

HORIZONS ETFS RECEIVES FIVE FUNDATA FUNDGRADE A+® AWARDS

TORONTO – January, 24, 2020 – Horizons ETFs Management (Canada) Inc. (“**Horizons ETFs**”) is proud to announce that five of its exchange-traded funds (“ETFs”) have been awarded Fundata FundGrade A+® Awards (“**Fundata Awards**”) for 2019:

ETF Name	Category	Category Size
Horizons Active Cdn Bond ETF (“HAD”)	Canadian Fixed Income	310
Horizons Active Cdn Dividend ETF (“HAL”)	Canadian Dividend & Income Equity	356
Horizons S&P/TSX 60™ Index ETF (“HXT”)	Canadian Equity	429
Horizons NASDAQ-100® Index ETF (“HXQ”)	U.S. Equity	883
Horizons Canadian Midstream Oil & Gas Index ETF (“HOG”)	Energy Equity	39

Created by Fundata Canada Inc., the FundGrade rating system uses risk-adjusted performance figures to rank and grade Canadian investment funds, which include ETFs. Based on up to 10 years of performance data, the ‘A+ Grade’ is strictly a quantitative calculation conducted on an annual basis, which results in a grade score ranking, according to the fund classification standards defined by the Canadian Investment Funds Standards Committee (“**CIFSC**”).

“For a second year in a row, five of our funds have earned FundGrade A+ awards, including four that were recognized previously for their performance,” said Steve Hawkins, President and CEO of Horizons ETFs. *“The market conditions in 2019 were very different than 2018, which just underscores that many of these award winners can deliver consistent relative performance throughout different market environments.”*

Two of Horizons ETFs’ 2019 award-winning funds are sub-advised by two of Canada’s leading investment managers. HAD, an actively-managed ETF that focuses on high-quality Canadian fixed income securities, is sub-advised by Fiera Capital Corporation (“**Fiera Capital**”). HAL, a Canadian dividend-focused ETF, is actively managed by Guardian Capital LP. Both ETFs are previous award recipients.

“Horizons ETFs is very proud of its longstanding partnerships with two of Canada’s leading investment managers: Fiera Capital, subadvisor to our actively-managed fixed income ETF suite, and Guardian Capital LP, subadvisor to our actively-managed dividend ETF suite,” said Mr. Hawkins. *“HAD and HAL once again demonstrate there is real value in using experienced active portfolio management teams in certain assets classes like Canadian fixed income and dividend-paying stocks.”*

HXT and HXQ were recognized by the Fundata Awards for their respective achievements in the Canadian and U.S. Equity categories. HXT, the lowest-cost¹ ETF in Canada, has an effective management fee of 0.03%. HXQ provides benchmark exposure to the NASDAQ-100®. Both

ETFs are a part of Horizons ETFs' corporate class ETF family, a structure which can help provide minimal tracking error, and tax-efficiency for taxable accounts.

“The twin-wins of HXT and HXQ in their respective categories are evidence of our ability to offer award-winning exposure on both sides of the 49th parallel,” said Mr. Hawkins. *“While HXT has been recognized previously, this is the first time that HXQ has earned the award in its category. HXQ was recognized based on its 2019 performance, and since then we have made changes to the structure of HXQ for 2020 – where we continued to reduce the overall cost of ownership of this ETF – which we believe should further improve its value proposition for existing and future investors.”*

Horizons ETFs' HOG was recognized by the 2019 Fundata Awards in the Energy Equity category. A benchmark strategy, HOG seeks to replicate, to the extent possible, the performance of the Solactive Canadian Midstream Oil & Gas Index, net of expenses. It provides investors with exposure to the equity securities of Canadian oil and gas companies operating in the midstream sector.

“Investing in energy pipeline and services companies has historically been a lower-risk way for investors to get exposure to the energy equity markets since these companies are less dependent on energy prices than companies involved in oil and gas extraction,” said Mr. Hawkins. *“HOG has allowed investors to capture a meaningful amount of the upside of the Canadian midstream oil & gas sector's rebound in 2019, resulting in HOG's one year return of 20.48%.”*

About Horizons ETFs Management (Canada) Inc. (www.HorizonsETFs.com)

Horizons ETFs Management (Canada) Inc. is an innovative financial services company and offers one of the largest suites of exchange traded funds in Canada. The Horizons ETFs product family includes a broadly diversified range of solutions for investors of all experience levels to meet their investment objectives in a variety of market conditions. Horizons ETFs has more than \$10.5 billion of assets under management and 91 ETFs listed on major Canadian stock exchanges.

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*Commissions, management fees and expenses all may be associated with an investment in exchange traded products (the "Horizons Exchange Traded Products") managed by Horizons ETFs Management (Canada) Inc. The Horizons Exchange Traded Products are not guaranteed, their values change frequently and past performance may not be repeated. The prospectus contains important detailed information about the Horizons Exchange Traded Products. **Please read the relevant prospectus before investing.***

¹Compared to other Canadian physically replicated ETFs in the "Canadian Equity" Morningstar category. HXT has the lowest management fee among a total of 49 ETFs when accounting for its rebate, as at December 31, 2019. Annual management fee rebated by 4bps (0.04%) to an effective management fee of 3bps, or 0.03%, effective October 1, 2015, until at least December 31, 2020.

²Compared to all other Canadian ETFs tracking the NASDAQ-100® Index. HXQ has the lowest management fee and MER among a total of 4 ETFs, which includes the trading expense ratio (TER), as at December 31, 2019.

FundGrade A+® is used with permission from Fundata Canada Inc., all rights reserved. The annual FundGrade A+® Awards are presented by Fundata Canada Inc. to recognize the "best of the best" among Canadian investment funds. The FundGrade A+® calculation is supplemental to the monthly FundGrade ratings and is calculated at the end of each calendar year. The FundGrade rating system evaluates funds based on their risk-adjusted performance, measured by Sharpe Ratio, Sortino Ratio, and Information Ratio. The score for each ratio is calculated individually, covering all time periods from 2 to 10 years. The scores are then weighted equally in calculating a monthly FundGrade. The top 10% of funds earn an A Grade; the next 20% of funds earn a B Grade; the next 40% of funds earn a C Grade; the next 20% of funds receive a D Grade; and the lowest 10% of funds receive an E Grade. To be eligible, a fund must have received a FundGrade rating every month in the previous year. The FundGrade A+® uses a GPA-style calculation, where each monthly FundGrade from "A" to "E" receives a score from 4 to 0, respectively. A fund's average score for the year determines its GPA. Any fund with a GPA of 3.5 or greater is awarded a FundGrade A+® Award. For more information, see www.FundGradeAwards.com. Although Fundata makes every effort to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Fundata.

Performance for **HAD** for the period ending December 31, 2019 is as follows: 6.17% (1 year), 4.07% (3 years), 2.98% (5 years) and 3.04% (since inception on October 10, 2012). HAD was awarded its FundGrade A+ Award for the one-year period ending December 31, 2019. In its award category – Canadian Fixed Income – HAD was in competition with 310 other investment funds.

Performance for **HAL** for the period ending December 31, 2019 is as follows: 30.03% (1 year), 9.67% (3 years), 7.99% (5 years) and 9.62% (since inception on February 9, 2010). HAL was awarded its FundGrade A+ Award for the one-year period ending December 31, 2019. In its award category – Canadian Dividend & Income Equity – HAL was in competition with 356 other investment funds.

Performance for **HXT** for the period ending December 31, 2019 is as follows: 21.89% (1 year), 7.31% (3 years), and 6.69% (5 years) and 7.05% (since inception on September 14, 2010). HXT was awarded its FundGrade A+ Award for the one-year period ending December 31, 2019. In its award category – Canadian Equity – HXT was in competition with 429 other investment funds.

Performance for **HXQ** for the period ending December 31, 2019 is as follows: 31.78% (1 year), 20.72% (3 years) and 20.77% (since inception on April 19, 2016). HXQ was awarded its FundGrade A+ Award for the one-year period ending December 31, 2019. In its award category – U.S. Equity – HXQ was in competition with 883 other investment funds.

Performance for **HOG** for the period ending December 31, 2019 is as follows: 20.48% (1 year), 1.20% (3 years), 1.52% (5 years) and 1.88% (since inception on July 14, 2014). HOG was awarded its FundGrade A+ Award for the one-year period ending December 31, 2019. In its award category – Energy Equity – HOG was in competition with 39 other investment funds.

For more information on the rating system, visit www.Fundata.com/ProductsServices/FundGrade.aspx.