



eDelivery

Modernize Canada's Investor Experience.

Securities regulations default to paper delivery, with electronic delivery permitted with specific consent. But investors overwhelmingly prefer digital communication.



About **22 million** Canadians say they invest toward their financial futures; mutual fund holders make up **61%** of these investors and ETF investors make up **24%**.¹

Around **90%** of mutual fund and ETF investors say they prefer to receive their personal financial statements electronically after understanding the environmental impact.²

¹ Pollara, *Canadian Mutual Fund & Exchange Traded Fund Survey, 2024*. Statistics Canada. Table 17-10-0005-01 Population estimates on July 1, by age and gender

² Pollara, *Canadian Mutual Fund & Exchange-Traded Fund Investor Survey, 2023*



Proposed policy solution: Update securities regulations to make electronic delivery of investment fund related information the default method of communications for retail investors and improve customer service for millions of Canadians



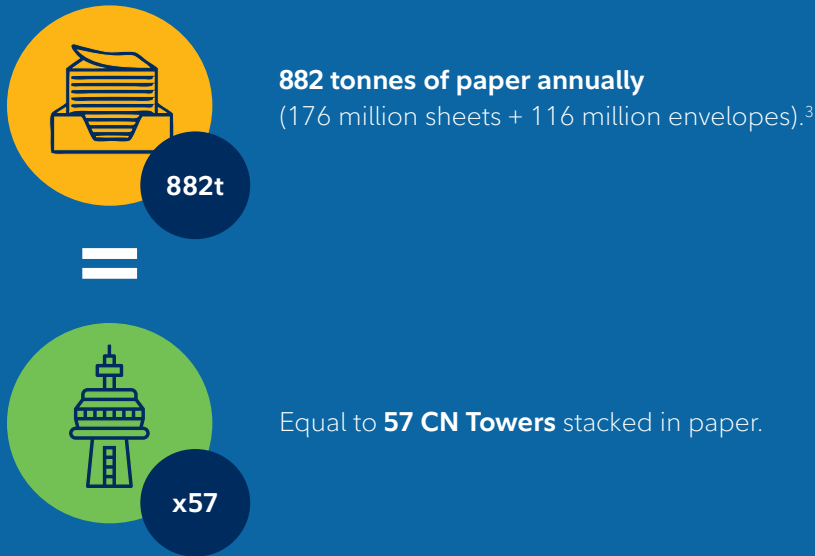
Red Tape Reduction: Some governments across Canada have acknowledged the administrative burden of paper-first processes and both the CRA and some pension regulators, like Ontario, now allow plan administrators and the CRA to default to electronic documents.

But mutual fund and ETF investors are still defaulted to paper, creating a two-tiered system:

- Ontario pensioners = digital default
- Retail investors = paper by default

The Environmental Impact is Massive

A KPMG analysis shows that meeting paper first regulatory requirements uses:



³ KPMG, *Estimating the Carbon Footprint of Fidelity Investments and the Broader Canadian Investment Industry's Required Regulatory Mail Outs*, 2022

The Cost of Paper First Rules

Industry costs (annual):

\$64 million

approximately spent by the Canadian investment fund industry to meet mail out rules.



Digital Delivery Improves Customer Service

Research by Behavioural Insights Team (Canada):

- No significant difference in investor comprehension between **paper** and **digital** investment statements.
- Recommends **digital by default**, with easy access to paper on request.⁴

⁴ Behavioural Insights Team, *Behavioural Research on Investor Communications*, 2023

Proposed Public Policy Solution

Make electronic delivery the default method of communication for Canadian retail investors, while preserving the option to receive paper.

Benefits:

- ✓ Aligns with investor preference
- ✓ Reduces regulatory burden
- ✓ Saves millions in costs
- ✓ Decreases environmental impact
- ✓ Modernizes Canada's capital markets
- ✓ Enhances global competitiveness