

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

December 31, 2019



**FRANKLIN
TEMPLETON**

This annual management report of fund performance contains financial highlights but does not contain the complete financial statements of the investment fund. If you have not received a copy of the annual financial statements with this report, you can get a copy of the annual financial statements at your request, and at no cost, by calling 1.800.387.0830, by writing to us at 200 King Street West, Suite 1500, Toronto ON M5H 3T4, or by visiting our website at www.franklintempleton.ca or SEDAR at www.sedar.com. Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Co-Lead Portfolio Manager

Les E. Stelmach, CFA

Franklin Bissett Investment Management, part
of Franklin Templeton Investments Corp.

Location: Calgary, AB

Co-Lead Portfolio Manager

Ryan Crowther, CFA

Franklin Bissett Investment Management, part
of Franklin Templeton Investments Corp.

Location: Calgary, AB

INVESTMENT OBJECTIVE AND STRATEGIES

Franklin Bissett Canadian Dividend Fund (the “Fund”) seeks capital appreciation by investing primarily in dividend-paying or income-producing Canadian securities, including common shares and income trust securities.

The Franklin Bissett equity team applies a bottom-up research approach to identify companies with a history of sustainable, profitable growth. Among the selection criteria in this process is for chosen stocks to have attractive valuations versus the intrinsic value of the business. As every Franklin Bissett equity manager is committed to GARP-style investing, each Fund holding will have been identified for growth prospects and have been purchased at what the portfolio manager considered to be a reasonable valuation.

Income generation is a key focus in the Fund, and all investments must generate reasonable yields. As a result, it is expected that over the fullness of time, dividends will represent a meaningful component of total returns. The Fund’s dividend yield must be greater than 1.5 times the yield of the S&P/TSX Composite Total Return Index.

RISK

The risks of investing in the Fund remain as stated in the prospectus. The Fund is suitable for investors willing to accept low to medium investment risk, seeking a moderate level of income and capital gains and who are planning to hold their investment for the medium to long term.

RESULTS OF OPERATIONS

As at December 31, 2019, total net asset value of the Fund was \$345.3 million, a decrease of 28.1% from December 31, 2018. This was primarily driven by \$211.5 million in net redemptions and partially offset by an increase of \$78.0 million in net assets from operations. The Fund paid or made payable \$1.2 million in cash distributions to unitholders.

During the past 12 months, the Fund’s Series A units generated total returns of 17.1%. Over the same period, the Fund’s benchmark, the S&P/TSX Composite TR Index (the “Index”), advanced 22.9%. The performance of the Fund’s other series is similar to that of its Series A units, except for the expense structure. For the return of the Fund’s other series (if applicable) please refer to the “Past Performance” section.

Index performance comparison information is provided for reference only. It is important to note that the Fund’s return reflects the effect of fees and expenses for professional management, while an index does not have such costs.

Relative performance for the 12-month period displayed negative allocation, as well as negative selection and interaction effects. Approximately half of the Fund’s relative performance shortfall was attributed to its absence from the Information Technology sector, but an overweight in Communication Services and Consumer Staples also contributed to negative relative results. This was partially offset by allocation benefits from being overweight Utilities and having zero exposure to the underperforming Health Care sector. Although a relatively small part of the Index, and lacking a selection of dividend-paying companies, the Information Technology sector substantially outperformed all other sectors in the Canadian market during 2019. That said, 10 of 11 GICs sectors generated positive returns, with Health Care (particularly cannabis) being the exception.

Holdings with the most positive relative impact on portfolio returns (20 basis points or more) were Brookfield Renewable Partners, Brookfield Infrastructure Partners, AltaGas, and Canadian Utilities Ltd. in Utilities; Keyera in Energy; and WSP Global in Industrials. Holdings detracting the most from relative returns (20 basis points or more) were Rogers Communications in Communication Services; Vermilion Energy, Freehold Royalties, PrairieSky Royalty and Peyto Exploration in Energy; Horizon North Logistics in Industrials; CIBC in Financials; Nutrien in Materials; and Saputo in Consumer Staples.

During the year, the portfolio managers eliminated their positions in Power Financial, IGM Financial, Restaurant Brands, Secure Energy Services, Peyto Exploration, Horizon North Logistics and Mullen Group. The portfolio managers initiated new positions in Saputo, Choice Properties REIT, Loblaw’s and Canadian Natural Resources.

Average net assets of the series of the Fund that bear expenses have decreased for the year ended December 31, 2019. This has resulted in a corresponding decrease in expenses. Income received from investments held, excluding net realized and/or unrealized gain (loss) on investments and derivatives, as applicable, decreased due to the results of the Fund’s investment activities, including, but not limited to, those previously discussed for the period in review.

RECENT DEVELOPMENTS

With the continued advance in the Canadian equity market through 2019, the portfolio managers believe it is important to be increasingly discerning with respect to valuations. Despite certain sectors and individual circumstances presenting attractive investment opportunities, the strong recent advance in Canadian equities naturally tempers enthusiasm for go-forward absolute returns.

Some equity market excesses over the past few years have in part been driven by investor exuberance regarding specific equities’ momentum and potential, rather than the fundamentals and valuation of the

underlying businesses. Ultimately, valuations should converge with business economics to the benefit of a portfolio of securities with solid intrinsic value underpinnings.

The portfolio managers are prepared to capitalize on equity market dislocations as they present themselves and they remain confident in their ability to deliver on absolute, relative and risk-adjusted return objectives.

FORWARD-LOOKING STATEMENTS

Investors should take note that certain statements in this report about a fund, including its strategy and expected future performance, are forward-looking. Forward-looking statements are statements that are predictive in nature, depend upon or refer to future events or conditions, or that include words such as “may,” “will,” “should,” “could,” “expect,” “anticipate,” “intend,” “plan,” “believe,” or “estimate” or other similar expressions. Any statement that is made concerning future strategies or performance is also a forward-looking statement. Statements that look forward in time or include anything other than historical information are subject to risks and uncertainties, and actual results, actions or events could differ materially from those set forth in the forward-looking statements.

The forward-looking statements are by their nature based on numerous assumptions, which include, amongst other things, that (i) the Fund can attract and maintain investors and has sufficient capital under management to effect its investment strategies, (ii) the investment strategies will produce the results intended by the portfolio manager, and (iii) the markets will react and perform in a manner consistent with the investment strategies. Although the forward-looking statements contained herein are based upon what the portfolio manager believes to be reasonable assumptions, the portfolio manager cannot assure that actual results will be consistent with these forward-looking statements.

Forward-looking statements are not guarantees of future performance. Any number of factors could contribute to differing results, including, among other things, general economic, political and market factors, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings and catastrophic events. This list of factors is not exhaustive. Investors should not place undue reliance on forward-looking information and should be aware that the Fund may not update any forward-looking statements, whether as a result of new information, future events or otherwise.

RELATED PARTY TRANSACTIONS

The Manager is an indirect wholly-owned subsidiary of Franklin Resources, Inc., a global investment management organization known as Franklin Templeton. The Manager is the manager, registrar and transfer agent and a principal distributor of the Fund. The Manager provides or arranges for the provision of these services for day-to-day Fund operations, including the marketing, promotion and distribution of the Fund and portfolio advisory services. In consideration of these management and portfolio advisory services, the Fund pays the

Manager a monthly management fee plus applicable taxes, based on the average net asset value of each series of the Fund (except Series O and OT, as applicable), calculated daily, as set out under Management Fees below. During the year ended December 31, 2019, the Fund paid management fees of \$4.8 million (2018–\$6.0 million), net of management fee waivers.

Franklin Templeton Services, LLC (FTS) provides the Manager with fund accounting and portfolio valuation services in connection with the Fund, and provides certain back office administration services to the Manager. The Administration Fee, as discussed below, covers the cost of the services provided by FTS.

The Manager pays the operating expenses of the Fund, other than certain fund costs—which include, but are not limited to, the cost of compliance with new governmental and regulatory requirements, fees and expenses of the Fund’s Independent Review Committee (IRC), borrowing and interest costs and investor meeting costs (as permitted by Canadian securities regulation)—in exchange for the payment by the Fund of an annual fixed-rate administration fee of 0.22% plus applicable taxes, applied against the average daily net assets of the Fund (“Administration Fee”), except for Series PA and PF, which have an annual Administration Fee of 0.15%, and Series O and OT, as applicable, which have no annual Administration Fee. The Manager will pay all operating expenses of Series O and OT, as applicable, as part of its agreement with each investor. The Manager may, at its discretion, waive a portion of a series’ Administration Fee or absorb certain fund costs. During the year ended December 31, 2019, the Fund paid Administration Fees of \$583,000 (2018–\$739,000).

During the year ended December 31, 2019, the Manager waived fund costs of \$— (2018–\$2,000).

Portfolio Advisor

Franklin Bissett Investment Management (the “Portfolio Advisor”), part of the Manager, provides investment analysis and recommendations and executes or arranges for brokers to execute portfolio transactions.

Principal Distributor

As a principal distributor of the Fund, the Manager markets the Fund and arranges for the sale of the Fund through dealers across Canada. The Manager may retain companies to assist in the sale of certain series of units of the Fund.

The Manager’s affiliate, FTC Investor Services Inc. (“FTC ISI”), also acts as a principal distributor for Series F, O, OT, FT, PF and PF (Hedged) units of the Fund, as applicable.

For acting as a principal distributor of the applicable series, FTC ISI receives an inter-company service fee of 0.20% of the assets under management of the applicable series from the Manager with respect to those series of units.

Registrar and Transfer Agent

In addition to management and portfolio advisory services, the Manager acts as the registrar and transfer agent of the Fund. These services are in the normal course of operations and are covered by the Administration Fee paid by the Fund to the Manager.

Independent Review Committee

As required by National Instrument 81-107- Independent Review Committee for Investment Funds (“NI 81-107”), the Manager has established the IRC to review all conflict of interest matters identified and referred to the IRC by the Manager and to give its approval or recommendation, depending on the nature of the conflict of interest matter. Additional information about the IRC is available in the prospectus.

MANAGEMENT FEES

A portion of the management fee paid by the Fund to the Manager is for trail fees and sales commissions the Manager pays to dealers (“Dealer Compensation”). The trail fees are a percentage of the daily average net asset value of each series of the Fund, which is held by the dealer’s clients. The remaining portion of the management fee is used to pay for portfolio advisory and administrative services related to the provision of portfolio advisory services. The following table outlines the Fund’s annual management fee, as well as the portion of the management fee used to pay for Dealer Compensation and for portfolio advisory services as an approximate percentage of the management fee for each series:

Series	Management Fee (%)	Dealer Compensation (%)*	Investment management, investment management expenses, and other (%)
A	1.90	69.96	30.04
F**	0.90	–	100.00
I	1.40	53.53	46.47
PA	1.70	58.82	41.18
PF	0.70	–	100.00

*Dealer compensation may include other fees related to distribution, which are not payable directly to dealers.

** Management Fee waiver is applied to the following series at the specified rates—
 Series F—0.06%;

The management and administration fees for Series O are paid for by the unitholder directly to the Manager as follows:

- First C\$200,000 to under \$2.5 million—0.85%
- Next C\$2.5 million to under \$5 million—0.75%
- C\$5 million and over—0.65%

Certain institutional investors may negotiate the management and administration fees by written agreement with Franklin Templeton Investments.

MANAGEMENT REPORT OF FUND PERFORMANCE

Summary of Investment Portfolio (AS AT DECEMBER 31, 2019)

REGIONAL WEIGHTINGS (%)*

North America

98.74

SECTOR WEIGHTINGS (%)*

Financials

27.93

Energy

17.13

Utilities

15.21

Consumer Staples

10.00

Communication Services

9.22

Real Estate

7.64

Industrials

6.25

Materials

5.36

ASSET CLASS WEIGHTINGS (%)

Common Stocks

98.74

Short-term securities and all other assets, net

1.26

TOP 25 HOLDINGS (%)

Royal Bank of Canada

6.00

Canadian National Railway Co.

5.00

Canadian Imperial Bank of Commerce

4.82

Enbridge Inc.

4.78

The Toronto-Dominion Bank

4.39

Bank of Montreal

3.82

Bank of Nova Scotia

3.80

Canadian Utilities Ltd., A

3.66

Brookfield Infrastructure Partners LP

3.50

Rogers Communications Inc., B

3.41

Fortis Inc.

3.28

Metro Inc., A

3.19

TELUS Corp.

3.19

Brookfield Renewable Partners LP

2.97

Nutrien Ltd.

2.72

Brookfield Property Partners LP

2.66

Manulife Financial Corp.

2.63

BCE Inc.

2.61

Choice Properties Real Estate Investment Trust

2.51

Sun Life Financial Inc.

2.47

RioCan Real Estate Investment Trust

2.47

Alimentation Couche-Tard Inc., B

2.34

Loblaw Companies Ltd.

2.30

Inter Pipeline Ltd.

2.19

Saputo Inc.

2.17

TOTAL NET ASSET VALUE: \$345,250,000

* Excluding short-term securities and all other assets, net.

Above is an outline of the investments held in the Fund as a percentage of the Fund's net assets. Due to ongoing portfolio transactions, the investments and percentages may have changed by the time you purchase units of the Fund. The top 25 holdings are made available quarterly, 60 days after the quarter-end. To obtain a copy, please contact a member of our client services team at 1.800.387.0830 or visit www.franklintempleton.ca.

MANAGEMENT REPORT OF FUND PERFORMANCE

Series A (AS AT DECEMBER 31, 2019)

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the fiscal periods ended December 31.

Net assets per unit (1)	2019	2018	2017	2016	2015
Net assets – beginning of period	\$12.89	\$15.12	\$14.89	\$12.23	\$15.20
Increase (decrease) from operations:					
Total revenue	0.58	0.60	0.61	0.60	0.64
Total expenses	(0.33)	(0.33)	(0.35)	(0.32)	(0.33)
Realized gains (losses) for the period	0.40	0.48	0.36	(0.64)	0.25
Unrealized gains (losses) for the period	1.77	(2.53)	(0.03)	3.21	(3.04)
Total increase (decrease) from operations (2)	2.42	(1.78)	0.59	2.85	(2.48)
Distributions:					
From income (excluding dividends)	–	–	–	–	–
From dividends	(0.37)	(0.40)	(0.38)	(0.40)	(0.45)
From capital gains	–	–	–	–	–
Returns of capital	(0.03)	–	–	–	–
Total annual distributions (3)	(0.40)	(0.40)	(0.38)	(0.40)	(0.45)
Net assets – end of period	\$14.68	\$12.89	\$15.12	\$14.89	\$12.23
Ratios and supplemental data:	2019	2018	2017	2016	2015
Total net asset value (\$ millions) (1)	\$176.44	\$215.24	\$323.76	\$383.00	\$180.00
Number of units outstanding	12,019,184	16,695,834	21,415,202	25,727,397	14,717,561
Management expense ratio (2)	2.33%	2.33%	2.33%	2.33%	2.34%
Management expense ratio before waivers or absorptions	2.33%	2.33%	2.33%	2.33%	2.34%
Trading expense ratio (3)	0.11%	0.09%	0.04%	0.06%	0.05%
Portfolio turnover rate (4)	14.57%	16.67%	23.39%	36.56%	23.34%
Net asset value per unit	\$14.68	\$12.89	\$15.12	\$14.89	\$12.23

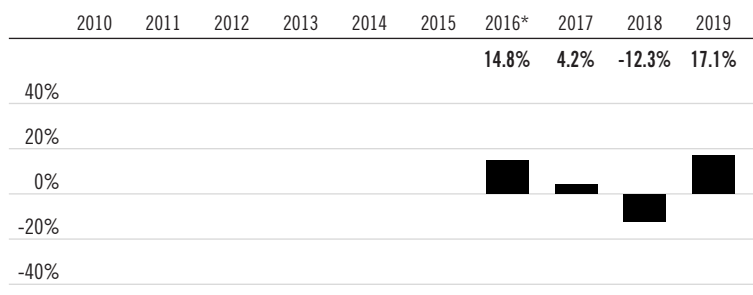
For explanatory notes, please refer to “Explanatory Notes to Financial Highlights” at the end of the section.

PAST PERFORMANCE

The following information assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund and does not take into account sales, redemption, distribution or other optional charges that would have reduced returns. Past performance does not necessarily indicate how the Fund will perform in the future.

Year-by-Year Returns

The bar chart shows the Fund's annual performance for each of the years shown, and illustrates how the investment Fund's performance has changed from year to year. In percentage terms, the bar chart indicates how much an investment made on January 1 would have grown or decreased by the December 31 of each year shown.



*2016 Series A return: April 25 to December 31

Annual Compound Returns

The table shows the annual compound total returns for each of the periods shown ended December 31, 2019. The returns are compared against the benchmark(s) over the same period. ‡

	1 Year	3 Years	5 Years	10 Years	Since Inception
Series A Units	17.1%	2.3%	N/A	N/A	5.7%
S&P/TSX Composite TR Index	22.9%	6.9%	N/A	N/A	9.2%

‡ For a definition of the benchmark(s), please refer to “Benchmark(s) Information” at the end of the section.

MANAGEMENT REPORT OF FUND PERFORMANCE

Series F (AS AT DECEMBER 31, 2019)

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the fiscal periods ended December 31.

Net assets per unit (1)	2019	2018	2017	2016	2015
Net assets – beginning of period	\$15.20	\$17.62	\$17.16	\$13.94	\$17.14
Increase (decrease) from operations:					
Total revenue	0.69	0.71	0.72	0.67	0.73
Total expenses	(0.19)	(0.19)	(0.21)	(0.19)	(0.19)
Realized gains (losses) for the period	0.49	0.56	0.46	(0.78)	0.25
Unrealized gains (losses) for the period	1.91	(2.99)	(0.07)	3.79	(3.26)
Total increase (decrease) from operations (2)	2.90	(1.91)	0.90	3.49	(2.47)
Distributions:					
From income (excluding dividends)	–	–	–	–	–
From dividends	(0.43)	(0.47)	(0.44)	(0.45)	(0.51)
From capital gains	–	–	–	–	–
Returns of capital	(0.04)	–	–	–	–
Total annual distributions (3)	(0.47)	(0.47)	(0.44)	(0.45)	(0.51)
Net assets – end of period	\$17.51	\$15.20	\$17.62	\$17.16	\$13.94
Ratios and supplemental data:	2019	2018	2017	2016	2015
Total net asset value (\$ millions) (1)	\$12.10	\$12.84	\$18.85	\$19.37	\$18.13
Number of units outstanding	691,021	844,834	1,069,768	1,129,001	1,300,131
Management expense ratio (2)	1.16%	1.19%	1.22%	1.23%	1.22%
Management expense ratio before waivers or absorptions	1.16%	1.19%	1.22%	1.23%	1.22%
Trading expense ratio (3)	0.11%	0.09%	0.04%	0.06%	0.05%
Portfolio turnover rate (4)	14.57%	16.67%	23.39%	36.56%	23.34%
Net asset value per unit	\$17.51	\$15.20	\$17.62	\$17.16	\$13.94

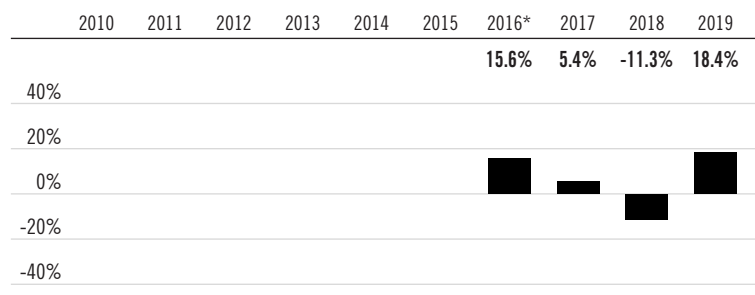
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PAST PERFORMANCE

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Year-by-Year Returns

The bar chart shows the Fund's annual performance for each of the years shown, and illustrates how the investment Fund's performance has changed from year to year. In percentage terms, the bar chart indicates how much an investment made on January 1 would have grown or decreased by the December 31 of each year shown.



*2016 Series F return: April 25 to December 31

Annual Compound Returns

The table shows the annual compound total returns for each of the periods shown ended December 31, 2019. The returns are compared against the benchmark(s) over the same period.‡

	1 Year	3 Years	5 Years	10 Years	Since Inception
Series F Units	18.4%	3.5%	N/A	N/A	6.9%
S&P/TSX Composite TR Index	22.9%	6.9%	N/A	N/A	9.2%

‡ For a definition of the benchmark(s), please refer to “Benchmark(s) Information” at the end of the section.

MANAGEMENT REPORT OF FUND PERFORMANCE

Series I (AS AT DECEMBER 31, 2019)

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the fiscal periods ended December 31.

Net assets per unit (1)	2019	2018	2017	2016
Net assets – beginning of period	\$10.23	\$11.92	\$11.68	\$10.00
Increase (decrease) from operations:				
Total revenue	0.46	0.47	0.49	0.37
Total expenses	(0.20)	(0.20)	(0.21)	(0.14)
Realized gains (losses) for the period	0.33	0.38	0.28	(0.35)
Unrealized gains (losses) for the period	1.36	(1.96)	(0.04)	1.72
Total increase (decrease) from operations (2)	1.95	(1.31)	0.52	1.60
Distributions:				
From income (excluding dividends)	–	–	–	–
From dividends	(0.29)	(0.32)	(0.30)	(0.23)
From capital gains	–	–	–	–
Returns of capital	(0.03)	–	–	–
Total annual distributions (3)	(0.32)	(0.32)	(0.30)	(0.23)
Net assets – end of period	\$11.71	\$10.23	\$11.92	\$11.68
Ratios and supplemental data:	2019	2018	2017	2016
Total net asset value (\$ millions) (1)	\$1.96	\$2.36	\$3.58	\$4.02
Number of units outstanding	167,801	230,541	299,785	344,204
Management expense ratio (2)	1.81%	1.79%	1.79%	1.80%
Management expense ratio before waivers or absorptions	1.81%	1.79%	1.79%	1.80%
Trading expense ratio (3)	0.11%	0.09%	0.04%	0.06%
Portfolio turnover rate (4)	14.57%	16.67%	23.39%	36.56%
Net asset value per unit	\$11.71	\$10.23	\$11.92	\$11.68

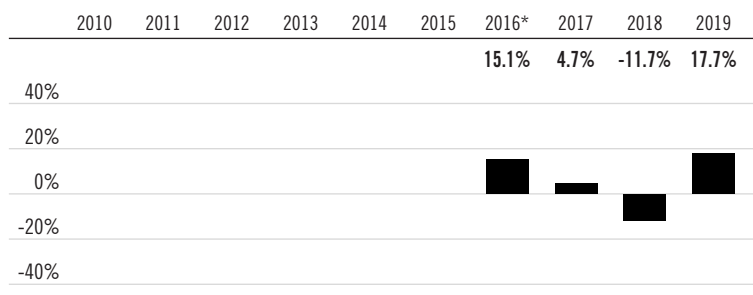
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PAST PERFORMANCE

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Year-by-Year Returns

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*2016 Series I return: April 25 to December 31

Annual Compound Returns

The table shows the annual compound total returns for each of the periods shown ended December 31, 2019. The returns are compared against the benchmark(s) over the same period.‡

	1 Year	3 Years	5 Years	10 Years	Since Inception
Series I Units	17.7%	2.8%	N/A	N/A	7.2%
S&P/TSX Composite TR Index	22.9%	6.9%	N/A	N/A	9.2%

‡ For a definition of the benchmark(s), please refer to “Benchmark(s) Information” at the end of the section.

MANAGEMENT REPORT OF FUND PERFORMANCE

Series 0 (AS AT DECEMBER 31, 2019)

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the fiscal periods ended December 31.

Net assets per unit (1)	2019	2018	2017	2016	2015
Net assets – beginning of period	\$18.40	\$21.08	\$20.27	\$16.27	\$19.76
Increase (decrease) from operations:					
Total revenue	0.82	0.85	0.85	0.81	0.85
Total expenses	0.01	0.01	–	–	–
Realized gains (losses) for the period	0.62	0.67	0.55	(0.88)	0.27
Unrealized gains (losses) for the period	3.33	(3.57)	(0.12)	4.35	(3.91)
Total increase (decrease) from operations (2)	4.78	(2.04)	1.28	4.28	(2.79)
Distributions:					
From income (excluding dividends)	–	–	–	–	–
From dividends	(0.53)	(0.57)	(0.53)	(0.53)	(0.59)
From capital gains	–	–	–	–	–
Returns of capital	(0.05)	–	–	–	–
Total annual distributions (3)	(0.58)	(0.57)	(0.53)	(0.53)	(0.59)
Net assets – end of period	\$21.44	\$18.40	\$21.08	\$20.27	\$16.27
Ratios and supplemental data:	2019	2018	2017	2016	2015
Total net asset value (\$ millions) (1)	\$106.48	\$227.41	\$312.78	\$306.18	\$184.94
Number of units outstanding	4,966,231	12,362,267	14,841,126	15,101,502	11,366,117
Management expense ratio (2)	–	–	–	–	–
Management expense ratio before waivers or absorptions	–	–	–	–	–
Trading expense ratio (3)	0.11%	0.09%	0.04%	0.06%	0.05%
Portfolio turnover rate (4)	14.57%	16.67%	23.39%	36.56%	23.34%
Net asset value per unit	\$21.44	\$18.40	\$21.08	\$20.27	\$16.27

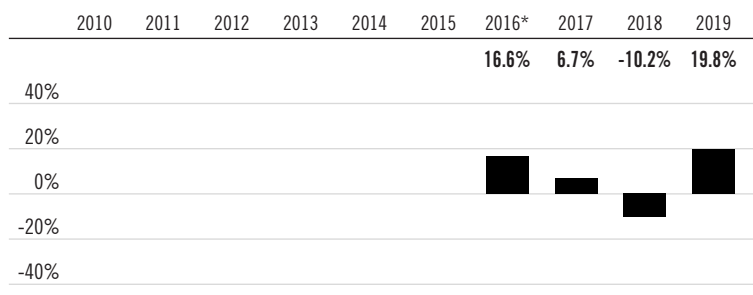
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PAST PERFORMANCE

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*2016 Series 0 return: April 25 to December 31

Annual Compound Returns

The table shows the annual compound total returns for each of the periods shown ended December 31, 2019. The returns are compared against the benchmark(s) over the same period.‡

	1 Year	3 Years	5 Years	10 Years	Since Inception
Series 0 Units	19.8%	4.7%	N/A	N/A	8.2%
S&P/TSX Composite TR Index	22.9%	6.9%	N/A	N/A	9.2%

‡ For a definition of the benchmark(s), please refer to “Benchmark(s) Information” at the end of the section.

MANAGEMENT REPORT OF FUND PERFORMANCE

Series PA (AS AT DECEMBER 31, 2019)

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the fiscal period ended December 31.

Net assets per unit (1)	2019
Net assets - initial offering price*	\$10.00
Increase (decrease) from operations:	
Total revenue	0.41
Total expenses	(0.19)
Realized gains (losses) for the period	0.31
Unrealized gains (losses) for the period	0.42
Total increase (decrease) from operations (2)	0.95
Distributions:	
From income (excluding dividends)	-
From dividends	(0.27)
From capital gains	-
Returns of capital	(0.02)
Total annual distributions (3)	(0.29)
Net assets – end of period	\$10.69
Ratios and supplemental data:	2019
Total net asset value (\$ millions) (1)	\$23.90
Number of units outstanding	2,236,446
Management expense ratio (2)	2.04%
Management expense ratio before waivers or absorptions	2.04%
Trading expense ratio (3)	0.11%
Portfolio turnover rate (4)	14.57%
Net asset value per unit	\$10.69

For explanatory notes, please refer to "Explanatory Notes to Financial Highlights" at the end of the section.

*The Series was launched on January 25, 2019

PAST PERFORMANCE

The following information assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund and does not take into account sales, redemption, distribution or other optional charges that would have reduced returns. Past performance does not necessarily indicate how the Fund will perform in the future.

Year-by-Year Returns

The bar chart shows the Fund's annual performance for each of the years shown, and illustrates how the investment Fund's performance has changed from year to year. In percentage terms, the bar chart indicates how much an investment made on January 1 would have grown or decreased by the December 31 of each year shown.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*
										9.9%
40%										
20%										
0%										
-20%										
-40%										

*2019 Series PA return: January 25 to December 31

Annual Compound Returns

The table shows the annual compound total returns for each of the periods shown ended December 31, 2019. The returns are compared against the benchmark(s) over the same period.‡

	1 Year	3 Years	5 Years	10 Years	Since Inception
Series PA Units	N/A	N/A	N/A	N/A	9.9%
S&P/TSX Composite TR Index	N/A	N/A	N/A	N/A	14.4%

‡ For a definition of the benchmark(s), please refer to "Benchmark(s) Information" at the end of the section.

MANAGEMENT REPORT OF FUND PERFORMANCE

Series PF (AS AT DECEMBER 31, 2019)

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the fiscal periods ended December 31.

Net assets per unit (1)	2019	2018	2017	2016
Net assets – beginning of period	\$9.56	\$11.06	\$10.74	\$10.00
Increase (decrease) from operations:				
Total revenue	0.44	0.45	0.45	0.23
Total expenses	(0.09)	(0.10)	(0.11)	(0.03)
Realized gains (losses) for the period	0.30	0.35	0.30	0.05
Unrealized gains (losses) for the period	1.16	(1.86)	(0.06)	0.02
Total increase (decrease) from operations (2)	1.81	(1.16)	0.58	0.27
Distributions:				
From income (excluding dividends)	–	–	–	–
From dividends	(0.27)	(0.30)	(0.28)	(0.04)
From capital gains	–	–	–	–
Returns of capital	(0.02)	–	–	–
Total annual distributions (3)	(0.29)	(0.30)	(0.28)	(0.04)
Net assets – end of period	\$11.04	\$9.56	\$11.06	\$10.74
Ratios and supplemental data:	2019	2018	2017	2016
Total net asset value (\$ millions) (1)	\$24.37	\$22.17	\$30.44	\$28.34
Number of units outstanding	2,207,431	2,319,190	2,752,790	2,638,056
Management expense ratio (2)	0.93%	0.96%	0.98%	1.02%
Management expense ratio before waivers or absorptions	0.93%	0.96%	0.98%	1.02%
Trading expense ratio (3)	0.11%	0.09%	0.04%	0.06%
Portfolio turnover rate (4)	14.57%	16.67%	23.39%	36.56%
Net asset value per unit	\$11.04	\$9.56	\$11.06	\$10.74

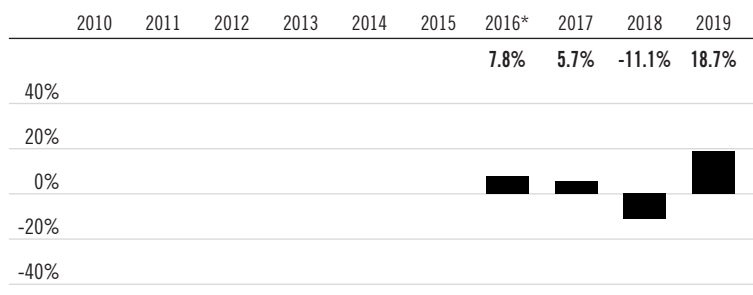
For explanatory notes, please refer to “Explanatory Notes to Financial Highlights” at the end of the section.

PAST PERFORMANCE

The following information assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund and does not take into account sales, redemption, distribution or other optional charges that would have reduced returns. Past performance does not necessarily indicate how the Fund will perform in the future.

Year-by-Year Returns

The bar chart shows the Fund's annual performance for each of the years shown, and illustrates how the investment Fund's performance has changed from year to year. In percentage terms, the bar chart indicates how much an investment made on January 1 would have grown or decreased by the December 31 of each year shown.



*2016 Series PF return: October 3 to December 31

Annual Compound Returns

The table shows the annual compound total returns for each of the periods shown ended December 31, 2019. The returns are compared against the benchmark(s) over the same period.‡

	1 Year	3 Years	5 Years	10 Years	Since Inception
Series PF Units	18.7%	3.7%	N/A	N/A	5.8%
S&P/TSX Composite TR Index	22.9%	6.9%	N/A	N/A	7.9%

‡ For a definition of the benchmark(s), please refer to “Benchmark(s) Information” at the end of the section.

NOTES TO FINANCIAL HIGHLIGHTS

Net Assets per Unit:

- (1) This information is derived from the Fund's audited annual financial statements. In the period a fund or series is established, the financial information is provided from the date of inception to the end of the period. In cases where the net assets per unit presented in the financial statements differ from the net asset value calculated for Fund pricing purposes, an explanation of these differences can be found in the notes to the financial statements.
- (2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/(decrease) in net assets from operations is based on the weighted average number of units outstanding over the fiscal period. This table is not intended to be a reconciliation of opening and closing net assets per unit.
- (3) Distributions were paid in cash or reinvested in additional units of the Fund or both, and exclude distributions of management fee reductions to unitholders.

Ratios and Supplemental Data:

- (1) This information is provided as at the period-end of the year shown.
- (2) Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.
- (3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of net asset value during the period.
- (4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling each security in its portfolio once in the course of the relevant period. The higher the portfolio turnover rate in the period, the greater the trading costs payable by the Fund and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

OTHER FUND INFORMATION

Reported year-by-year returns for past years may be revised, based on the results of recalculations, audits and/or other historical review processes. Such revisions are considered immaterial to performance disclosure unless otherwise stated.

Series I and V, as applicable, are presently capped (closed to new investors). Investors who currently own units of Series I and Series V may continue to purchase additional units in those series. These series may become available for purchase by new investors at the discretion of the Manager.

BENCHMARK(S) INFORMATION

S&P/TSX Composite Total Return Index measures the total return (dividends are reinvested) of the largest Canadian companies, in terms of three-year average quoted market value, listed on the TSX. The S&P/TSX Composite Index was formerly called The Toronto Stock Exchange 300 Total Return TR Index (TSE 300).