

# Brompton Global Healthcare Income & Growth ETF

**TSX:HIG**

## FUND PROFILE

AS AT JUNE 30, 2021

|                                       |                        |                |
|---------------------------------------|------------------------|----------------|
| <b>TSX Symbol</b>                     | CAD Hedged             | HIG            |
|                                       | USD                    | HIG.U          |
| <b>CUSIP</b>                          | HIG                    | 11222T105      |
|                                       | HIG.U                  | 11222T204      |
| <b>Inception Date</b>                 | HIG                    | Sept. 24, 2015 |
|                                       | HIG.U                  | Aug. 8, 2019   |
| <b>NAV</b>                            | HIG                    | \$ 10.17       |
|                                       | HIG.U                  | \$ 10.68       |
| <b>Distribution Rate<sup>1</sup></b>  | HIG                    | 5.9%           |
|                                       | HIG.U                  | 5.6%           |
| <b>Monthly Distribution</b>           | HIG                    | \$ 0.05        |
|                                       | HIG.U                  | \$ 0.05        |
| <b>Total Assets</b>                   | \$64 million           |                |
| <b>Management Fee</b>                 | 0.75%                  |                |
| <b>Management Style</b>               | Actively Managed       |                |
| <b>Manager/PM</b>                     | Brompton Funds Limited |                |
| <b>Registered Account Eligibility</b> | Yes                    |                |
| <b>Risk Rating</b>                    | Medium                 |                |

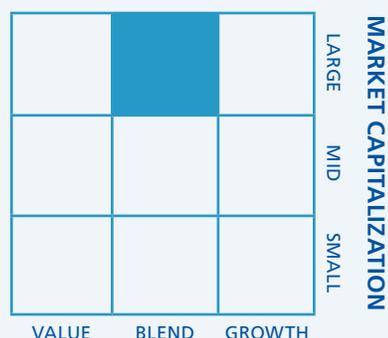
## THIS ETF IS FOR INVESTORS WHO ARE:

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

**ESG SCORE<sup>2</sup>**

**B+**

## EQUITY STYLE BOX



**INVESTMENT APPROACH**

**BROMPTON**  
EXCHANGE TRADED FUNDS

## Overview

This ETF provides high monthly distributions and the opportunity for capital appreciation through an investment in an actively managed portfolio of large cap global Healthcare companies selected by Brompton, complemented by a proprietary covered call options program.

Our PM team first uses top-down analysis to identify attractive sub-sectors. Rigorous fundamental analysis focuses the portfolio on global Healthcare companies which offer a combination of growth and value characteristics. 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: Healthcare Sector

Strong historical earnings growth and stable relative share performance. Under-represented sector in the Canadian equity market; diversification benefits.

### Long term trends are supportive of healthcare equities:

- **Demographics:** Aging world population is expected to result in increased demand for healthcare products and services
- **Emerging Markets:** Rising incomes should lead to higher healthcare spending
- **Innovation:** Opening up new frontiers for services, equipment and therapies
- **Mergers & Acquisitions:** Potential for added value for investors

## Portfolio: June 30, 2021

| Sector Allocation <sup>3</sup> | % of NAV | Geographic Allocation <sup>3</sup> | % of NAV |
|--------------------------------|----------|------------------------------------|----------|
| Healthcare Equipment           | 34.7%    | United States                      | 81.5%    |
| Pharmaceuticals                | 19.6%    | Ireland                            | 7.1%     |
| Life Sciences Tools & Services | 18.1%    | Denmark                            | 3.7%     |
| Biotechnology                  | 8.2%     | Germany                            | 3.6%     |
| Managed Healthcare             | 5.9%     | Netherlands                        | 2.8%     |
| Healthcare Distributors        | 4.4%     | Cash & short-term inv.             | 2.7%     |
| Healthcare Supplies            | 3.5%     | Switzerland                        | 1.9%     |
| Healthcare Facilities          | 3.3%     | Great Britain                      | 1.5%     |
| Healthcare Services            | 3.1%     | Other net liabilities              | (4.8%)   |
| Cash & short-term inv.         | 2.7%     |                                    |          |
| Healthcare Technology          | 1.3%     |                                    |          |
| Other net liabilities          | (4.8%)   |                                    |          |

| Top 10 Holdings          | % of NAV     |
|--------------------------|--------------|
| IDEXX Laboratories Inc   | 4.9%         |
| Agilent Technologies Inc | 4.6%         |
| Intuitive Surgical Inc   | 3.9%         |
| Danaher Corp             | 3.8%         |
| IQVIA Holdings Inc       | 3.8%         |
| Steris plc               | 3.7%         |
| Eli Lilly and Co         | 3.7%         |
| Zoetis Inc               | 3.7%         |
| UnitedHealth Group Inc   | 3.7%         |
| Novo Nordisk A/S         | 3.7%         |
| <b>Total</b>             | <b>39.5%</b> |



**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 exchange-traded funds (ETFs) and other TSX traded investment 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: June 30, 2021**

| Annual Compound Returns <sup>4</sup>                        | YTD  | 1-Year | 3-Year | 5-Year | Since Inception<br>HIG | Since Inception<br>HIG.U |
|---|------|--------|--------|--------|------------------------|--------------------------|
| Brompton Global Healthcare Income & Growth ETF (CAD Hedged) | 8.7% | 21.0%  | 12.6%  | 9.3%   | 8.4%                   | -                        |
| Brompton Global Healthcare Income & Growth ETF (USD)        | 8.8% | 21.9%  | -      | -      | -                      | 13.1%                    |

<sup>(1)</sup> Distribution rate is based on market price on June 30, 2021. Source: Thomson Reuters.

<sup>(2)</sup> Source: Thomson Reuters as at June 30, 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 June 30, 2021. HIG Inception date September 24, 2015. HIG .U Inception date August 8, 2019. The table shows the ETF's compound return or each period indicated.

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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 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.