

# SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2020



**FRANKLIN  
TEMPLETON**

This semi-annual management report of fund performance contains financial highlights but does not contain either the semi-annual financial report or annual financial statements of the investment fund. You can get a copy of the semi-annual financial report or annual financial statements at your request, and at no cost, by calling 1.800.387.0830, by writing to us at 5000 Yonge Street, Suite 900, Toronto ON M2N 0A7, or by visiting our website at [www.franklintempleton.ca](http://www.franklintempleton.ca) or SEDAR at [www.sedar.com](http://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

## RESULTS OF OPERATIONS

As at June 30, 2020, total net asset value of the Fund was \$258.3 million, a decrease of 25.2% from December 31, 2019. This was primarily driven by a decrease of \$48.5 million in net assets from operations and \$37.3 million in net redemptions. The Fund paid or made payable \$1.1 million in cash distributions to unitholders.

During the past six months, Franklin Bissett Canadian Dividend Fund (the "Fund") Series A units generated total returns of -15.1%. Over the same period, the Fund's benchmark index, the S&P/TSX Composite Index (the "Index"), declined 7.5%. 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.

Over the period, market dynamics were influenced by a confluence of factors with the main catalyst being the global outbreak of the COVID-19 pandemic, the ensuing economic shutdowns, and the follow-on policy response of central banks worldwide. As investors digested the abrupt impact of economic shutdowns globally, sector leadership emerged from the Information Technology sector, as a significant portion of the population shifted to working from home, and consumers shifted to online retail/grocery options.

The single biggest detractor for the period was Shopify (not owned in the Fund) which posted a return of +149.8% for the period. For context, the performance of Shopify can be attributed to about 60% of the Fund's relative underperformance over the period. In the Canadian sleeve of the Fund, the Real Estate, Materials and Energy sectors accounted for a large portion of relative underperformance. Holdings with notable impact included RioCan REIT, Vermilion (sold prior to period end), Freehold Royalty Trust, Keyera and Arc Resources. Underperformance was offset by Franco-Nevada and Wheaton Precious Metals in the Materials Sector, as well as the Fund's underweight position in Suncor (which was weak for the period).

Average net assets of the series of the Fund that bear expenses have decreased for the six months ended June 30, 2020. 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 2020, the portfolio managers believe it is important to be increasingly discerning with respect to valuations. Despite certain sectors and individual circumstances continuing to present attractive investment opportunities, the strong recent advance in North American equities naturally tempers enthusiasm for go-forward absolute returns, especially given the broad uncertainties presented by COVID-19.

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**

Franklin Templeton Investments Corp. (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, O-Hedged, OT and OT-Hedged, as applicable), calculated daily, as set out under Management Fees below. During the six months ended June 30, 2020, the Fund paid management fees of \$1.9 million (2019—\$2.5 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 0.15% plus applicable taxes, applied against the average daily net assets of the Fund ("Administration Fee"), except for Series I which has an annual Administration Fee of 0.22%, and Series O, O-Hedged, OT and OT-Hedged, as applicable, which have no annual Administration Fee. The Manager will pay all operating expenses of Series O, O-Hedged, OT and OT-Hedged, 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 six months ended June 30, 2020, the Fund paid Administration Fees of \$181,000 (2019—\$303,000).

During the six months ended June 30, 2020, the Manager waived fund costs of \$1,000 (2019—\$—). The decision to waive fees or absorb expenses is made at the discretion of the Manager.

#### **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, F-Hedged, FT, O, O-Hedged, OT, OT-Hedged, 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.

The management and administration fees for Series O, O-Hedged, OT and OT-Hedged, as applicable, 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—0.80%
- C\$5 million and over—0.70%

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

FRANKLIN BISSETT CANADIAN DIVIDEND FUND  
**MANAGEMENT REPORT OF FUND PERFORMANCE**  
**Summary of Investment Portfolio** (AS AT JUNE 30, 2020)

**REGIONAL WEIGHTINGS (%)\***

North America 98.71

**SECTOR WEIGHTINGS (%)\***

Financials 22.56  
 Utilities 16.32  
 Communication Services 12.38  
 Consumer Staples 12.16  
 Energy 11.62  
 Materials 8.47  
 Real Estate 8.15  
 Industrials 4.34  
 Information Technology 2.71

**ASSET CLASS WEIGHTINGS (%)**

Common Stocks 98.71  
 Short-term securities and all other assets, net 1.29

**TOP 25 HOLDINGS (%)**

Royal Bank of Canada 6.45  
 Fortis Inc. 4.74  
 Enbridge Inc. 4.55  
 BCE Inc. 4.54  
 The Toronto-Dominion Bank 4.37  
 Canadian National Railway Co. 4.34  
 Metro Inc., A 3.98  
 TELUS Corp. 3.96  
 Rogers Communications Inc., B 3.89  
 Canadian Utilities Ltd., A 3.76  
 Wheaton Precious Metals Corp. 3.57  
 Brookfield Infrastructure Partners LP 3.53  
 Loblaw Companies Ltd. 3.23  
 The Bank of Nova Scotia 3.00  
 Alimentation Couche-Tard Inc., B 2.87  
 Bank of Montreal 2.80  
 Open Text Corp. 2.71  
 Brookfield Renewable Partners LP 2.60  
 Choice Properties Real Estate Investment Trust 2.51  
 Nutrien Ltd. 2.50  
 Manulife Financial Corp. 2.20  
 Saputo Inc. 2.08  
 Franco-Nevada Corp. 2.08  
 RioCan Real Estate Investment Trust 2.01  
 Sun Life Financial Inc. 1.98

**TOTAL NET ASSET VALUE: \$258,316,000**

\* 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](http://www.franklintempleton.ca).

**MANAGEMENT REPORT OF FUND PERFORMANCE**

Series A (AS AT JUNE 30, 2020)

**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 six months ended June 30, 2020 and for the fiscal periods ended December 31.

<b>Net assets per unit (1)</b>	<b>June 30, 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Net assets – beginning of period</b>	<b>\$14.68</b>	<b>\$12.89</b>	<b>\$15.12</b>	<b>\$14.89</b>	<b>\$12.23</b>	<b>\$15.20</b>
<b>Increase (decrease) from operations:</b>						
Total revenue	0.26	0.58	0.60	0.61	0.60	0.64
Total expenses	(0.14)	(0.33)	(0.33)	(0.35)	(0.32)	(0.33)
Realized gains (losses) for the period	(0.20)	0.40	0.48	0.36	(0.64)	0.25
Unrealized gains (losses) for the period	(2.13)	1.77	(2.53)	(0.03)	3.21	(3.04)
<b>Total increase (decrease) from operations (2)</b>	<b>(2.21)</b>	<b>2.42</b>	<b>(1.78)</b>	<b>0.59</b>	<b>2.85</b>	<b>(2.48)</b>
<b>Distributions:</b>						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	(0.20)	(0.37)	(0.40)	(0.38)	(0.40)	(0.45)
From capital gains	–	–	–	–	–	–
Returns of capital	–	(0.03)	–	–	–	–
<b>Total annual distributions (3)</b>	<b>(0.20)</b>	<b>(0.40)</b>	<b>(0.40)</b>	<b>(0.38)</b>	<b>(0.40)</b>	<b>(0.45)</b>
<b>Net assets – end of period</b>	<b>\$12.27</b>	<b>\$14.68</b>	<b>\$12.89</b>	<b>\$15.12</b>	<b>\$14.89</b>	<b>\$12.23</b>
<b>Ratios and supplemental data:</b>	<b>June 30, 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Total net asset value (\$ millions) (1)	\$133.11	\$176.44	\$215.24	\$323.76	\$383.00	\$180.00
Number of units outstanding	10,851,355	12,019,184	16,695,834	21,415,202	25,727,397	14,717,561
Management expense ratio (2)	2.27%	2.33%	2.33%	2.33%	2.33%	2.34%
Management expense ratio before waivers or absorptions	2.27%	2.33%	2.33%	2.33%	2.33%	2.34%
Trading expense ratio (3)	0.20%	0.11%	0.09%	0.04%	0.06%	0.05%
Portfolio turnover rate (4)	14.52%	14.57%	16.67%	23.39%	36.56%	23.34%
Net asset value per unit	\$12.27	\$14.68	\$12.89	\$15.12	\$14.89	\$12.23

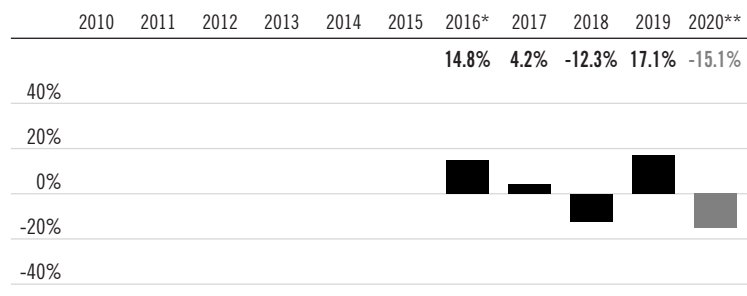
For explanatory notes, please refer to "Explanatory Notes to Financial Highlights" at the end of the section.

**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 performance for the six-month period ended June 30, 2020, and for each of the previous 12-month periods ended December 31. In percentage terms, the bar chart indicates how much an investment made on January 1 of the applicable year would have grown or decreased by the end of the period.



\* 2016 Series A return: April 25 to December 31

\*\* For the period January 1 to June 30, 2020

**MANAGEMENT REPORT OF FUND PERFORMANCE**

Series F (AS AT JUNE 30, 2020)

**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 six months ended June 30, 2020 and for the fiscal periods ended December 31.

<b>Net assets per unit (1)</b>	<b>June 30, 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Net assets – beginning of period</b>	<b>\$17.51</b>	<b>\$15.20</b>	<b>\$17.62</b>	<b>\$17.16</b>	<b>\$13.94</b>	<b>\$17.14</b>
<b>Increase (decrease) from operations:</b>						
Total revenue	0.31	0.69	0.71	0.72	0.67	0.73
Total expenses	(0.08)	(0.19)	(0.19)	(0.21)	(0.19)	(0.19)
Realized gains (losses) for the period	(0.24)	0.49	0.56	0.46	(0.78)	0.25
Unrealized gains (losses) for the period	(2.54)	1.91	(2.99)	(0.07)	3.79	(3.26)
<b>Total increase (decrease) from operations (2)</b>	<b>(2.55)</b>	<b>2.90</b>	<b>(1.91)</b>	<b>0.90</b>	<b>3.49</b>	<b>(2.47)</b>
<b>Distributions:</b>						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	(0.24)	(0.43)	(0.47)	(0.44)	(0.45)	(0.51)
From capital gains	–	–	–	–	–	–
Returns of capital	–	(0.04)	–	–	–	–
<b>Total annual distributions (3)</b>	<b>(0.24)</b>	<b>(0.47)</b>	<b>(0.47)</b>	<b>(0.44)</b>	<b>(0.45)</b>	<b>(0.51)</b>
<b>Net assets – end of period</b>	<b>\$14.71</b>	<b>\$17.51</b>	<b>\$15.20</b>	<b>\$17.62</b>	<b>\$17.16</b>	<b>\$13.94</b>
<b>Ratios and supplemental data:</b>	<b>June 30, 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Total net asset value (\$ millions) (1)	\$9.18	\$12.10	\$12.84	\$18.85	\$19.37	\$18.13
Number of units outstanding	624,060	691,021	844,834	1,069,768	1,129,001	1,300,131
Management expense ratio (2)	1.15%	1.16%	1.19%	1.22%	1.23%	1.22%
Management expense ratio before waivers or absorptions	1.15%	1.16%	1.19%	1.22%	1.23%	1.22%
Trading expense ratio (3)	0.20%	0.11%	0.09%	0.04%	0.06%	0.05%
Portfolio turnover rate (4)	14.52%	14.57%	16.67%	23.39%	36.56%	23.34%
Net asset value per unit	\$14.71	\$17.51	\$15.20	\$17.62	\$17.16	\$13.94

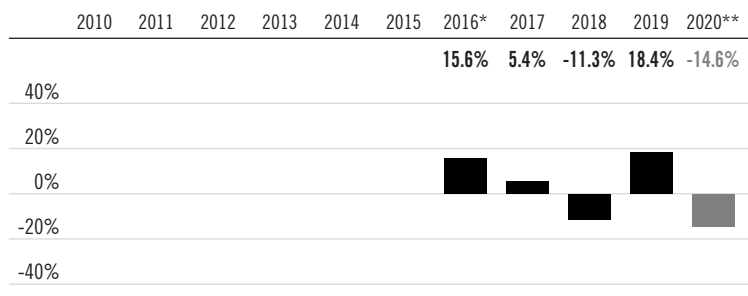
For explanatory notes, please refer to "Explanatory Notes to Financial Highlights" at the end of the section.

**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 performance for the six-month period ended June 30, 2020, and for each of the previous 12-month periods ended December 31. In percentage terms, the bar chart indicates how much an investment made on January 1 of the applicable year would have grown or decreased by the end of the period.



\* 2016 Series F return: April 25 to December 31

\*\* For the period January 1 to June 30, 2020

**MANAGEMENT REPORT OF FUND PERFORMANCE**

Series I (AS AT JUNE 30, 2020)

**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 six months ended June 30, 2020 and for the fiscal periods ended December 31.

<b>Net assets per unit (1)</b>	<b>June 30, 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Net assets – beginning of period</b>	<b>\$11.71</b>	<b>\$10.23</b>	<b>\$11.92</b>	<b>\$11.68</b>	<b>\$10.00</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.20	0.46	0.47	0.49	0.37
Total expenses	(0.09)	(0.20)	(0.20)	(0.21)	(0.14)
Realized gains (losses) for the period	(0.16)	0.33	0.38	0.28	(0.35)
Unrealized gains (losses) for the period	(1.66)	1.36	(1.96)	(0.04)	1.72
<b>Total increase (decrease) from operations (2)</b>	<b>(1.71)</b>	<b>1.95</b>	<b>(1.31)</b>	<b>0.52</b>	<b>1.60</b>
<b>Distributions:</b>					
From income (excluding dividends)	–	–	–	–	–
From dividends	(0.16)	(0.29)	(0.32)	(0.30)	(0.23)
From capital gains	–	–	–	–	–
Returns of capital	–	(0.03)	–	–	–
<b>Total annual distributions (3)</b>	<b>(0.16)</b>	<b>(0.32)</b>	<b>(0.32)</b>	<b>(0.30)</b>	<b>(0.23)</b>
<b>Net assets – end of period</b>	<b>\$9.80</b>	<b>\$11.71</b>	<b>\$10.23</b>	<b>\$11.92</b>	<b>\$11.68</b>
<b>Ratios and supplemental data:</b>	<b>June 30, 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Total net asset value (\$ millions) (1)	\$1.44	\$1.96	\$2.36	\$3.58	\$4.02
Number of units outstanding	146,929	167,801	230,541	299,785	344,204
Management expense ratio (2)	1.81%	1.81%	1.79%	1.79%	1.80%
Management expense ratio before waivers or absorptions	1.81%	1.81%	1.79%	1.79%	1.80%
Trading expense ratio (3)	0.20%	0.11%	0.09%	0.04%	0.06%
Portfolio turnover rate (4)	14.52%	14.57%	16.67%	23.39%	36.56%
Net asset value per unit	\$9.80	\$11.71	\$10.23	\$11.92	\$11.68

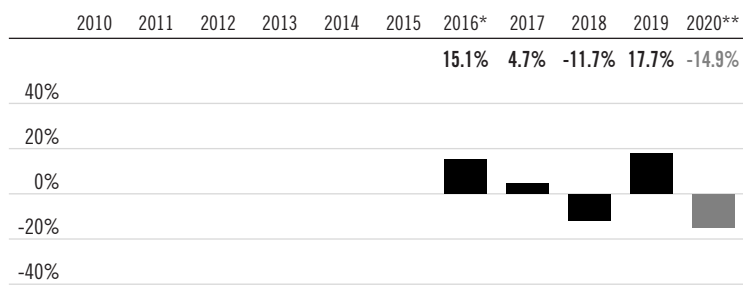
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**PAST PERFORMANCE**

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**Year-by-Year Returns**

The bar chart shows the Fund's performance for the six-month period ended June 30, 2020, and for each of the previous 12-month periods ended December 31. In percentage terms, the bar chart indicates how much an investment made on January 1 of the applicable year would have grown or decreased by the end of the period.



\* 2016 Series I return: April 25 to December 31

\*\* For the period January 1 to June 30, 2020



**MANAGEMENT REPORT OF FUND PERFORMANCE**

Series O (AS AT JUNE 30, 2020)

**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 six months ended June 30, 2020 and for the fiscal periods ended December 31.

<b>Net assets per unit (1)</b>	<b>June 30, 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Net assets – beginning of period</b>	<b>\$21.44</b>	<b>\$18.40</b>	<b>\$21.08</b>	<b>\$20.27</b>	<b>\$16.27</b>	<b>\$19.76</b>
<b>Increase (decrease) from operations:</b>						
Total revenue	0.37	0.82	0.85	0.85	0.81	0.85
Total expenses	0.01	0.01	0.01	–	–	–
Realized gains (losses) for the period	(0.31)	0.62	0.67	0.55	(0.88)	0.27
Unrealized gains (losses) for the period	(3.19)	3.33	(3.57)	(0.12)	4.35	(3.91)
<b>Total increase (decrease) from operations (2)</b>	<b>(3.12)</b>	<b>4.78</b>	<b>(2.04)</b>	<b>1.28</b>	<b>4.28</b>	<b>(2.79)</b>
<b>Distributions:</b>						
From income (excluding dividends)	–	–	–	–	–	–
From dividends	(0.29)	(0.53)	(0.57)	(0.53)	(0.53)	(0.59)
From capital gains	–	–	–	–	–	–
Returns of capital	–	(0.05)	–	–	–	–
<b>Total annual distributions (3)</b>	<b>(0.29)</b>	<b>(0.58)</b>	<b>(0.57)</b>	<b>(0.53)</b>	<b>(0.53)</b>	<b>(0.59)</b>
<b>Net assets – end of period</b>	<b>\$18.12</b>	<b>\$21.44</b>	<b>\$18.40</b>	<b>\$21.08</b>	<b>\$20.27</b>	<b>\$16.27</b>
<b>Ratios and supplemental data:</b>	<b>June 30, 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Total net asset value (\$ millions) (1)	\$74.72	\$106.48	\$227.41	\$312.78	\$306.18	\$184.94
Number of units outstanding	4,123,395	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)	0.20%	0.11%	0.09%	0.04%	0.06%	0.05%
Portfolio turnover rate (4)	14.52%	14.57%	16.67%	23.39%	36.56%	23.34%
Net asset value per unit	\$18.12	\$21.44	\$18.40	\$21.08	\$20.27	\$16.27

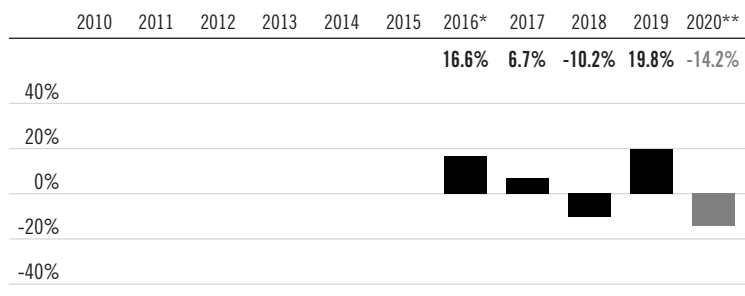
For explanatory notes, please refer to “Explanatory Notes to Financial Highlights” at the end of the section.

**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 performance for the six-month period ended June 30, 2020, and for each of the previous 12-month periods ended December 31. In percentage terms, the bar chart indicates how much an investment made on January 1 of the applicable year would have grown or decreased by the end of the period.



\* 2016 Series O return: April 25 to December 31

\*\* For the period January 1 to June 30, 2020

**MANAGEMENT REPORT OF FUND PERFORMANCE**

Series PA (AS AT JUNE 30, 2020)

**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 six months ended June 30, 2020 and for the fiscal periods ended December 31.

<b>Net assets per unit (1)</b>	<b>June 30, 2020</b>	<b>2019</b>
<b>Net assets – beginning of period</b>	<b>\$10.69</b>	<b>\$10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.19	0.41
Total expenses	(0.09)	(0.19)
Realized gains (losses) for the period	(0.15)	0.31
Unrealized gains (losses) for the period	(1.59)	0.42
<b>Total increase (decrease) from operations (2)</b>	<b>(1.64)</b>	<b>0.95</b>
<b>Distributions:</b>		
From income (excluding dividends)	–	–
From dividends	(0.15)	(0.27)
From capital gains	–	–
Returns of capital	–	(0.02)
<b>Total annual distributions (3)</b>	<b>(0.15)</b>	<b>(0.29)</b>
<b>Net assets – end of period</b>	<b>\$8.94</b>	<b>\$10.69</b>
<b>Ratios and supplemental data:</b>	<b>June 30, 2020</b>	<b>2019</b>
Total net asset value (\$ millions) (1)	\$19.78	\$23.90
Number of units outstanding	2,211,847	2,236,446
Management expense ratio (2)	2.03%	2.04%
Management expense ratio before waivers or absorptions	2.03%	2.04%
Trading expense ratio (3)	0.20%	0.11%
Portfolio turnover rate (4)	14.52%	14.57%
Net asset value per unit	\$8.94	\$10.69

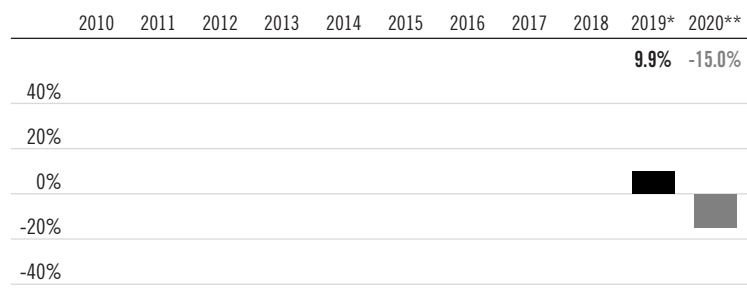
For explanatory notes, please refer to “Explanatory Notes to Financial Highlights” at the end of the section.

**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 performance for the six-month period ended June 30, 2020, and for each of the previous 12-month periods ended December 31. In percentage terms, the bar chart indicates how much an investment made on January 1 of the applicable year would have grown or decreased by the end of the period.



\* 2019 Series PA return: January 25 to December 31

\*\* For the period January 1 to June 30, 2020

**MANAGEMENT REPORT OF FUND PERFORMANCE**

Series PF (AS AT JUNE 30, 2020)

**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 six months ended June 30, 2020 and for the fiscal periods ended December 31.

<b>Net assets per unit (1)</b>	<b>June 30, 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Net assets – beginning of period</b>	<b>\$11.04</b>	<b>\$9.56</b>	<b>\$11.06</b>	<b>\$10.74</b>	<b>\$10.00</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.19	0.44	0.45	0.45	0.23
Total expenses	(0.04)	(0.09)	(0.10)	(0.11)	(0.03)
Realized gains (losses) for the period	(0.15)	0.30	0.35	0.30	0.05
Unrealized gains (losses) for the period	(1.62)	1.16	(1.86)	(0.06)	0.02
<b>Total increase (decrease) from operations (2)</b>	<b>(1.62)</b>	<b>1.81</b>	<b>(1.16)</b>	<b>0.58</b>	<b>0.27</b>
<b>Distributions:</b>					
From income (excluding dividends)	–	–	–	–	–
From dividends	(0.15)	(0.27)	(0.30)	(0.28)	(0.04)
From capital gains	–	–	–	–	–
Returns of capital	–	(0.02)	–	–	–
<b>Total annual distributions (3)</b>	<b>(0.15)</b>	<b>(0.29)</b>	<b>(0.30)</b>	<b>(0.28)</b>	<b>(0.04)</b>
<b>Net assets – end of period</b>	<b>\$9.29</b>	<b>\$11.04</b>	<b>\$9.56</b>	<b>\$11.06</b>	<b>\$10.74</b>
<b>Ratios and supplemental data:</b>	<b>June 30, 2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Total net asset value (\$ millions) (1)	\$20.10	\$24.37	\$22.17	\$30.44	\$28.34
Number of units outstanding	2,164,086	2,207,431	2,319,190	2,752,790	2,638,056
Management expense ratio (2)	0.93%	0.93%	0.96%	0.98%	1.02%
Management expense ratio before waivers or absorptions	0.93%	0.93%	0.96%	0.98%	1.02%
Trading expense ratio (3)	0.20%	0.11%	0.09%	0.04%	0.06%
Portfolio turnover rate (4)	14.52%	14.57%	16.67%	23.39%	36.56%
Net asset value per unit	\$9.29	\$11.04	\$9.56	\$11.06	\$10.74

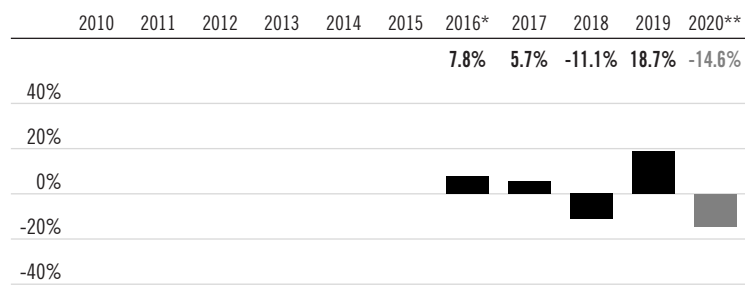
For explanatory notes, please refer to "Explanatory Notes to Financial Highlights" at the end of the section.

**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 performance for the six-month period ended June 30, 2020, and for each of the previous 12-month periods ended December 31. In percentage terms, the bar chart indicates how much an investment made on January 1 of the applicable year would have grown or decreased by the end of the period.



\* 2016 Series PF return: October 3 to December 31

\*\*For the period January 25 to June 30, 2020

## **NOTES TO FINANCIAL HIGHLIGHTS**

### **Net Assets per Unit:**

- (1) This information is derived from the Fund's unaudited interim financial statements and 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.