

Characteristics

| | |
|-------------------------|---|
| Asset class | Equity |
| Geographic | Canada |
| Focus | Dividend & Dividend Growth |
| Objective | Actively managed to provide income with some capital appreciation |
| Approx. # of holdings | 20-28 |
| Estimated annual trades | 16-24 |
| Benchmark | TSX Total Return |
| Benchmark 2 | DJ Select Canadian Dividend |

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Quarterly Commentary

The highs posted in late Summer quickly reversed to close out September, with the S&P/TSX Composite closing the quarter off back at the lows of the year. Over the quarter there was lots of chatter centering around a 'Fed Pivot', allowing the Fed and other central banks including the Bank of Canada to move away from tightening and into easing. Based on futures, markets have not moved to confirm any of this, in fact, the implied terminal rate rose this month which is one of the reasons behind the stock sell-off.

It was a topsy-turvy quarter for markets. Despite markets pulling an aggressive U-turn after the summer rally, there really were few places to hide. Value underperformed growth and momentum factors. Though still outperforming YTD, the underperformance during a period of high volatility and rising yields was unexpected. Secondly, rising yields negatively impacted many 'defensive' sectors. Utilities and Consumer Staples were down nearly as much as other more cyclical sectors.

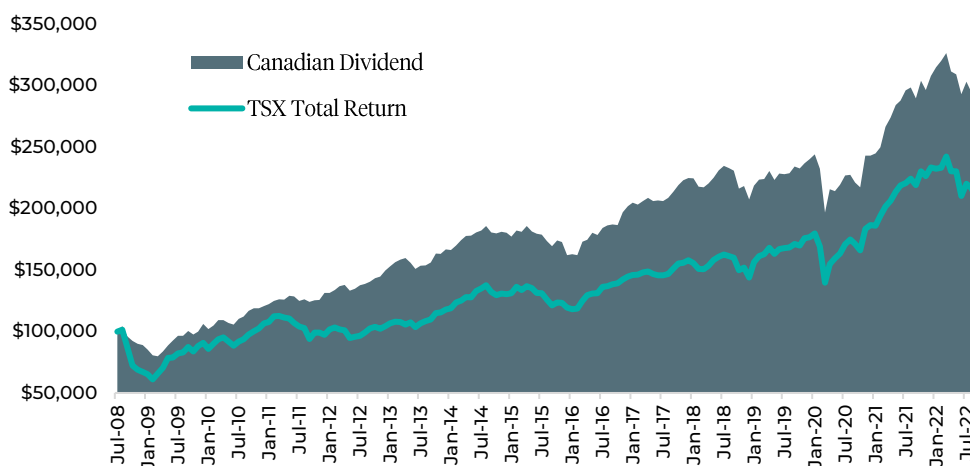
The pressure to 'do something' during a market sell-off can be rather intense. Often, doing nothing turns out to be the best course of action given the portfolio is of sound construction and has proper diversification. A stout cash balance remains an important diversifier as we expect volatility to be a common theme in the quarter ahead. The chances of a severe U.S. recession remain low in our opinion; however, the odds have been increasing.

Trading – With the risk on rally in full swing during the summer months, we made a number of trades, one of which was selling LifeWorks following the acquisition announcement by TELUS. With the proceeds, we added Finning after it had come under pressure as commodity prices began to retreat. Though the portfolio remains significantly underweight Canadian banks, we shifted our exposures slightly by trimming Bank of Montreal and adding to Royal Bank. These trades left our bank exposure largely unchanged but reduced our concentration risk in BMO.

TFI International and Restaurant Brands were two of the largest contributors to portfolio performance over the quarter. Transports including CN Rail have held in surprisingly well, given recession fears. Demand in the rails and trucking remains resilient as supply chains continue to improve and bottlenecks at ports and shipping hubs normalize. The largest detractors from performance were Suncor, OpenText, and Bank of Nova Scotia. Suncor remains one of the better-performing stocks YTD, however, the quarter coincided with oil prices declining 35% from the June highs. We remain underweight Energy within the portfolio but believe that given the current supply dynamics energy prices can still be supported at current levels even with a mild recession. Overall, the largest sector underweights remain Financials, and Energy with overweights in Health Care, Telcos, and Consumer Discretionary. Telcos historically are lower beta and add to the portfolio's defensive attributes along with a healthy amount of cash.

Doom and gloom remain the persistent narrative. Bear markets are like recessions – you don't know they are over until well after the fact. In the meantime, we're comfortable sitting on some extra cash and avoiding areas of the market that are reliant on an economic recovery. Tighter financial conditions lead to lower growth, and we do not foresee this relationship breaking down any time soon.

Performance (gross of fees)

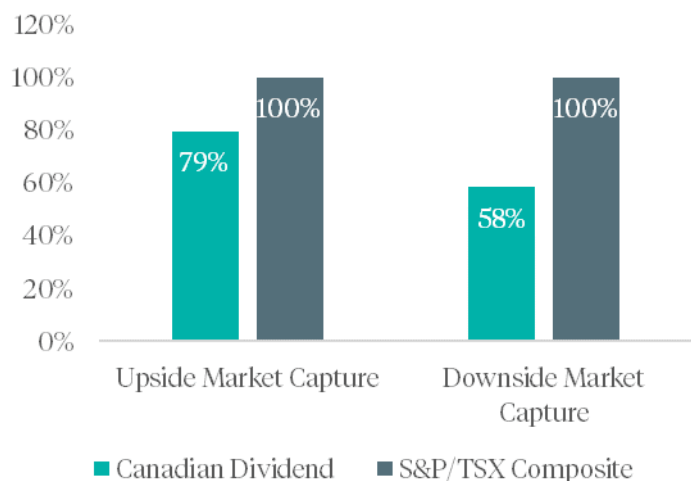


| | 1-month | 3-months | 6-months | 1-year | YTD | 3yr | 5yr | 10yr | Inception* |
|----------------------|---------|----------|----------|--------|--------|-------|-------|-------|------------|
| CW Canadian Dividend | -5.2% | -4.7% | -14.5% | -3.6% | -9.3% | 6.0% | 5.5% | 7.1% | 7.5% |
| S&P/TSX Total Return | -4.3% | -1.4% | -14.4% | -5.4% | -11.1% | 6.6% | 6.5% | 7.3% | 5.3% |
| +/- | -0.9% | -3.3% | -0.1% | 1.8% | 1.8% | -0.6% | -1.0% | -0.2% | 2.2% |

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------------|-------|-------|-------|--------|-------|-------|-------|-------|-------|-------|
| CW Canadian Dividend | 14.0% | 11.5% | 8.0% | -10.1% | 24.5% | 11.3% | -7.8% | 15.9% | 1.2% | 26.6% |
| S&P/TSX Total Return | 7.2% | 13.0% | 10.6% | -8.3% | 21.1% | 9.1% | -8.9% | 22.9% | 5.6% | 25.1% |
| +/- | 6.8% | -1.5% | -2.5% | -1.7% | 3.4% | 2.2% | 1.1% | -7.0% | -4.4% | 1.5% |

Risk Metrics

Upside Vs. Downside Capture



Sharpe
 Max Drawdown
 SD
 Downside Deviation
 Beta

| | Canadian Dividend | S&P/TSX Composite |
|--------------------|-------------------|-------------------|
| Sharpe | 0.61 | 0.32 |
| Max Drawdown | -23.3% | -39.9% |
| SD | 10.9% | 13.8% |
| Downside Deviation | 8.6% | 12.5% |
| Beta | 0.65 | 1.00 |

Composition

Sectors

| | Canadian Dividend | TSX |
|------------------------|-------------------|-------|
| Energy | 12.43% | 18.9% |
| Materials | 10.59% | 11.8% |
| Industrials | 13.66% | 13.1% |
| Consumer Discretionary | 7.03% | 3.6% |
| Cons Staples | 4.81% | 4.2% |
| Financials | 21.67% | 30.7% |
| Health Care | 2.81% | 0.4% |
| Info Tech | 5.69% | 5.1% |
| Telecom | 8.03% | 4.9% |
| Utilities | 3.71% | 4.7% |
| Real Estate | 5.28% | 2.5% |
| Cash | 4.76% | |

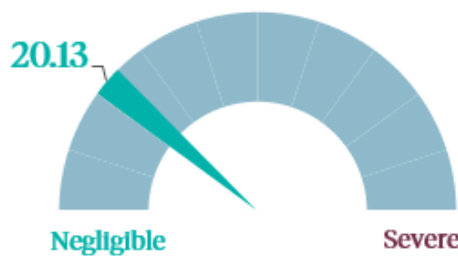
Equity Positions

| Name | Industry | Weight | Yield |
|------------------------------|--------------|--------|-------|
| TC ENERGY CORP | Energy | 2.8% | 6.3% |
| ENBRIDGE INC | Energy | 4.2% | 6.8% |
| SUNCOR ENERGY INC | Energy | 5.6% | 4.5% |
| LUNDIN MINING CORP | Materials | 2.3% | 5.3% |
| TRANSCONTINENTAL INC-CL A | Materials | 2.2% | 5.8% |
| WHEATON PRECIOUS METALS CORP | Materials | 2.9% | 1.8% |
| BARRICK GOLD CORP | Materials | 3.4% | 4.9% |
| TFI INTERNATIONAL INC | Industrials | 5.5% | 1.1% |
| FINNING INTERNATIONAL INC | Industrials | 3.0% | 3.5% |
| CANADIAN NATL RAILWAY CO | Industrials | 5.2% | 1.9% |
| OPEN TEXT CORP | Info Tech | 2.8% | 3.6% |
| ENGHOUSE SYSTEMS LTD | Info Tech | 2.9% | 2.9% |
| ROYAL BANK OF CANADA | Financials | 5.7% | 4.2% |
| BANK OF NOVA SCOTIA | Financials | 4.0% | 6.4% |
| BANK OF MONTREAL | Financials | 6.1% | 4.7% |
| MANULIFE FINANCIAL CORP | Financials | 3.5% | 6.1% |
| SUN LIFE FINANCIAL INC | Financials | 2.5% | 4.9% |
| MAGNA INTERNATIONAL INC | Cons Disc | 2.4% | 3.4% |
| RESTAURANT BRANDS INTERN | Cons Disc | 4.6% | 4.0% |
| CHARTWELL RETIREMENT RESIDEN | Health Care | 2.8% | 7.1% |
| ALLIED PROPERTIES REAL ESTAT | Real Estate | 2.3% | 6.3% |
| DREAM INDUSTRIAL REAL ESTATE | Real Estate | 2.9% | 6.5% |
| ROGERS COMMUNICATIONS INC-B | Telecom | 3.8% | 3.9% |
| TELUS CORP | Telecom | 4.3% | 5.0% |
| ALGONQUIN POWER & UTILITIES | Utilities | 3.8% | 6.8% |
| LOBLAW COMPANIES LTD | Cons Staples | 4.7% | 1.5% |

Cyclical Vs. Defensive

| | |
|--------------------|--------|
| Global Cyclical | 23.04% |
| N.A. Cyclical | 19.43% |
| Interest Sensitive | 36.68% |
| Defensive | 20.85% |

ESG Risk Rating Score



Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments and the use of an asset allocation service. Please read the prospectus(es) of the mutual funds in which investments may be made under the asset allocation service before investing. The indicated rates of return are the historical annual compounded total returns assuming the investment strategy recommended by the asset allocation service is used and after deduction of the fees and charges in respect of the service. The returns are based on the historical annual compounded total returns of the participating funds including changes in share/unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder in respect of a participating fund that would have reduced returns. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated. Note that the Manager of these asset allocation services changed from Richardson Wealth LTD. to Purpose Investments Inc. in September 2021.