

Horizons ETFs Wins Four Fundata FundGrade A+® Awards

TORONTO – January 26, 2018 – Horizons ETFs Management (Canada) Inc. (“**Horizons ETFs**”) is proud to announce that four of its exchange traded funds (“**ETFs**”) have won Fundata FundGrade A+® Awards for 2017:

| Award-Winning ETF | Category |
|--|------------------------------|
| Horizons Active Corporate Bond ETF (“ HAB ”) | Canadian Fixed Income |
| Horizons Active Preferred Share ETF (“ HPR ”) | Preferred Share Fixed Income |
| Horizons Canadian Midstream Oil & Gas Index ETF (“ HOG ”) | Energy Equity |
| Horizons Cdn Insider Index ETF (“ HIIP ”) | Canadian Equity |

Created by Fundata Canada Inc., the FundGrade rating system uses risk-adjusted performance figures to rank and grade Canadian investment funds, which includes 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**”).

“Winning these awards for both actively managed and benchmark ETFs speaks to the importance of having a combination of these strategies in an investor’s portfolio,” said Steve Hawkins, President and Co-CEO of Horizons ETFs. *“We are also pleased that HAB has won this award for five years running, which highlights the successful impact that an active manager can have in a portfolio of fixed income securities over time.”*

HAB and HPR are both sub-advised by Fiera Capital Corporation (“**Fiera Capital**”) and are actively-managed ETFs focused on fixed income. HAB seeks long-term moderate capital growth and seeks to generate high income through offering investors exposure to a portfolio of debt securities of Canadian and U.S. companies. HPR provides dividend income while preserving capital by investing primarily in preferred shares of Canadian companies.

“HAB and HPR are great examples of how active management can add value to a fixed income portfolio, since a portfolio manager can use their discretion to screen issuers for credit risk and offer investors exposure to bond issues that are potentially undervalued,” said Mr. Hawkins. *“Fiera Capital is one of the largest managers of fixed income and preferred share securities in Canada, and through HPR, investors can access their expertise, as well as a variety of preferred share issues, at a low cost and with greater liquidity.”*

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. HII is also a benchmark strategy, which seeks to replicate, to the extent possible, the performance of the INK Canadian Insider Index, net of expenses. The INK Canadian Insider Index is designed to provide exposure to the performance of 50 TSX-listed growth and value stocks with significant insider buying and ownership.

“While tracking two different aspects of the Canadian equity market, HOG and HII illustrate the effectiveness of utilizing innovative index strategies to get exposure in key areas of the Canadian equity market,” added Mr. Hawkins. *“Both ETFs take a focused and narrow approach to weighting their respective holdings, and as a result, provide investors with the potential to achieve superior risk-adjusted returns, compared to simply tracking standard, broad-based indices.”*

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 suite 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 currently has more than \$10 billion of assets under management and 81 ETFs listed on the Toronto Stock Exchange. Horizons ETFs Management (Canada) Inc. is a member of the Mirae Asset Global Investments Group.

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

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 monthly FundGrade ratings, which may change from month to month 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 **HAB** for the period ending December 31, 2017 is as follows: 3.54% (1 year), 3.14% (3 years), 3.36% (5 years) and 4.57% (since inception on July 14, 2010). HAB was awarded its FundGrade A+ Award for the one-year period ending December 31, 2017. In its award category – Canadian Fixed Income – HAB was in competition with 321 other investment funds.

Performance for **HPR** for the period ending December 31, 2017 is as follows: 15.52% (1 year), 3.16% (3 years), 3.1% (5 years) and 3.95% (since inception on November 22, 2010). HPR was awarded its FundGrade A+ Award for the one-year period ending December 31, 2017. In its award category – Preferred Share Fixed Income – HPR was in competition with 31 other investment funds.

Performance for **HOG** for the period ending December 31, 2017 is as follows: -2.17% (1 year), 0.60% (3 years), and 1.28% (since inception on July 14, 2014). HOG was awarded its FundGrade A+ Award for the one-year period ending December 31, 2017. In its award category – Energy Equity – HOG was in competition with 39 other investment funds.

Performance for **HII** for the period ending December 31, 2017 is as follows: 12.67% (1 year) and 10.91% (since inception on January 20, 2015). HII was awarded its FundGrade A+ Award for the one-year period ending December 31, 2017. In its award category – Canadian Equity – HII was in competition with 321 other investment funds.

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

About Fundata Canada Inc.

Fundata Canada Inc. has been providing data aggregation and dissemination services to the Canadian media and financial marketplace since 1987. Fundata is a major provider in the distribution of fund and stock information in Canada. Our database contains data on over 31,000 investment products. Fundata provides customized data feeds, top-shelf analytics, cutting-edge software tools, and seamless hosted web solutions for fund companies, back office systems, investment planners, banks, trust companies, resellers and redistributors, and online, print, and broadcast media channels.

About the Fundata FundGrade A+ Rating

The FundGrade A+® Rating identifies funds that have been consistent FundGrade A-Grade performers over the past calendar year. It's the only objective rating system available in the market that's based solely on risk-adjusted performance history and that takes into account the consistency with which a fund is ranked at the top of its CIFSC class.