

A Focus on Global High-Quality Growth

Global equity management focuses primarily on large U.S. and multinational companies that demonstrate global leadership in their sector. These companies generally have steady growth rates, high returns on invested capital, dominant positions in world markets or their region and strong balance sheets to reduce financial risk.

Our approach targets U.S. and international companies that benefit from exposure to economies typically growing at a rate higher than global GDP. The emphasis is on non-cyclical companies with a competitive advantage in their industry.

PORTFOLIO CONSTRUCTION

- Market capitalization > U\$1B; EM market capitalization > U\$500M.
- Non-index emerging market limited to 10% weighting; non-index emerging country limited to 5% weighting.
- Maximum sector weight of the Fund as defined by the Global Industry Classification Standard (GICS®) is the greater of 25% or Index sector weight plus 15%.
- Maximum market value in a single issuer: 10%.

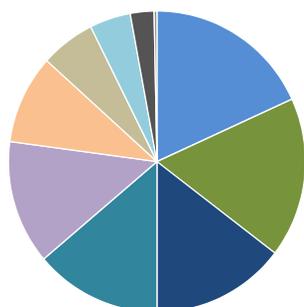
ANNUALIZED PERFORMANCE (%)

As of December 31, 2019	3 mos.	1 yr	3 yrs	5 yrs	7 yrs	10 yrs	Since Inc. (09/05)
JF Global Equity Fund	6.5	22.9	12.7	12.2	15.3	12.9	8.5
MSCI World Net C\$ ¹	6.3	21.2	11.3	11.3	15.1	12.2	10.3

CALENDAR YEAR PERFORMANCE (%)

To December 31 st	2019	2018	2017	2016	2015	2014	2013
JF Global Equity Fund	22.9	1.5	14.6	4.6	18.7	14.0	34.0
MSCI World Net C\$ ¹	21.2	-0.5	14.4	3.8	19.5	15.0	35.9

SECTOR WEIGHTINGS



- Health Care 18.3%
- Information Technology 17.3%
- Financials 14.7%
- Consumer Staples 13.9%
- Industrials 13.4%
- Consumer Discretionary 9.6%
- Communication Services 6.0%
- Materials 4.5%
- Energy 2.6%
- Cash & Equivalents* -0.3%

Inception Date	September 30, 2005
NAV per Unit	C\$17.5710
Semi-Annual Distribution	C\$0.0996 (12/31/19)
Fund Size (\$M)	C\$285.7
Benchmark	MSCI World Net ¹

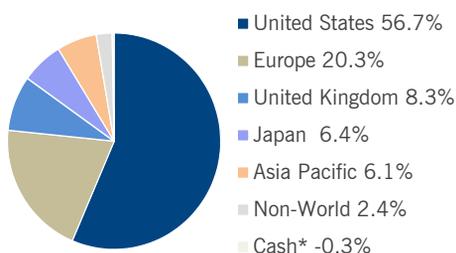
PORTFOLIO CHARACTERISTICS

*5-year period	Fund	Benchmark
Yield (%)	1.6	2.4
Weighted Avg. Market Cap (\$B)	\$293.8	\$259.7
Turnover (5-yr avg. to 12/31/19)	14.1	-
Sharpe Ratio*	1.1	1.0
Standard Deviation*	9.5	10.2
Upside Capture*	102.2	100.0
Downside Capture*	96.1	100.0
Batting Average*	0.5	-

TOP 10 HOLDINGS

Company	% of Fund
Microsoft	5.7
Alphabet (Class A&C)	4.6
UnitedHealth Group	4.1
Becton Dickinson & Co.	3.3
Mastercard Inc.	2.9
Roche Holding	2.6
Verisk Analytics	2.6
Booking Holdings	2.6
Abbott Laboratories	2.5
Boston Scientific Corp.	2.5
Total for Top 10	33.3

GEOGRAPHICAL BREAKDOWN



*Result of a transaction timing issue and was resolved on the next business day (January 2, 2020).

MARKET & ECONOMIC REVIEW

Looking back on 2019, equity markets were buoyant in the fourth quarter as continued sluggish global growth was overlooked in favor of positive developments in the U.S.–China trade dispute and Brexit situation. Despite volatile rhetoric from the U.S., the trade war seemed to be moving slowly in the direction of resolution, perhaps catalyzed by the U.S. election cycle. In the U.K., Boris Johnson and his Conservatives won a convincing majority and provided the markets with increased certainty over the timing of withdrawal from the European Union.

U.S. equities delivered very strong returns with the high-octane Information Technology sector leading the way, as it had all year, fueled in part by the U.S. Federal Reserve's (Fed) mid-cycle easing which appeared to conclude in October. Japan continued to perform well, recovering from weaker results earlier this year. Emerging markets were the region with the strongest performance in the fourth quarter of 2019. Notably, the U.K. market was relatively weak but positive developments in the Brexit saga saw a dramatic recovery in the pound, resulting in strong returns for foreign investors.

Perhaps the most interesting development in 2019 was the expansion in valuation multiples that came as a consequence of strong stock performance against moderate growth. This was most evident in the U.S. market where multiple expansion accounted for effectively all stock gains during the year. Assistance from central banks around the world, which maintained or increased easy money policies, was also an important factor. As a result, valuations, especially in the U.S., are left at elevated levels and likely dependent on earnings growth for material stock price appreciation.

PORTFOLIO REVIEW

The Global Equity portfolio slightly outperformed the MSCI World Net Index, which generated a return of 6.3%.

Top performing sectors and contributors to our outperformance in the quarter included Information Technology (+11.7%) and Health Care (+11.5%). Health Care performance was driven in good measure by ebbing fears of dramatic change to U.S. political and regulatory policy. Defensive sector like Consumer Staples (+0.6%) lagged as investors questioned the modest growth found in some defensive companies versus the elevated valuations following a nice rally earlier in the year.

In terms of individual companies, the biggest contributors to this quarter's outperformance were UnitedHealth (+33%) and Sika (+26%). United Health was perceived as a key beneficiary of the status quo, as political developments suggested dramatic change to insurance coverage (notably, the buzz around "Medicare for All") was unlikely. Sika continues to execute well against a favorable backdrop as well as pursuing an attractive consolidation strategy in a fragmented industry.

Some negative offset was provided by Anheuser Busch InBev (-15%), which reported disappointing quarterly results amid an intensely competitive environment. A further headwind was the incredible performance of global behemoth Apple (+29%), which is not in our portfolio. Apple rose in the quarter on optimism over the iPhone cycle and its increasing shift to services.

INVESTMENT STRATEGY

Looking forward, risks include an election in 2020, the aftermath of impeachment, and a sudden turn towards international adventurism from the President (at least with respect to policy towards Iran). Some key uncertainties remain with Brexit and especially with respect to U.S. – China trade relations.

In this context global investors appear remarkably sanguine and we see the potential for volatility ahead. Despite the ongoing macroeconomic and geopolitical headlines, we continue to focus our abilities where we can add the most value: seeking out quality businesses with sustainable growing economic power. By being patient and opportunistic in our decision-making we aim to provide our investors protection against external shocks and grow capital in a lower risk manner.

INVESTMENT TEAM

Jarislowsky Fraser has a team-based approach that anchors a culture of collaborative decision-making. The Investment Strategy Committee (ISC), our central risk and investment oversight body, oversees the entire investment process to ensure that investment decisions adhere to the firm's long-standing philosophy and process.

¹ Prior to 01/01/2016, the benchmark was MSCI World C\$ gross.

Returns for the JF Pooled Funds have been calculated using the net asset value (NAV), are gross of management fees and in Canadian dollars. C\$ Index returns and NAV values have been calculated using the London 4PM closing FX rates. Complete Investment Policy guidelines are available upon request.

JF Pooled Funds are only available to Canadian residents. Past performance is not a guide to future performance. Future returns are not guaranteed. Investment return and principal value of an investment in the fund will fluctuate so that an investor's shares when redeemed may be worth more or less than their original cost. This document is prepared by Jarislowsky, Fraser Limited (JFL) and is provided for information purposes only, it is not intended to convey investment, legal, tax or individually tailored investment advice. All opinions and estimates contained in this report constitute JFL's judgment as of the time of writing and are provided in good faith. All data, facts and opinions presented in this document may change without notification. No use of the Jarislowsky, Fraser Limited name or any information contained in this report may be copied or redistributed without the prior written approval of JFL.

Source: TD Securities, S&P, Bloomberg, eVestment Alliance, MSCI Inc., FTSE TMX Global Debt Capital Markets Inc.