

A Focus on Global High-Quality Growth

The Global Equity Strategy focuses primarily on large U.S. and multinational companies that demonstrate global leadership in their sector. These companies generally have steady growth rates that are higher than the global GDP, high returns on invested capital, dominant positions in world markets or their region and strong balance sheets to reduce financial risk. The emphasis is on non-cyclical companies with a competitive advantage in their industry.

Jarislowsky Fraser integrates the analysis of material Environmental, Social and Governance (ESG) factors into our bottom-up fundamental analysis and investment decision-making process. We believe assessing investable companies through an ESG lens helps to gauge their quality, furthering our ability to invest in the most sound companies.

The strategy is available as a separate account holding local shares or as an account holding U.S. shares and ADRs.

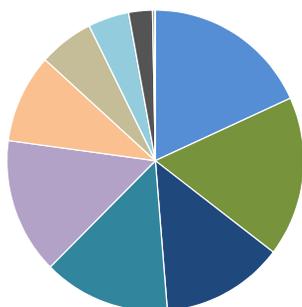
PORTFOLIO CONSTRUCTION

- 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%.
- Average turnover is typically 10% to 20%.

COMPOSITE ANNUALIZED PERFORMANCE (%)

JF Global Equity As of December 31, 2019 (\$USD)	3 mos.	1 yr	3 yrs	5 yrs	7 yrs	10 yrs	Since Inception (09/30/2005)
Total – Net ²	8.5	29.0	13.5	9.2	10.7	10.0	7.2
Total – Gross	8.7	29.7	14.2	9.8	11.3	10.7	7.8
MSCI World Net ³	8.6	27.7	12.6	8.9	10.8	9.8	7.3

SECTOR WEIGHTINGS⁴



- Health Care 18.3%
- Information Technology 17.3%
- Industrials 13.4%
- Consumer Staples 13.9%
- Financials 14.7%
- Consumer Discretionary 9.6%
- Communication Services 6.0%
- Materials 4.5%
- Energy 2.6%
- Cash* -0.3%
- Real Estate 0.0%
- Utilities 0.0%

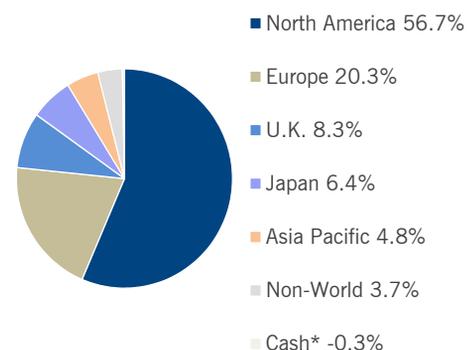
PORTFOLIO CHARACTERISTICS¹

	Portfolio	Benchmark
Sharpe Ratio	0.81	0.68
Standard Deviation	12.47	13.13
Information Ratio	0.65	0.20
Turnover	14.75%	-
Yield	1.57%	2.35%
Capitalization (\$B)	\$226.5	\$200.22
Upside Capture	104.00	100.00
Downside Capture	92.92	100.00
Batting Average	0.60	-

LARGEST 10 HOLDINGS⁴

Company	% of Portfolio
Microsoft Corporation	5.7
Alphabet Inc. (A&C)	4.6
UnitedHealth Group Inc.	4.0
Becton, Dickinson & Company	3.3
Mastercard Inc.	2.9
Roche Holdings AG	2.6
Verisk Analytics Inc.	2.6
Booking Holdings Inc.	2.6
Abbott Laboratories	2.5
Boston Scientific Corp.	2.5
Total % of Portfolio	33.3
Total % of MSCI World Index	13.5

GEOGRAPHICAL BREAKDOWN⁴



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

SUSTAINABLE INVESTING

At Jarislowsky Fraser, sustainable investing is about widening the analysis beyond short-term profit, to favor factors that support long-term value creation. Our view is that a company's Environmental, Social and Governance (ESG) policies and track record are likely to be a helpful lens through which to gauge quality. For this reason, we integrate the analysis of material ESG risks and opportunities into our investment process, and have adopted a Sustainable Investment Policy that formalizes our commitment.

Integration of ESG considerations is a component to our assessment of quality across all of our mandates. In addition, for clients with specific values-based restrictions, or other investment policy considerations, the firm offers a tailored approach to meet their needs. We presently manage over \$2.2 billion USD on behalf of clients with a variety of unique values-based restrictions and recently launched Fossil Fuel Free Funds.

ENGAGED OWNERSHIP APPROACH

Acting as long-term stewards is our fiduciary duty and can be an opportunity to add value for shareholders. We seek constructive engagement with company management, and in some cases with Boards of Directors, on material business concerns including ESG issues. We believe that Jarislowsky Fraser has historically been viewed as a credible shareholder from whom managements seek counsel. This is further reinforced in our proxy voting decision-making:

- Proxy voting is fully integrated into our investment process;
- Our global investment team meets to consider each proxy;
- Decisions are made in-house by the investment professionals.

Our independent point of view is reflected in our voting statistics. Over the 12-month period ending June 30, 2019 we assessed 2,436 proposals and agenda items, and voted 191 meetings, in 31 different countries. Our independent point of view is reflected in our voting statistics. In total, we voted against management 15% of the time, and had at least one vote that was different from management at 50% of the meetings.

KEY ASSOCIATIONS

Signatory of:



INVESTMENT STRATEGY – Q4 2019

A path to a resolution of key global risks such as Brexit and the U.S – China trade dispute became clearer by the end of 2019, and with the help of easy money policies from central banks around the world, equity markets appreciated significantly. Valuation expansion was responsible for a good part of this increase, and in the U.S., in particular, we see elevated multiples both relative to its own history and to other markets. 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). Bear in mind also that some key uncertainties remain with Brexit and especially with respect to U.S.–China trade relations; there is rarely a smooth path to resolution with issues as complex as these. 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 adheres to the firm's long-standing philosophy and process.

¹ Portfolio characteristics are based on the Global Equity composite; except for Turnover, Yield and Capitalization, which are based on a representative account. Data is for 10 years. Turnover is an average of last 7 calendar years to 12/31/19. Sharpe Ratio was calculated using the Citi 3 Mo. T-Bill. Median Information Ratio of the eVestment Global Large Cap Core Universe is shown for the benchmark. ² Net-of-fees composite returns are calculated by deducting the maximum fee charged from the gross-of-fee return. ³ Prior to January 1, 2016, the benchmark was the MSCI World Gross. The benchmark returns are calculated net of withholding taxes. ⁴ Data based on a representative account.

The Global Equity composite is made up of actual, fee-paying, discretionary portfolios with a market value of over \$5 million CAD. Past performance does not guarantee or indicate future results. The performance information shown reflects the performance of composites of accounts and does not necessarily reflect the performance that any particular account investing in the same or similar securities may have had during the period. Actual account performance is likely to differ from the composite performance shown for a variety of reasons, including but not limited to: differences in market conditions, portfolio turnover and in the number, types, availability and diversity of securities that can be purchased; economies of scale, regulations and other factors applicable to the management of large separate accounts and mutual funds, client-imposed investment restrictions, the timing of investments and cash flows, the deduction of taxes, and other factors. 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.