson Reuters as at May 31, 2021. Reflects the weighted average ESG Score of the companies held in the portfolio. The ESG Score is an overall score of a company based on the reported information in the environmental, social and corporate governance pillars. Letter grades range from D- for the lowest ESG scores to A+ for the highest scores. See [https://www.refinitiv.com/content/dam/marketing/en\\_us/documents/methodology/esg-scores-methodology.pdf](https://www.refinitiv.com/content/dam/marketing/en_us/documents/methodology/esg-scores-methodology.pdf) for more information.

<sup>(3)</sup> Totals may not equal 100% due to rounding.

<sup>(4)</sup> Returns are for the periods ended May 31, 2021. BFIN Inception date October 17, 2018. BFIN.U Inception date August 8, 2019. The table shows the ETF's compound returns for each period indicated.

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Commissions, trailing commissions, management fees and expenses all may be associated with exchange-traded fund investments. 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. Please read the prospectus before investing. 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 ETF, to the future outlook of the ETF and anticipated events or results and may include statements regarding the future financial performance of the ETF. 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.