

2024

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2024

Offered by Educators Financial Group
Portfolio Adviser: 1832 Asset Management L.P.

Educators Dividend Fund





This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, by calling 1.800.263.9541, by writing to us at Educators Financial Group, 2225 Sheppard Ave. East, Suite 1105, Toronto, Ontario, M2J 5C2, or by visiting our website at www.educatorsfinancialgroup.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.

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Fund, including its strategy, risks, 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 forward-looking expressions.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks, and uncertainties, some of which may be unforeseeable. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

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 Fund. 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, including international conflicts, 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, including any potential lingering impact of the COVID-19 pandemic on the Fund and/or its operations.

It should be stressed that the above-mentioned list of factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements, whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance, unless required by applicable law.



MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

The Fund's net assets decreased by 1.2% to \$187.7 million at the end of June 2024, down from \$190.0 million at the end of December 2023.

Investment Performance

For the year/period ending June 30, 2024 (*the period*), the Educators Dividend Fund – Class A Series provided a return of 2.87% versus the S&P/TSX Composite Index (the Benchmark) return of 6.05%.

The Fund underperformed its Benchmark over the period. Unlike the Benchmark, the Fund's return is net of fees and expenses paid by the Fund. Detailed performance is provided under the heading "Past Performance" in this report. Investors cannot invest in the Benchmark without incurring fees, expenses and commissions which are not reflected in Benchmark returns.

The Canadian equity market ended the 6-month period in positive territory, as the S&P/TSX Composite Index returned 6.10%. The first half of 2024 saw the Bank of Canada (*BoC*) become the first Group of Seven central bank to offer rate relief with a 25-basis point interest rate cut that brought rates down from 5.00% to 4.75%.

Within the Canadian Fixed Income market, yields continued to be volatile, as participants sought to anticipate the timing of initial interest rate cuts by the Bank of Canada (*BoC*). Following substantial optimism for cuts at the end of 2023, yields moved higher in early 2024, as those expectations began to be revised. Towards the end of the second quarter, as yields and inflation began to decrease, supported the BoC 0.25% rate cut in early June. The move was likely also influenced by the impact of upcoming mortgage renewals. Within corporate bonds, credit spreads tightened and enhanced performance, as corporate balance sheets remained strong. Primary issuance was easily absorbed, as market participants sought additional yield.

Against this backdrop, the economy experienced positive GDP growth in the first quarter of 1.70% on an annualized basis after posting no growth in the previous two quarters. The manufacturing sector remains a sore spot, as it contracted again in June, marking its 14th straight monthly contraction. The sector continued to be hindered by weak new orders and output. The interest rate cut, and future anticipated cuts should spur GDP growth, as it will likely incentivize more business investment and provide a tailwind for consumers (*as it may also lower mortgage payments and increase disposable income*).

During the 6-month period, six of the eleven Global Industry Classification Standard ("*GICS*") sectors posted positive returns. The best performing sectors were Energy, Materials, and Consumer Staples. The worst performing sectors were Communication Services, Real Estate, and Health Care.

The Fund underperformed its benchmark, the S&P/TSX Composite Index, due primarily to an underweight allocation and security selection in the Energy and Materials sectors. The portfolio adviser seeks to run a high-quality, well-diversified portfolio of leading businesses with strong balance sheets and pricing power. In most market conditions, this strategy delivers attractive risk-adjusted returns, but it may lag during sharp market rallies led by companies with poor fundamentals or strong commodity price rallies.

The Fund's overweight allocation to the Health Care, Communication Services, and security selection in the Consumer Discretionary sector also detracted from relative performance. Individual detractors from performance included enterprise information management software and solutions company Open Text Corporation, financial products, and services company Toronto-Dominion Bank, and Canadian telecommunications and media company BCE Incorporated.

From a currency-hedging standpoint, the Fund's hedging position on the U.S. dollar detracted from performance, as the Canadian dollar depreciated relative to the U.S. dollar during the period. However, the portfolio adviser's hedging strategy is intended to reduce foreign currency risk, not to generate alpha.

In terms of positive contributors to relative performance, the Fund's security selection in the Financials and Consumer Staples' sectors contributed the most. Individual contributors to relative returns included Canadian insurance and investment management services company Manulife Financial Corporation, diversified financial services company Royal Bank of Canada, and retail and wholesale food distributor Loblaw Companies Limited.

The sector exposure within the Fund is diversified with Financials, Energy, and Industrials representing the top allocations. Overall, most sector allocations saw modest changes. Over the period, increases were made to holdings in Materials, Information Technology, and Utilities sectors, while holdings in the Communication Services and Financials sectors were lowered.

Recent Developments

The initiatives put forth by the central banks have taken hold as inflation has come down, but we could be moving into a situation where the monetary policies between Canada and the U.S. could differ. For the U.S., some areas of the economy have seen inflation come down, but other areas have remained high. With inflation still pacing ahead of the 2% target level, coupled with a decent jobs market and healthy consumer spending, it would seem there is little room for the U.S. central bank to start cutting interest rates as aggressively as the market is discounting. Further, if there is a change in the government in this upcoming U.S. election that could bring further concerns that inflation could be reignited due to tax cuts and higher import tariffs. However, that is not necessarily the case



EDUCATORS DIVIDEND FUND

for Canada, as we have started to see the economy slow, with lower productivity rates and job creation falling below expectations. This will be further impacted by a clamp down on immigration levels and a highly indebted customer. We believe our banks are in great shape to weather this storm and have provisioned conservatively. However, there is a strong argument that the Canadian central bank will be forced to cut interests more aggressively than our trading partner to the south. While this will translate into lower interest payments for Canadian citizens, it is likely to result in a weaker Canadian dollar and make imports more expensive for the consumer.

Related Party Transactions

In the first six months of 2024 Educators Financial Group did not refer any conflict of interest matters to the Fund's Independent Review Committee (*the IRC*) and accordingly did not rely upon any recommendation of the IRC in respect of any related party transactions.

Educators Financial Group is the Manager and Trustee of the Fund. Educators Financial Group is a wholly owned subsidiary of the Ontario Secondary School Teachers' Federation (*OSSTF*). OSSTF may from time to time invest in units of the Fund.



EDUCATORS DIVIDEND FUND

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-month period and for the past five years. Currently Class I units of the Fund are not being offered to purchase by retail investors.

Educators Dividend Fund – Class A Series – Net Assets per Unit ⁽¹⁾

	Six-months ended June 30		Year ended December 31			
	2024	2023	2022	2021	2020	2019
Net Assets, beginning of year/period	\$33.76	\$36.14	\$40.35	\$32.77	\$32.70	\$26.38
Increase (decrease) from operations:						
Total revenue	\$0.65	\$1.28	\$1.01	\$0.98	\$0.94	\$0.85
Total expenses, including transaction costs [excluding distributions]	(\$0.33)	(\$0.73)	(\$0.71)	(\$0.69)	(\$0.57)	(\$0.57)
Realized gains (losses) for the period	\$1.02	\$7.31	\$0.09	\$0.69	(\$0.20)	\$0.89
Unrealized gains (losses) for the period	(\$0.35)	(\$4.91)	(\$4.43)	\$6.71	(\$0.06)	\$5.35
Total increase (decrease) from operations ⁽²⁾	\$0.99	\$2.95	(\$4.04)	\$7.69	\$0.11	\$6.52
Distributions:						
From net investment income (excluding dividends)	\$--	\$--	\$--	\$--	\$--	\$--
From dividends	\$0.34	\$0.40	\$0.16	\$0.12	\$0.28	\$0.17
From capital gains	\$--	\$4.88	\$--	\$--	\$--	\$--
Return of capital	\$--	\$--	\$--	\$--	\$--	\$--
Total Annual Distributions ⁽³⁾	\$0.34	\$5.28	\$0.16	\$0.12	\$0.28	\$0.17
Net Assets, end of year/period	\$34.40	\$33.76	\$36.14	\$40.35	\$32.77	\$32.70

Ratios and Supplemental Data (based on Net Asset Value)

	Six-months ended June 30		Year ended December 31			
	2024	2023	2022	2021	2020	2019
Total Net Asset Value (000's) ⁽⁴⁾	\$162,924	\$167,086	\$163,962	\$183,480	\$146,103	\$151,109
Number of units outstanding ⁽⁴⁾	4,736,668	4,948,537	4,537,010	4,547,148	4,458,520	4,621,623
Management expense ratio ⁽⁵⁾	1.81%	1.82%	1.81%	1.81%	1.81%	1.80%
Management expense ratio before waivers or absorptions ⁽⁶⁾	1.81%	1.82%	1.81%	1.81%	1.81%	1.81%
Trading expense ratio ⁽⁷⁾	0.05%	0.09%	0.01%	0.01%	0.02%	0.02%
Portfolio turnover rate ⁽⁸⁾	15.17%	64.05%	7.30%	4.11%	9.41%	9.99%
Net Asset Value per unit	\$34.40	\$33.76	\$36.14	\$40.35	\$32.77	\$32.70



EDUCATORS DIVIDEND FUND

Educators Dividend Fund – Class I Series – Net Assets per Unit ⁽¹⁾

	Six-months ended June 30	Year ended December 31				
	2024	2023	2022	2021	2020	2019
Net Assets, beginning of year/period	\$11.81	\$12.66	\$14.15	\$11.44	\$11.42	\$9.20
Increase (decrease) from operations:						
Total revenue	\$0.23	\$0.45	\$0.36	\$0.34	\$0.33	\$0.30
Total expenses, including transaction costs [excluding distributions]	(\$0.01)	(\$0.02)	(\$0.01)	(\$0.01)	(\$0.01)	(\$0.01)
Realized gains (losses) for the period	\$0.36	\$2.57	\$0.03	\$0.23	(\$0.09)	\$0.41
Unrealized gains (losses) for the period	(\$0.12)	(\$1.73)	(\$1.56)	\$2.36	\$0.40	\$1.44
Total increase (decrease) from operations ⁽²⁾	\$0.46	\$1.27	(\$1.18)	\$2.92	\$0.63	\$2.14
Distributions:						
From net investment income (excluding dividends)	\$--	\$--	\$--	\$--	\$--	\$--
From dividends	\$0.23	\$0.39	\$0.30	\$0.22	\$0.30	\$0.25
From capital gains	\$--	\$1.72	\$--	\$--	\$--	\$--
Return of capital	\$--	\$--	\$--	\$--	\$--	\$--
Total Annual Distributions ⁽³⁾	\$0.23	\$2.11	\$0.30	\$0.22	\$0.30	\$0.25
Net Assets, end of year/period	\$12.03	\$11.81	\$12.66	\$14.15	\$11.44	\$11.42

Ratios and Supplemental Data (based on Net Asset Value)

	Six-months ended June 30	Year ended December 31				
	2024	2023	2022	2021	2020	2019
Total Net Asset Value (000's) ⁽⁴⁾	\$10,889	\$11,301	\$11,481	\$13,244	\$8,326	\$6,069
Number of units outstanding ⁽⁴⁾	905,441	956,917	906,899	935,810	727,804	531,550
Management expense ratio ⁽⁵⁾	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
Trading expense ratio ⁽⁷⁾	0.05%	0.09%	0.01%	0.01%	0.02%	0.02%
Portfolio turnover rate ⁽⁸⁾	15.17%	64.05%	7.30%	4.11%	9.41%	9.99%
Net Asset Value per unit	\$12.03	\$11.81	\$12.66	\$14.15	\$11.44	\$11.42



EDUCATORS DIVIDEND FUND

Educators Dividend Fund – Class F Series – Net Assets per Unit ⁽¹⁾

	Six-months ended June 30	Year ended December 31		
	2024	2023	2022	2021
Net Assets, beginning of year/period	\$8.97	\$9.62	\$10.75	\$10.00
Increase (decrease) from operations:				
Total revenue	\$0.18	\$0.34	\$0.27	\$0.13
Total expenses, including transaction costs [excluding distributions]	(\$0.04)	(\$0.09)	(\$0.09)	(\$0.04)
Realized gains (losses) for the period	\$0.26	\$2.06	\$0.01	(\$0.01)
Unrealized gains (losses) for the period	(\$0.13)	(\$1.42)	(\$1.21)	\$0.88
Total increase (decrease) from operations ⁽²⁾	\$0.27	\$0.89	(\$1.02)	\$0.96
Distributions:				
From net investment income (excluding dividends)	\$--	\$--	\$--	\$--
From dividends	\$0.14	\$0.22	\$0.15	\$0.05
From capital gains	\$--	\$1.30	\$--	\$--
Return of capital	\$--	\$--	\$--	\$--
Total Annual Distributions ⁽³⁾	\$0.14	\$1.52	\$0.15	\$0.05
Net Assets, end of year/period	\$9.13	\$8.97	\$9.62	\$10.75

Ratios and Supplemental Data (based on Net Asset Value)

	Six-months ended June 30	Year ended December 31		
	2024	2023	2022	2021
Total Net Asset Value (000's) ⁽⁴⁾	\$13,834	\$11,579	\$9,683	\$7,495
Number of units outstanding ⁽⁴⁾	1,514,649	1,290,581	1,006,959	696,955
Management expense ratio ⁽⁵⁾	0.80%	0.80%	0.80%	0.79%
Management expense ratio before waivers or absorptions ⁽⁶⁾	0.80%	0.80%	0.80%	0.79%
Trading expense ratio ⁽⁷⁾	0.05%	0.09%	0.01%	0.01%
Portfolio turnover rate ⁽⁸⁾	15.17%	64.05%	7.30%	4.11%
Net Asset Value per unit	\$9.13	\$8.97	\$9.62	\$10.75

⁽¹⁾ This information is derived from the Fund's interim financial report and audited annual financial statements. For financial years beginning after January 1, 2014, the financial highlights were derived from the Fund's financial statements prepared in accordance with International Financial Reporting Standards (IFRS). All references to "Net Assets" or "Net Assets per Unit" in these financial highlights are references to net assets attributable to holders of redeemable units determined in accordance with IFRS as presented in the financial statements of the Fund.

⁽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. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

⁽³⁾ Distributions were either paid in cash or reinvested in additional units of the Fund.

⁽⁴⁾ This information is provided as at June 30 or December 31 of the year shown.

⁽⁵⁾ Management expense ratio is based on total expenses (excluding distributions, commissions, and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

⁽⁶⁾ The management expense ratio before waivers or absorptions shows what the management expense ratio of the Fund would have been if Educators Financial Group had not charged a lesser amount for its management fee.

⁽⁷⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

⁽⁸⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund 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 a fund.



EDUCATORS DIVIDEND FUND

Management Fees

Educators Financial Group is the Manager-Trustee, promoter, and principal distributor of the Fund, and is responsible for the day-to-day management and administration of the Fund.

The Manager-Trustee monitors and evaluates the performance of the Fund and pays for the investment management services of the portfolio adviser, as well as all administrative services required by the Fund. As compensation for these services, Educators Financial Group is entitled to receive a fee, payable monthly and calculated daily, based on the Net Asset Value of the Fund, at the annual rate of 1.60% for the Class A Series and 0.70% for the Class F Series. The Class I Series is identical in all respect to the Class A Series, except that there is no management fee payable by the Fund in respect of the Class I units.

The Fund is responsible for paying any applicable tax owing on its management fee.

Approximately 17.3% of the total management fees collected from all Series (excluding Class I Series approximately 16.3% of the total management fees collected), were used to pay for portfolio management services, with the remainder of the fees being allocated to custodial services, marketing, technology, and Manager-Trustee operating expenses.

PAST PERFORMANCE

General

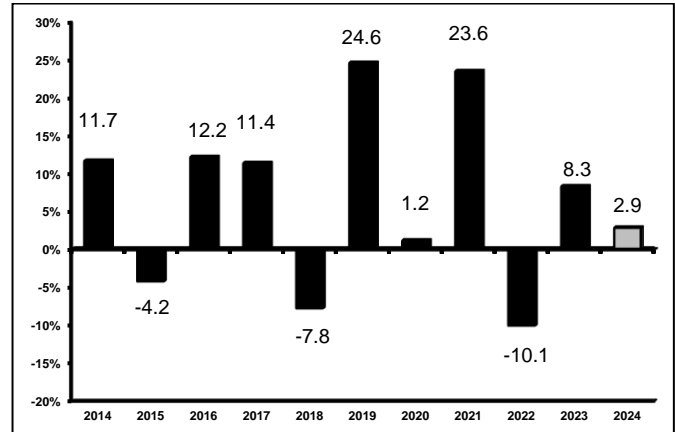
The Fund's performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund.

The performance information does not take into account sales, redemption, distribution, or other optional charges that would have reduced returns or performance. The performance of different fund series may vary for a number of reasons, including differences in management fees and expenses. Please remember that how the Fund has performed in the past does not necessarily indicate how it will perform in the future.

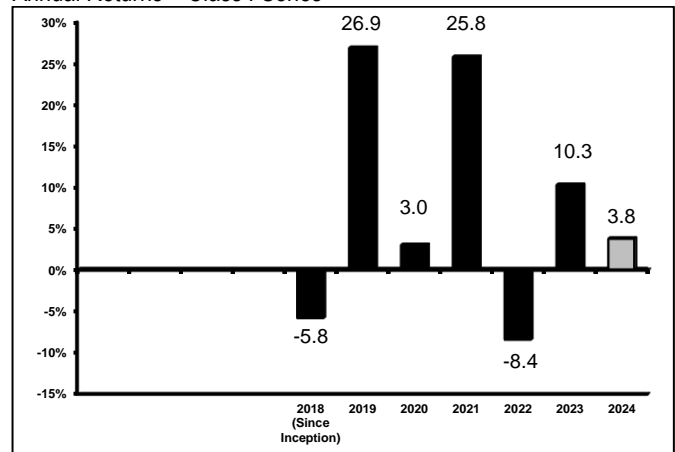
Year-by-Year Returns

The bar chart shows the Fund's annual performance for each of the years shown and for the six-month period and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.

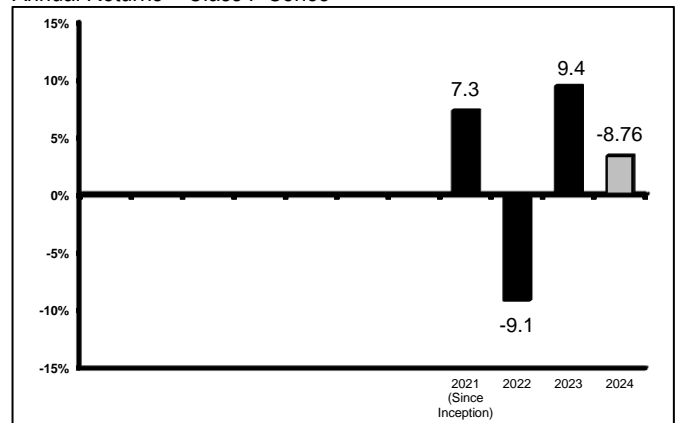
Annual Returns – Class A Series



Annual Returns – Class I Series ⁽¹⁾



Annual Returns – Class F Series ⁽²⁾



■ % Increase/decrease □ For the six-month period ended June 30, 2024

⁽¹⁾ The Class I Series commenced operations January 4, 2018

⁽²⁾ The Class F Series commenced operation May 14, 2021



EDUCATORS DIVIDEND FUND

SUMMARY OF INVESTMENT PORTFOLIO
(Based on Net Asset Value)
 As at June 30, 2024

The summary of investment portfolio of the Fund is as at June 30, 2024 and may change due to the Fund's ongoing portfolio transactions. Updates are available quarterly.

Sector Mix	Percentage of Net Asset Value
Financials	33.80 %
Energy	12.84 %
Industrials	10.21 %
Information Technology	9.24 %
Materials	8.55 %
Health Care	4.67 %
Real Estate	3.93 %
Consumer Discretionary	3.91 %
Communication Services	3.71 %
Consumer Staples	3.60 %
Utilities	3.47 %
Cash and Cash Equivalents	1.93 %
Net Other Assets (Liabilities)	0.14 %

Top 25 Holdings

Security Name	Percentage of Net Asset Value
Royal Bank of Canada	5.43 %
Enbridge Inc.	5.29 %
Power Corp of Canada	5.28 %
Manulife Financial Corp.	3.98 %
Bank of Nova Scotia	3.78 %
Canadian National Railway Co.	3.24 %
Toronto-Dominion Bank	3.04 %
Onex Corp.	2.97 %
Restaurant Brands International Inc.	2.82 %
Brookfield Corp.	2.81 %
Intact Financial Corp.	2.62 %
Johnson & Johnson	2.52 %
Canadian Natural Resources Ltd.	2.39 %
Franco-Nevada Corp.	2.38 %
Canadian Pacific Kansas City Ltd.	2.29 %
Waste Connections Inc.	2.29 %
Bank of Montreal	2.24 %
Loblaw Cos Ltd.	2.22 %
Medtronic PLC	2.15 %
Open Text Corp.	2.10 %
Boardwalk Real Estate Investment Trust	2.07 %
Accenture PLC	2.06 %
CCL Industries Inc.	2.05 %
PrairieSky Royalty Ltd.	2.02 %
Pembina Pipeline Corp.	1.97 %
Total Net Assets (000's)	\$187,647

The top 25 holdings represent approximately 72.01% of the total net assets of the Fund.