MANAGEMENT RESPONSIBILITY STATEMENT

The financial statements of Sustainable Power & Infrastructure Split Corp. (the "Fund") have been prepared by Brompton Funds Limited (the ''Manager" of the Fund) and approved by the Board of Directors of the Fund. The Manager is responsible for the information and representations contained in these financial statements and the other sections of the annual report.

The Manager maintains appropriate procedures to ensure that relevant and reliable financial information is produced. Statements have been prepared in accordance with IFRS Accounting Standards and include certain amounts that are based on estimates and judgements. The material accounting policy information applicable to the Fund are described in note 3 to the financial statements.

The Board of Directors of the Fund is responsible for ensuring that management fulfills its responsibilities for financial reporting and has reviewed and approved these financial statements. The Board carries out this responsibility through the Audit Committee, which is comprised of a majority of independent directors.

The Manager, with the approval of its Board of Directors, has appointed PricewaterhouseCoopers LLP as the auditor of the Fund. It has audited the financial statements of the Fund in accordance with Canadian generally accepted auditing standards to enable it to express to shareholders its opinion on the financial statements. The auditor has full and unrestricted access to the Audit Committee to discuss its findings.

(Signed) "Mark A. Caranci"	(Signed) "Ann P. Wong"
Mark A. Caranci	**Ann P. Wong**
Chief Executive Officer	*Chief Financial Officer*
Brompton Funds Limited	*Brompton Funds Limited*

March 18, 2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Sustainable Power & Infrastructure Split Corp. (the Fund)

OUR OPINION

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2023 and 2022 and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards.

What we have audited

The Fund's financial statements comprise:

- the statements of financial position as at December 31, 2023 and 2022;
- the statements of comprehensive income for the years then ended;
- the statements of cash flows for the years then ended;
- the statements of changes in net assets attributable to holders of redeemable Class A shares for the years then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

BASIS FOR OPINION

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance and the information, other than the financial statements and our auditor's report thereon, included in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor’s report is Christopher Pitts.

(Signed) “PricewaterhouseCoopers LLP”

Chartered Professional Accountants,
Licensed Public Accountants
Toronto, Ontario
March 18, 2024

STATEMENTS OF FINANCIAL POSITION

As at December 31		**2023**		2022
Assets				
Current assets				
Investments	**$**	**57,981,701**	$	61,014,588
Cash		**339,362**		243,141
Broker margin		**181,999**		-
Unrealized gain on foreign currency forward contracts (schedule 2)		**807,423**		221,541
Income receivable		**181,429**		174,281
Prepaid expenses		**52,544**		52,544
Preferred share discount (note 4)		**-**		29,368
Total assets		**59,544,458**		61,735,463
Liabilities				
Current liabilities				
Option contracts written, at fair value (schedule 1)		**28,808**		43,893
Unrealized loss on foreign currency forward contracts (schedule 2)		**-**		121,479
Accounts payable for redeemable share redeemed		**305,501**		-
Distributions payable to shareholder (note 6)		**679,732**		715,345
Accounts payable and accrued liabilities (note 7)		**109,910**		84,099
Class J shares (note 4)		**100**		100
Preferred shares (note 4)		**35,463,660**		37,321,660
Total liabilities (excluding Net Assets attributable to holders of redeemable Class A shares)		**36,587,711**		38,286,576
Net Assets attributable to holders of redeemable Class A shares	**$**	**22,956,747**	$	23,448,887
Redeemable shares outstanding (note 4)				
Preferred shares		**3,546,366**		3,732,166
Class A shares		**3,546,366**		3,732,166
Class J shares		**100**		100
Net Assets attributable to holders of redeemable shares per share				
Preferred share ($)		**10.00**		10.00
Class A share ($)		**6.47**		6.28
Class J share ($)		**1.00**		1.00

Approved on behalf of Sustainable Power & Infrastructure Split Corp. by the Board of Directors of Brompton Funds Limited, the Manager.

(Signed) "Christopher S.L. Hoffmann"

(Signed) "Mark A. Caranci"

Christopher S.L. Hoffmann
Director

Mark A. Caranci
Director

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31		2023		2022
Income				
Securities lending income (note 9)	**$**	**1,495**	$	2,695
Net gain (loss) on foreign exchange on cash		**(28,645)**		(430)
Net gain (loss) on investments and derivatives:				
Interest income		**3,137**		-
Dividend income		**1,693,900**		1,733,833
Net realized gain (loss) on sale of investments		**(320,236)**		(3,448,899)
Net change in unrealized gain (loss) on investments		**3,982,445**		(4,361,588)
Net realized gain (loss) on options		**89,010**		196,293
Net change in unrealized gain (loss) on options		**(33,278)**		46,183
Net realized gain (loss) on foreign currency forward contracts		**41,485**		(2,488,609)
Net change in unrealized gain (loss) on foreign currency forward contracts		**707,361**		380,379
Total net gain (loss) on investments and derivatives		**6,163,824**		(7,942,408)
Total income (loss), net		**6,136,674**		(7,940,143)
Expenses				
Management fees (note 7)		**482,259**		481,212
Audit fees		**32,081**		36,623
Independent Review Committee fees (note 7)		**3,076**		3,718
Custodial fees		**13,318**		10,865
Legal fees		**3,025**		2,971
Shareholder reporting costs		**28,630**		25,806
Other administrative expenses		**124,999**		129,980
Interest and bank charges		**233**		133
Agents' fees and issuance cost on Preferred shares, amortized (note 4)		**-**		154,478
Transaction costs		**86,895**		47,825
Total expenses before taxes		**774,516**		893,611
Income tax		**-**		39,464
Withholding taxes		**151,647**		116,510
Net investment income (loss) before distributions on Preferred shares		**5,210,511**		(8,989,728)
Distributions on Preferred shares (note 6)		**(1,842,858)**		(1,705,858)
Preferred share premium amortization (note 4)		**(29,368)**		(3,232)
Increase (decrease) in Net Assets attributable to holders of redeemable Class A shares	**$**	**3,338,285**	$	(10,698,818)
Increase (decrease) in Net Assets attributable to holders of redeemable Class A shares per share[1]	**$**	**0.90**	$	(3.13)

[1] Based on the weighted average number of redeemable units outstanding for the year (note 4).

STATEMENTS OF CASH FLOWS

For the years ended December 31		2023		2022
Cash flows from operating activities:				
Increase (decrease) in Net Assets attributable to holders of redeemable Class A shares from operations	**$**	**3,338,285**	$	(10,698,818)
Adjustments to reconcile net cash provided by (used in) operations:				
Net change in unrealized (gain) loss on foreign exchange on cash		**2,141**		(4,024)
Net realized (gain) loss on sale of investments		**320,236**		3,448,899
Net change in unrealized (gain) loss on investments		**(3,982,445)**		4,361,588
Net realized (gain) loss on options		**(89,010)**		(196,293)
Net change in unrealized (gain) loss on options		**33,278**		(46,183)
Net change in unrealized (gain) loss on foreign currency forward contracts		**(707,361)**		(380,379)
Increase (decrease) in distributions payable to Preferred shareholders		**(23,225)**		63,813
Preferred share premium amortization (note 4)		**29,368**		3,232
Decrease (increase) in broker margin		**(181,999)**		-
Decrease (increase) in income receivable		**(7,148)**		(47,287)
Decrease (increase) in prepaid expense		**-**		(52,544)
Increase (decrease) in accounts payable and accrued liabilities		**25,811**		28,374
Purchase of investments and options		**(34,721,732)**		(22,247,678)
Proceeds from sale of investments and options		**41,457,475**		18,886,027
Cash provided by (used in) operating activities		**5,493,674**		(6,881,273)
Cash flows from financing activities:				
Proceeds from issuance of redeemable Class A shares (note 4)		**-**		4,568,975
Proceeds from issuance of redeemable Preferred shares (note 4)[1]		**-**		5,072,400
Amounts paid for retraction of redeemable Class A shares		**(832,982)**		-
Amounts paid for retraction of redeemable Preferred shares		**(1,834,538)**		-
Agents' fee and issue costs paid on issuance of redeemable Class A shares		**-**		(177,438)
Distributions paid to redeemable Class A shareholders (note 6)		**(2,727,792)**		(2,713,601)
Cash provided by (used in) financing activities		**(5,395,312)**		6,750,336
Net increase (decrease) in cash		**98,362**		(130,937)
Net change in unrealized gain (loss) on foreign exchange on cash		**(2,141)**		4,024
Cash, beginning of year		**243,141**		370,054
Cash, end of year	**$**	**339,362**	$	243,141
Distributions paid on Preferred shares (note 6) ($)	**$**	**1,866,083**	$	1,642,045
Supplemental information:[2]				
Dividends received, net of withholding taxes ($)		**1,535,105**		1,570,036
Interest received ($)		**3,137**		-
Interest paid ($)		**233**		133

1 For the year ended December 31, 2023, gross proceeds from issuance of redeemable Preferred shares of $nil (year ended December 31, 2022 - $5,105,000), net of $nil (year ended December 31, 2022 - $32,600) accrued distributions payable.

2 Included in cash flows from operating activities.

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE CLASS A SHARES

For the years ended December 31		2023		2022
Net Assets attributable to holders of redeemable Class A shares at beginning of year	**$**	**23,448,887**	$	32,503,805
Operations:				
Increase (decrease) in Net Assets attributable to holders of redeemable Class A shares		**3,338,285**		(10,698,818)
Distributions to holders of redeemable Class A shares (note 6):				
Return of capital		**(2,715,404)**		(2,747,637)
Total		**(2,715,404)**		(2,747,637)
Redeemable Class A share transactions:				
Proceeds from issuance of redeemable Class A shares (note 4)		**-**		4,568,975
Agents' fees and issue costs paid on issuance of redeemable Class A shares (note 4)		**-**		(177,438)
Retraction of redeemable Class A shares		**(1,115,021)**		-
Net increase (decrease) from redeemable Class A share transactions		**(1,115,021)**		4,391,537
Net increase (decrease) in Net Assets attributable to holders of redeemable Class A shares		**(492,140)**		(9,054,918)
Net Assets attributable to holders of redeemable Class A shares at end of year	**$**	**22,956,747**	$	23,448,887

The accompanying notes are an integral part of these financial statements.

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2023

	Number of Shares	Cost[1] $	Carrying Value $	% of Portfolio
Asia				
Japan				
Industrials				
Hitachi Ltd.	31,400	2,059,666	3,000,984	
		2,059,666	**3,000,984**	**5.2**
Total Asia		**2,059,666**	**3,000,984**	**5.2**
Europe				
France				
Industrials				
Schneider Electric SE	10,400	1,998,380	2,765,420	
		1,998,380	**2,765,420**	**4.8**
Materials				
Air Liquide S.A.	8,600	1,863,873	2,215,587	
		1,863,873	**2,215,587**	**3.8**
Utilities				
Veolia Environnement S.A.	44,000	2,032,492	1,838,199	
		2,032,492	**1,838,199**	**3.2**
Germany				
Consumer Discretionary				
Bayerische Motoren Werke AG	10,800	1,591,381	1,592,135	
		1,591,381	**1,592,135**	**2.7**
Industrials				
Siemens AG	8,300	1,767,955	2,063,024	
		1,767,955	**2,063,024**	**3.5**
Great Britain				
Materials				
Linde PLC	3,800	2,044,285	2,068,003	
		2,044,285	**2,068,003**	**3.6**
Utilities				
National Grid PLC	16,000	1,313,787	1,441,442	
		1,313,787	**1,441,442**	**2.5**
Ireland				
Industrials				
Trane Technologies PLC	7,100	1,893,838	2,294,576	
		1,893,838	**2,294,576**	**4.0**

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at December 31, 2023

	Number of Shares	Cost[1] $	Carrying Value $	% of Portfolio
Europe (cont'd)				
Italy				
Industrials				
Prysmian SpA	28,700	1,581,409	1,728,401	
		1,581,409	**1,728,401**	**3.0**
Utilities				
Enel SpA	224,500	2,159,317	2,210,106	
		2,159,317	**2,210,106**	**3.8**
Total Europe		**18,246,717**	**20,216,893**	**34.9**
North America				
Canada				
Communication Services				
Telus Corp.	74,400	2,006,509	1,754,352	
		2,006,509	**1,754,352**	**3.0**
Energy				
Cameco Corp.	38,500	1,871,100	2,199,505	
Parkland Corp.	49,200	2,155,408	2,101,332	
		4,026,508	**4,300,837**	**7.4**
Investment Funds[1]				
Brompton Sustainable Real Assets Dividend ETF	125,000	2,700,403	2,831,313	
		2,700,403	**2,831,313**	**4.9**
Utilities				
Hydro One Ltd.	60,000	2,180,871	2,382,000	
		2,180,871	**2,382,000**	**4.1**
United States				
Communication Services				
T-Mobile US Inc.	10,500	1,978,702	2,230,675	
		1,978,702	**2,230,675**	**3.8**
Energy				
ONEOK Inc.	24,600	1,651,192	2,288,907	
Targa Resources Corp.	16,500	1,880,237	1,899,267	
Williams Companies Inc.	41,000	1,754,738	1,892,211	
		5,286,167	**6,080,385**	**10.5**

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at December 31, 2023

	Number of Shares	Cost[1] $	Carrying Value $	% of Portfolio
North America (cont'd)				
United States (cont'd)				
Industrials				
General Electric Co.	10,300	1,612,038	1,741,896	
Parker-Hannifin Corp.	3,500	1,886,976	2,136,577	
Quanta Services Inc.	6,500	1,823,312	1,858,648	
		5,322,326	**5,737,121**	**9.9**
Information Technology				
Roper Technologies Inc.	3,700	1,992,322	2,672,797	
		1,992,322	**2,672,797**	**4.6**
Utilities				
Constellation Energy Corp.	13,000	936,711	2,013,506	
Exelon Corp.	36,600	1,416,116	1,741,036	
NextEra Energy Inc.	26,900	2,157,768	2,165,007	
Southern Co.	9,200	868,273	854,795	
		5,378,868	**6,774,344**	**11.7**
Total North America		**30,872,676**	**34,763,824**	**59.9**
Embedded Broker Commission		(59,637)		
Total Investments		**51,119,422**	**57,981,701**	**100.0**

[1] Where applicable, distributions received from investment trusts as a return of capital are used to reduce the adjusted cost base of the investment funds in the portfolio.

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at December 31, 2023

Schedule 1 - Option Contracts

Underlying Interest	Number of Contracts[1]	Expiration Date	Currency	Strike Price per Contract $	Premium Received (CAD) $	Fair Value (CAD) $
Air Liquide S.A.	13	19-Jan-24	EUR	180.00	3,656	(2,130)
Bayerische Motoren Werke AG	16	19-Jan-24	EUR	104.00	2,844	(1,814)
Cameco Corp.	78	19-Jan-24	CAD	64.00	4,446	(1,911)
Linde PLC	7	19-Jan-24	USD	420.00	2,885	(2,180)
National Grid PLC	24	19-Jan-24	USD	70.00	1,728	(1,034)
NextEra Energy Inc.	40	19-Jan-24	USD	65.00	3,147	(1,458)
ONEOK Inc.	49	19-Jan-24	USD	72.50	4,894	(2,596)
Siemens AG	17	19-Jan-24	EUR	172.00	4,869	(5,123)
Targa Resources Corp.	25	19-Jan-24	USD	90.00	3,134	(2,153)
Targa Resources Corp.	33	19-Jan-24	USD	95.00	5,032	(298)
T-Mobile US Inc.	21	19-Jan-24	USD	160.00	4,246	(8,111)
	323				**40,881**	**(28,808)**

[1] Each contract was written for 100 shares of the underlying security

Schedule 2 - Foreign Currency Forward Contracts

Currency Purchased		Currency Sold		Maturity Date	Contract Rate	Unrealized gain/(loss) CAD($)
CAD	14,119,470	EUR	(9,620,000)	16-Jan-24	0.68133	42,231
CAD	3,090,094	JPY	(326,403,000)	16-Jan-24	105.62883	16,819
CAD	29,658,130	USD	(21,822,000)	16-Jan-24	0.73578	748,373
Net Unrealized gain/(loss) on Foreign Currency Forward Contracts						**807,423**

1. GENERAL INFORMATION

Sustainable Power & Infrastructure Split Corp. (the "Fund") is a mutual fund corporation established under the laws of the Province of Ontario on March 31, 2021. Brompton Funds Limited (the ''Manager'') is responsible for managing the affairs of the Fund and manages the Fund's portfolio and options program. The Fund is listed on the Toronto Stock Exchange and commenced operations on May 21, 2021. CIBC Mellon Trust Company is the custodian of the Fund's assets and prepares the daily valuations of the Fund. The address of the Fund's registered office is Suite 2930, Bay Wellington Tower, Brookfield Place, 181 Bay Street, Toronto, Ontario M5J 2T3.

The Fund invests in a globally diversified and actively managed portfolio consisting primarily of dividend-paying securities of power and infrastructure companies, whose assets, products and services the Manager believes are facilitating the multi-decade transition toward decarbonization and environmental sustainability. The Portfolio will include investments in companies operating in the areas of renewable power, green transportation, energy efficiency, and communications, among others ("Sustainable Power and Infrastructure Companies").

These financial statements were approved by the Board of Directors of Sustainable Power & Infrastructure Split Corp. on March 11, 2024.

2. BASIS OF PRESENTATION

These financial statements have been prepared in compliance with IFRS Accounting Standards. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied.

a) Financial Instruments

The Fund's portfolio of investments are managed, and performance is evaluated, on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income ("FVOCI"). The contractual cash flows of the Fund's debt securities that are solely principal and interest are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the objective of the Fund's business model. Consequently, all investments are measured at fair value through profit or loss ("FVTPL"). Derivative assets and liabilities are also measured at FVTPL.

The Fund's obligations for Net Assets attributable to holders of redeemable Class A shares and Class J shares are measured assuming the redemption of shares at Net Asset Value ("NAV") on the valuation date. The Preferred shares are measured at amortized cost. All other financial assets and liabilities are initially recognized at fair value and subsequently measured at amortized cost. Under this method, financial assets and liabilities reflect the amounts required to be received or paid, net of any directly attributable transaction costs, discounted when appropriate, at the financial instrument's effective interest rate. The Fund's accounting policies for measuring the fair value of its investments and derivatives are the same as those used in measuring its published Net Asset Value. In addition, Preferred shares are carried at amortized cost for accounting purposes but at redemption amount in measuring the published Net Asset Value. The carrying values of the Fund's financial assets and liabilities, except for the Preferred shares (Note 4), that are not carried at FVTPL approximate their fair values due to their short-term nature.

b) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Fund or the counterparty.

c) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded marketable securities) is based on quoted market prices at the close of trading on the measurement date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

Investments in underlying exchange-traded funds are valued at their reported Net Asset Value per unit.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each measurement date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, and others commonly used by market participants that make the maximum use of observable inputs. Refer to note 11 for further information about the Fund's fair value measurements.

d) Investments in Associates, Joint Ventures and Subsidiaries

The Fund has determined that it meets the definition of an investment entity within IFRS 10, Consolidated Financial Statements. As a result of this determination, the Fund measures subsidiaries, if any, at FVTPL. An investment entity is an entity that obtains funds from one or more investors for the purpose of providing them with investment management services; commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measures and evaluates the performance of substantially all of its investments on a fair value basis.

Subsidiaries are all entities, including investments in other investment entities, over which a Fund has control. A Fund controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and the ability to affect those returns through its power over the entity.

e) Cash

Cash is comprised of demand deposits with financial institutions. Bank overdrafts are included under Current Liabilities in the Statements of Financial Position.

f) Investment Transactions and Income and Expense Recognition

Investment transactions are accounted for as of the trade date. Net realized gain (loss) on the sale of investments and net change in unrealized gain (loss) on investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities. Dividend income is recognized on the ex-dividend date.

Distributions received from investment trusts, including investment trusts managed by the Manager, are recorded as income, capital gains or a return of capital based on the nature of the underlying allocations. Distributions from investment trusts treated as a return of capital reduce the average cost of the underlying investment trusts.

Interest income for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received and is accounted for on an accrual basis. Interest income includes interest from cash and cash equivalents. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities.

Option premiums paid or received by the Fund are, so long as the options are outstanding, reflected as an asset or liability, respectively, in the Statements of Financial Position and are valued at an amount equal to the current market value of an option that would have the effect of closing the position. Gains or losses realized upon expiration, repurchase or exercise of the option are included in net realized gains or losses on options.

Forward contracts are valued at an amount equal to the value that could be realized if the forward contracts were closed out on the financial reporting date and the change in fair value recorded as an unrealized gain or loss. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract on the date it was opened and the value on the date it was closed.

g) Transaction Costs

Transaction costs directly attributable to the acquisition or disposal of an investment are expensed in the period incurred and disclosed as "Transaction costs" in the Statements of Comprehensive Income.

h) Income Taxes

The Fund is a mutual fund corporation as defined in the Income Tax Act (Canada) (the ''Act'') and is subject to tax in respect of its net realized capital gains. This tax is refundable in certain circumstances. Also, the Fund is generally subject to tax of 38⅓% under Part IV of the Act on taxable dividends received from Canadian corporations in the year. This tax is fully refundable upon payment of sufficient dividends.

The Fund is also a financial intermediary corporation as defined in the Act and, as such, is not subject to tax under Part IV.1 of the Act on dividends received nor is it generally liable to tax under Part VI.1 on dividends paid by the Fund on taxable preferred shares as defined in the Act.

Given the investment and dividend policy of the Fund and taking into account the deduction of expenses and taxable dividends on shares of taxable Canadian corporations, the Fund does not expect to be subject to any appreciable amount of non-refundable Canadian income tax. Accordingly, no income tax provision has been recorded for the Canadian income. However, the Fund is subject to tax on the amount of its foreign income that is not offset by its operating expenses and share issue costs.

Currently the Fund incurs withholding taxes imposed by certain foreign countries on investment income. Such foreign income is recorded gross of withholding taxes, and the withholding taxes are presented as an expense item on the Statement of Comprehensive Income.

i) Foreign Currency Translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates that transactions occur. Foreign currency assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the measurement date. Foreign exchange gains and losses relating to cash are presented as "Net gain (loss) on foreign exchange on cash" and those relating to other financial assets and liabilities are presented within "Net realized gain (loss)" and "Net change in unrealized gain (loss)" in the Statements of Comprehensive Income.

j) Securities Lending

The Fund may enter into securities lending transactions. These transactions involve the temporary exchange of securities as collateral with a commitment to deliver the same securities on a future date. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on securities held as collateral. Income earned from these transactions is recognized on an accrual basis and included in the Statements of Comprehensive Income.

k) Classification of Redeemable Shares by the Fund

As required under International Accounting Standard ("IAS") 32, *Financial Instruments: Presentation,* shares of an entity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset must be classified as financial liabilities, unless certain criteria are met. Under IFRS, the Fund's Preferred shares and Class J shares are classified as liabilities as they are not the most subordinate class of shares. The Class A shares contain multiple redemption features and, therefore are considered to have more than one contraction obligation to its Class A shareholders. As a result, the Fund's Class A shares have been classified as financial liabilities.

4. REDEEMABLE SHARES

Units

A unit means a notional unit consisting of one Preferred share and one Class A share. Net Asset Value is determined by (i) the aggregate value of the assets of the Fund, less (ii) the aggregate value of the liabilities of the Fund (the Preferred shares will not be treated as liabilities), including any distributions declared and not paid that are payable to shareholders, less (iii) the stated capital of Class J shares ($100).

Class J Shares

The Fund is authorized to issue an unlimited number of Class J shares.

As of December 31, 2023, 100 (December 31, 2022 - 100) Class J shares were outstanding.

Class J shares are not entitled to receive dividends but are entitled to one vote per share. The Class J shares are redeemable and retractable at a price of $1.00 per share.

Redeemable Class A Shares

Authorized

The Fund is authorized to issue an unlimited number of Class A shares.

The Fund intends to pay monthly, non-cumulative distributions to the holders of Class A shares. No distributions will be paid on Class A shares if (i) distributions payable on the Preferred shares are in arrears or (ii) in respect of a cash distribution, after the payment of a cash distribution by the Fund, the Net Asset Value per unit would be less than $15.00.

The Class A shares rank subsequent to the Preferred shares but in priority to the Class J shares with respect to the payment of distributions and the repayment of capital on the dissolution, liquidation or winding-up of the Fund. Each Class A share is entitled to one vote on certain shareholder matters.

The current issued and outstanding Class A shares have a maturity date of May 29, 2026. On the Maturity Date and upon any subsequent extension of the maturity date, holders of Class A shares will be entitled to retract their Class A Shares pursuant to a non-concurrent retraction right. The retraction price payable by the Fund for a Class A share on that date will be equal to the greater of (i) the Net Asset Value per unit on that date minus the sum of $10.00, plus any accrued and unpaid distributions on the Preferred shares, and (ii) nil. Class A shares must be surrendered for retraction on the last business day of the month prior to the Maturity Date or subsequent maturity date, as applicable.

Class A shares may be surrendered at any time for retraction but will be retracted only on the second last business day of a month ("Retraction Date"). Class A shares surrendered for retraction on the tenth business day prior to the Retraction Date will be retracted on such Retraction Date. Holders of Class A shares whose Class A shares are surrendered for retraction will be entitled to receive a price per Class A share equal to 96% of the difference between (i) the Net Asset Value per unit determined as of the relevant Retraction Date and (ii) the cost to the Fund of the purchase of a Preferred share for cancellation. The cost of the purchase of a Preferred share includes the purchase price of the Preferred share, commission and such other costs, if any, related to the liquidation of any portion of the Fund's portfolio required to fund such purchase.

A holder of Class A shares may concurrently retract an equal number of Class A and Preferred shares on the second last business day of May of each year ("Annual Retraction Date"), at a price per unit equal to the Net Asset Value per unit on that date, less any costs associated with the retraction, including commissions and other costs, if any, related to the liquidation of any portion of the portfolio required to fund such retraction. The Class A shares and the Preferred shares must both be surrendered for retraction on the tenth business day prior to the Annual Retraction Date.

The Fund's Class A shares are classified as financial liabilities on the Statements of Financial Position.

Issued

	2023 Number of Units	2022 Number of Units
Redeemable Class A shares, outstanding at January 1	**3,732,166**	3,221,666
Issuance of redeemable Class A shares	**-**	510,500
Retraction of redeemable Class A shares – Annual Retraction	**-**	-
Retraction of redeemable Class A shares – Monthly Retraction	**(185,800)**	-
Redeemable Class A shares, outstanding at December 31	**3,546,366**	3,732,166
Weighted average number of redeemable Class A shares outstanding	**3,717,179**	3,413,278

Closing Date	Number of Shares	Price $	Gross Proceeds $	Issue Cost $
17-Aug-22	510,500	8.95	4,568,975	239,434
Total as of December 31, 2022	510,500		4,568,975	239,434

On December 31, 2023, the Class A shares' closing market price on the Toronto Stock Exchange was $6.19 per share (December 31, 2022- $7.55).

Redeemable Preferred Shares

Authorized

The Fund is authorized to issue an unlimited number of Preferred shares.

Holders of Preferred shares are entitled to receive fixed, cumulative, preferential quarterly cash distributions of $0.1250 per share. The Preferred shares rank in priority to the Class A shares with respect to the payment of distributions and the repayment of capital on the dissolution, liquidation, or winding-up of the Fund. Each Preferred share is entitled to one vote on certain shareholder matters.

The current issued and outstanding Preferred shares have a Maturity Date of May 29, 2026. On the Maturity Date and upon any subsequent extension of the maturity date, holders of Preferred shares will be entitled to retract their Preferred shares pursuant to a non-concurrent retraction right. The retraction price payable by the Fund for a Preferred share on that date will be equal to the lesser of (i) $10.00, plus any accrued and unpaid distributions thereon, and (ii) the Net Asset Value of the Fund on that date divided by the number of Preferred shares then outstanding. Preferred shares must be surrendered for retraction on the last business day of the month prior to the Maturity Date or subsequent maturity date, as applicable.

Preferred shares may be surrendered at any time for retraction but will be retracted only on the second last business day of a month ("Retraction Date"). Preferred shares surrendered for retraction on the tenth business day prior to the Retraction Date will be retracted on such Retraction Date. Shareholders whose Preferred shares are retracted will be entitled to receive a price per share equal to 96% of the lesser of (i) the Net Asset Value per unit determined as of the relevant Retraction Date, less the cost to the Fund of the purchase of a Class A share for cancellation, and (ii) $10.00. The cost of the purchase of a Class A share will include the purchase price of the Class A share, commission and other costs, if any, related to the liquidation of any portion of the portfolio required to fund such purchase.

A holder of Preferred shares may also concurrently retract an equal number of Preferred shares and Class A shares on the second last business day of May of each year ("Annual Retraction Date"), at a price per unit equal to the Net Asset Value per unit on that date, less any costs associated with the retraction, including commissions and other such costs, if any, related to the liquidation of any portion of the portfolio required to fund such retraction. The Preferred shares and Class A shares must both be surrendered for retraction on the tenth business day prior to the Annual Retraction Date.

Issued

	2023 Number of Units	2022 Number of Units
Redeemable Preferred shares, outstanding at January 1	**3,732,166**	3,221,666
Issuance of redeemable Preferred shares	**-**	510,500
Retraction of redeemable Preferred shares – Annual Retraction	**-**	-
Retraction of redeemable Preferred shares – Monthly Retraction	**(185,800)**	-
Redeemable Preferred shares, outstanding at December 31	**3,546,366**	3,732,166

Closing Date	Number of Shares	Price $	Gross Proceeds $	Issue Cost $
17-Aug-22	510,500	10.00	5,105,000	216,474
Total as of December 31, 2022	510,500		5,105,000	216,474

The Fund's Preferred shares may be issued at a premium, discount or at par, which is the redemption value. A premium/discount is identified as the difference between the Fund's treasury offering issuance price (excluding the accrued dividends embedded in the price) and its redemption value. There is a premium when the Fund completes an offering at an issuance price (excluding the accrued dividends embedded in the price) that is more than the redemption value; and a discount when the Fund completes an offering at an issuance price (excluding the accrued dividends embedded in the price) that is less than the redemption value. Premiums/discounts are amortized until the subsequent Annual Retraction Date of the Preferred shares. During the year ended December 31, 2023, $29,368 (year ended December 31, 2022 – $3,232) was amortized and the discount balance as at December 31, 2023 is $nil (December 31, 2022 – $29,368).

On December 31, 2023, the Preferred shares' closing market price on the Toronto Stock Exchange was $9.98 per share (December 31, 2022 – $9.75).

5. CAPITAL MANAGEMENT

The Fund's capital is comprised of Class A, Class J and Preferred shares. The Fund's objectives in managing its capital are:

i) to provide holders of Preferred shares with fixed, cumulative, preferential quarterly cash distributions and to return the original issue price to the holders of the shares on the scheduled maturity date, the terms of which may be extended for a period of up to five years as determined by the Board of Directors or such other date if the term of the Fund is extended, and

ii) to provide holders of Class A shares with regular monthly cash distributions targeted to be $0.06667 per share and the opportunity for growth in Net Asset Value per share through exposure to the Portfolio.

The Fund manages its capital taking into consideration the risk characteristics of its holdings. In order to manage its capital structure, the Fund may adjust the amount of distributions paid to shareholders or return capital to shareholders.

6. DISTRIBUTIONS TO SHAREHOLDERS

Distributions are made on a quarterly basis, record date being the last business day of March, June, September and December, on the Preferred shares and on a monthly basis on the Class A shares. Distributions are payable no later than the tenth business day of the following month.

For the year ended December 31, 2023, the Fund declared cash distributions of $0.73 (year ended December 31, 2022 - $0.80) per Class A share and accrued distributions of $0.50 (year ended December 31, 2022 - $0.50) per Preferred share, which amounted to $2,715,404 and $1,842,858 (year ended December 31, 2022 - $2,747,637 and $1,705,858, respectively), respectively.

Under the Fund's distribution reinvestment plan, Class A shareholders may elect to reinvest monthly distributions in additional Class A shares of the Fund. Such reinvestments occur through market purchases.

On January 24, 2024, the Fund declared a monthly cash distribution of $0.06667 per Class A share for the record date January 31, 2024.

7. RELATED PARTY TRANSACTIONS

a) Management Fees

Pursuant to a management agreement, the Manager provides management and administrative services, including the provision of key management personnel. The Fund pays a management fee equal to 0.75% per annum of the Net Asset Value of the Fund, calculated and payable monthly in arrears, plus applicable taxes. The Fund does not pay any management fees on investments in funds managed by the Manager. The Net Asset Value of the Fund is determined by taking the total assets of the Fund, excluding investments in funds managed by the Manager, and deducting the Fund's liabilities. For this purpose, the Preferred shares are not considered a liability of the Fund.

For the year ended December 31, 2023, the management fee amounted to $482,259 (year ended December 31, 2022 - $481,212), of which, $50 was payable as of December 31, 2023 (December 31, 2022 – prepaid of $825). The Fund is responsible for the payment of all expenses relating to its operations and the carrying on of its business.

b) Independent Review Committee Fees

The total remuneration paid to members of the Independent Review Committee during the year ended December 31, 2023 was $3,076 (year ended December 31, 2022 - $3,718) and consisted only of fees. As at December 31, 2023, there was $72 Independent Review Committee fees payable (December 31, 2022 – $nil).

c) Related Party Holdings

The Fund invests in other funds managed by the Manager, in accordance with the investment objectives and strategies. Details of such investments held are disclosed in the Schedule of Investment Portfolio and in Note 13. The Fund's Board of Directors and Independent Review Committee has provided a standing instruction confirming its approval for the Fund to invest in other funds managed by the Manager.

At December 31, 2023, 3.3% of the Fund's Preferred shares were held by an investment fund managed by the Manager (December 31, 2022 - 0.2%).

8. SOFT DOLLAR COMMISSIONS

For the years ended December 31, 2023 and 2022, there were no soft dollar commissions paid. Research and system related services received in return for commissions generated with specific dealers are generally referred to as soft dollar commissions.

9. SECURITIES LENDING

The Fund has entered into a securities lending program with its custodian, CIBC Mellon Trust Company (and certain of its affiliates). The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the assets of the Fund. The Fund will receive collateral of at least 102% of the value of the securities on loan. Collateral will generally be comprised of cash and obligations of, or guaranteed by, the Government of Canada or a province thereof, or the United States Government or its agencies, or a permitted supranational agency as defined in National Instrument 81-102. There were no securities on loan and related collateral at December 31, 2023 (December 31, 2022 – $2.0 million and $2.1 million, respectively).

Securities lending income reported in the Statements of Comprehensive Income is net of a securities lending charge which the Fund's custodian, CIBC Mellon Trust Company (and certain of its affiliates), is entitled to receive. The securities lending income is detailed below:

For the years ended December 31,	**2023 $**	2022 $
Gross securities lending income	**2,238**	3,875
Securities lending charges	**(671)**	(1,162)
Net securities lending income	**1,567**	2,713
Withholding taxes on securities lending income	**(72)**	(18)
Net securities lending income received by the Fund	**1,495**	2,695
Securities lending charges % of gross income	**30.0%**	30.0%

10. FINANCIAL RISK MANAGEMENT

The Fund's investment activities expose it to a variety of financial risks. The Manager attempts to minimize the potential adverse effects of these risks by, but not limited to, employing a professional, experienced portfolio manager; by regularly monitoring of the Fund's positions and market events; and by regular rebalancing of the investment portfolio within the constraints of the investment objectives. To assist in managing risks, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and restrictions, internal guidelines, and securities regulations.

a) Concentration Risk

Concentration risk arises as a result of the concentration of financial instruments within the same category, whether it is geographical allocation, asset type, sector or industry. The Schedule of Investment Portfolio presents the securities held as of December 31, 2023, and categorizes them based on geographic allocation and sector. The table below summarizes the Fund's concentration risk as at December 31, 2022:

As at	December 31, 2022
Investment Sector	% of Portfolio
Communication Services	9.9
Energy	11.2
Industrials	28.8
Information Technology	3.8
Investment Funds	4.6
Materials	6.7
Real Estate	6.6
Utilities	28.4
Total	100.0

b) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, other than those arising from interest rate risk or currency risk. These changes can result from factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities and derivatives present a risk of loss of capital. Except for options written, the maximum risk of loss resulting from financial instruments is equivalent to their fair value. The Manager mitigates this risk through the careful selection of securities and derivatives within the parameters of the investment strategy. There were no cash-covered put options outstanding as at December 31, 2023 and 2022. No additional risk is introduced by covered call options written.

The Fund is exposed to other price risk from its investment in equity securities and option contracts. The below table summarizes the estimated impact to the Fund's Net Assets attributable to holders of redeemable Class A shares resulting from a ±10% change in the quoted prices for equity securities and NAV for investment funds, with all other variables held constant. In practice, the actual trading results may differ, and the difference could be material.

	+ 10% Impact		**-10% Impact**	
	$	**%**	**$**	**%**
As at December 31, 2023	5,562,724	24.2	(5,768,317)	(25.1)
As at December 31, 2022	6,026,870	25.7	(6,089,963)	(26.0)

c) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The Fund did not have significant credit risk exposure as at December 31, 2023 and 2022. The carrying amount of other assets represents the maximum credit risk, exposure as they will be settled in the short term.

All transactions in securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal as delivery of securities sold is only made once the Fund has received payment. The trade will fail if either party fails to meet its obligation.

The Fund has entered into a securities lending program with its custodian; see note 9. Credit risk associated with these transactions is considered minimal as all counterparties have a sufficient, approved credit rating and the value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned.

The Fund is also exposed to credit risk for the amount of unrealized gains under the foreign currency forward contracts (schedule 2) with a Canadian chartered bank with a DBRS rating of AA (high).

d) Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to settle or meet its obligations on time or at a reasonable price. The Fund is exposed to liquidity risk through its monthly and annual retractions of Class A and Preferred shares. For the monthly and annual retractions of Class A shares and Preferred shares, the Fund receives notice at least 10 business days before the Retraction Date and has up to 10 business days after the Retraction Date to complete the retractions. This timeframe allows the Manager to sell securities, although there may not be sufficient time to sell them at a reasonable price. All Class A and Preferred shares outstanding are scheduled to be redeemed by the Fund on the Maturity Date unless the term of the Fund is extended.

As at December 31, 2023 and 2022, all the Fund's other financial liabilities had maturities of less than three months.

e) Currency Risk

Currency risk is the risk that the value of financial instruments denominated in a currency other than the Canadian dollar, which is the Funds' functional and reporting currency, will fluctuate due to changes in foreign exchange rates.

The Fund's currency risk is substantially hedged with the use of foreign currency forward contracts. The tables below indicate the currencies, other than the Canadian dollar, to which the Fund had exposure to directly. The table also indicates the Fund's sensitivity to a 5% change in currency exchange rates and the impact to the Fund's Net Assets attributable to holders of redeemable Class A shares. Amounts shown are based on the carrying value of monetary and non-monetary assets (including derivatives and the underlying principal (notional) amount of forward currency contracts, if any). In practice, the actual trading results may differ, and the difference could be material.

As at December 31, 2023	**Currency Exposure $**	**Foreign Currency Forward Contracts (schedule 2) $**	**Net Currency Exposure $**	**Impact on Net Assets $**	**Impact on Net Assets %**
British pound	934	-	934	47	-
Euro	14,657,179	(14,077,239)	579,940	28,997	0.13
Hong Kong dollar	5	-	5	-	-
Japanese yen	3,001,059	(3,073,275)	(72,216)	(3,611)	(0.02)
Swiss franc	4,660	-	4,660	233	-
U.S. dollar	29,544,316	(28,909,757)	634,559	31,728	0.14
	47,208,153	**(46,060,271)**	**1,147,882**	**57,394**	**0.25**

As at December 31, 2022	Currency Exposure $	Foreign Currency Forward Contracts $	Net Currency Exposure $	Impact on Net Assets $	Impact on Net Assets %
British pound	2,170,652	(2,164,470)	6,182	309	-
Euro	5,354,027	(5,524,092)	(170,065)	(8,503)	(0.04)
Hong Kong dollar	839,715	(826,544)	13,171	659	-
Japanese yen	2,167,569	(2,310,961)	(143,392)	(7,170)	(0.03)
Swiss franc	4,332	-	4,332	217	-
U.S. dollar	31,279,573	(31,598,245)	(318,672)	(15,934)	(0.07)
	41,815,868	(42,424,312)	(608,444)	(30,422)	(0.14)

f) Interest Rate Risk

Interest rate risk is the risk that the fair value of the Fund's interest bearing investments will fluctuate due to changes in market interest rates. Interest bearing investments are namely, bonds, money market investments, short-term investments, debentures and mortgages or other income-producing securities, whose value increases if interest rates fall and decreases if interest rates rise. There is minimal sensitivity to changes in interest rates for money market securities, since these tend to be short-term in nature. As of December 31, 2023 and 2022, the Fund had no significant exposure to interest rate risk.

11. FAIR VALUE MEASUREMENT

The Fund classifies its financial instruments measured at fair value within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities. This level includes, but is not limited to, publicly traded equities, exchange-traded funds, and traded options.

Level 2: Inputs other than quoted prices, that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices). This level includes, but is not limited to, fixed income securities, short-term investments, and foreign currency forward contracts.

Level 3: Inputs that are unobservable. There is little if any market activity. Inputs into the determination of fair value require significant management judgement or estimation.

All fair value measurements are recurring. The carrying values of other financial assets and liabilities approximate their fair values due to their short-term nature.

Fair values are classified as level 1 when the related security or derivative is actively traded, and a quoted price is available. If an instrument classified as level 1 subsequently ceases to be actively traded, it is transferred out of level 1. In such cases, the instrument is reclassified into level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as level 3. For the periods ending December 31, 2023, and 2022, there were no significant transfers between Level 1, Level 2, and Level 3 for each Fund.

The following table categorizes the Fund's financial instruments within the fair value hierarchy.

Assets and liabilities at fair value as at December 31, 2023	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Equities	55,150,388	-	-	55,150,388
Investment Funds	2,831,313	-	-	2,831,313
Foreign currency forward contracts gain	-	807,423	-	807,423
Option contracts written	(28,808)	-	-	(28,808)
Total	**57,952,893**	**807,423**	**-**	**58,760,316**

Assets and liabilities at fair value as at December 31, 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Equities	58,192,588	-	-	58,192,588
Investment Funds	2,822,000	-	-	2,822,000
Foreign currency forward contracts gain	-	221,541	-	221,541
Foreign currency forward contracts loss	-	(121,479)	-	(121,479)
Option contracts written	(43,893)	-	-	(43,893)
Total	60,970,695	100,062	-	61,070,757

The Preferred shares issued and outstanding as at December 31, 2023 had a retraction price per share of $10.00 (December 31, 2022 - $10.00) and a TSX closing market price of $9.98 (December 31, 2022 - $9.75).

12. OFFSETTING OF FINANCIAL INSTRUMENTS

The Fund has a foreign exchange settlement and novation netting agreement in place for its foreign currency forward contracts that does not meet the criteria for offsetting in the Statements of Financial Position but allows for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. The following tables present the Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangement and similar agreements. The table is presented by type of financial instrument, as at December 31, 2023 and 2022.

As at December 31, 2023	**Gross Assets (Liabilities) $**	**Amounts Eligible for Offset $**	**Net Amount $**
Unrealized gain on foreign currency forward contracts	807,423	-	807,423
Unrealized loss on foreign currency forward contracts	-	-	-
Total	**807,423**	**-**	**807,423**

As at December 31, 2022	Gross Assets (Liabilities) $	Amounts Eligible for Offset $	Net Amount $
Unrealized gain on foreign currency forward contracts	221,541	(121,479)	100,062
Unrealized loss on foreign currency forward contracts	(121,479)	121,479	-
Total	100,062	-	100,062

13. INTEREST IN UNCONSOLIDATED STRUCTURED ENTITIES

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

The Fund invests in an underlying investment fund ("Underlying Fund"). The nature and purpose of this Underlying Fund is to manage assets on behalf of third-party investors in accordance with their investment objectives, and they are financed through the issuance of units to investors. The Fund has determined that the investment in the Underlying Fund is classified as an unconsolidated structured entity and is, as a result, accounted for at FVTPL.

The Fund can sell units of the Underlying Fund on any business day. The Fund's maximum exposure to loss is equal to the carrying value of the investment. The table below summarizes the Fund's investments in unconsolidated structured entities.

As at December 31, 2023:

Holding	**% of Net Asset Value[1]**	**Country of Establishment and Principal Place of Business**	**% of Ownership Interest**
Brompton Sustainable Real Assets Dividend ETF	4.8	Canada	16.4

1 Net Asset Value of the Fund includes the value of the Preferred shares. Excluding the value of the Preferred shares, the % of Net Asset Value is 12.3%.

As at December 31, 2022:

Holding	% of Net Asset Value[1]	Country of Establishment and Principal Place of Business	% of Ownership Interest
Brompton Sustainable Real Assets Dividend ETF	4.6	Canada	23.4

[1] Net Asset Value of the Fund includes the value of the Preferred shares. Excluding the value of the Preferred shares, the % of Net Asset Value is 12.0%

14. INCOME TAXES

As at December 31, 2023, the Fund had $8,579,626 in capital loss carryforwards (December 31, 2022 - $8,317,001) and $234,320 in non-capital loss carryforwards (December 31, 2022 - $132,436). The capital losses can be carried forward for an indefinite period, while the non-capital loss carryforwards will expire as follows:

	2023 **$**
2042	**132,437**
2043	**101,883**
	234,320

15. FEES PAID TO THE AUDITOR

For the year ended December 31, 2023, fees paid or payable to PricewaterhouseCoopers LLP and other PwC Network firms for audit services to public interest entity funds managed by Brompton Funds Limited were $551,617. Fees for other services were $361,018.