An increasing number of investors are integrating Socially Responsible Investing ("SRI") factors into their investment-making decisions. SRI puts an emphasis on investing in companies that are considered good corporate citizens and have made a strong commitment to environmental sustainability and socially progressive business practices.

**Access 200 Sustainability Change Leaders in One Trade**

The Horizons Global Sustainability Leaders Index ETF ("ETHI") is a passively managed portfolio of large-cap global stocks that seeks to replicate, to the extent possible, the performance of the Nasdaq Future Global Sustainability Leaders Index (the “Index”), net of expenses. ETHI hedges the U.S. dollar exposure of the underlying assets back into Canadian dollars to the best of its ability. ETHI gives investors the opportunity to access a low-carbon-footprint and SRI-screened passive global investment portfolio.

**Key Features:**

- **Alignment of investment goals with values:** ETHI offers investors the opportunity to make a connection between companies they invest in and the social and governmental challenges facing our planet.

- **Growth of responsible and ethical investments:** Incorporating SRI exposures within long-term strategic planning provides a more complete picture of prospective values for investors. Today, responsible investing accounts for more than USD $26 trillion in assets globally. In Canada, responsible investments are estimated to total approximately CAD $2.1 trillion – about 51% of the entire Canadian investment industry.

- **A history of performance:** According to the Responsible Investment Association, almost every historical comparison of SRI versus traditional investment returns points to similar or slightly better long-term risk adjusted returns when ESG (environmental, social and governance) issues are taken into account.

**Nasdaq Future Global Sustainability Leaders Index**

Historically, many SRI-focused indices have excluded companies, or negatively screened companies, failing to meet minimum SRI standards. The Nasdaq Future Global Sustainability Leaders Index holds a higher standard for inclusion in its Index. It seeks to hold the companies that are the world’s leaders in SRI business practices, rather than just excluding those companies that fail to meet basic SRI requirements.

The Index is market-cap-weighted and designed to provide exposure to the performance of a basket of large-cap equity securities of companies that are global climate change leaders (as measured by their relative carbon efficiency), and are not materially engaged in activities deemed inconsistent with responsible investment considerations.

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1. The ETF’s underlying index screens for qualifying equities based on a number of factors, including companies that must be identified as a climate leader by the Responsible Investment Committee, with a carbon efficiency that puts it in the top one-third of companies in its industry.

2. Source: “How socially conscious young investors are putting their money where their ideals are”, CNBC.com, February 19, 2019.


Traditionally, global ethical and SRI investment funds available to Canadian investors have been largely focused on small and mid-cap stocks, often with significant overweights. Construction of a portfolio like this can lead to tracking error relative to global indices and heavy reliance on the ability of fund managers to pick correct holdings.

The Responsible Investment Committee is an external advisory committee responsible for determining the list of securities that pass the “Climate Leader” and responsible investment screens outlined above.

A company exposed to significant SRI-related reputational risk or controversy may also be excluded where the Responsible Investment Committee considers that its inclusion would be inconsistent with the values of the Index.

Commissions, management fees, and expenses all may be associated with an investment in the Horizons Global Sustainability Leaders Index ETF (the “ETF”) managed by Horizons ETFs Management (Canada) Inc. The ETF is not guaranteed, its values change frequently and past performance may not be repeated. The prospectus contains important detailed information about the ETF. Please read the prospectus before investing.