



**VALUE
PARTNERS**
INVESTMENTS

VPI SUSTAINABILITY LEADERS POOL

**INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024**

MANAGER

VALUE PARTNERS INVESTMENTS INC.

PORTFOLIO MANAGER

VALUE PARTNERS INVESTMENTS INC.

This interim management report of fund performance contains financial highlights but does not contain either interim or annual financial statements of the Pool. If you have not received a copy of the interim financial statements with this interim 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 or by visiting the SEDAR website at 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.



VPI SUSTAINABILITY LEADERS POOL

Interim Management Discussion of Fund Performance

August 16, 2024

Investment Objective and Strategies

The Interim Management Report of Fund Performance presents management’s view of the significant factors and developments affecting the Pool’s performance and outlook since December 31, 2023, the Pool’s most recent fiscal year-end. This report should be read in conjunction with the Annual Management Report of Fund Performance for the year ended December 31, 2023.

Results of Operations

Net assets of the Pool increased by approximately \$3.8 million for the six-month period ended June 30, 2024 due to \$3.7 million of net sales and a \$0.1 million increase in net assets from operations. The increase in net assets from operations was primarily due to \$0.1 million of unrealized appreciation in the value of investments and \$0.1 million in dividend and interest income. This was offset by \$0.1 million in management fees and operating expenses, net of absorbed expenses.

The following table summarizes the businesses that were added and/or removed from the portfolio during the period:

<i>Additions</i>	<i>Dispositions</i>
Aon PLC	Canadian Imperial Bank of Commerce
Deere & Company	Loblaw Companies

As a result of these decisions, changes in market values and cashflows during the period, there were some notable shifts in the portfolio allocation from the beginning of the year as indicated in the following table.

<i>Sector</i>	<i>Allocation Increase</i>	<i>Sector</i>	<i>Allocation Decrease</i>
Insurance	3.4%	Cash	4.3%
Software and Services	1.7%	Banks	3.1%
Capital Goods	1.7%	Consumer Staples Distribution	1.0%
Commercial Services	1.6%	Automobiles and Components	0.9%
Media and Entertainment	1.4%	Semiconductors and Equipment	0.9%

Each series of the Pool experienced gains in the range of 5.5% to 6.7% for the first half of 2024, relative to the 17.0% gain of the MSCI World ESG Leaders Index (CAD\$) (“the Index”). The largest contributor to underperformance for the Pool was not owning NVIDIA which contributed approximately 10% of the 17% return this year. The Portfolio Manager recognizes the merits of Nvidia’s business and the high potential of artificial intelligence (A.I.). The Portfolio Manager remains concerned about how the market is applying an elevated valuation multiple at what is likely peak cycle high earnings on a historically cyclical business. The dynamic appears similar to other sizable hardware platform build outs, such as radio in the 1920s and internet in the 1990s and early 2000s. Often once the hardware build out is complete, sales growth collapses and the losses for investors can be substantial.

Additionally, the Pool’s overweight of Canadian holdings was a relative detractor to performance with the US dollar increasing 3.3% since the beginning of the year relative to the Canadian dollar. The Index has an allocation of 72.7% to United States compared to 40.5% for the VPI Sustainability Leaders Pool.



Results of Operations (continued)

Top contributors to Pool performance among individual securities included SAP SE, Alphabet and Schneider Electric. The top detractors from performance were Intel, CVS Health and Magna International. Top contributors to Index returns which were not held by the Pool included NVIDIA, Eli Lilly, and ASML. While the Portfolio Manager recognizes the strength of these businesses not held within the Pool, they are far from meeting the Pool’s criteria for attractive valuation. Shares of these companies traded at an average enterprise value to sales ratio of 18.1x - compared to an average of 4.2x for holdings in the Pool - while carrying elevated single product risks.

The Portfolio Manager remains focused on maintaining discipline by paying reasonable prices relative to the quality of the businesses in the Pool.

On climate related performance, the companies owned in the Pool continue to make progress on reducing carbon emissions. This is tracked on an annual basis. All but two holdings reduced their emissions on an absolute basis in the period, including carbon offsets and impact of renewable energy purchases in the last reporting period.

Companies held in the Pool offer critical technologies which help other businesses reduce their emissions. This not only has a positive impact on the environment in reducing pollution but is a driver of growth for many businesses in the Pool. During the period, the Portfolio Manager added Deere & Company (Deere) to the Pool, who’s technology is critical for reducing chemicals and fertilizers in agriculture production.

The Portfolio Manager also monitors diversity within the businesses the Pool holds. At the end of the last reporting period, 40% of the board directors were women and 83% have detailed targets to improve diversity in some capacity within their businesses.

*Note all references to "the last reporting period" refers to the last period in which all companies reported their sustainability performance which in this period is 2022.

Revenues and Expenses

Revenues of the Pool amounted to \$51 thousand, which can be attributed to dividend and interest income from its holdings. The Pool experienced \$85 thousand in unrealized appreciation in the value of its investments and realized gains on the sale of investments of \$27 thousand. The Pool also incurred \$13 thousand in management fees and operating expenses net of \$73 thousand of expenses absorbed by the Manager.

The realized gain on sale of investments of \$27 thousand is attributable to two full dispositions as well as partial dispositions of shares from the portfolio during the period. Dividends received from each of these holdings while in the Pool are in addition to these gains.

Holding	Approximate Holding Period	Proceeds (thousands)	Cost (thousands)	Realized Gain (Loss) (thousands)
Canadian Imperial Bank of Commerce	0.8 years	\$ 86	\$ 80	\$6
Loblaw Companies	1.0 years	\$ 12	\$ 11	\$1
Partial Dispositions	n/a	\$ 443	\$ 423	\$ 20
		\$ 541	\$ 514	\$ 27



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Recent Developments

Economic Conditions

This year, central banks have largely halted interest rate increases and, in some circumstances, began lowering interest rates. Higher interest rate sensitivity in Canada relative to the United States is leading to a sizable divergence between the two countries. Canadian homeowners are relatively more indebted than those in the U.S. and must reset rates frequently, making the impact of recent increases more elevated to the Canadian economy. The U.S. economy remains largely strong, benefiting from sizable government spending programs. However, the economy is beginning to show signs of softening, with unemployment levels increasing and job creation slowing. Despite a significant improvement in inflation in both economies over the year, caution is warranted as inflation tends to be stickier and more difficult to remove from the economy than many expect.

Over the last two years, the US Federal Funds rate moved from near zero (0.5%) to 5.5%. In effect, much of the world has moved from an environment where capital came at virtually no cost and investments were made with little skepticism into a normalized environment which will inevitably demand higher discount rates and more skepticism. This marks a paradigm shift. Not only from the last decade of abnormally low rates, but the last four decades of declining rates which had a natural effect of increasing asset values. What has worked for many in the past may no longer work going forward. Transitions like these are typically met with fits and starts. Investors are creatures of habit, typically attempting to hang onto their paradigm, buying what has worked in the past only to inevitably experience disappointment. Within the business environment, many businesses and consumers were not prepared for the dramatic increase in interest rates from abnormally low levels. The impacts of this have yet to be fully borne on the economy as interest rate increases typically have a delayed impact.

Given these factors, the Portfolio Manager believes caution is warranted. The Portfolio Manager believes that the best approach in these periods is to remain disciplined on the price that is paid, the quality of businesses owned, and the importance of remaining diversified. The Portfolio Manager is looking to own a collection of attractively valued and resilient businesses who carry inherent characteristics that allow the business to grow over time but also do not rely on the same outcomes for achieving that growth. Risk is what is left over after you thought of everything and overconcentration in a particular area exposes investors to unseeable risks in this type of environment.

Despite these challenges there remain good opportunities. Specific to the Pool, the Portfolio Manager remains optimistic about long-term prospects related to a need for more sustainable business practices. The imperative to decarbonize our economy, grow electrification, and circularity among other sustainable developments offers strong growth opportunities for the businesses the Pool owns. Additionally, the Portfolio Manager is optimistic about prospects in health care and technology which should remain durable creators of value over the coming decades driven by an aging population, innovation, productivity gains, and artificial intelligence. The Portfolio Manager remains defensive in the Pool's positioning, owning durable businesses, most of whom do not rely on growth in the economy to grow their own business.

Qualification of Series P Units

Series P units of the Pool were qualified on June 27, 2024 and are available to investors who have discretionary investment management accounts with dealers and whose dealer has executed a Series P agreement with the Manager.



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Portfolio Allocation

US Equities	41.9%	Cash	4.7%
Offshore Equities	33.3%	Liabilities, Less Other Assets	-0.5%
Canadian Equities	20.6%		

Sector Allocation

Capital Goods	14.8%	Cash	4.7%
Software and Services	9.6%	Commercial and Professional Services	4.4%
Pharmaceuticals and Life Sciences	9.4%	Household and Personal Products	4.3%
Health Care Equipment	7.2%	Telecommunication Services	4.3%
Insurance	6.9%	Technology Hardware and Equipment	3.8%
Banks	6.7%	Semiconductors and Equipment	2.5%
Media and Entertainment	6.4%	Automobiles and Components	1.9%
Utilities	6.3%	Consumer Staples Distribution and Retail	1.5%
Transportation	5.8%	Liabilities, Less Other Assets	-0.5%

Top 25 Holdings

Issuer	Percentage of Net Assets
Alphabet Inc.	6.4%
SAP SE	5.5%
Cash	4.7%
Schneider Electric S.E.	4.7%
Honeywell International Inc.	4.6%
Deutsche Telekom AG	4.3%
Unilever PLC	4.3%
Microsoft Corporation	4.2%
Novartis AG	4.0%
Siemens Aktiengesellschaft	3.9%
Cisco Systems, Inc.	3.8%
Becton, Dickinson and Company	3.8%
Royal Bank of Canada	3.7%
Canadian National Railway Company	3.7%
Aon plc	3.7%
CVS Health Corporation	3.4%
Sun Life Financial Inc.	3.2%
Danaher Corporation	3.0%
Bank of Montreal	2.9%
Waste Management, Inc.	2.8%
Enel SpA	2.8%
Intel Corporation	2.5%
Merck & Co., Inc.	2.4%
United Parcel Service, Inc., Class B	2.0%
Magna International Inc.	1.9%
Total	92.2%

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 SUSTAINABILITY LEADERS POOL

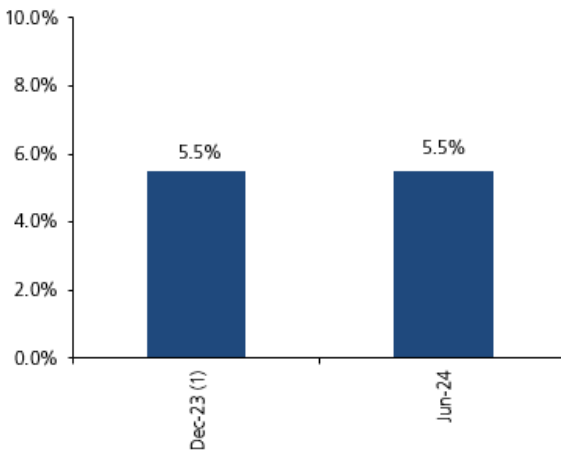
Past Performance

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.

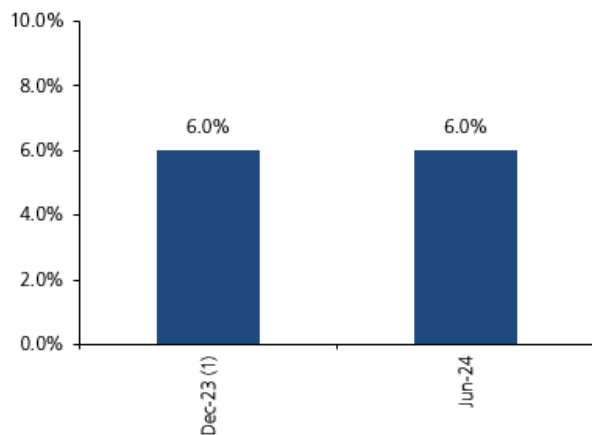
Year-by-Year Returns

The bar charts below show the performance of each series of the Pool (net of fees) for the six-month period ended June 30, 2024, and the 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.

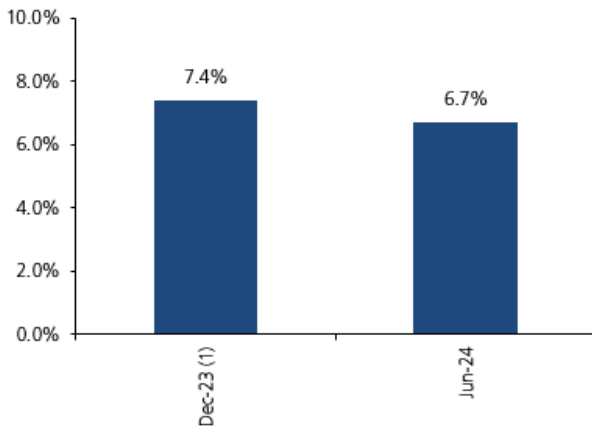
Series A



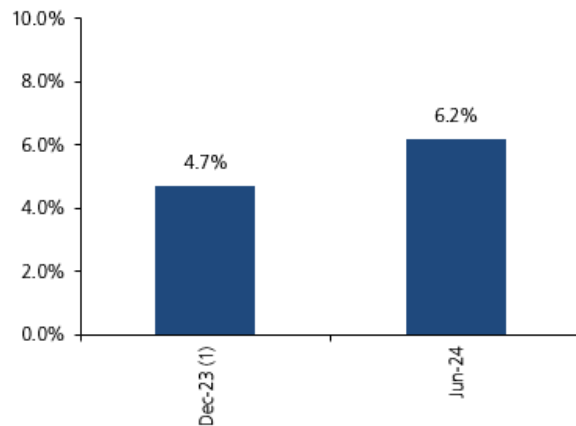
Series F



Series I



Series O



(1) 2023 return is since inception on June 28, 2023



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Management Fees

The Pool pays an annual management fee on each of its series (excluding Series I, Series O and Series P) 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 six-months ended June 30, 2024, approximately 31% 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 13% 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 six-month period ended June 30, 2024, the Pool paid \$13 thousand in management fees to the Manager. In addition, the parent company of the Manager also held 1 Series A, 15,169 Series F, 1 Series I and 1 Series O unit of the Pool as of June 30, 2024.



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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 five years ended December 31 and the six-month period ended June 30, 2024. *This information is derived from the Pool's audited annual financial statements and interim unaudited financial statements and is not intended to be a reconciliation of the net asset value per unit.*

The Pool's Net Assets Per Unit (\$) ⁽¹⁾

Series A	June 30 2024	December 31 2023
Net assets, beginning of period⁽⁴⁾	10.53	10.00
Increase (decrease) from operations:		
Total revenue	0.18	0.15
Total expenses	(0.16)	(0.12)
Realized gains (losses) for the period	0.09	0.05
Unrealized gains (losses) for the period	0.33	0.92
Total increase (decrease) from operations ⁽²⁾	0.44	1.00
Distributions:		
From net investment income (excluding dividends)	-	-
From dividends	-	-
From capital gains	-	(0.02)
Return of capital	-	-
Total annual distributions ⁽³⁾	-	(0.02)
Net assets, end of period	11.12	10.53

Series F	June 30 2024	December 31 2023
Net assets, beginning of period⁽⁴⁾	10.53	10.00
Increase (decrease) from operations:		
Total revenue	0.20	0.10
Total expenses	(0.11)	(0.08)
Realized gains (losses) for the period	0.10	0.03
Unrealized gains (losses) for the period	0.35	0.84
Total increase (decrease) from operations ⁽²⁾	0.54	0.89
Distributions:		
From net investment income (excluding dividends)	-	(0.01)
From dividends	-	(0.04)
From capital gains	-	(0.02)
Return of capital	-	-
Total annual distributions ⁽³⁾	-	(0.07)
Net assets, end of period	11.16	10.53



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Financial Highlights (continued)

Series I	June 30 2024	December 31 2023
Net assets, beginning of period⁽⁴⁾	10.72	10.00
Increase (decrease) from operations:		
Total revenue	0.16	0.03
Total expenses	-	-
Realized gains (losses) for the period	0.10	0.03
Unrealized gains (losses) for the period	0.34	0.89
Total increase (decrease) from operations⁽²⁾	0.60	0.95
Distributions:		
From net investment income (excluding dividends)	-	-
From dividends	-	(0.01)
From capital gains	-	(0.02)
Return of capital	-	-
Total annual distributions⁽³⁾	-	(0.03)
Net assets, end of period	11.44	10.72
Series O	June 30 2024	December 31 2023
Net assets, beginning of period⁽⁴⁾	10.28	10.00
Increase (decrease) from operations:		
Total revenue	0.19	0.85
Total expenses	-	(0.70)
Realized gains (losses) for the period	0.10	0.28
Unrealized gains (losses) for the period	0.19	(0.44)
Total increase (decrease) from operations⁽²⁾	0.48	-
Distributions:		
From net investment income (excluding dividends)	-	(0.03)
From dividends	-	(0.13)
From capital gains	-	(0.02)
Return of capital	-	-
Total annual distributions⁽³⁾	-	(0.18)
Net assets, end of period	10.93	10.28

(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 June 28, 2023



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Ratios and Supplemental Data

Series A	June 30 2024	December 31 2023
Total net asset value (000's) ⁽¹⁾	\$2,236	\$450
Number of units outstanding (000's) ⁽¹⁾	201	43
Management expense ratio ⁽²⁾	2.25%	2.25%
Management expense ratio before waivers or absorptions	7.11%	16.65%
Trading expense ratio ⁽³⁾	0.19%	0.11%
Portfolio turnover rate ⁽⁴⁾	19.52%	3.98%
Net asset value per unit ⁽¹⁾	\$11.12	\$10.53

Series F	June 30 2024	December 31 2023
Total net asset value (000's) ⁽¹⁾	\$1,425	\$583
Number of units outstanding (000's) ⁽¹⁾	128	55
Management expense ratio ⁽²⁾	1.35%	1.35%
Management expense ratio before waivers or absorptions	6.29%	22.64%
Trading expense ratio ⁽³⁾	0.19%	0.11%
Portfolio turnover rate ⁽⁴⁾	19.52%	3.98%
Net asset value per unit ⁽¹⁾	\$11.16	\$10.53

Series I	June 30 2024	December 31 2023
Total net asset value (000's) ⁽¹⁾	\$705	\$359
Number of units outstanding (000's) ⁽¹⁾	62	33
Management expense ratio ⁽²⁾	0.00%	0.00%
Management expense ratio before waivers or absorptions	5.50%	16.26%
Trading expense ratio ⁽³⁾	0.19%	0.11%
Portfolio turnover rate ⁽⁴⁾	19.52%	3.98%
Net asset value per unit ⁽¹⁾	\$11.44	\$10.72

Series O	June 30 2024	December 31 2023*
Total net asset value (000's) ⁽¹⁾	\$872	-
Number of units outstanding (000's) ⁽¹⁾	80	-
Management expense ratio ⁽²⁾	0.30%	-
Management expense ratio before waivers or absorptions	4.99%	-
Trading expense ratio ⁽³⁾	0.19%	-
Portfolio turnover rate ⁽⁴⁾	19.52%	-
Net asset value per unit ⁽¹⁾	\$10.93	-

*Series O information has not been included as at December 31, 2023 given the only unit issued was held by the Manager



Ratios and Supplemental Data (continued)

(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

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.