# GAInS ESG Growth

*CFG Model Portfolio*

**October 30, 2020**

## Portfolio Description

The **GAInS ESG Growth Portfolio** is designed to provide Canadian investors with a simple, diversified and low-cost ETF portfolio that optimizes performance using only ETF investments highly-ranked against recognized Environmental, Social & Governance criteria. Portfolio performance is tracked against the Financial Post FPX Growth benchmark*, which is a broad, globally-balanced Canadian dollar model portfolio that has shown consistent capital gains since its 1997 inception.

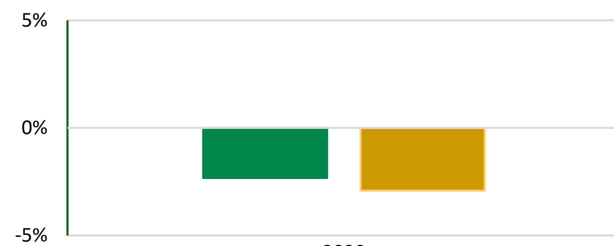
The GAInS ESG Growth Portfolio will hold ETFs that use ESG screening in their index construction methodology, or have a four or five globe Sustainalytics ranking. The fixed income asset class will contain ESG screened ETFs or government bond ETFs. The equity asset class will contain ESG screened ETFs or ETFs with a four or five globe Sustainalytics ranking.

The portfolio will be rebalanced at least annually or when cash is invested or divested. The portfolio may also be rebalanced more frequently to protect investor gains or take advantage of market opportunities. Rebalancing decisions can be driven by market valuations, interest rate expectations, changes in volatility metrics or the need to bring asset classes back to target weight. Asset classes can be held as overweight or underweight positions based on the current and expected market environment. While the primary objective of the mandate is to hold ESG oriented ETFs, under certain market conditions government bond ETFs may be held during a flight to quality. Rebalancing can also be triggered if an ETF's globe ranking falls under four globes for two consecutive quarters.

## Portfolio Holdings

| Symbol | Security | Weight |
|---|---|---|
| Cash | Cash | 1.74% |
| XSAB | iShares ESG Canadian Aggregate Bond Index ETF | 18.46% |
| ESGA | BMO MSCI Canada ESG Leaders Index ETF | 26.57% |
| ZUQ | BMO MSCI USA High Quality Index ETF | 19.22% |
| ZLU | BMO Low Volatility US Equity ETF | 14.66% |
| ESGE | BMO MSCI EAFE ESG Leaders Index ETF | 19.35% |
| Total | | 100.00% |

## Annual Returns




| | 2020 |
|---|---|
| ESG-B | -2.33% |
| FPX-G | -2.92% |

## Sector Allocation

| Sector | Weight % |
|---|---|
| Communication Services | 3.32 |
| Consumer Discretionary | 6.70 |
| Consumer Staples | 9.44 |
| Energy | 3.41 |
| Financials | 16.22 |
| Health Care | 8.18 |
| Industrials | 9.47 |
| Information Tech | 14.34 |
| Materials | 5.33 |
| Real Estate | 1.89 |
| Utilities | 6.53 |
| Government | 13.14 |
| Other | 2.03 |
| Total | 100.00% |

## Portfolio Statistics

| Period | ESG-G | FPX-G |
|---|---|---|
| 1 Month | -3.62% | -2.43% |
| 3 Month | -1.85% | -1.50% |
| 6 Month | 3.78% | 4.47% |
| 1 Year | | |
| 3 Years[1] | | |
| 5 Years[1] | | |
| Inception[2] | -2.23% | -2.92% |
| Annual STD | 14.87% | 12.71% |
| Sharpe Ratio | (0.17) | (0.25) |

*1. Compound annual returns 2. Inception date January 21, 2020*

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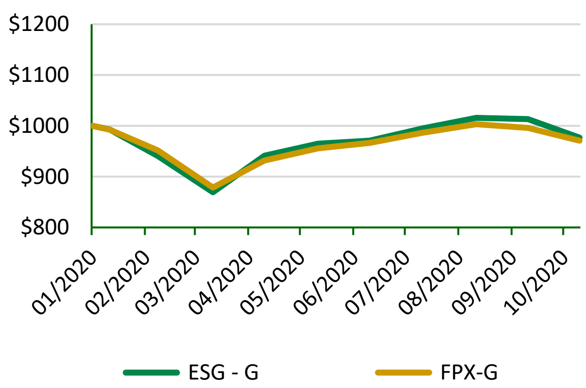
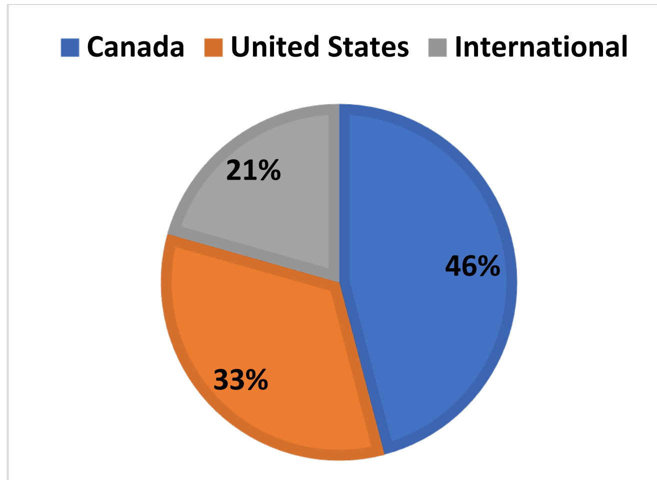
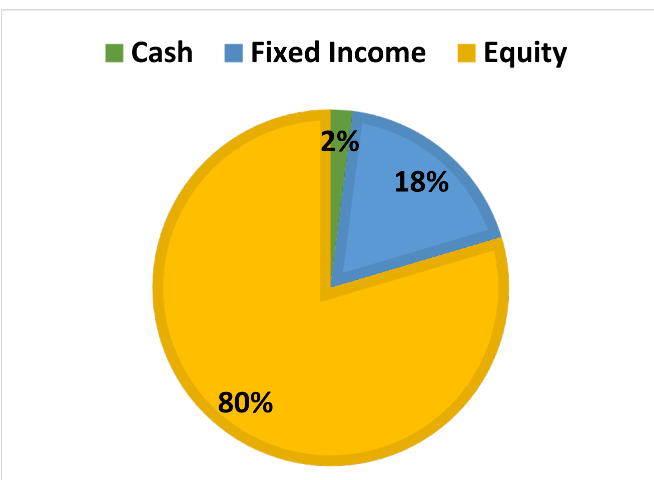
## Growth of $1000




## Geographic Allocation




## Asset Allocation




## Disclaimer

Portfolio management services provided by R N Croft Financial Group Inc. Performance is not guaranteed. Portfolio values change frequently, and past performance may not be repeated. Performance is based on actual returns of the constituent ETFs net of their embedded management expense ratios but are not adjusted for any transaction costs or account and relationship manager fees. The inception date is chosen to reflect the inception of the most recently introduced constituent ETF. The results presented are not those of an actual performance record, as no client accounts held the underlying securities in the specific proportions of this model Portfolio. The results are based on simulated or hypothetical performance results that have certain inherent limitations, including the fact that they are designed with the benefit of hindsight. Performance data have not been audited and are for illustrative purposes only. R N Croft Financial Group Inc. is a licensed Portfolio Manager and Investment Fund Manager serving individual and institutional clients throughout Canada. GAInS and GAInS Direct are registered trademarks of Global Asset Investment Strategies (GAInS) Inc. used under license by R N Croft Financial Group Inc. Valuations and performance results are reported in Canadian dollars. Additional information regarding calculating and reporting performance is available upon request. Please contact R N Croft Financial Group Inc., 801-251 Consumers Road, Toronto, ON M2J 4R3, Telephone: 905-695-7777 or Toll-free: 1-877-249-2884.