

QUICK FACTS

**INVESTMENT STYLE:**  
Growth

**INVESTMENT APPROACH:**  
Fundamental, bottom up

**COMPOSITE INCEPTION DATE:**  
January 2008

**BENCHMARK:**  
MSCI World Net Index

INVESTMENT TEAM

Martin Grosskopf, MBA, MES, VP & PM  
Hyewon Kong, M.Sc., CFA, APM

**ADDITIONAL INVESTMENT RESOURCES:**

Canada: 50  
United States: 4  
Singapore: 4  
Ireland: 2

INVESTMENT PHILOSOPHY

We believe companies focused on innovative products and services that simultaneously improve quality of life and environmental circumstances are being increasingly rewarded by investors. We also believe that sustainable technologies represent a faster-growing opportunity set in the market. Our specialist team has defined high-growth environmental themes, which have been further honed through collaboration with the AGF global analyst pool. The result is a high active share portfolio that we believe enhances our ability to exploit inefficiencies in this segment of the market.

INVESTMENT PROCESS OVERVIEW



\* Consideration of volatility impact occurring from stage of maturity, market cap, sensitivities and relative weights within the portfolio. Please see appendix for the full disclaimer.

INVESTMENT PROCESS

The investment process is based on a fundamental bottom-up approach. Four environmental mega themes are used to establish the investment universe. Within this universe, the team seeks out opportunities that either provide exposure to high-growth environmental themes or ‘catalysts’, or that have been identified within the undervalued segments of a particular industry’s value chain. Typically, the catalyst is technology- or product-related and is a definable environmental advantage, or the catalyst is expected to have an impact within 18 months. Idea generation efforts are focused on two areas: fundamental strength and free cash flow.

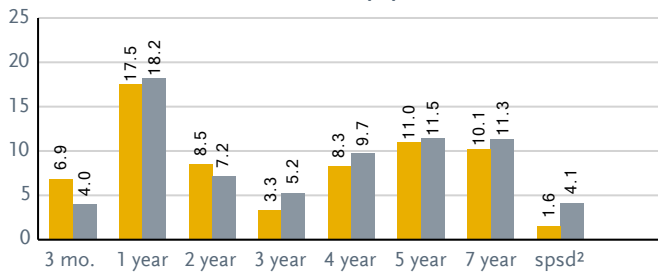
Fundamental strength is examined from the perspective of proprietary long-term competitive advantages, which can take one of several forms:

- Technological advantage: unique solution or product
- Process advantage: ability to make a product or provide a service faster, cheaper or more efficiently
- Distribution advantage: reach and efficiency of distribution network
- Strength of brand: higher quality, premium-priced products

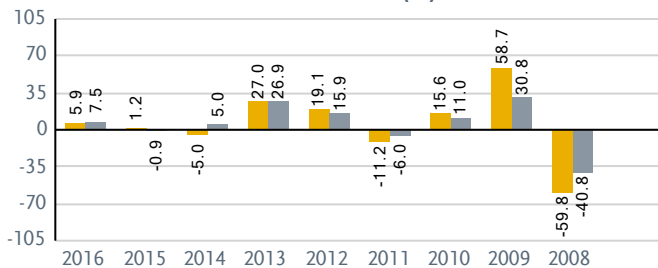
Once a list of candidates is identified, the team conducts a comprehensive assessment of the security’s future

performance potential. This process includes discussions with company management, to develop a deeper understanding of its business strategy and the stability of its business model. Using internal and third party research, the portfolio manager assesses security valuation by determining the underlying financial quality, profitability, balance sheet strength, earnings quality and cash flow. Our portfolio construction process is driven by our bottom-up security selection process. Our portfolios represent the portfolio manager’s best ideas and reflect conviction on a security and sector level.

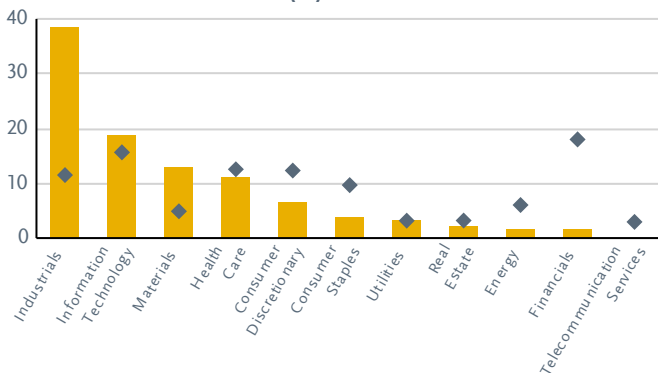
ANNUALIZED PERFORMANCE (%) – USD<sup>1</sup>



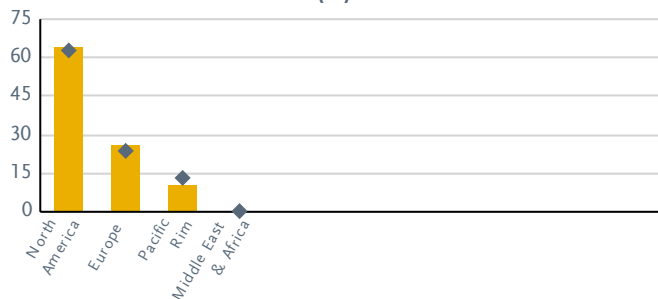
CALENDAR YEAR PERFORMANCE (%) – USD<sup>1</sup>



SECTOR ALLOCATION (%)<sup>2</sup>



REGIONAL ALLOCATION (%)<sup>2</sup>



■ Portfolio (gross) ◆ Benchmark ▲

TOP 10 HOLDINGS # 2

% of Total Assets

Keyence Corp.	3.7
Waste Connections Inc.	3.7
Geberit AG	3.5
Croda International PLC	3.5
Danaher Corp.	3.4
Xylem Inc.	3.2
AO Smith Corp.	3.1
Legrand SA	3.1
Thermo Fisher Scientific Inc.	3.0
Roper Technologies Inc.	2.9
<b>Total</b>	<b>33.1</b>

Number of Portfolio Holdings 53

PORTFOLIO CHARACTERISTICS Portfolio <sup>■</sup> Benchmark <sup>▲</sup>

Active Share	97.8%	-
Price/Earnings	28.1	21.9
Forward Earnings Growth	16.8	11.5
Forward Sales Growth	5.9	3.5
Forward Price/Earnings	22.6	17.7
Price to Earnings Growth	2.1	1.9
Return On Equity	13.7%	13.1%

RISK CHARACTERISTICS

(3 year annualized)

	Portfolio <sup>■</sup>	Benchmark <sup>▲</sup>
Beta	1.0	1.0
Information Ratio	-0.3	-
Sharpe Ratio	0.8	1.0
Standard Deviation	12.2%	10.5%
Tracking Error	5.9%	-

MARKET CAP ALLOCATION

	Portfolio <sup>■</sup>	Benchmark <sup>▲</sup>
More than \$50 billion	14.4	52.7
\$10 to 50 billion	42.5	37.3
\$5 to 10 billion	25.6	8.2
Less than \$5 billion	17.6	1.8
Weighted Average Market Cap	21.3	109.9

■ AGF Global Sustainable Growth Equity Strategy ▲ MSCI World Net Index <sup>2</sup>SPSD (January 01, 2008)

Source: AGF Investments/ AGF Investment Operations as at June 30, 2017. <sup>1</sup> Performance is based on the AGF Global Sustainable Growth Equity Composite. All other strategy information is based on a fee paying representative account. This information is additional to the GIPS-compliant presentation found at the end of the document.

<sup>2</sup>Cash not included.

This report is not complete without disclaimer.



All information is in U.S. dollars. The performance presented is gross of fees; rates of return for greater than one year have been annualized. Effective October 31, 2016, the calculation methodology for holdings based portfolio characteristics with the exception of weighted average market cap and active share has changed to a weighted ranking methodology, considered by AGF Investments as a better reflection of the relevant attributes. The new methodology, applied prospectively, applies a ranking to each security, uses the percentage market value weight of the security in the portfolio/benchmark and determines a median of extracted securities to arrive at the portfolio/benchmark characteristic (by summing the weight of securities which have a rank to calculate a rank for the portfolio/benchmark and extracting securities with the same portfolio rank). AGF Investment Operations uses Canadian dollar gross of fees returns and converts them on a monthly basis using spot rates sourced from Bloomberg. Strategy information is based on a fee paying representative account, AGF Global Sustainable Growth Equity Strategy and is shown for informational purposes only. This model reflects actual trading of securities.

Past performance is not necessarily a guide to future performance. The value of investments and the income from them can fall as well as rise. Investments denominated in foreign currencies are subject to fluctuations in exchange rates, which may have an adverse effect on the value of the investments, sale proceeds, and on dividend or interest income. Investors may not necessarily recoup the full value of their original investment. The information contained herein is intended to provide you with information related to the AGF Global Sustainable Growth Equity Strategy at a point in time. It is not intended to be investment advice applicable to any specific circumstance and should not be construed as investment advice. Market conditions may change impacting the composition of a portfolio. AGF Investments Inc. assumes no responsibility for any investment decisions made based on the information provided herein.

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AGF Investments

AGF GLOBAL SUSTAINABLE GROWTH EQUITY COMPOSITE (USD)

January 1, 2008 - December 31, 2016

Year	Gross of Fee Composite Return (%)	Benchmark Return (%)	Number of Portfolios	Internal Dispersion (%)	Composite 3-Yr St Dev (%)	Benchmark 3-Yr St Dev (%)	Composite AUM (\$USD mil)	Firm AUM (\$USD mil) *
2008	-59.81	-40.80	1	N/A	N/A	N/A	55.10	4,736
2009	58.72	30.81	1	N/A	N/A	N/A	121.35	7,129
2010	15.64	10.97	1	N/A	33.68	23.85	165.39	7,743
2011	-11.17	-6.02	1	N/A	24.31	20.31	180.07	5,724
2012	19.12	15.93	1	N/A	18.30	16.89	193.80	31,550
2013	27.00	26.89	1	N/A	15.12	13.63	245.30	25,482
2014	-5.03	4.99	2	N/A	12.60	10.25	272.01	24,571
2015	1.23	-0.87	2	N/A	13.20	10.80	275.56	18,957
2016	5.87	7.51	3	N/A	13.22	10.91	291.01	20,143

\*Firm AUM from 2008 – 2011 reflects the total firm AUM of Acuity, AUM after 2011 reflects the total firm AUM of AGF Investments. Effective September 1, 2012, AGF Investments become the manager of this composite, the investment style has remained intact after the transition.

**Compliance Statement**

AGF Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. AGF Investments has been independently verified for the periods January 1, 2006 - December 31, 2016.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The AGF Global Sustainable Growth Equity Composite has been examined for the period from January 1, 2008 to December 31, 2016. The verification and performance examination reports are available upon request.

**Firm Description**

AGF Investments is a group of wholly owned subsidiaries of AGF Management Limited, a Canadian reporting issuer. The subsidiaries included in AGF Investments are AGF Investments Inc. (AGFI), AGF Investments America Inc. (AGFA), AGF Asset Management (Asia) Limited (AGF AM Asia) and AGF International Advisors Company Limited (AGFIA). AGFA is a registered advisor in the U.S. AGFI is registered as a portfolio manager across Canadian securities commissions. AGFIA is regulated by the Central Bank of Ireland and registered with the Australian Securities & Investments Commission. AGF AM Asia is registered as a portfolio manager in Singapore. The subsidiaries that form AGF Investments manage a variety of mandates comprised of equity, fixed income and balanced assets.

Effective September 30, 2012, AGF Investments includes AGFIA and AGFIA Limited (AGFIA Ltd). The firm definition was redefined in order to include AGFIA and AGFIA Ltd. under the AGFI brand and to centralize operational functions from a GIPS perspective.

Effective January 1, 2014, AGF Investments includes Acuity Investment Management Inc. (Acuity). The firm definition was redefined in order to centralize operational functions from a GIPS perspective.

Effective March 25, 2015, AGFIA Ltd. was deregistered and was removed from AGF Investments. The clients and assets managed under AGFIA Ltd. have been transferred to AGFIA. The firm definition was updated to reflect this event and the change has no impact on the data of this presentation.

Effective April 17, 2015, Acuity was deregistered and was removed from AGF Investments. The clients and assets managed under Acuity have been transferred to AGFI. The firm definition was updated to reflect this event and the change has no impact on the data of this presentation.

**Composite Description**

The Global Sustainable Growth Equity Composite's mandate is to provide capital growth potential by investing in a diversified portfolio of global companies that fit the composite's concept of sustainable development. The mandate focuses on four major themes: energy and energy efficiency, water/waste water solutions, waste management and pollution control and environment and health and safety, while also performing thorough due diligence on company fundamentals.

**Composite Creation Date**

The composite was created on January 1, 2008.

**Benchmark Description**

The benchmark is the MSCI World Net Index. The MSCI World Net Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The benchmark from inception to February 28, 2014 was the MSCI World Index ex-Tobacco.

**Currency**

Valuations and returns are computed and stated in U.S. Dollars.

**Minimum Portfolio Size**

The minimum portfolio size for inclusion into the composite is CAD \$5,000,000, equivalent to USD \$3,719,685 as at Dec.31, 2016

**Calculation Methodology**

Results reflect the reinvestment of dividends, income and other earnings.

Gross-of-fees returns are presented before management expenses and custodial fees, but after all trading expenses and withholding taxes.

Composite returns are calculated using asset-weighted returns by weighing the individual account returns using beginning-of-period values.

**Internal Dispersion Measure**

Internal dispersion is calculated using the asset-weighted standard deviation of all accounts included in the composite for the entire year; it is not presented for periods less than one year or when there were five or fewer portfolios in the composite for the entire year as this is not considered meaningful.

**Three-Year Annualized Ex-Post Standard Deviation**

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The standard deviation is presented once the composite has three full calendar years of performance.

**Fee Schedule**

The maximum management fee for the strategy is 0.70% per annum.

**Additional Information**

Policies for valuing portfolios, calculating performance, preparing compliant presentations, and a complete list and description of firm composites are available upon request at GIPS@AGF.com.

The AGF Global Sustainable Growth Equity Composite was rebranded on January 1, 2014 upon the merger of the Acuity Clean Environment Equity Composite and the AGF Equity Specialty Composite. The historical returns of the Acuity Clean Environment Equity Composite were not linked in this new composite.

AGF Equity Specialty Composite was created on January 1, 2008, for the period prior to September 1, 2012, this composite was managed by Acuity Investment Management Inc. The investment style has remained intact after the transition to AGF Investments.

Past performance does not guarantee future results.

