

Press Release

In volatile times, Horizons ETFs Expands Engagement with Solactive Launching Utilities ETF

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FRANKFURT AM MAIN – In a volatile economic environment, investors might want to protect and diversify their portfolio. Utility services companies are likely to suffer less from fluctuations, as demand for their products continues stable even during recessions, therefore providing stability to an investment strategy. Additionally, companies that pay consistent dividends are also likely to add more stability to a portfolio, as they offer investors an income source, which might be beneficial, especially during turbulent periods in the market. To provide stockholders with defensive exposure opportunities, Horizons ETFs now expands its engagement with Solactive and launches the Horizons Canadian Utility Services High Dividend Index ETF (ticker UTIL). The fund aims to track the Solactive Canadian Utility Services High Dividend Index and was listed on the Toronto Stock Exchange (TSX) on 10 August 2022.

From an overall perspective, the index is designed to measure the performance of securities from the **utilities**, **telecommunications**, and **pipeline** industries that distribute high dividend payments. To be eligible to constitute the **Solactive Canadian Utility Services High Dividend Index**, companies must be listed on the Toronto Stock Exchange and classified under any of the following industries according to FactSet classification: electric utilities, gas distributors, water utilities, alternative power generation, and oil & gas pipelines, major telecommunications, and wireless telecommunications.

Timo Pfeiffer, Chief Markets Officer at Solactive, commented: *"We are pleased to launch such a product with Horizons and strengthen our relationship with them. The strategy aims to offer a defensive approach to investors seeking to hedge their portfolio against economic volatility. It could become useful in the following months, as the macroeconomic outlook is deteriorating, and the rate of inflation is rising."*

Steve Hawkins, President and CEO of Horizons ETFs, says: *"With rising inflation, investors are increasingly looking towards dividend and yield-focused strategies to outpace costs and stay ahead in their portfolios. However, with the spectre of a potential recession on the horizon, investors are also looking for these income-producing mandates to provide some protection from a broader market decline. Traditionally, utility services have been regarded as a relatively defensive sector of the stock market, as their services – including electricity, oil, and internet – are always necessary."*

Solactive AG
German Index Engineering
Platz der Einheit 1
60327 Frankfurt am Main
Germany

Steffen Scheuble
CEO
+49 (69) 719 160-20
steffen.scheuble@solactive.com

Lindsay Wang
Director Americas Sales
+1 (647) 608-8446
lindsay.wang@solactive.com

Maria Seifert
PR & Communications
+49 (69) 719 160-311
maria.seifert@solactive.com

For more information, please visit:

<http://www.solactive.com>

Note to editors

About Solactive

Solactive is a leading provider of indexing, benchmarking, and calculation solutions for the global investment and trading community. Headquartered in Frankfurt and with offices in Hong Kong, Toronto, Berlin, and Dresden, we innovate and disrupt the status quo as the partner of choice for our clients.

The unique blend of our 250 staff's expertise in data, data science, financial markets, and technology enables our clients' continued success through the delivery of a superior experience, unique customization capabilities, and the best value for money available in the industry. With more than 20,000 indices calculated daily, we offer a full suite of solutions, including market-leading ESG and thematic indices.

As at January 2022, Solactive served approximately 500 clients across the world, with approximately US\$250 billion invested in products linked to our indices. Solactive is registered with ESMA as a benchmark administrator and is supervised by the BaFin.

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Solactive AG, Platz der Einheit 1, 60327 Frankfurt am Main, Germany. Registered Office: Frankfurt am Main, Registration Court: Amtsgericht Frankfurt am Main, HRB: 79986, USt-IdNr.: DE 255 598 976. Management Board: Steffen Scheuble, Alexander Steiner, and Timo Pfeiffer, Head of Supervisory Board: Dr Felix Mühlhäuser.

Solactive AG
German Index Engineering
Platz der Einheit 1
60327 Frankfurt am Main
Germany

Steffen Scheuble
CEO
+49 (69) 719 160-20
steffen.scheuble@solactive.com

Lindsay Wang
Director Americas Sales
+1 (647) 608-8446
lindsay.wang@solactive.com

Maria Seifert
PR & Communications
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maria.seifert@solactive.com