3RD QUARTER 2018 HIGHLIGHTS

ONE INVESTMENT

Equity Performance

It was a historical quarter for the S&P/TSX Composite Index, which rose to an all-time high in July. Over the following two months, the Index retreated modestly, ending the third quarter with a slight loss of 0.57%. Performance was mixed. Six sectors reporting gains during the quarter, led by marijuana stocks in the Health Care sector, while five sectors realized losses, led by a double-digit decline in the Materials sector.

During the quarter, the ONE Equity Portfolio reported a gain of 1.93%, outperforming the S&P/TSX Composite Index by over 2%. The portfolio's outperformance was driven by both sector allocation and stock selection. The portfolio's sector allocation had overweight positions in the Industrials & Technology sectors and underweight positions in the Energy & Materials sectors. Top stock contributors include Intact Financial, CP Rail, Alimentation Couche-Tard and Thomson Reuters.

During the first nine months of the year, the ONE Equity Portfolio has climbed 3.1%, outperforming the TSX Index return by 1.4%.

The portfolio has a strong long-term track record: outperforming the TSX Index annually over the past ten years. To illustrate, the five-year return ending Sept. 30 is 11.4% for the ONE Equity Portfolio compared to a 7.8% for the TSX Index. The 10-year return is 9.9% for the ONE Equity Portfolio, above the 6.3% return for the TSX Index.

The portfolio's assets under administration has experienced stellar growth, rising 8% over the past three months and increasing 33% year-over-year to $351 million as at Sept. 30.

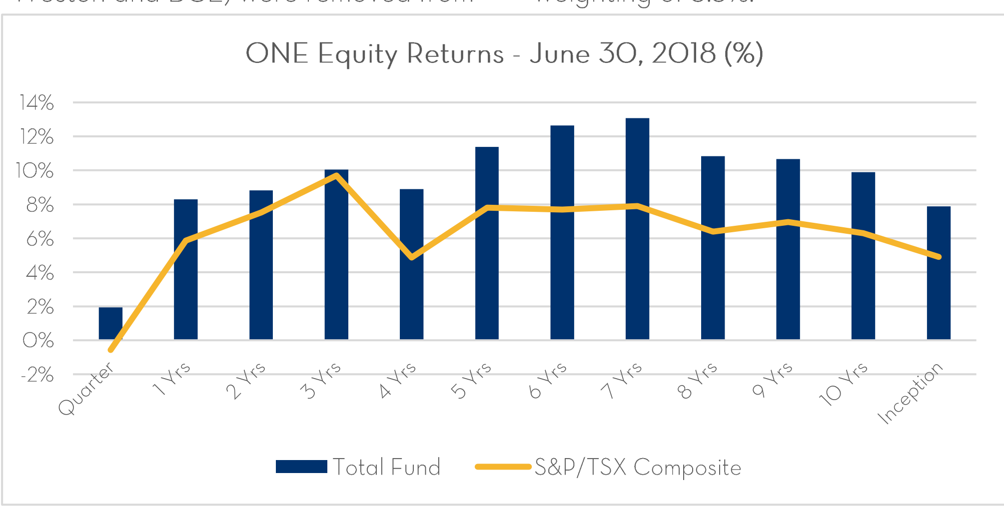
In terms of sector exposures, the top three sector weightings were Financials (28.5%), Industrials (18.4%) and Information Technology (11.8%). The portfolio is almost fully invested with only 1.3% in cash and cash equivalents.

While the number of stocks held in the portfolio remained stable at 38 securities, two securities (Loblaw Companies and Telus) were added to the portfolio, and two stocks (George Weston and BCE) were removed from the portfolio. The number of portfolio holdings is within the portfolio manager's targeted range of between 35 and 50 stocks.

Listed are the Top 10 holdings representing 47% of the total portfolio:

- Open Text
- Alimentation Couche-Tard
- Canadian National Railway
- Brookfield Asset Management
- CGI Group
- TD Bank
- Gildan Activewear
- Finning International
- Magna International
- Thomson Reuters

This quarter, there were two changes to the top 10 holdings: Royal Bank of Canada was replaced by Magna International. The portfolio's largest holding is in Open Text with a weighting of 5.5%.



3RD QUARTER 2018 HIGHLIGHTS

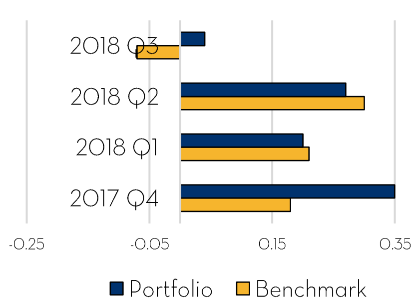
ONE INVESTMENT

FIXED INCOME PERFORMANCE

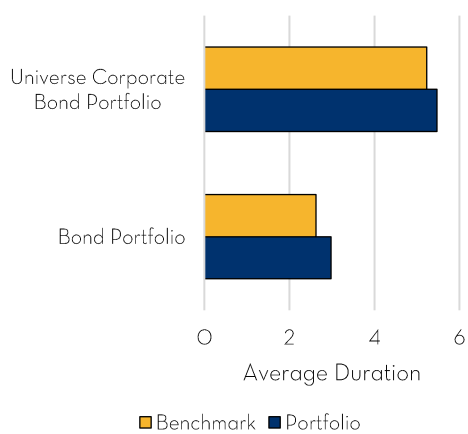
The total Canadian bond market generated a loss of -0.96% in the third quarter, as measured by the FTSE Canada Universe Bond Index, bringing the year-to-date total return to -0.35%. Interest rates rose with the resolution of the North American trade discussions, consistent with the Bank of Canada's intention to gradually remove monetary stimulus. As noted in our last newsletter, rising yields cause bond prices to fall, which is offset by the interest they pay. However, there may be some relief if Canadian growth moderates over the coming months as previous rate hikes work their way through the economy.

The portfolio manager continues to keep portfolio durations longer than their benchmarks because interest rates are more likely to moderate or fall than to rise.

ONE Bond Portfolio
% Return Gross of Fees

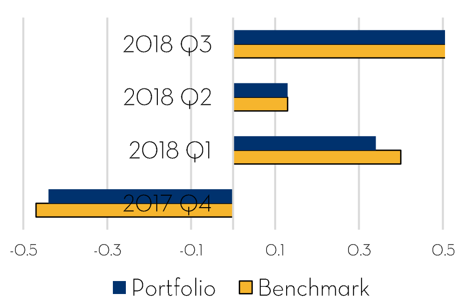


ONE Fixed Income Durations
at September 30, 2018

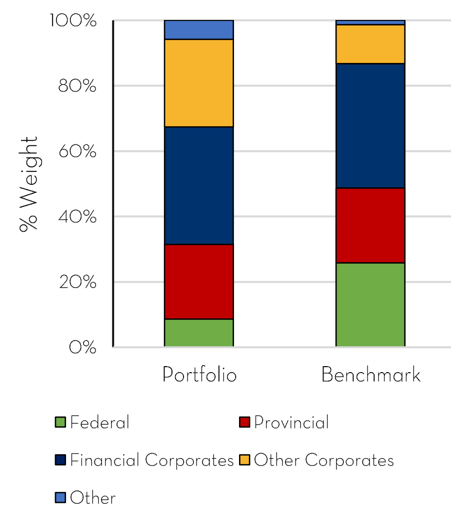


There are some signs that growth momentum has peaked and trade frictions are increasingly clouding the growth backdrop, reinforcing the view that rates should remain low.

ONE Univ. Corp. Bond Portfolio
% Return Gross of Fees



Composition of
Universe Corporate Bond
Portfolio



In the third quarter, with continued investor demand, both lower and higher quality corporate bonds performed better than their government counterparts. This can be seen in the higher returns of the Universe Corporate Bond Portfolio relative to the Bond Portfolio. In view of potential economic weakening and the high values of corporate bonds, the portfolio manager's preference has been to improve credit quality and move lower quality issuers towards shorter maturities where the risk/reward trade-off appears more favourable.