



# HAMILTON ETFs

## Annual Report of the Independent Review Committee of the Hamilton ETFs

March 11, 2025

Dear Securityholder,

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** (“NI 81-107” or the “Instrument”), Hamilton Capital Partners Inc. (the “Manager”) established an Independent Review Committee (the “Committee” or “IRC”) for the Hamilton Capital Partners Inc. exchange traded funds (the “ETFs” or “Hamilton ETFs”) on January 19, 2016. The IRC has functioned in accordance with the applicable securities laws and is composed of three individuals, each of whom is independent of the ETFs, of the Manager and each entity related to the Manager (as defined in the Instrument).

The IRC is pleased to publish its annual report to securityholders, covering the period from January 1, 2024 to December 31, 2024 (the “Reporting Period”).

### Mandate of the IRC

In accordance with the Instrument, the mandate of the IRC is to consider and provide decisions to the Manager on conflicts of interest to which the Manager may be subject when managing the ETFs. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the ETFs, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures (hereinafter referred to as the “Conflict of Interest Matters Manual” or “COIM”).

When a conflict matter arises, the Manager must refer its proposed course of action in respect of such conflict to the IRC for its review. While certain matters require the IRC's prior approval, in most cases the IRC will provide a decision to the Manager as to whether or not, in the opinion of the IRC, the Manager's proposed action provides a fair and reasonable result for the ETFs. For recurring conflict of interest matters, the IRC can provide the Manager with Standing Instructions (“SIs”) that enable the Manager to proceed with certain matters without having to refer them to the IRC each time for approval, provided the Manager deals with the conflicts in accordance with the SIs.

The IRC is empowered to represent the best interest of the ETFs in any matter where the Manager has referred a conflict of interest matter to it. In those cases, the IRC has sought to ensure that the Manager's proposed course of action represents a fair and reasonable result for the ETFs.

The IRC has engaged Independent Review Inc. to assist it in its duties in accordance with the provisions of the Instrument and the IRC's written charter, to provide certain administrative and record keeping functions, and to act as the IRC's independent secretariat.

## **Composition of the IRC**

The current members of the IRC and their principal occupations are as follows:

<b>Name and Municipality of Residence</b>	<b>Principal Occupation</b>	<b>Term of Office</b>
Chair: Bruce Friesen, Oakville, Ontario	President, Global Investments Solutions Inc.	Initially Appointed effective January 1, 2022 until December 31, 2024.  Re-appointed for a three year period from January 1, 2025 to December 31, 2027
R. Warren Law, Toronto, Ontario	Financial Services Lawyer	Initially Appointed on January 19, 2016. Retired effective December 31, 2024.
Geoff Salmon, Barrie, Ontario	Managing Director, Independent Review Inc.	Initially Appointed on January 19, 2016.  Re-appointed in 2022 until December 31, 2025.
Leslie Wood Pickering, Ontario	Financial Executive	Appointed on January 1, 2025 for a period of three years.

Warren Law retired effective December 31, 2024. On October 23, 2024, the IRC met and in accordance with its succession plan, selected Leslie Wood to replace Warren Law on the Hamilton IRC appointing her for a period of three years effective January 1, 2025.

As the IRC required a new IRC member to fill the role of Chair, Bruce Friesen was appointed as Chair effective January 1, 2025.

On November 28, 2024, the IRC passed a written resolution re-appointing Bruce Friesen to the IRC for a period of three years effective January 1, 2025.

Bruce Friesen resigned effective as of today's date. The IRC undertook to appoint a new member as soon as practicable.

## **Compensation and Indemnification**

### **Review of Compensation**

At least annually, the IRC reviews its compensation considering the following:

- the number, nature and complexity of the ETFs and the fund families for which the IRC acts;
- the nature and extent of the workload of each member of the IRC, including the commitment of time and energy expected from each member;

- industry best practices, including industry averages and surveys on IRC compensation; and,
- the best interests of the ETFs.

After a review of the above factors, the Manager and the IRC determined that compensation was adequate.

### **Members' Fees**

In aggregate, the IRC members were paid \$40,000 in 2024, plus applicable taxes. The IRC members each receive \$12,500 per year in member fees, while the Chair receives \$15,000 per year. Each IRC member receives \$750 for each IRC meeting in excess of four per year. The fees are allocated to each ETF based on its assets.

### **Indemnities Granted**

The ETFs and the Manager have provided each IRC member with a contractual indemnity in keeping with NI 81-107. No indemnities were paid to the IRC members during the Reporting Period.

### **Disclosure of IRC Members' Holdings**

As of December 31, 2024, the IRC members did not beneficially own, directly or indirectly:

- any material units of any of the Hamilton ETFs;
- any material interest in the Manager; or,
- any interest in a company or person that provides services to the Manager or the ETFs.

### **Decisions and Approvals**

**On September 5, 2024**, the Manager proposed allowing the Hamilton Enhanced U.S. Covered Call ETF (ticker: HYLD) and Hamilton Enhanced Multi-Sector Covered Call ETF (ticker: HDIV) to invest in a selection of other ETF's managed by the Manager including the Hamilton U.S. T-Bill YIELD MAXIMIZER™ ETF (ticker: HBIL).

After reasonable inquiry and based on the oral and written information provided to the IRC by the Manager prior to and during the meeting, the IRC unanimously determined that the above course of action provided a fair and reasonable result for each of the ETFs.

### **Standing Instructions Approved**

The IRC has approved one SI, which constitutes a written approval or decision from the IRC that permits the Manager to proceed with the specific action(s) set out in an SI on an ongoing basis. It may do so without having to refer the conflict of interest matter or its proposed action to the IRC, provided that the Manager complies with the terms and conditions of the SI. The SI required the Manager to comply with its related policy and procedures and to report periodically to the IRC.

### **Standing Instruction No. 1: Omnibus**

This SI deals with a number of conflicts of interest matters including:

1. Fund Expenses

2. Management Fees
3. Trade Allocations
4. Portfolio Pricing Issues
5. Pricing Errors and other Errors
6. Broker Selection and Trade Allocation
7. Soft Dollar Arrangements
8. Showing Favouritism
9. Proxy Voting
10. Outsourcing to Third-Party Services
11. Personal Trading
12. Receipt of Gifts and Entertainment
13. Benchmark Indices
14. Complaints
15. Capacity Issues
16. External Conflicts of Interest
17. Fund of Fund Transactions

### **Manager's Report on its Standing Instructions**

In accordance with the Instrument, the Manager provided a written report to the IRC describing its reliance on the SI during the Reporting Period. The Manager relied on the SI during the Reporting Period.

### **Funds Served by the IRC**

Hamilton Australian Bank Equal-Weight Index ETF  
Hamilton Canadian Bank Equal-Weight Index ETF  
Hamilton Canadian Bank Mean Reversion Index ETF  
Hamilton Canadian Financials YIELD MAXIMIZER™ ETF  
Hamilton Energy YIELD MAXIMIZER™ ETF  
Hamilton Enhanced Canadian Bank ETF  
Hamilton Enhanced Canadian Financials ETF  
Hamilton Enhanced Multi-Sector Covered Call ETF  
Hamilton Enhanced U.S. Covered Call ETF  
Hamilton Enhanced Utilities ETF  
Hamilton Global Financials ETF  
Hamilton Gold Producer YIELD MAXIMIZER™ ETF  
Hamilton Healthcare YIELD MAXIMIZER™ ETF  
Hamilton REITs YIELD MAXIMIZER™ ETF  
Hamilton Technology YIELD MAXIMIZER™ ETF  
Hamilton U.S. Bond YIELD MAXIMIZER™ ETF  
Hamilton U.S. Equity YIELD MAXIMIZER™ ETF  
Hamilton U.S. Financials YIELD MAXIMIZER™ ETF  
Hamilton U.S. Mid-Cap Financials ETF  
Hamilton U.S. T-Bill YIELD MAXIMIZER™ ETF  
Hamilton Utilities YIELD MAXIMIZER™ ETF

This report is available on Manager's website at <http://www.hamiltonetfs.com> or you may request a copy, at no cost to you, by contacting the Manager at 416-941-9888 or by emailing [info@hamiltonetfs.com](mailto:info@hamiltonetfs.com). This document and other information about the Funds are available on [www.sedarplus.ca](http://www.sedarplus.ca).

Yours truly,

*Bruce Friesen*

Bruce Friesen,

Chair of the Hamilton IRC

## Schedule of all the Independent Review Committees that the IRC Members Sit on

### **Warren Law serves as a member of the Independent Review Committees for the following funds:**

Investment funds that are reporting issuers managed by Hamilton Capital Partners Inc.

*(retired effective December 31, 2024)*

Investment funds that are reporting issuers managed by Global X Investments Canada Inc. *(formerly known as the Horizons ETFs Management (Canada) Inc.)*

*(retired effective November 14, 2024)*

Investment funds that are reporting issuers managed by Manulife Asset Management Limited

### **Geoff Salmon serves as a member of the Independent Review Committees for the following funds:**

Investment Funds that are reporting issuers managed by Accelerate Financial Technologies Inc.

Investment Funds that are reporting issuers managed by Algonquin Capital Corp.

Investment Funds that are reporting issuers managed by Addenda Capital Inc.

Investment Funds that are reporting issuers managed by EHP Funds Inc.

Investment funds that are reporting issuers managed by Genus Capital Management Inc.

Investment funds that are reporting issuers managed by Hamilton Capital Partners Ltd.

Investment Funds that are reporting issuers managed by McElvaine Investment Management Ltd.

Investment funds that are reporting issuers managed by Next Edge Capital Corp. and

*(retired effective December 31, 2024)*

Investment funds that are reporting issuers managed by Sprott Asset Management

*(appointed effective January 1, 2025)*

Investment funds managed by VanCity Investment Management

*(appointed effective October 22, 2024)*

### **Bruce Friesen serves as a member of the Independent Review Committees for the following funds:**

Investment funds that are reporting issuers managed by NewGen Asset Management Limited; and,

Investment funds that are reporting issuers managed by Hamilton Capital Partners Inc.

### **Leslie Wood serves as a member of the Independent Review Committees for the following funds:**

Investment funds that are reporting issuers managed by Hamilton Capital Partners Inc.

Investment funds that are reporting issuers managed by Pender Mutual Funds

Investment funds that are reporting issuers managed by Connor, Clark and Lund

Investment funds that are reporting issuers managed by Manulife Asset Management Limited