3RD QUARTER 2019 HIGHLIGHTS

ONE INVESTMENT

EQUITY PERFORMANCE

During the third quarter, the ONE Equity Portfolio reported a gain of 1.97%, which was 0.51% below the 2.48% return realized by the S&P/TSX Composite Index. While sector allocation contributed to the portfolio's performance, it was not enough to offset the negative impact from stock selection.

Looking at sector allocation, the portfolio's overweight position in consumer staples and its zero-weight in the health care sector (no exposure to marijuana stocks) were significant contributors to the portfolio's performance this quarter.

In terms of stock selection, the five largest detractors to performance were investments in Gildan Activewear, West Fraser Timber, Rogers Communications, Methanex and ShawCor. Helping to offset these declines were three financial stocks, Brookfield Asset Management, TMX Group, and Intact Financial, whose share prices all experienced double-digit gains.

During the quarter, four changes to the holdings were made, which were aimed at strengthening the overall portfolio's defensive positioning. Guardian removed its investments in two cyclical stocks - automotive supplier Magna and integrated energy company Husky Energy. Meanwhile two defensive, consumer staples stocks were purchased - Saputo and George Weston. Saputo, a leading cheese manufacturer and dairy processor, is anticipated to report improving operational results as the company integrates its recent acquisitions. George Weston, with its interests in Loblaw and Choice Properties Real Estate Investment Trust, is expected to deliver solid growth in the years ahead. At quarter-end, the portfolio held 36 stocks, which is at the lower end of Guardian's targeted range of between 35 and 50 stocks. The portfolio is nearly fully invested with 2% in cash and cash equivalents.

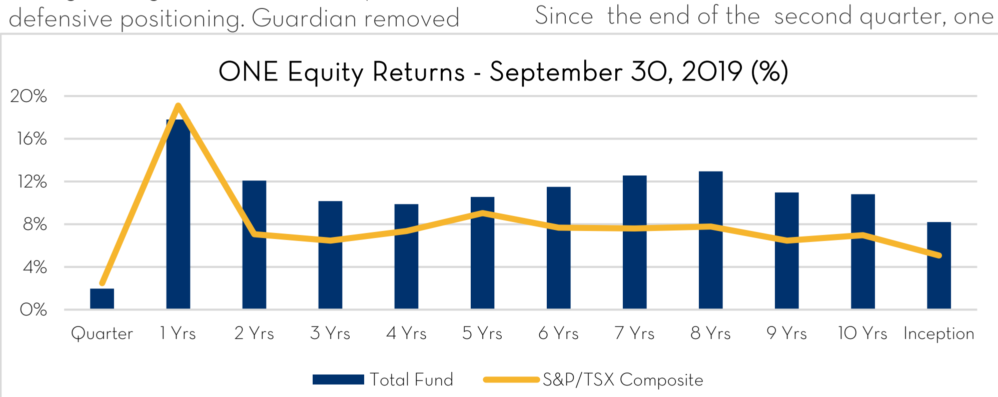
Listed below are the portfolio's Top 10 holdings, ranked in descending order, all of which are dividend stocks. In fact, most of the stocks in the portfolio are dividend stocks, which Guardian favours due to their attractive and stable cash flows. Since the end of the second quarter, one changed occurred. TD Bank remains in the portfolio but dropped out of the Top 10 holdings, replaced by Telus Corporation. The following 10 stocks represented 44.6% of the total portfolio at quarter-end:

- Gildan Activewear
- Brookfield Asset Management
- Open Text Corp.
- Alimentation Couche-Tard
- Finning International
- Royal Bank of Canada
- Intact Financial Corp.
- Loblaw Cos Ltd.
- Canadian National Railway
- Telus Corp.

ONE's portfolio manager, Guardian Capital, adheres to a Growth-at-a-Reasonable Price (GARP) investment strategy, which aims to invest in high quality stocks with above average growth that trade at reasonable valuations.

The portfolio has a strong long-term track record. As at Sept. 30, the 10-year return is 10.81% for the ONE Equity Portfolio, 3.84% above the 6.97% return for the S&P/TSX Composite Index.

The portfolio managers at Guardian remain cautious, seeing fragile market conditions due to deteriorating global economic growth and heightened geopolitical tensions. Consequently, Guardian has transitioned the portfolio to a more defensive investment strategy in order to provide downside protection.

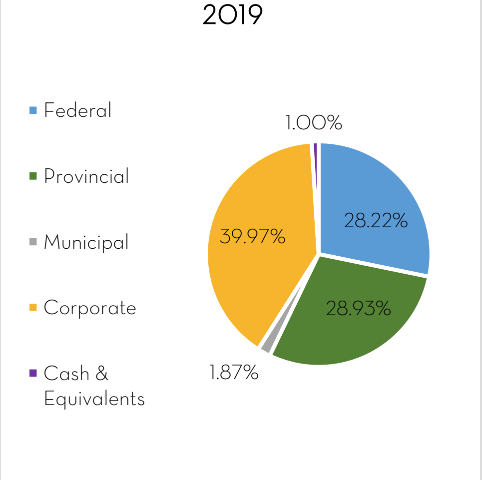


3RD QUARTER 2019 HIGHLIGHTS

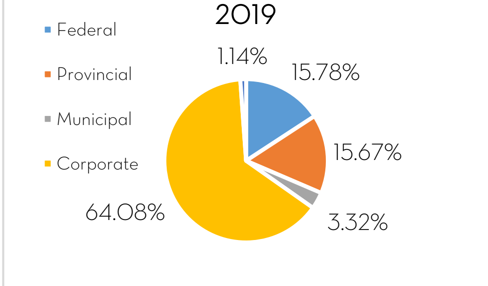
FIXED INCOME PERFORMANCE

Bond yields fell in Canada during the third quarter, leading to good total returns from the bond portfolios. Corporate and provincial yields fell even more than Federal government yields (referred to as spread tightening). The benchmark Federal government index returned 0.8% in the quarter and the year to date return is 7.8%. Corporate and provincial continued to return significantly more.

As global economies continued to show signs of slowing, central bankers around the world were looking at interest rate cuts or other ways of stimulating their economies. Canada has kept its short rates steady as opposed to other jurisdictions which have tended to cut rates (e.g. the U.S.). The October Bank of Canada forecast reduced expectations



ONE Bond Portfolio Composition September 30, 2019



ONE UCB Portfolio Positioning - September 30, 2019

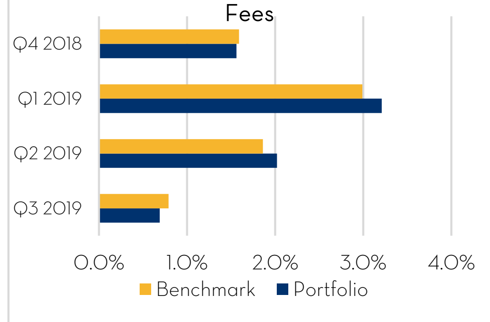
for economic growth in 2020 and 2021, increasing the chance for rate cuts.

Trade wars, especially between the U.S. and China continue to make news, weighing on economic growth forecasts. As well debt levels for consumers, corporations and governments are high enough to cause concern.

The bond portfolios outperformed their benchmarks in the quarter, with the extra corporate bond and provincial bond weightings providing added value. Long dated bonds outperformed shorter dated bonds and a slight positioning to longer bonds added value in the third quarter. Even though spreads did not tighten for corporate bonds, the added yield provided a return advantage over Federal bonds.

Portfolios are positioned in a neutral position versus the benchmark for duration (therefore the portfolio will respond to general interest rate movements in line with the benchmark). There is some Portfolio quality remains high, although some of the benchmark allocation to Federal government bonds has been given to provincial bonds and high quality corporates to provide added yield. Overall quality is in line with the benchmark, and even better for longer part of the curve.

The manager continues to believe that Canadian economic growth will moderate as final demand numbers (business and personal) have turned negative which tends to happen prior to recessions. They believe that the Bank of Canada is likely to cut rates and this is not priced in the markets, therefore the slightly long duration versus the benchmark. However, the prospects for slowing growth mean that the portfolio quality is being kept high so as to not have too much exposure to companies that may be hurt by slowing economic growth. A bias to keeping corporate exposure to shorter maturities is also preferred.



ONE UCB Performance Results September 30, 2019 - % Gross of Fees