



**VALUE  
PARTNERS**  
INVESTMENTS

# **VPI DIVIDEND GROWTH POOL**

**ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE  
FOR THE YEAR ENDED DECEMBER 31, 2023**

## **MANAGER**

VALUE PARTNERS INVESTMENTS INC.

## **PORTFOLIO MANAGER**

BRISTOL GATE CAPITAL PARTNERS INC.

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This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Pool. If you have not received a copy of the annual financial statements with this annual management report of fund performance, you may obtain a copy at your request, and at no cost, by calling toll-free at 1-866-323-4235, by writing to us at 300-175 Hargrave Street, R3C 3R8, by visiting our website at [www.valuepartnersinvestments.ca](http://www.valuepartnersinvestments.ca) or by visiting the SEDAR website at [www.sedar.com](http://www.sedar.com). You may also contact us using one of these methods to request a copy of the Pool's interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.



## Annual Management Discussion of Fund Performance

March 14, 2024

### Investment Objective and Strategies

VPI Dividend Growth Pool's objective is to generate long-term growth of income and capital by investing primarily in a concentrated portfolio of publicly traded equity securities of companies that are expected to pay a growing dividend.

In order to achieve its investment objective, the Portfolio Manager invests in a concentrated portfolio of dividend-paying, large capitalization equities. The Portfolio Manager uses its proprietary quantitative methodology to predict dividend growth in order to identify attractive investment opportunities. Investment opportunities are ranked based on expected dividend growth over the next fiscal year and the highest subset of expected dividend growers are investigated further via the Portfolio Manager's fundamental research process, Productive Capital Analysis™, to assess possible inclusion in the portfolio. The Portfolio Manager attempts to invest in high expected dividend growth businesses, that are of high quality and reasonable valuations. The Portfolio Manager currently intends to focus the portfolio on securities included in the S&P 500 Index but has discretion to invest the Pool's portfolio in equity securities of entities located anywhere in the world.

### Risk

The Pool is considered suitable for investors with a medium tolerance for risk. The risks of investing in the Pool remain as discussed in the Prospectus.

A year ago, the S&P 500 had just experienced its worst year since the global financial crisis. There were widespread concerns that high interest rates and inflation would lead to a recession and that markets would continue to suffer as a result. Suffice it to say, in 2023 the market performed better than most expected it to, finishing the year up over 22%.

Market breadth was limited, as a group of seven stocks, that came to be known as the "Magnificent Seven", drove the bulk of the market's returns, combining to contribute over 60% of the S&P 500's return for the year. Dividend strategies were challenged in 2023, as the S&P 500 Dividend Aristocrats and S&P 500 High Dividend Yield lagged the S&P 500 by 18 and 22 percentage points respectively.

### Results of Operations

Net assets of the Pool increased by approximately \$92.0 million for the year ended December 31, 2023 due to \$31.3 million in net sales to unitholders and a \$60.7 million increase in net assets from operation. The increase in net assets from operations was due to \$57.7 million of unrealized appreciation in the value of investments, \$3.4 million in net realized gains on the sale of investments and dividend and interest income of \$4.3 million. This was offset by a \$0.1 million foreign exchange loss on cash and \$4.6 million of management fees and operating expenses.

There were a few changes made to the Pool's equity holdings during the year. The following table summarizes the businesses that were added and/or removed from the portfolio:

<i>Additions</i>	<i>Dispositions</i>
Corteva Inc.	Advance Auto Parts Inc.
CSX Corp.	Activision Blizzard Inc.
Carrier Global Corp.	Dollar General Corp.



**Results of Operations (continued)**

As a result of these decisions, additions/trimming of existing holdings and changes in market values during the period, there were some notable shifts in the sector allocation from the beginning of the year as indicated in the following table:

<i>Sector</i>	<i>Increase</i>	<i>Sector</i>	<i>Decrease</i>
Financial Services	9.1%	Software & Services	8.5%
Capital Goods	4.7%	Media & Entertainment	5.0%
Transportation	4.5%	Consumer Services	1.1%
Materials	4.1%	Healthcare Equipment & Services	1.0%
Semiconductors & Equipment	0.7%		

Each series of the Pool experienced a gain in the range of 19.5% to 21.9% relative to the 22.9% gain of the S&P 500 Total Return Index (CAD\$) (the "Index").

The trailing 12-month median dividend growth of the companies in the Pool was 14.4% at December 31, 2023, compared to the Index constituent median 6.8%. Over the next 12 months, the Portfolio Manager's model predicts median dividend growth of 14.0% for the companies in the Pool. This compares to the median of the Index constituents of 4.6% as forecast by consensus.

For the calendar year 2023, the Pool underperformed the Index in Canadian dollars, although it performed very well relative to the investable universe of dividend-paying stocks.

Relative to the benchmark, the largest detractor to returns was not owning six out of the "Magnificent Seven" group of companies, as they either did not pay a dividend or meet the Portfolio Manager's criteria for dividend growth. Stock selection in the consumer discretionary and consumer staples sectors also detracted from returns, as did allocation and selection effects in communication services and materials sectors.

Stock selection in financials sector contributed to returns. A zero weight in energy and utilities sectors also benefited the Pool. As highlighted previously, it is not unusual for the Pool to have low exposure to commodity related markets due to the Portfolio Manager's process and unpredictable nature of these markets.

Top individual detractors from performance included Dollar General Corp. ("DG"), Corteva Inc. and Advance Auto Parts Inc. The Portfolio Manager exited the Pool's position in Advance Auto Parts after disappointing operational execution, which funded the acquisition of Corteva with the proceeds in February. The Portfolio Manager also exited DG after becoming increasingly concerned about its competitive positioning and operational execution. Coupled with a deteriorating dividend growth prediction, the Portfolio Manager decided to sell Dollar General just prior to the company reporting its second quarter results at the end of August.

Corteva lagged the market as destocking within the distribution chain of their crop protection segment hampered growth. The Portfolio Manager expects the destocking issue to subside in the coming year. Corteva's seed segment continues to do well and meet expectations.

Top individual contributors included Broadcom Inc., Applied Materials Inc. and Intuit Inc. In addition to continuing to deliver strong operating performance, Broadcom and Applied Materials benefited from the heightened market interest in "Artificial Intelligence". Intuit continues to execute well, and management reiterated their guidance for long-term double-digit growth which the Portfolio Manager views as achievable given the multiple levers the business has to continue growing their earnings.



**Results of Operations (continued)**

During the year, the Pool initiated new positions in Corteva Inc., CSX Corp. and Carrier Global Corp. As discussed above, the Pool’s holdings in Advance Auto Parts Inc. and Dollar General Corp. were exited due to deteriorating fundamentals and lowered dividend growth projections. In addition, the Portfolio Manager exited the Activision Blizzard position as it was acquired by Microsoft Corp. for \$95/share in cash in October. The Portfolio Manager believes the additions to the Pool exhibit the high levels of dividend growth targeted and meet the standards of high-quality businesses.

As part of the Portfolio Manager’s regularly quarterly rebalancing process, existing positions in Dollar General, American Tower, Allegion plc, Corteva Inc., Thermo Fisher Scientific Inc., Sherwin-Williams Co. and Lowe’s Companies Inc. were increased at various points during the period, while positions in Broadcom Inc., Zoetis Inc., Microsoft Corp., Applied Materials Inc. and Intuit Inc. were decreased.

**Revenues and Expenses**

Revenues of the Pool for the year included \$4.3 million of dividend and interest income. These were offset by management fees and operating expenses of \$4.6 million during the year.

The realized gain on sale of investments of \$3.4 million is attributable to three completed dispositions as well as several partial dispositions of shares from the portfolio during the year. Dividends received from each of these holdings while in the Pool are in addition to the gain/loss.

Holding	Approximate Holding Period	Proceeds (millions \$)	Cost (millions \$)	Realized Gain (loss) (millions\$)
Advance Auto Parts Inc.	1.6 years	9.4	12.7	(3.3)
Activision Blizzard Inc.	3.5 years	18.9	14.5	4.4
Dollar General Corp.	3.2 years	10.5	13.4	(2.9)
Partial Dispositions	n/a	19.2	14.0	5.2
		58.0	54.6	3.4

**Recent Developments**

*Economic Conditions*

In an environment of slow growth and the relative return headwind from not owning six of the “Magnificent Seven” stocks (either due to no dividend payments or subpar dividend growth), the Pool and the companies within it have distinguished themselves through their better operating results than their dividend peers and having experienced much less multiple expansion and/or much better operating performance than the market.

While the Portfolio Manager is happy with the results in 2023, it does not put too much emphasis on short term returns. The Portfolio Manager continues not to guess where the macro-environment is heading and instead trust its process. The Portfolio Manager remains confident that whatever the coming year may have in store, the Pool will benefit from their approach over the long term, which consists of building a portfolio of high-quality companies that can grow their dividends at high rates and buy them at reasonable prices. The Portfolio Manager does not see why the factors that led to that performance should change in the future and look forward to continuing to compound unitholders’ income and wealth.

*Change in Ownership*

On September 8, 2023, Great-West Lifeco Inc. and a wholly owned subsidiary of The Canada Life Assurance Company, 14894821 Canada Inc. acquired all the issued and outstanding shares of Value Partners Group Inc. (“VPGI”), the parent company of Value Partners Investments Inc. (the “Manager”), from the previous shareholders of VPGI (“the acquisition”). As a result of the acquisition, there was a change in control of the Manager of the Pool.



VPI DIVIDEND GROWTH POOL

**Portfolio Allocation**

US Equities	98.4%	Other Net Assets	-0.1%
Cash	1.7%		

**Sector Allocation**

Financial Services	17.7%	Transportation	4.5%
Semiconductors and Equipment	14.8%	Consumer Discretionary Retail	4.3%
Software and Services	14.0%	Equity REITs	4.3%
Pharmaceuticals and Biotechnology	9.1%	Health Care and Services	3.7%
Capital Goods	8.7%	Consumer Services	3.6%
Materials	8.4%	Cash	1.7%
Commercial and Professional Services	5.3%	Other Net Assets	-0.1%

**Top 25 Holdings**

<b>Issuer</b>	<b>Percentage of Net Assets</b>
Broadcom Inc.	5.3%
Cintas Corporation	5.3%
Applied Materials, Inc.	4.9%
Roper Technologies, Inc.	4.8%
Intuit Inc.	4.7%
Moody's Corporation	4.7%
The Sherwin-Williams Company	4.7%
Carrier Global Corporation	4.6%
Thermo Fisher Scientific Inc.	4.6%
Zoetis Inc.	4.6%
CSX Corporation	4.5%
Mastercard Incorporated	4.5%
Microchip Technology Incorporated	4.5%
Microsoft Corporation	4.4%
American Tower Corporation, Class A	4.3%
Lowe's Companies, Inc.	4.3%
MSCI Inc.	4.3%
Visa Inc., Class A	4.3%
Allegion plc	4.1%
Corteva, Inc.	3.7%
UnitedHealth Group Incorporated	3.7%
Starbucks Corporation	3.6%
Cash	1.7%
Other Net Assets	-0.1%
<b>Total</b>	<b>100.0%</b>

*The above summary of investment portfolio may change due to ongoing portfolio transactions of the Pool. An update will be made available within 60 days of each subsequent quarter-end.*



VPI DIVIDEND GROWTH POOL

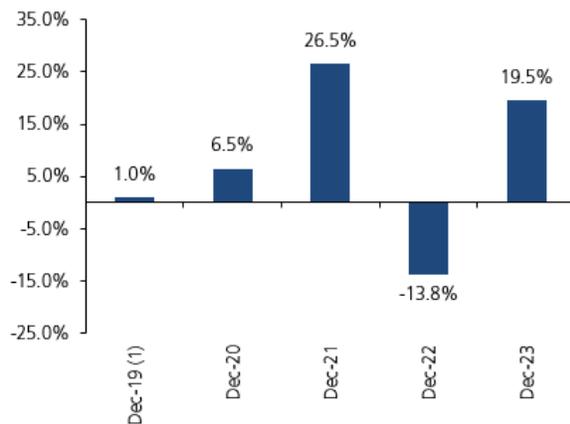
**Past Performance**

The historical performance information shown below assumes that all distributions were reinvested in the Pool and does not account for any sales, redemptions, distributions or optional charges or income taxes payable by an investor that would have reduced returns. Mutual fund returns are not guaranteed, their values change frequently, and past performance may not be repeated.

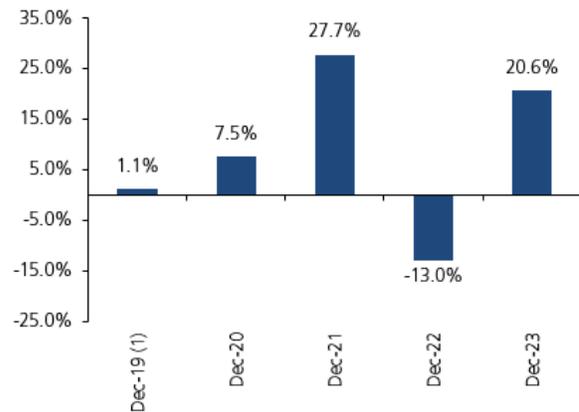
**Year-by-Year Returns**

The bar charts below show the performance of each series of the Pool (net of fees) for the year ended December 31, 2023, and for previous years ended December 31 or since inception to December 31. It shows in percentage terms, how an investment made on January 1 or on inception would have increased or decreased by the end of the respective periods.

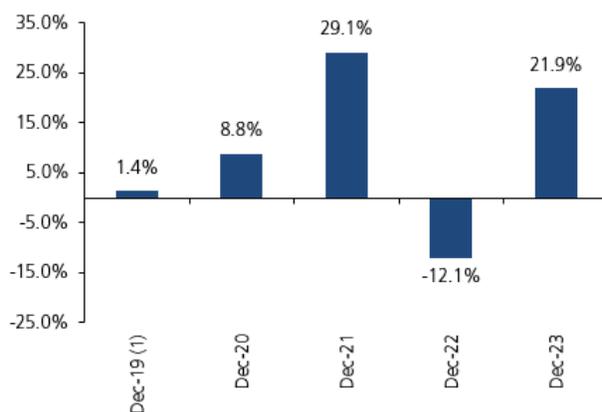
**Series A**



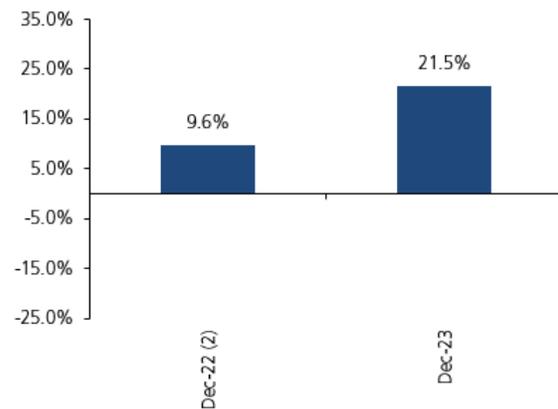
**Series F**



**Series I**



**Series O**



(1) 2019 return is since inception on November 6, 2019.

(2) 2022 return is since inception on June 28, 2022.



VPI DIVIDEND GROWTH POOL

**Annual Compound Returns**

The following table shows the annual compound total return of each series of the Pool compared to the S&P 500 Total Return Index (CAD\$) for the periods shown ended December 31, 2023. All index returns are calculated on a total return basis, meaning that performance was calculated under the assumption that all distributions were reinvested.

	3 Year	1 Year	Since Inception
Series A <sup>(1)</sup> (Inception: November 6, 2019)	9.2%	19.5%	8.5%
S&P 500 Total Return Index (CAD\$)	11.3%	22.9%	13.1%
Series F <sup>(1)</sup> (Inception: November 6, 2019)	10.2%	20.6%	9.5%
S&P 500 Total Return Index (CAD\$)	11.3%	22.9%	13.1%
Series I <sup>(1)</sup> (Inception: November 6, 2019)	11.4%	21.9%	10.7%
S&P 500 Total Return Index (CAD\$)	11.3%	22.9%	13.1%
Series O <sup>(1)</sup> (Inception: June 28, 2022)	n/a	21.5%	21.2%
S&P 500 Total Return Index (CAD\$)	n/a	22.9%	20.5%

(1) The percentage return differs for each series because the management fee rate and expenses differ for each series.

The S&P 500 Index has been widely regarded as the best single gauge of the large cap U.S. equities market since the S&P 500 Index was first published in 1957. The S&P 500 Index includes 500 leading companies in leading industries of the U.S. economy, capturing approximately 80% coverage of available market capitalization.

**Management Fees**

The Pool pays an annual management fee on each of its series (excluding Series I & Series O) to the Manager. The management fee is calculated daily as a percentage of the net asset value of each series as of the close of business on each business day. In consideration for the management fees, the Manager may pay a percentage sales commission and/or trailing commission to registered dealers or brokers for units bought and held in the Pool depending on which series of units were purchased. The Manager also pays a portion of the management fee to the Portfolio Manager for its services in managing the investment portfolio. Series O units of the Pool pay a portfolio management fee based on a percentage of the net asset value of Series O units as of the close of business on each business day calculated at a rate of 0.20% annually.

For the period ended December 31, 2023, approximately 40% of the management fee revenues received by the Manager from the Pool were paid to registered dealers and brokers as sales and/or trailing commissions. Since each series may have a different commission structure, this percentage may vary by series. For unitholders eligible for the Management Fee Reduction Program, approximately 21% of the gross management fees were returned to unitholders as management fee rebates. The remainder of the management fee revenue, after payment of fees to the Portfolio Manager for its services, was retained by the Manager for corporate purposes.

**Related Party Transactions**

Value Partners Investments Inc. is the manager of the Pool and is responsible for the overall business and operations of the Pool. For the period ended December 31, 2023 the Pool paid \$3.5 million in management fees (excluding taxes) to the Manager. In addition, the parent company of the Manager also held 1 Series O unit as of December 31, 2023.



VPI DIVIDEND GROWTH POOL

**Financial Highlights**

The following tables show selected key financial information about each series of the Pool and are intended to help you understand the Pool's financial performance for the past year ended December 31 or since inception to December 31. This information is derived from the Pool's audited annual financial statements and is not intended to be a reconciliation of the net asset value per unit.

**The Pool's Net Assets Per Unit (\$) <sup>(1)</sup>**

<b>Series A <sup>(4)</sup></b>	<b>December 31 2023</b>	<b>December 31 2022</b>	<b>December 31 2021</b>	<b>December 31 2020</b>	<b>December 31 2019</b>
<b>Net assets, beginning of period <sup>(4)</sup></b>	<b>11.48</b>	<b>13.60</b>	<b>10.75</b>	<b>10.10</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.16	0.15	0.13	0.10	-
Total expenses	(0.27)	(0.26)	(0.26)	(0.24)	(0.04)
Realized gains (losses) for the period	0.13	0.43	0.29	(0.45)	-
Unrealized gains (losses) for the period	2.24	(1.97)	2.79	1.73	0.01
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>2.26</b>	<b>(1.65)</b>	<b>2.95</b>	<b>1.14</b>	<b>(0.03)</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	(0.01)
From dividends	-	-	-	-	-
From capital gains	-	(0.24)	-	-	-
Return of capital	-	-	-	-	-
<b>Total annual distributions <sup>(3)</sup></b>	<b>-</b>	<b>(0.24)</b>	<b>-</b>	<b>-</b>	<b>(0.01)</b>
<b>Net assets, end of period</b>	<b>13.72</b>	<b>11.48</b>	<b>13.60</b>	<b>10.75</b>	<b>10.10</b>

<b>Series F <sup>(4)</sup></b>	<b>December 31 2023</b>	<b>December 31 2022</b>	<b>December 31 2021</b>	<b>December 31 2020</b>	<b>December 31 2019</b>
<b>Net assets, beginning of period <sup>(4)</sup></b>	<b>11.80</b>	<b>13.85</b>	<b>10.85</b>	<b>10.10</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.17	0.15	0.13	0.10	(0.01)
Total expenses	(0.16)	(0.15)	(0.15)	(0.15)	(0.03)
Realized gains (losses) for the period	0.14	0.42	0.29	(0.43)	-
Unrealized gains (losses) for the period	2.29	(1.80)	2.86	1.75	0.11
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>2.44</b>	<b>(1.38)</b>	<b>3.13</b>	<b>1.27</b>	<b>0.07</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	(0.02)
From dividends	-	-	-	-	-
From capital gains	-	(0.26)	-	-	-
Return of capital	-	-	-	-	-
<b>Total annual distributions <sup>(3)</sup></b>	<b>-</b>	<b>(0.26)</b>	<b>-</b>	<b>-</b>	<b>(0.02)</b>
<b>Net assets, end of period</b>	<b>14.23</b>	<b>11.80</b>	<b>13.85</b>	<b>10.85</b>	<b>10.10</b>



VPI DIVIDEND GROWTH POOL

<b>Series I<sup>(4)</sup></b>	<b>December 31 2023</b>	<b>December 31 2022</b>	<b>December 31 2021</b>	<b>December 31 2020</b>	<b>December 31 2019</b>
<b>Net assets, beginning of period<sup>(4)</sup></b>	<b>12.22</b>	<b>14.23</b>	<b>11.02</b>	<b>10.13</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.14	0.14	0.12	0.08	0.01
Total expenses	-	-	-	-	(0.01)
Realized gains (losses) for the period	0.14	0.44	0.27	(0.27)	-
Unrealized gains (losses) for the period	2.39	(1.88)	2.99	1.86	0.01
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>2.67</b>	<b>(1.30)</b>	<b>3.38</b>	<b>1.67</b>	<b>0.01</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	(0.01)
From dividends	-	-	-	-	-
From capital gains	-	(0.29)	-	-	-
Return of capital	-	-	-	-	-
<b>Total annual distributions<sup>(3)</sup></b>	<b>-</b>	<b>(0.29)</b>	<b>-</b>	<b>-</b>	<b>(0.01)</b>
<b>Net assets, end of period</b>	<b>14.90</b>	<b>12.22</b>	<b>14.23</b>	<b>11.02</b>	<b>10.13</b>

<b>Series O</b>	<b>December 31 2023</b>	<b>December 31 2022</b>
<b>Net assets, beginning of period<sup>(5)</sup></b>	<b>10.71</b>	<b>10.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.16	0.09
Total expenses	(0.06)	(0.03)
Realized gains (losses) for the period	0.21	0.10
Unrealized gains (losses) for the period	2.36	0.37
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>2.67</b>	<b>0.53</b>
<b>Distributions:</b>		
From net investment income (excluding dividends)	-	-
From dividends	-	-
From capital gains	-	(0.25)
Return of capital	-	-
<b>Total annual distributions<sup>(3)</sup></b>	<b>-</b>	<b>(0.25)</b>
<b>Net assets, end of period</b>	<b>13.02</b>	<b>10.71</b>

(1) This information is derived from the Pool's audited annual financial statements.

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(3) Distributions were paid in cash/reinvested in additional units of the Pool, or both.

(4) The Pool began operations on November 6, 2019.

(5) Series O began June 28, 2022



VPI DIVIDEND GROWTH POOL

Ratios and Supplemental Data

Series A	December 31 2023	December 31 2022	December 31 2021	December 31 2020	December 31 2019
Total net asset value (000's) <sup>(1)</sup>	\$182,073	\$137,776	\$131,549	\$76,017	\$9,175
Number of units outstanding (000's) <sup>(1)</sup>	13,275	12,000	9,676	7,072	909
Management expense ratio <sup>(2)</sup>	2.00%	2.02%	2.03%	2.20%	2.25%
Management expense ratio before waivers or absorptions	2.00%	2.02%	2.03%	2.20%	4.04%
Trading expense ratio <sup>(3)</sup>	0.00%	0.00%	0.00%	0.02%	0.01%
Portfolio turnover rate <sup>(4)</sup>	17.33%	17.30%	18.01%	24.78%	4.21%
Net asset value per unit <sup>(1)</sup>	\$13.72	\$11.48	\$13.60	\$10.75	\$10.10

Series F	December 31 2023	December 31 2022	December 31 2021	December 31 2020	December 31 2019
Total net asset value (000's) <sup>(1)</sup>	\$90,453	\$70,168	\$58,291	\$32,382	\$4,827
Number of units outstanding (000's) <sup>(1)</sup>	6,357	5,947	4,208	2,985	478
Management expense ratio <sup>(2)</sup>	1.06%	1.07%	1.08%	1.26%	1.35%
Management expense ratio before waivers or absorptions	1.06%	1.07%	1.08%	1.26%	3.88%
Trading expense ratio <sup>(3)</sup>	0.00%	0.00%	0.00%	0.02%	0.01%
Portfolio turnover rate <sup>(4)</sup>	17.33%	17.30%	18.01%	24.78%	4.21%
Net asset value per unit <sup>(1)</sup>	\$14.23	\$11.80	\$13.85	\$10.85	\$10.10

Series I	December 31 2023	December 31 2022	December 31 2021	December 31 2020	December 31 2019
Total net asset value (000's) <sup>(1)</sup>	\$86,742	\$71,603	\$59,708	\$24,625	\$2,278
Number of units outstanding (000's) <sup>(1)</sup>	5,822	5,857	4,197	2,234	225
Management expense ratio <sup>(2)</sup>	0.00%	0.00%	0.00%	0.00%	0.00%
Management expense ratio before waivers or absorptions	0.12%	0.14%	0.14%	0.28%	1.96%
Trading expense ratio <sup>(3)</sup>	0.00%	0.00%	0.00%	0.02%	0.01%
Portfolio turnover rate <sup>(4)</sup>	17.33%	17.30%	18.01%	24.78%	4.21%
Net asset value per unit <sup>(1)</sup>	\$14.90	\$12.22	\$14.23	\$11.02	\$10.13

Series O	December 31 2023	December 31 2022
Total net asset value (000's) <sup>(1)</sup>	\$12,910	\$669
Number of units outstanding (000's) <sup>(1)</sup>	992	62
Management expense ratio <sup>(2)</sup>	0.30%	0.26%
Management expense ratio before waivers or absorptions	0.33%	0.34%
Trading expense ratio <sup>(3)</sup>	0.00%	0.00%
Portfolio turnover rate <sup>(4)</sup>	17.33%	17.30%
Net asset value per unit <sup>(1)</sup>	\$13.02	\$10.71

(1) This information is provided as at the date shown.

(2) Management expense ratio is based on total expenses for the stated period (excluding distributions, commissions and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net assets during the period. In the period a series is established, the management expense ratio is annualized from the date of inception to December 31.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

(4) The Pool's portfolio turnover rate indicates how actively the Pool's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Pool buying and selling all of the securities in its portfolio once in the course of the year. The higher the Pool's portfolio turnover rate in a year, the greater the trading costs payable by the Pool in the year, 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 Pool.



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## ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended December 31, 2023

### VPI DIVIDEND GROWTH POOL

#### **Forward-Looking Statements**

*This report may contain forward-looking statements about the Pool, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Pool action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Pool and economic factors.*

*Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Pool. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, 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.*

*We stress that the above-mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Pool has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise.*