18 AM Canadian Equity Highlights

The 18 AM Canadian Equity portfolio is uniquely positioned, with 50/50 exposure to two focused style portfolios, Offence (growth and momentum) and Defence (income, quality and low risk). We manage the Offence and Defence styles independently, using 15-stock portfolios of companies that exhibit attractive balance sheet and income statement fundamentals (factors) of the respective style.

As of the close of 2019, the 18 AM Canadian Equity portfolio reached a 6-year track record. Over that period, the portfolio realized objectives by:

- ✓ Outperforming the benchmark S&P/TSX Composite (TSX) in 5 of 6 calendar years, and overall since inception before fees.
- ✓ Experiencing a lower risk profile versus the TSX, evidenced by having both a lower volatility, and by losing less during calendar years when the index declined.
- ✓ Maintaining a fundamental profile that is superior to the benchmark across a variety of impactful factors as intended within each style, such as: i) a lower Price/Earnings ratio, ii) higher Return on Equity, iii) better Earnings Growth and iv) enhanced Yield.

Details of the portfolio and style performance are shown in the following table.

Performance	Q1 2020	1 Year	3 Year	5 Year	Since Inception	
					Return	Volatility
Offence*	-25.6%	-20.0%	-3.6%	-2.1%	0.2%	14.1%
Defence*	-15.9%	-7.7%	0.9%	4.1%	6.3%	10.0%
Portfolio**	**-20.8%**	**-13.9%**	**-1.1%**	**1.1%**	**3.3%**	**11.1%**
Benchmark	**-20.9%**	**-14.2%**	**-1.9%**	**0.9%**	**2.8%**	**11.4%**

*The chart depicts performance data for the style portfolios managed by 18 AM and is for information purposes only. Inception date December 31, 2013.

The 18 AM portfolio, through its style diversified approach, performed in line with the TSX during Q1 while having slightly less volatility than the index. Defence was the better performing style as it had minimal exposure to the severe weakness in the oil and gas sector and was overweight Consumer Staples. The essential status of grocery stores during this period allowed companies such as Metro (+6.6%) to gain while the rest of the market weakened. Power Corp was up 3.9% following the completion of the reorganization of their wholly owned subsidiary Power Financial. Along with Thomson Reuters (+3.7%), held in the Offence style, these represent the top 3 performers for the portfolio in Q1. The Energy sector as well as airlines had the largest declines and are represented in the Offence style, which consequently lagged the market. Bottom contributors to the portfolio in Q1 included Air Canada (-67.5%) and Canadian Natural Resources (-52.4%).

Our focus on systematic security selection, income statement and balance sheet fundamentals, style diversification and portfolio risk management, will aid us in navigating the portfolio through varying market conditions for long-term success. Our unique approach of combining style allocations within a single portfolio provides benefits from broader sector and market cap exposure, broad factor exposure and lower portfolio volatility relative to a single style portfolio and relative to the benchmark.

*** Performance is shown gross of all fees. Performance data is historical and not indicative of future performance. Returns annualized for periods greater than 1 year. The benchmark is the TSX Composite Total Return Index. This document is for information purposes only. Data sources: Thomson Reuters, Standard & Poors, Morningstar/CPMS and 18 AM.*

Market Overview

January 1, 2020 marked the start of a new decade - a juncture symbolic for both introspection and optimism. In the following three months, due to the coronavirus pandemic, life in Canada and around the world has been drastically altered in such a way that most could not have imagined at the outset of the year. There is virtually no region around the globe, nor any aspect of everyday life, that remains unaffected. In order to minimize the contagion, governments around the world have taken unprecedented measures to reduce human-to-human contact by shuttering all non-essential activities indefinitely. As the realization of the magnitude of the pandemic came to light, stock markets globally reacted with the steepest drop since 2008. The TSX Composite Index ("TSX"), which represents the broad Canadian Equity market, fell by 37% from a multi-year high on February 20 to the low on March 23. The Canadian government response of initiating significant and widespread assistance measures to mitigate the financial impact of the closures had the affect of stemming the losses. As a result, the TSX rebounded 19% in the last week of the quarter, ending the period down 20.8%.

Highlights of the TSX return for Q1 include:
<u>Stocks</u> – Only 10% of companies in the index posted positive returns in the quarter. Top performers included Ballard Powers Systems (+14.8%) and Innergex Renewable Energy (+14.7%). Shopify (+14.2%) benefitted from the bump in demand for online retail platforms, while Cascades, a toilet paper company, gained 12.9% during Q1 as panic buying emptied shelves. The 10 worst performers were all from within the Energy sector and all had losses in excess of 70%, including Shawcor (-84.6%) and Baytex (-82.1%). Airline services virtually came to a halt and as a result Air Canada declined 67.5% and struggling aircraft manufacturer Bombardier dropped 76.4%.

<u>Sectors</u> – None of the 11 sectors in the TSX were spared from incurring losses in the quarter. However, several sectors fared substantially better than others (declined much less). Those that did were aided by companies providing essential services, including Information Technology (- 3.8%), Utilities (-5.0%), Communication Services (-8.1%) and Consumer Staples (-9.4%). Four sectors experienced severe losses including Energy (-37.2%) which reacted to severe drop in oil prices and consumption, Health Care (-37.2%), Consumer Discretionary (-32.8%) and Real Estate (-28.5%). The Financials sector performed in line with the overall market (-21.1%) and due to the large weight in the index contributed almost 40% of the decline.

<u>Styles</u> – At the broad market level, both Dow Jones Growth (-13.6%) and Value indices (-26.0%) declined in Q1. The Value index declines are attributed to significant contribution from the large cap banks. The disparity in style returns from one short-term period to the next, while at the same time having similar long-term return expectations, is a primary foundation for having consistent exposure to both styles in the portfolio.

Given the dramatic and swift way the pandemic and the corresponding response has played out thus far, stock markets may have not fully digested the situation. Volatility has increased and is likely to stay elevated until there is more clarity around the success of bringing the contagion under control. Investors will be closely watching local and global economies, to assess what areas can best weather the shutdown, and how long it will take to bring all areas of the economy back online going forward.

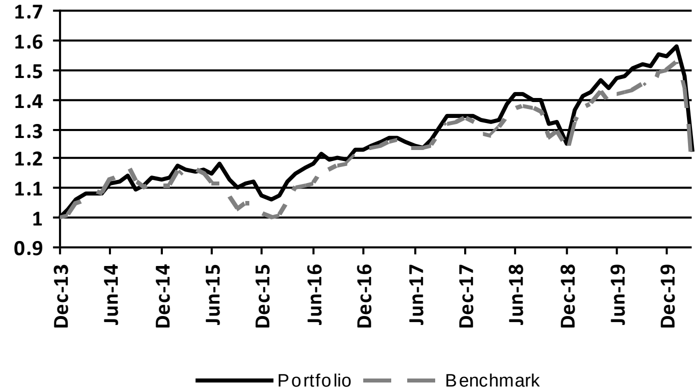
The 18 AM team has been managing Canadian equities for more than 25 years. We have time-tested our disciplined, systematic process through interest rate cycles, growth and retraction phases, and through our share of stock market shocks. We believe a focus on company fundamentals, rather than speculating on macroeconomic and political events, provides investors the best opportunity for long-term success.

Portfolio Description

The 18 Asset Management Canadian Equity Fund invests solely in Canadian equities, selected from large/mid cap companies in Canada. A portfolio of 30 stocks, it combines two independent 15 stock style allocations, one Offence-oriented and one Defence-oriented. Risk management is an integral part of the portfolio management process and includes style diversification, broad sector exposure and sell disciplines.

The portfolio's investment objective is to outperform its benchmark, the TSX Total Return Index (TSX TRI), by 1% per year with market-like risk. The portfolio is suitable for clients seeking enhanced return opportunity from their Canadian Equity allocation through focused portfolios with high active

Growth in Value of $1 Since Inception



Performance History

Inception date 12/31/2013

For the period ended *2020-03-31*	3 Month	YTD	1 Year	2 Year	3 Year	4 Year	5 Year	Since Inception
Portfolio Return	-20.75%	-20.75%	-13.90%	-3.80%	-1.14%	2.28%	1.11%	3.31%
Benchmark Return	-20.90%	-20.90%	-14.21%	-3.69%	-1.92%	2.85%	0.89%	2.76%
Out/Under Performance	0.14%	0.14%	0.30%	-0.11%	0.78%	-0.57%	0.21%	0.55%

Calendar Returns	2019	2018	2017	2016	2015	2014
Portfolio Return	24.09%	-7.32%	9.22%	14.41%	-4.71%	12.97%
Benchmark Return	22.88%	-8.89%	9.10%	21.08%	-8.32%	10.55%
Out/Under Performance	1.21%	1.57%	0.13%	-6.67%	3.61%	2.42%

Return and Risk Statistics

Based on monthly returns

	Monthly	12 Month Rolling
# of Periods	75	64
Frequency of Outperformance	50.7%	67.2%
Average Outperformance	0.86%	2.48%
Frequency of Underperformance	49.3%	32.8%
Average Underperformance	-0.80%	-3.27%
Best Absolute Return	9.16%	24.09%
Worst Absolute Return	-17.05%	-13.90%
Best Relative Performance	3.18%	8.69%
Worst Relative Performance	-3.07%	-6.67%

	Since Inception
Portfolio Standard Deviation	11.08%
Benchmark Standard Deviation	11.41%
Tracking Error	3.80%
Correlation with Benchmark	0.94
Information Ratio	0.14
Bull Capture	80.5%
Bear Capture	84.7%
Largest Relative Drawdown	-8.20%
Trough Date	2017-12-31

Portfolio Characteristics

Refer to Glossary for more information on Portfolio Characteristics

	Portfolio	Benchmark
Number of Stocks	30	230
Price/Earnings on Current EPS	14.56x	14.06x
Price/Earnings on Trailing EPS	12.32x	12.7x
Price/Book	1.5x	1.43x
Price/Cash Flow	5.56x	6.23x
Expected Yield	3.94%	4.00%

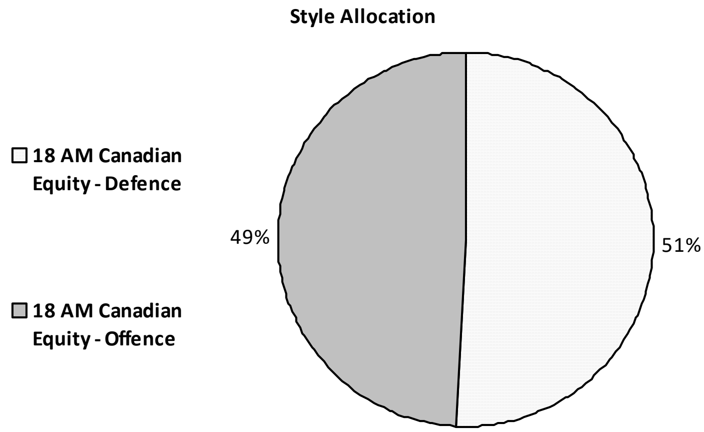
	Portfolio	Benchmark
Reinvestment Rate	4.40%	4.43%
Quarterly Earnings Growth	3.94%	1.89%
Quarterly Earnings Surprise	0.71%	1.17%
Estimate Revision from 3 Months Ago	-21.23%	-16.61%
Price Change from 3 Months Ago	-21.96%	-21.54%
Price Change from 6 Months Ago	-17.96%	-19.68%

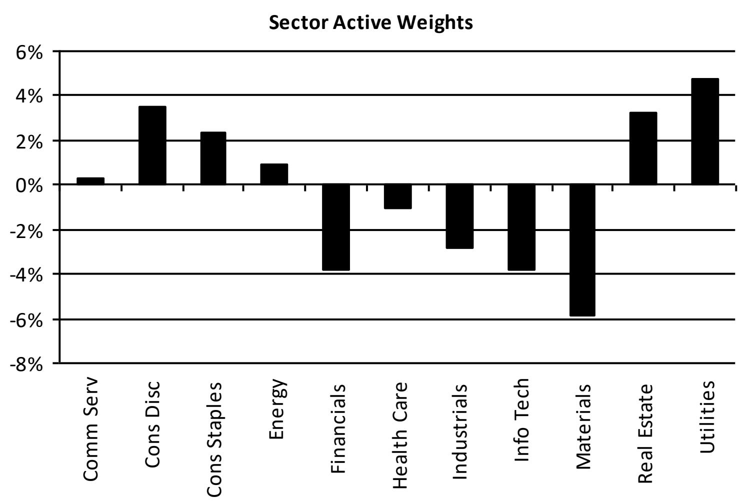
Performance is shown gross of all fees. Performance data is historical and not indicative of future performance. Returns are annualized for periods greater than 1 year. The benchmark for the fund is the TSX Composite Total Return Index. This document is for information purposes only.

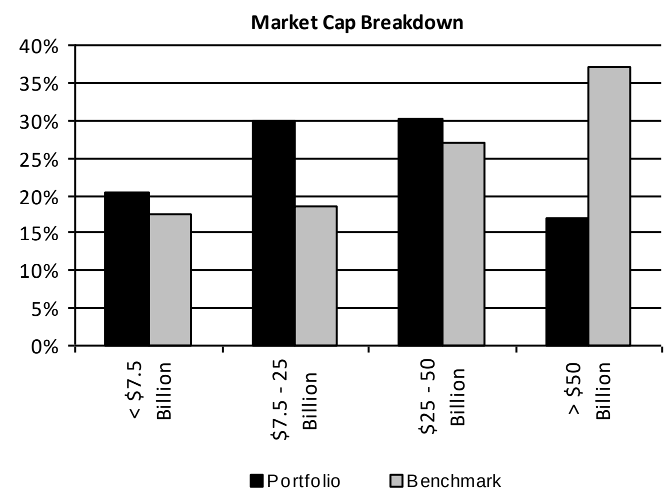
Portfolio Strategy

The portfolio is designed to capture the benefits from two central portfolio management principles; i) focused portfolios and ii) high conviction style betas. By combining two 15 stock focused portfolios - a low volatility, high income portfolio (Defence) with a high growth and momentum portfolio (Offence) - it takes advantage of changing markets and provides clients with exposure to beta complements.

Using our systematic stock selection process we select companies that exhibit the most attractive fundamental factors representing the two style betas. Companies within each focused style portfolio are equally weighted with periodic rebalancing across holdings and styles.







Top 10 Holdings

Company	% Portfolio
Suncor Energy Inc.	4.03
Canadian Natural Resources Ltd.	3.83
BCE Inc.	3.62
Emera Inc.	3.55
The Stars Group Inc.	3.54
Sun Life Financial Inc.	3.51
Royal Bank of Canada	3.49
Fortis Inc.	3.47
Aliment'n Couche-Tard	3.42
Thomson Reuters Corp.	3.42
Total:	**35.88**

Top 10 Overweights

Company	% Active Wgt
The Stars Group Inc.	3.18
Cdn Apartment Prop REIT	2.97
Brookfield Renewable	2.96
Quebecor Inc., B	2.84
Emera Inc.	2.84
RioCan REIT	2.78
CAE Inc.	2.68
Parkland Fuel Corp.	2.67
Pan American Silver	2.66
Cdn Natural Resources	2.62
Total:	**28.20**

Top 10 Underweights

Company	% Active Wgt
Enbridge Inc.	-4.41
Cdn National Railway	-4.20
Shopify Inc.	-3.25
Royal Bank of Canada	-3.14
Brookfield Asset Mgmt	-3.09
Toronto-Dominion Bank	-2.56
Barrick Gold Corp	-2.45
Manulife Financial Corp	-1.83
Waste Connections Inc	-1.53
TELUS Corporation	-1.51
Total:	**-27.97**