

Why Invest in Canadian Equities?

Canadian equities are relatively inexpensive compared with their U.S. peers when measured by price-to-book and price-to-sales ratios. Our Canadian ex-energy equity strategy is meant to provide investors with long-term capital growth by investing primarily in equity securities of major Canadian companies, excluding those in the energy sector (as per GICS classification), in order to provide broad exposure to economic growth opportunities in Canada.

Philosophy

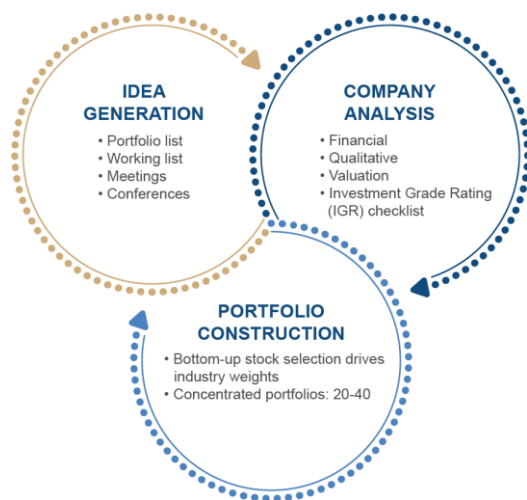
We believe that superior investment returns are achieved by taking a long-term, bottom-up, value-oriented approach to investing based on detailed fundamental research and analysis. Our proven philosophy revolves around two long-standing core concepts:

Understanding Quality

- Focus on key business drivers (competitive advantage, pricing, cost structure, growth etc.) and the predictability of those drivers
- Assessing business performance in the last downturn and subsequent changes to business model
- Analyzing true free cash flow conversion of the business
- Assessing capital allocation history and balance sheet strength
- Track record on governance and shareholder alignment

Disciplined on Valuation

- Wait until expectations are low and risk/return more attractive
- Assess value relative to:
 - The company's historic valuation
 - The broader market and its global peers
 - The quality of the company
- Understand changes in the market and/or business and their structural impact on valuation
- Apply absolute valuation cap to reduce downside risk



Investment Grade Rating (IGR) Checklist Summary

	1	3	5	RATING
Business Fundamentals				
Growth (past 10 years)				
Financial Strength				
Profitability				
Corporate Governance				
Share Liquidity				
Overall Investment Grade				

FGP ranks the quality of a company from 1 to 5

1 - Highest Quality

↑ ↓

5 - Acceptable Quality

Portfolio Management Team

Team Member	Roles and Responsibilities	Year Joined FGP	Year Joined Industry
Bryan Pilsworth, CFA, MBA	Lead Portfolio Manager (large cap)	2007	2002
John Berry, CFA, MBA, P. Eng	Portfolio Manager (large cap)	1998	1998
Tom Duncanson, CFA	Portfolio Manager (small cap) Research – Materials	2004	2004
Brandon Tu, CFA, CPA, CA, MAcc	Portfolio Manager (equity income) Research – Banks, REITs	2008	2001
Zubaida Mirza, CFA, MBA	Research – Energy, Utilities, Telecom	2008	1996
Frank Meng, CFA, CPA, CA	Research – Financials (ex-banks), Industrials, Consumer, Technology	2019	2013
Graeme Lang, BA	Trader	2017	2001

Inception Date¹

June 30, 2018

Benchmark

S&P/TSX Composite Index (TR)

Currency

CAD

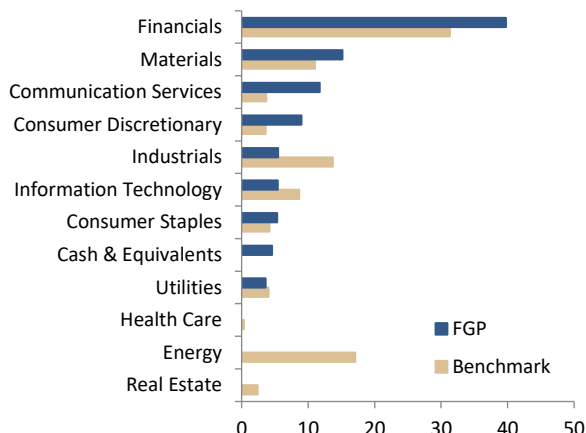
PERFORMANCE (%)**As at December 31, 2023**

Annualized Returns	3M	1 year	3 years	5 years	7 years	10 years	Inception
FGP Canadian Ex-Energy Equity Fund ¹	7.3	10.8	11.4	10.0	-	-	6.7
S&P/TSX Composite Index (TR)	8.1	11.8	9.6	11.3	-	-	8.0
Value Added	-0.8	-1.0	1.8	-1.3	-	-	-1.3

Calendar Year Returns	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
FGP Canadian Ex-Energy Equity Fund ¹	10.8	-5.6	32.2	3.6	12.5	-	-	-	-	-
S&P/TSX Composite Index (TR)	11.8	-5.8	25.1	5.6	22.9	-	-	-	-	-
Value Added	-1.0	0.2	7.1	-2.0	-10.4	-	-	-	-	-

Top 10 Holdings**Weight (%)**

1	Royal Bank of Canada	8.6
2	Toronto Dominion Bank	7.9
3	Bank of Nova Scotia	6.3
4	Teck Resources Ltd. CL B	4.8
5	Cdn. Imperial Bank of Commerce	4.5
6	Power Corp. of Canada	4.4
7	Rogers Communications CL B	4.3
8	Quebecor Inc. CL B	4.1
9	Magna International Inc.	3.7
10	ATCO Ltd. Class I Non-Voting	3.6
TOTAL		52.1

Sector Allocation (%)**Risk Characteristics****3 years****5 years**

Portfolio Standard Deviation	15.0	17.4
Benchmark Standard Deviation	13.5	15.9
Tracking Error	6.0	7.1
Information Ratio	0.30	-0.18
Beta	1.02	0.99
Portfolio Sharpe Ratio	0.61	0.47
Benchmark Sharpe Ratio	0.55	0.59
Portfolio Sortino Ratio	0.99	0.70
Benchmark Sortino Ratio	0.85	0.86

Valuation Characteristics**FGP****Benchmark**

Trailing Price/Earnings	14.0	19.1
Forward Price/Earnings	12.6	18.1
Price/Book	1.3	1.9
Price/Cash Flow	5.9	8.6
Price/Sales	0.9	1.6
Dividend Yield (%)	3.7	3.1
ROE (5 year average)	13.9	12.5
Debt/Equity	0.8	0.6
Wt Avg Market Cap (\$B)	49.0	64.2

¹Investment returns are gross of investment management fees and include reinvestment of dividends and income. Values change frequently and past investment performance may not be repeated. FGP Canadian Ex-Energy Equity Fund was launched on January 4, 2021. Historical performance from June 30, 2018 to January 3, 2021 is based on a segregated Canadian Ex-Energy Equity portfolio. From January 4, 2021 onwards, performance is based entirely on the Pooled Fund. S&P/TSX Index Data. Source: TSX Copyright (2023) TSX Inc. All rights reserved.