

SPECIAL MEETING OF UNITHOLDERS OF THE ENCASA CANADIAN EQUITY FUND

Thursday, June 25, 2020, 12:00 pm EDT / 9:00 am PDT

VSM: www.virtualshareholdermeeting.com/ENCA2020

Agenda

Chair: *Thom Armstrong, Chair, Encasa Financial Board of Directors*

Presentation: *Derek Ballantyne, CEO, Encasa Financial*

1. Welcome
2. Call to Order/ Agenda
3. Introductions
4. Procedural Matters
5. Proof of Notice of Meeting / Quorum
6. Proposal to Change the Investment Objective of the Encasa Canadian Equity Fund
7. Presentation of Proposal
8. Questions on the Proposal
9. Vote
10. Preliminary Results of Vote
11. Other Business
12. Adjournment

Proposed change to investment objective

Proposed investment objective

The investment objective of the Fund is to seek long-term capital growth by investing in a diversified portfolio consisting of equity securities of companies primarily located outside of Canada.

Current investment objective (in place since 2002)

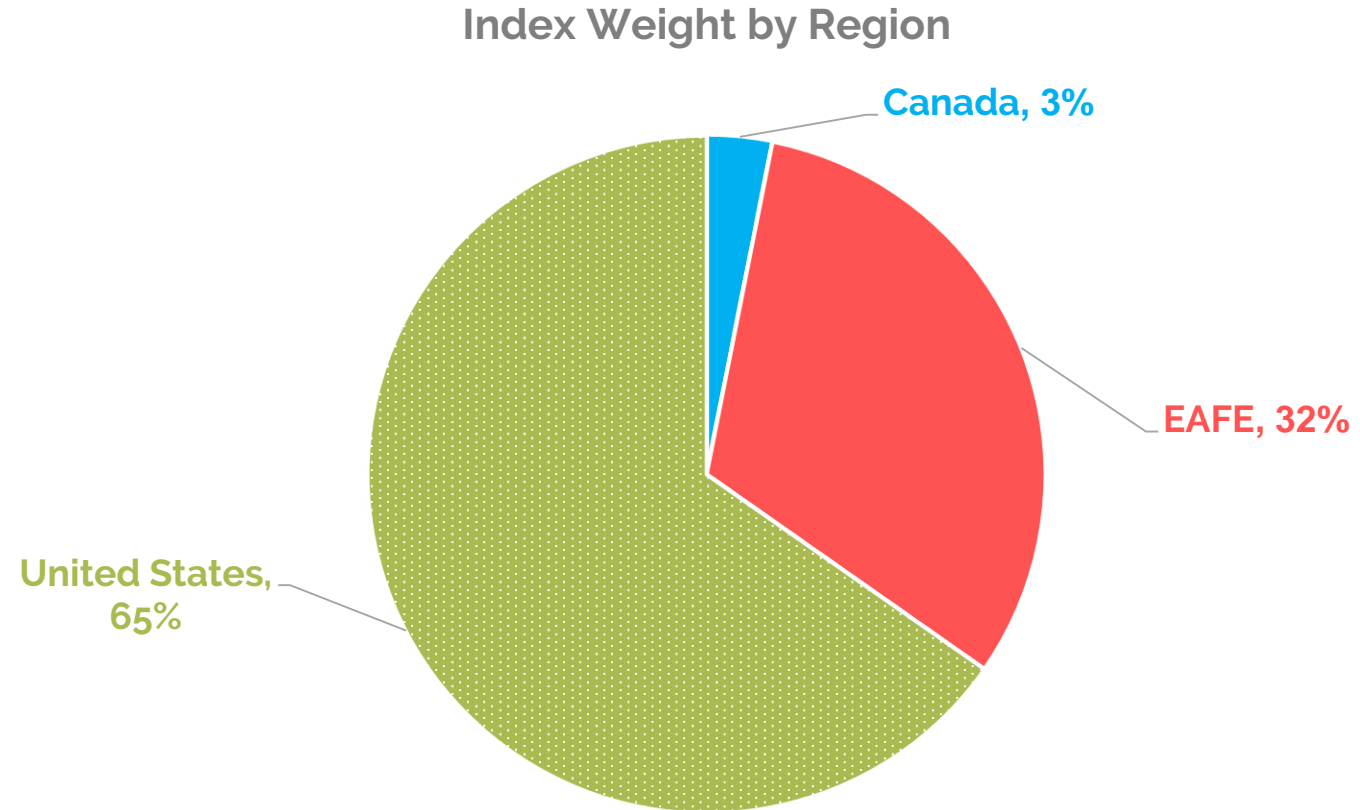
The investment objective of the Fund is to seek long-term capital growth by investing primarily in a diversified portfolio consisting of equity securities of companies located in Canada.

- **Encasa Canadian Equity Fund** → **Encasa Equity Fund**

Why are we proposing this change?

Prudent geographic diversification

- Canada is only 3% of the global stock market
- The opportunity set of securities that allows the Fund to prudently implement its mandate is substantially greater outside Canada

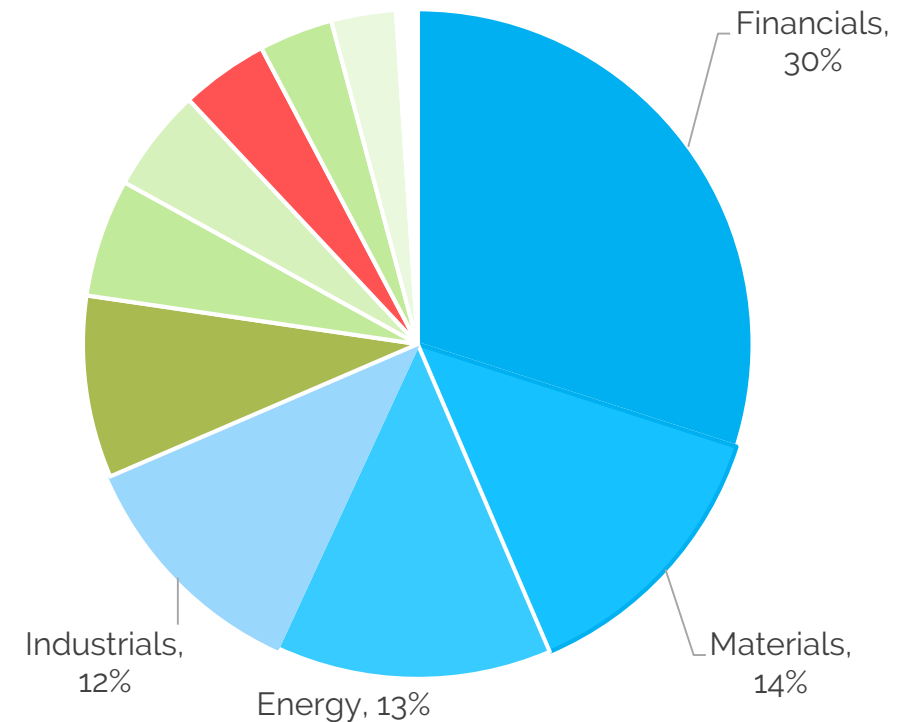


Why are we proposing this change?

Prudent sector diversification

- Canadian index has become increasingly concentrated since 2002
- Today, the TSX is highly concentrated in three sectors
 - Financial, Energy and Materials account for ~65% of the index
 - Challenging to build a prudently diversified portfolio with this degree of concentration

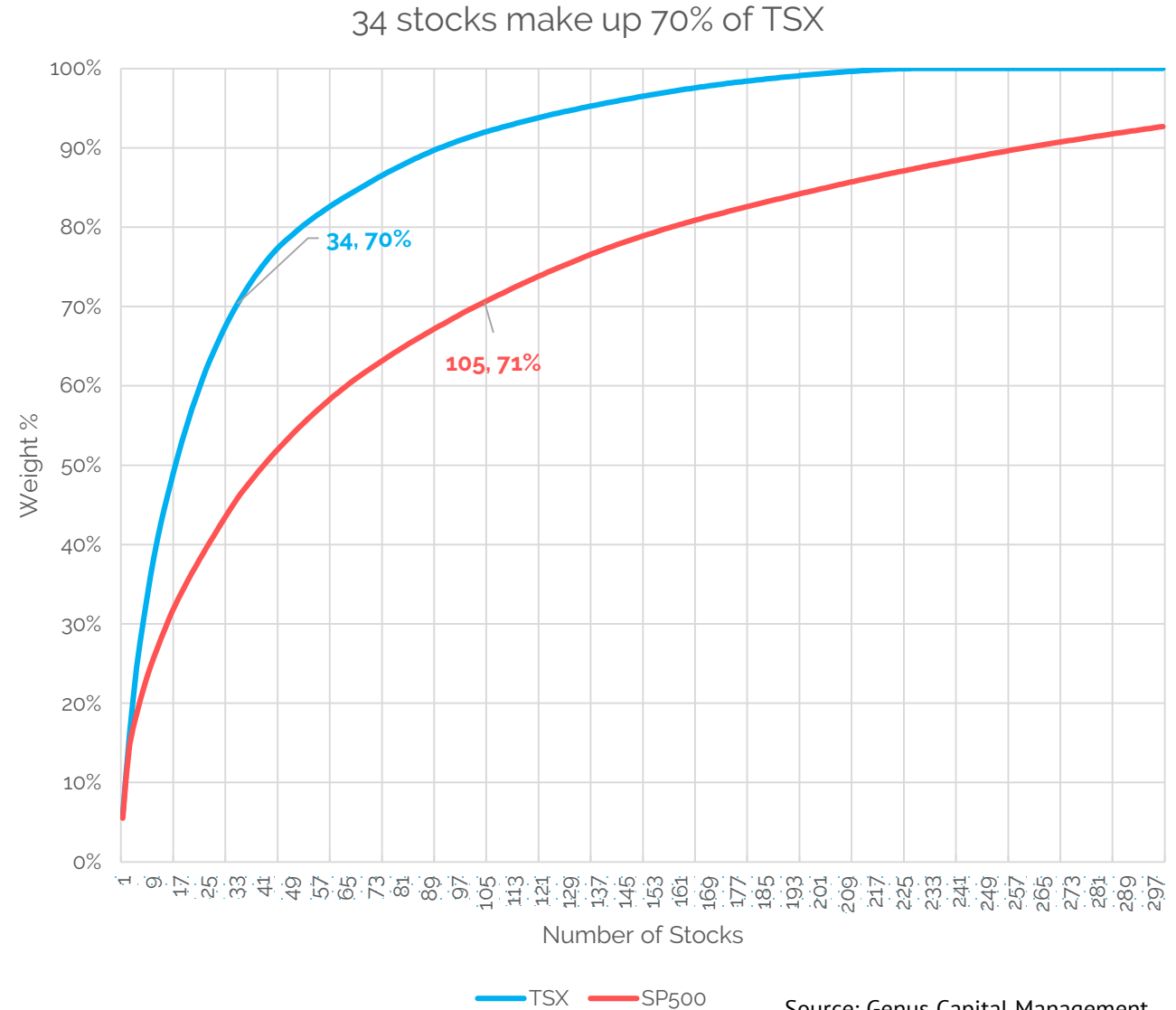
4 sectors make up 70% of index – heavily concentrate on commodity and banks



Why are we proposing this change?

Prudent security diversification

- Canadian index has become increasingly concentrated since 2002
- 105 stocks make up 70% of S&P index



Why are we proposing this change?

Improved ability to implement Encasa's Responsible Investment Policy

Opportunity set of “good” companies with strong ESG metrics significantly greater outside than inside Canada

- E = Environmental – climate change, renewable energy, sustainability
- S = Social – affordable housing, diversity, positive social outcomes
- G = Governance – committed to stakeholder as well as shareholder

Neutral impact on characteristics of the Fund

- The risk rating for the Fund will remain unchanged at medium

Current allocations in Canada

Update investment objective to current practices in Canadian investment industry:

- The current investment objective was created in 2002 at Fund inception
- Canadian economy and equity market has changed since then
- Industry practices have shifted over last 18 years

Ontario Municipal Employees Retirement System (OMERS)

- 35% Canada, 65% Global¹

Canada Pension Plan Investment Board

- 15% Canada, 85% Global¹

Ontario Teachers' Pension Plan

- 42% Canada, 58% Global²

PHN Investment Management – Balanced Pension Trust

- 33% Canada, 68% Global

Mawer Investment Management – Balanced Mutual Fund

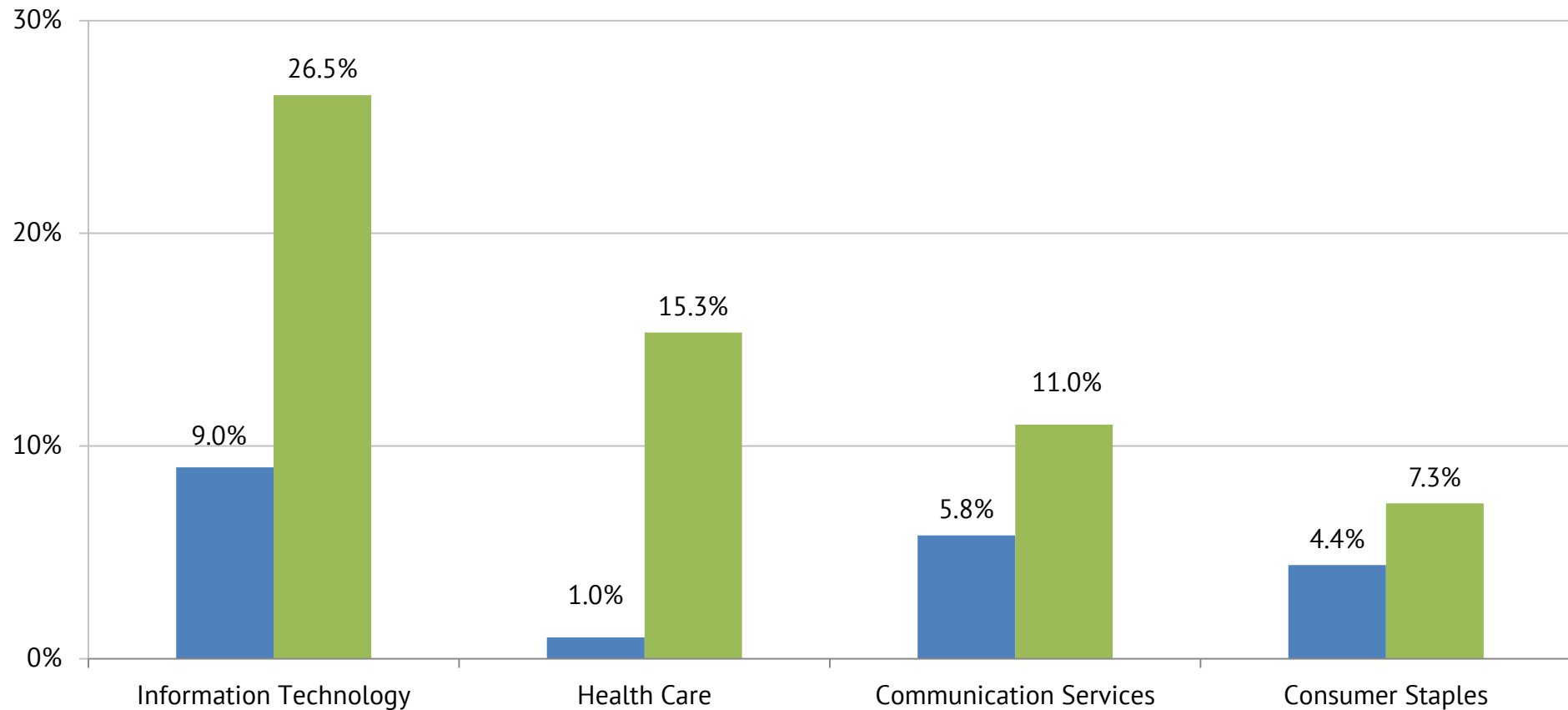
- 25% Canada, 75% Global

1. As of March 31, 2020,

2. As of December 31, 2019

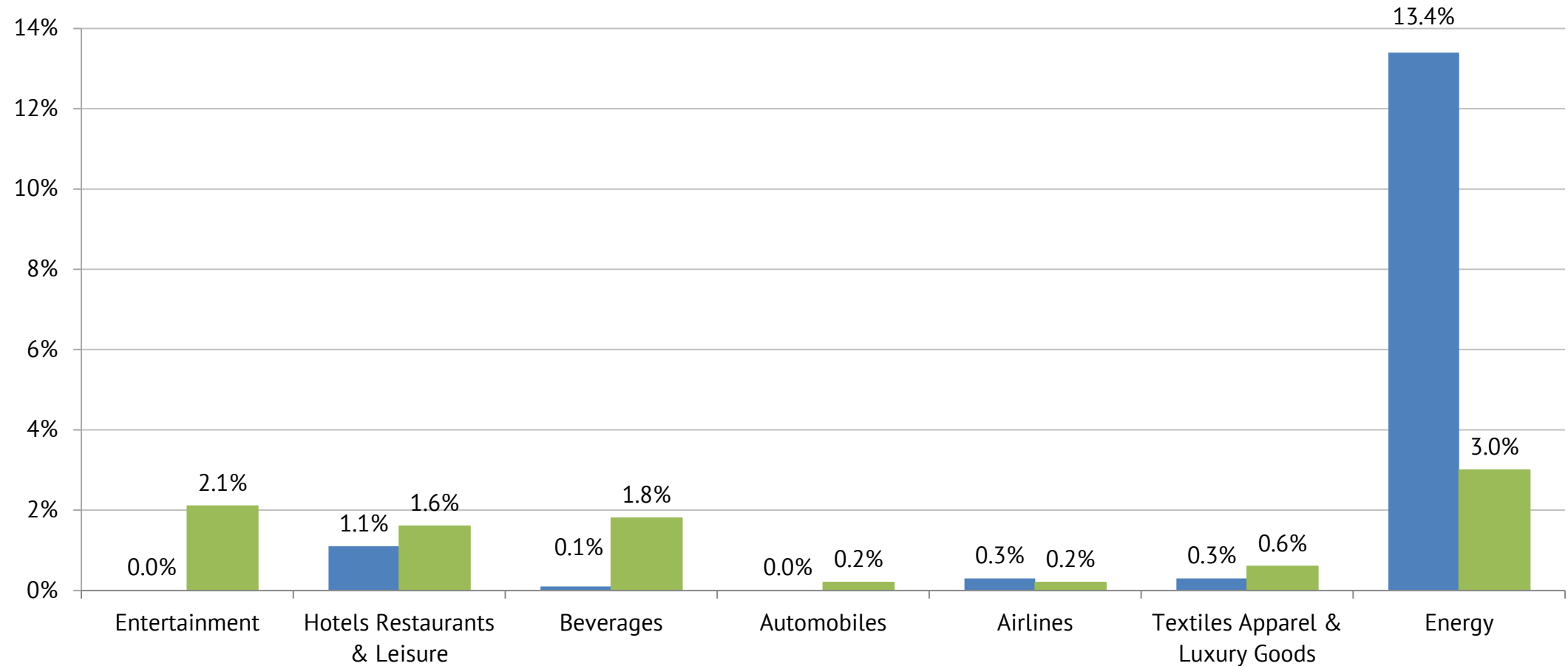
Changes will better position the Fund: Post-Covid 19 winners

Sector Weight (As of May 7, 2020)



Changes will better position the Fund: Post-Covid 19 losers

Sector Weight (As of May 7, 2020)



Recommendation

Vote FOR the Proposal

