FOYSTON, GORDON & PAYNE INC.
INVESTMENT COUNSEL

Investing in the FGP Universe Bond Fund

We employ a multi-strategy approach that utilizes interest rate anticipation and credit/sector selection to add value. Expertise in credit analysis is a core competency of our Fixed Income team with members having extensive work experience at Canadian credit rating agencies. Our strategy uses a high conviction portfolio which is significantly different than the benchmark. Our long-term view determines our portfolio construction on such factors as duration (interest rate anticipation) and credit positioning. The result is strong risk-adjusted performance over the medium term.

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

- We use a rigorous credit process to differentiate the level of risk between companies and each security they issue
- We seek to understand each business so that we can appreciate how a company's financial management and organizational structure complement or detract from the base business risk
- The credit process culminates in the FGP Investment Grade Rating (IGR), an internal risk rating of a company and the securities it issues

Disciplined on Valuation

- We employ a proprietary risk-based valuation tool to
  - select fixed income investments
- Each security has an internal rating based on our internal credit research
- Using the internal rating we then use the proprietary FGP Internal Spread Matrix to determine if the market valuation is attractive
- This unique method of determining value enhances both the buy and sell decision

Interest Rate Anticipation

- Using a focus on top-down macroeconomic research, we determine the key fundamental factors that are influencing both the level and the direction of interest rates by monitoring:
  - Market themes, forecasts & sentiment, and economic and political factors
  - An interest rate forecast is developed along with a variety of possible scenarios with the size of the duration mismatch reflecting our conviction levels

Investment Structure

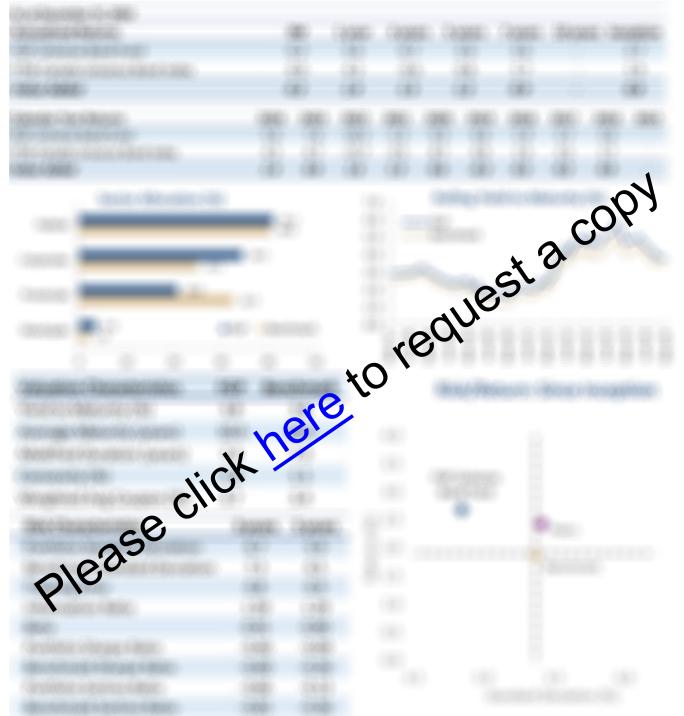| Guidelines	
Cash range	0%-10%
Total Federal bonds	Minimum: Benchmark weight - 20%
Total Provincial and municipal bonds	Benchmark weight ±20%
Total Corporate bonds	Maximum: Benchmark weight +20%
Single Corporate issuer rated AA or higher	Maximum 5%
Single Corporate issuer rated A	Maximum 4%
Single Corporate issuer rated BBB	Maximum 3%
Corporate BBB total	Maximum: Benchmark weight + 15%
Minimum credit quality	BBB (low)
Foreign currency issues and foreign issuers	Maximum 20%
Duration	Benchmark ±2 year

Portfolio Management Team

Team Member	Roles and Responsibilities	Year Joined FGP	Year Joined Industry
Ryan Domsy, CFA, MEcon, FRM	**Lead Portfolio Manager & Head of Fixed Income**	**2010**	**2008**
Robert Head, BA	Portfolio Manager & Co-Chair of the Investment Committee	1998	1990
Cameron Greenwood, CFA	Portfolio Manager & Co-Chair of the Investment Committee	2007	2007
Andy Thi, CFA	Head of Credit Research	2016	2012
Jesse Cotton, CFA, MBA	Trader / Credit Analyst	2015	2015
Siqi Chu, IBBA	Credit Analyst	2023	2019

FGP UNIVERSE BOND STRATEGY

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Inception Date	Benchmark	Currency:
October 31, 2015	FTSE Canada Universe Bond Index	CAD

PERFORMANCE (%)

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