2024

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2024

Offered by Educators Financial Group

Portfolio Adviser: Mawer Investment Management Ltd., Calgary, Alberta

Educators U.S. Equity 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 increased by 13.5% to $160.0 million at the end of June 2024, up from $141.0 million at the end of December 2023.

Investment Performance
For the year/period ending June 30, 2024 *(the period)* the Educators U.S. Equity Fund – Class A Series provided a return of 15.18%, versus the S&P 500 NR Index *(the Benchmark)* return of 19.39%.

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.

In the first half of 2024, the Active U.S. Equities underperformed the S&P 500 Index before management fees. Strength in public equity markets has been led largely by artificial intelligence *(AI)* related businesses. Information technology led all sectors in performance, as the demand for semiconductor chips continued unabated. Communication services was the next best performer thanks largely to Alphabet. Of the Magnificent Seven Stocks owned within the Fund *(Microsoft, Alphabet, and Amazon within the Active U.S. Equities)*, all three were among the top contributors in the first half of 2024.

Relative underweight to these technology-related stocks, particularly Nvidia, drove relative underperformance over the period. The largest detractors in Active U.S. Equities included Waters, CVS Health, and Nike. Customers of Waters, supplier of laboratory instruments and consumables, have been going through an inventory pileup accumulated in recent years, making them more cautious with new orders, while delaying replacement of equipment. Otherwise, sales from China have continued seeing weakness and headwinds from the region have also been felt at Nike. The leading athletic footwear company noticed lower demand from consumers and increased competition from indie-running brands. Management has reiterated its key focus towards cost cutting, which has already led to margin expansion—along with product innovation. Finally, healthcare conglomerate CVS was impacted by higher-than-expected medical costs in its Medicare insurance business and a recall on products.

Technology-focused stocks were the big winners in the portfolio. Microsoft and Alphabet both saw excellent growth in their cloud computing businesses—and for Alphabet, the main concern from the past year *(that generative AI will materially impair Google's search business)* appears to be waning, as the company integrates AI technology into its search product. On the same theme, global manufacturer of connectors Amphenol has continued seeing strong demand for its products in AI data centers, its fastest growing business segment. Amazon has also been a beneficiary; its cloud-computing platform AWS has continued seeing substantial growth in demand and margins.

During the 6-month period, Active U.S. Equities initiated positions in CVS Health, ITT, and Aon. ITT is a global manufacturing leader of brake pads and highly engineered solutions for the transportation, industrial, and energy markets. Over the last decade, management has successfully streamlined operations, leading to substantial cost advantages over competitors, most of which are only breaking even. This has allowed ITT to invest more heavily in innovation and customer service, which has in turn led to significant market share gains notably in the electric vehicles market.

The portfolio adviser also established a position in Aon, a firm specializing in insurance brokerage and human resource consulting. Aon's scale and strong global brand provide substantial advantages, particularly with multinational corporations including superior client service and data analytics capabilities. Additionally, Aon benefits from sticky customer relationships and recurring revenues; insurance is often non-discretionary in nature, while high level of trust and value-added advice are primarily responsible for Aon's client renewal rate exceeding 95% in the insurance broking business. The Portfolio Adviser balanced this initiation by exiting their position in Willis Towers Watson in order to manage their industry exposure.

Software providers Adobe and SS&C Technologies and global record label Warner Music Group were eliminated from the Fund. Whether Adobe could benefit from generative artificial intelligence capabilities to enhance its offerings have been weighing over the last year. However, so far, the scale seems to be tipping against them. SS&C, provider of software to the investment industry, is another holding eliminated from the portfolio, as skepticism around capital allocation has increased. Despite a business model that has its merit, it was decided to exit the position in Warner Music Group, as the market is rather optimistic—compared to research suggesting a saturated industry experiencing declining growth and a tame outlook. The positions in tax software provider Intuit and industrial gas company Linde were also eliminated. For both Intuit and Linde, the company's growth prospects appear limited, and the portfolio adviser has difficulty justifying the current price valuations. Finally, a small allocation received in the IPO of UL Solutions, following a jump in the share price, subsequently exited the position.

Recent Developments
This year so far, only 25% of the stocks in the S&P 500 are outperforming the index—the lowest amount over the past fifty calendar years—with the majority of those being large cap U.S. growth stocks, ultimately lifting the results of the broader U.S. market. Market participants reduced expectations for U.S. interest rate cuts this year, as the Federal Reserve remains on pause as it grapples with stubborn inflation that has yet to be fully tamed.

The juxtaposition of the current macroeconomic and geopolitical backdrop with many equity markets at, or close to all-time highs, is increasingly puzzling. Beneath the surface of the headline performance of many global indices, there is a noticeable lack of breadth in the markets' recent advance. Consumer-related stocks and more traditional industrial bellwether segments point to potential underlying weakness. While global economic growth remains positive, it has slowed and the portfolio adviser notes that the word 'deflation' has started to occasionally creep into conversations with company executives, a shift relative to the last few years.

As for the AI-related market darlings, the late Roy Amara once said: "We tend to overestimate the effect of a technology in the short run and underestimate the effect in the long run." Put differently, there is a risk of over-exuberance in markets extrapolating today's pace of AI-related demand, with many companies lacking the data or infrastructure to deploy generative AI widely within their organizations. Return on investment is also unknown. But the mismatch between the timing of investment and returns may create significant future opportunities, particularly where competitive advantages are strongest.

As always, valuation is the great equalizer, and both quality and valuation remain important. AI-related or not, companies with strong, recurring revenues should benefit from continued economic growth, while providing a measure of defensiveness should the macroeconomic environment deteriorate. Purchasing such securities at a discount to their intrinsic value should offer greater upside in a bullish scenario, yet better downside protection should markets correct. While not a formula for avoiding benchmark-relative underperformance or negative returns in the short run, the portfolio adviser believes this approach should minimize the probability of permanent impairment of capital while leading to long-term compounding of wealth.

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.

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 U.S. Equity 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	$23.32	$19.63	$21.02	$21.10	$21.28	$17.64
Increase (decrease) from operations:						
Total revenue	$0.18	$0.34	$0.46	$0.49	$1.12	$0.51
Total expenses, including transaction costs [excluding distributions]	($0.26)	($0.44)	($0.47)	($0.53)	($0.58)	($0.48)
Realized gains (losses) for the period	$0.32	$0.35	$1.11	$3.21	$1.43	$0.72
Unrealized gains (losses) for the period	$3.30	$3.44	($1.72)	($0.61)	($0.46)	$3.06
Total increase (decrease) from operations (2)	$3.54	$3.69	($0.62)	$2.56	$1.51	$3.81
Distributions:						
From net investment income (excluding dividends)	$--	$--	$--	$--	$--	$0.05
From dividends	$--	$--	$0.01	$0.04	$0.58	$--
From capital gains	$--	$--	$0.77	$2.56	$1.14	$0.12
Return of capital	$--	$--	$--	$--	$--	$--
Total Annual Distributions (3)	$--	$--	$0.78	$2.60	$1.72	$0.17
Net Assets, end of year/period	$26.86	$23.32	$19.63	$21.02	$21.10	$21.28

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)	$127,957	$113,051	$101,548	$109,552	$102,683	$103,370
Number of units outstanding (4)	4,764,142	4,848,038	5,172,818	5,210,914	4,866,727	4,858,227
Management expense ratio (5)	1.81%	1.81%	1.94%	1.98%	1.98%	1.97%
Management expense ratio before waivers or absorptions (6)	1.81%	1.81%	1.94%	1.98%	1.98%	1.98%
Trading expense ratio (7)	--%	--%	0.05%	0.04%	0.05%	0.03%
Portfolio turnover rate (8)	3.25%	5.85%	153.41%	38.23%	36.22%	16.05%
Net Asset Value per unit	$26.86	$23.32	$19.63	$21.02	$21.10	$21.28

Educators U.S. Equity 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	$12.76	$10.62	$11.37	$11.37	$11.37	$9.42
Increase (decrease) from operations:						
Total revenue	$0.10	$0.18	$0.26	$0.26	$0.56	$0.27
Total expenses, including transaction costs [excluding distributions]	($0.02)	($0.03)	($0.04)	($0.04)	($0.09)	($0.05)
Realized gains (losses) for the period	$0.18	$0.18	$0.56	$1.84	$0.82	$0.39
Unrealized gains (losses) for the period	$1.82	$1.91	($1.15)	$0.07	($0.07)	$1.63
Total increase (decrease) from operations [2]	$2.08	$2.24	($0.37)	$2.13	$1.22	$2.24
Distributions:						
From net investment income (excluding dividends)	$--	$--	$--	$--	$--	$0.24
From dividends	$0.11	$0.09	$0.21	$0.14	$0.43	$--
From capital gains	$--	$--	$0.42	$1.46	$0.61	$0.07
Return of capital	$--	$--	$--	$--	$--	$--
Total Annual Distributions [3]	$0.11	$0.09	$0.63	$1.60	$1.04	$0.30
Net Assets, end of year/period	$14.71	$12.76	$10.62	$11.37	$11.37	$11.37

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]	$22,254	$20,355	$20,549	$11,525	$16,295	$12,591
Number of units outstanding [4]	1,512,374	1,595,506	1,934,847	1,013,368	1,433,533	1,107,668
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%	0.04%	0.05%	0.03%
Portfolio turnover rate [8]	3.25%	5.85%	153.41%	38.23%	36.22%	16.05%
Net Asset Value per unit	$14.71	$12.76	$10.62	$11.37	$11.37	$11.37

Educators U.S. Equity 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	$9.76	$8.16	$8.75	$10.00
Increase (decrease) from operations:				
Total revenue	$0.08	$0.15	$0.19	$0.10
Total expenses, including transaction costs [excluding distributions]	($0.05)	($0.08)	($0.10)	($0.05)
Realized gains (losses) for the period	$0.13	$0.15	$0.43	$0.53
Unrealized gains (losses) for the period	$1.36	$1.41	($0.68)	($0.50)
Total increase (decrease) from operations (2)	$1.52	$1.63	($0.16)	$0.08
Distributions:				
From net investment income (excluding dividends)	$--	$--	$--	$--
From dividends	$0.05	$0.04	$0.11	$--
From capital gains	$--	$--	$0.32	$1.13
Return of capital	$--	$--	$--	$--
Total Annual Distributions (3)	$0.05	$0.04	$0.43	$1.13
Net Assets, end of year/period	$11.25	$9.76	$8.16	$8.75

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)	$9,750	$7,614	$5,191	$2,786
Number of units outstanding (4)	866,604	780,088	636,193	318,311
Management expense ratio (5)	0.68%	0.68%	0.80%	0.84%
Management expense ratio before waivers or absorptions (6)	0.68%	0.68%	0.80%	0.84%
Trading expense ratio (7)	--%	--%	0.05%	0.04%
Portfolio turnover rate (8)	3.25%	5.85%	153.41%	38.23%
Net Asset Value per unit	$11.25	$9.76	$8.16	$8.75

(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.*

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 0.60% 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 9.9% of the total management fees collected from all Series (excluding Class I Series approximately 8.5% of the total management fees collected), were used to pay for portfolio management services, with the remainder of the fees allocated to custodial services, marketing, technology, and Manager-Trustee operating expenses.

PAST PERFORMANCE

General

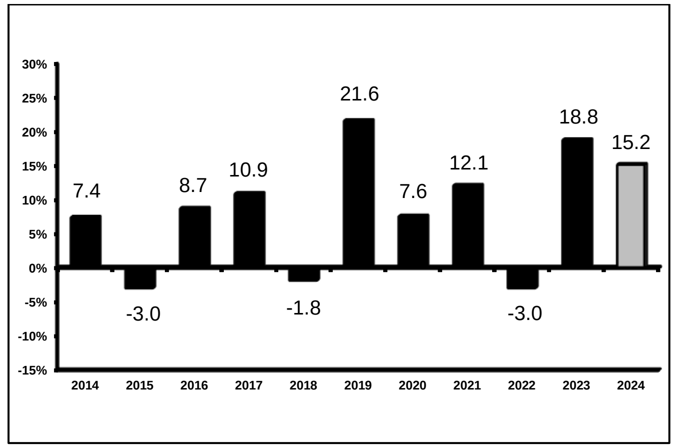
The Fund's performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund.

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.

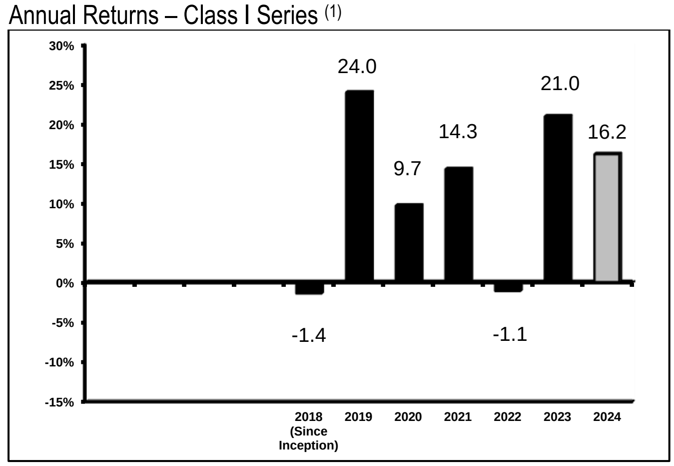
Year-by-Year Returns

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.

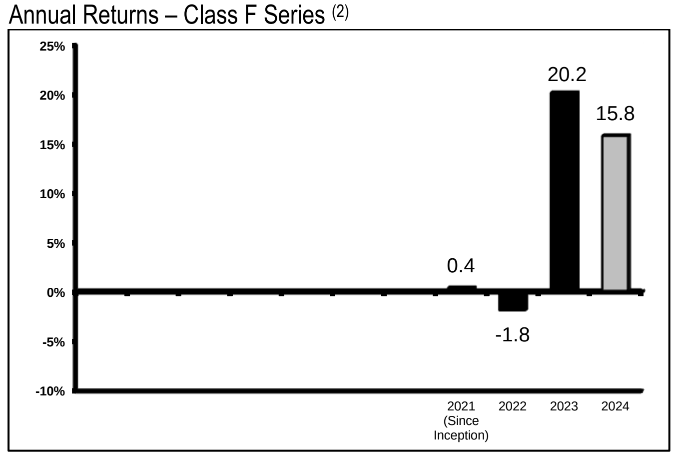
Annual Returns – Class A Series



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*

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

Sector Mix	Percentage of Net Asset Value
Exchange-traded Funds	70.79 %
Information Technology	6.95 %
Financials	5.57 %
Health Care	4.96 %
Industrials	2.38 %
Communication Services	2.02 %
Consumer Discretionary	1.85 %
Materials	1.77 %
Consumer Staples	1.73 %
Short-term investments	1.07 %
Utilities	0.67 %
Cash and Cash Equivalents	0.16 %
Net Other Assets (Liabilities)	0.08 %

Top 25 Holdings

Security Name	Percentage of Net Asset Value
Vanguard S&P 500 Index ETF	70.78 %
Amphenol Corp.	1.65 %
Microsoft Corp.	1.53 %
Visa Inc.	1.31 %
Alphabet Inc.	1.28 %
Marsh & McLennan Cos Inc.	1.22 %
Arthur J Gallagher & Co.	0.98 %
Amazon.com Inc.	0.92 %
Canadian Treasury Bill, 4.66%, September 26,2024	0.87 %
UnitedHealth Group Inc.	0.87 %
Procter & Gamble Co.	0.86 %
CME Group Inc.	0.84 %
Cencora Inc.	0.76 %
Verizon Communications Inc.	0.74 %
Mastercard Inc.	0.73 %
AptarGroup Inc.	0.69 %
Intercontinental Exchange Inc.	0.69 %
Waters Corp.	0.68 %
Abbott Laboratories	0.65 %
Verisk Analytics Inc.	0.62 %
Martin Marietta Materials Inc.	0.62 %
Paychex Inc.	0.58 %
Becton Dickinson and Co.	0.55 %
NIKE Inc.	0.51 %
Danaher Corp.	0.47 %
Total Net Assets (000's)	**$159,960**

The top 25 holdings represent approximately 91.40% of the total net assets of the Fund.

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.