CANADIAN HIGH DIVIDEND EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

FACTOR-BASED

STRATEGY

In seeking to pursue its investment objective, the portfolio is designed to provide exposure to high quality Canadian dividend-paying companies that consistently generate shareholder wealth, while trading at attractive price. This strategy is based on a proprietary multi-factor quantitative model.

OBJECTIVES

1. Provide a steady stream of income by investing in Canadian Equities.
2. Consistently outperform the S&P/TSX TR Index over a 5-year period.
3. Maximize tax efficiency by having a low portfolio turnover ratio.

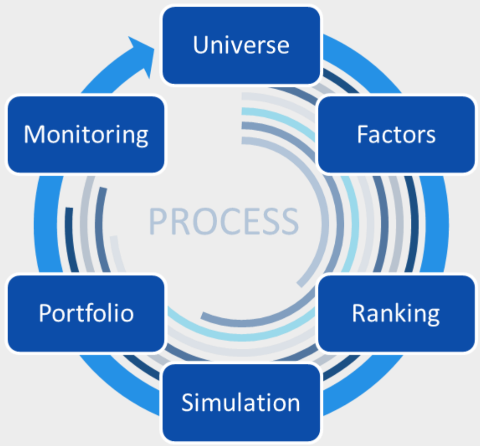
RISK RATING

Medium

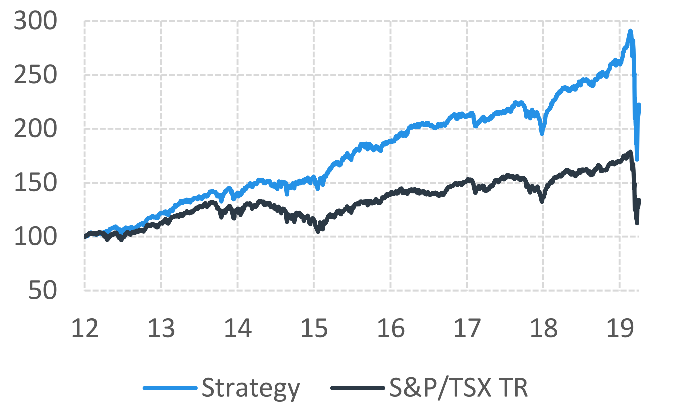
REASONS TO INVEST

- Historically outperformed benchmark.
- Risk-adjusted return performance.
- Consistent investment process.

INVESTMENT PROCESS



AS OF MARCH 31ST, 2020



PERFORMANCE [see disclaimer]

Annualized (%)	1M	3M	1Y	5Y	SI
Strategy	-16.8	-15.0	-5.6	8.4	15.7
S&P/TSX TR	-17.4	-20.9	-14.2	0.9	4.9
Difference	0.6	5.9	8.6	7.5	10.8

Yearly (%)	16	17	18	19	20
Strategy	22.0	12.9	-4.6	29.2	-15.0
S&P/TSX TR	21.1	9.1	-8.9	22.9	-20.9
Difference	0.9	3.8	4.3	6.3	5.9

Monthly (%)	Nov	Dec	Jan	Feb	Mar
Strategy	3.8	0.1	5.1	-2.7	-16.8
S&P/TSX TR	3.6	0.5	1.7	-5.9	-17.4
Difference	0.2	-0.3	3.3	3.2	0.6

TOP HOLDINGS

Ticker	Sector	Weight (%)
BEP.UN:CN	Utilities	5.9
EMA:CN	Utilities	5.8
RNW:CN	Utilities	5.2
CHP.UN:CN	Real Estate	4.8
NPI:CN	Utilities	4.8
AP.UN:CN	Real Estate	3.9
AQN:CN	Utilities	3.8
BMO:CN	Financials	3.8
BCE:CN	Telecom	3.7
OTEX:CN	Info Tech	3.7

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RISK STATISTICS

Since Inception	Strategy	S&P/TSX TR
Ann. Return (%)	15.7	4.9
Standard Dev. (%)	9.5	13.9
Max Drawdown (%)	-41.1	-48.5
Portfolio Turnover	72.2	6.3
Sharpe Ratio	1.4	0.3
Sortino Ratio	1.8	0.3
Index Correlation	0.6	1.0
R-Squared	0.4	1.0
Beta	0.4	1.0
Alpha (%)	10.8	0.0

SECTOR ALLOCATION

Weights (%)	Strategy	S&P/TSX TR	Deviations
Utilities	47.3	5.7	41.6
Real Estate	12.3	3.1	9.2
Staples	7.4	4.5	2.9
Telecom	7.4	6.4	1.0
Health Care	0.0	1.0	-1.0
Info Tech	3.7	7.0	-3.2
Discretionary	0.0	3.5	-3.5
Industrials	7.4	11.9	-4.5
Materials	0.0	11.7	-11.7
Energy	0.0	13.2	-13.2
Financials	14.0	32.0	-18.0

CHARACTERISTICS

Median	Strategy	S&P/TSX TR
Market Cap ($B)	13.3	1.7
Price / Earnings	13.8	11.3
Price / Book	1.5	1.3
Price / Sales	2.4	1.6
Price / Cash Flow	8.0	7.4
Return on Equity	12.7	8.7
Dividend Yield	5.2	2.5
5Y EPS Growth	9.6	10.1
Debt / Equity	1.8	0.7
5Y Beta	0.85	1.00

PORTFOLIO FACTS

Number of Securities	25
Currency	CAD
Benchmark	S&P/TSX TR
Inception Date	January 1st, 2000
Strategy Fees	Contact Us
Rebalancing Frequency	Quarterly

PORTFOLIO MANAGER

William Tremblay CFA, MBA, FRM, CIM
Senior Vice President, Portfolio Manager

With more than 10 years of experience in the financial services industry, William brings extensive background and innovation in the field of quantitative finance to the firm. He holds both a BBA and MBA from HEC Montreal.

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