



VPI INCOME POOL

SUSTAINABLE INCOME

GROWING DIVIDENDS THROUGH THE PANDEMIC

Despite the challenges of operating during a pandemic, many of the pool's businesses continue to grow their dividends and expand their operations.

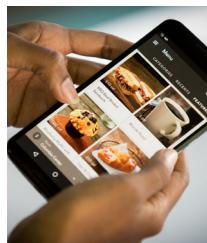


People are still drinking coffee and dividends are still growing

On track to open

800

new locations this fiscal year



90%

of orders during the second quarter were done via drive-thru or mobile order, reducing contact and helping limit the spread of COVID-19

United continues to expand both its network and its dividends



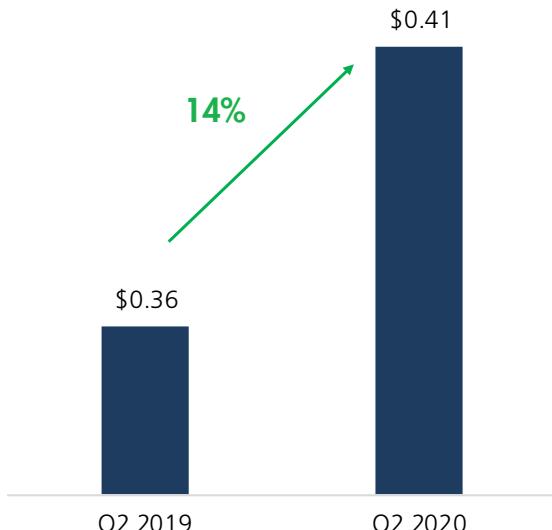
Continues to grow by adding

1,000

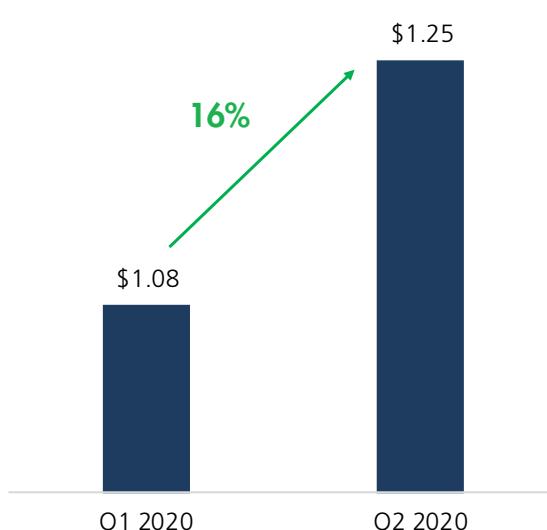
new surgeons to its network thus far this year



Dividends/Share



Dividends/Share



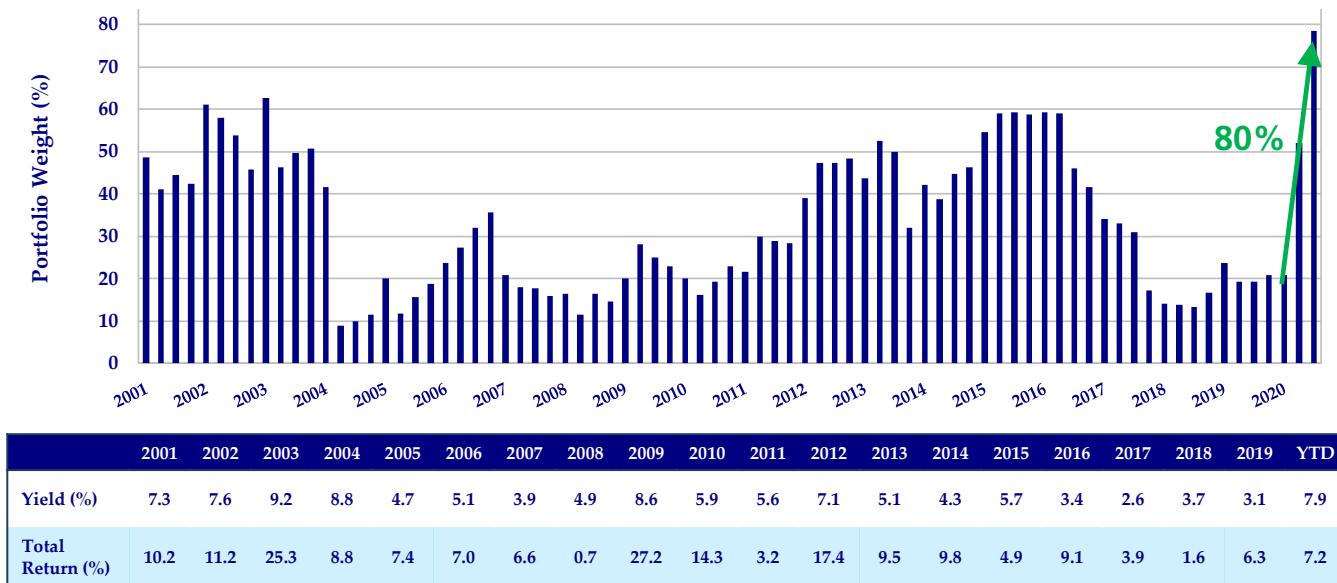
800 new locations based on July 28, 2020 company projections for the Americas and China, and is net of store closures. Dividend data relates to fiscal quarters and is in USD. 1,000 new surgeons as at Oct. 14, 2020. Sources: Starbucks, United Health, S&P Capital IQ.



THE BIG SHIFT TO HIGH YIELD

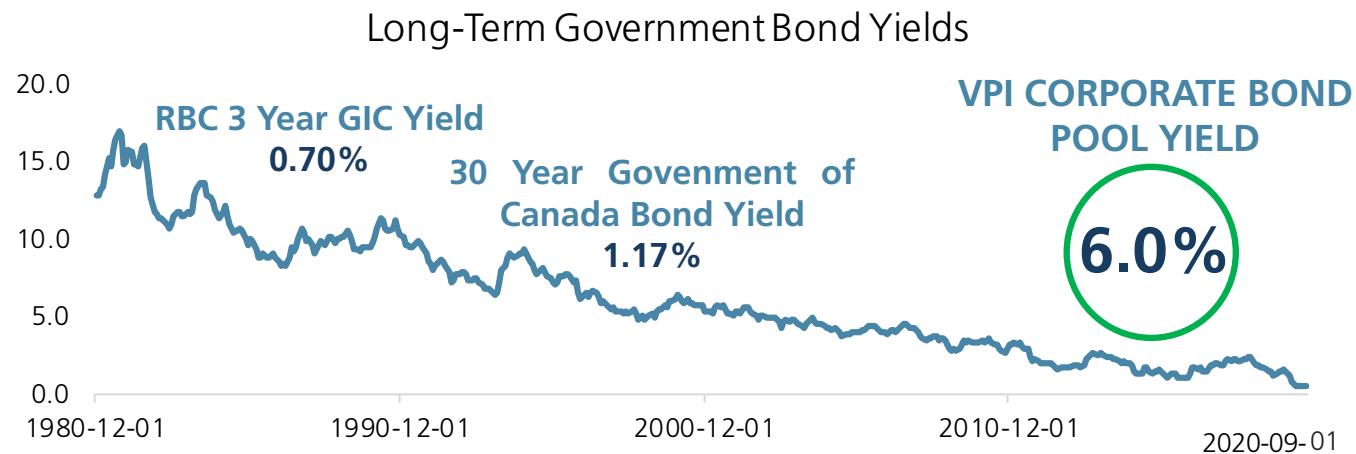
When the pandemic hit in March, Canso seized the opportunity to boost its portfolio in high yield bonds to 80 per cent. This move increased the portfolio yield from 2.9 per cent to 7.9 per cent in just three weeks. This is an example of how we continue to take advantage of opportunities when others are fearful.

HISTORICAL ALLOCATION TO HIGH YIELD CANSO CORPORATE VALUE FUND



6% YIELD IN A 1% ENVIRONMENT

Interest rates have gone down dramatically since the 1980s, but yields for the VPI Corporate Bond Pool have gone up.



1. Please see footnote on page 4



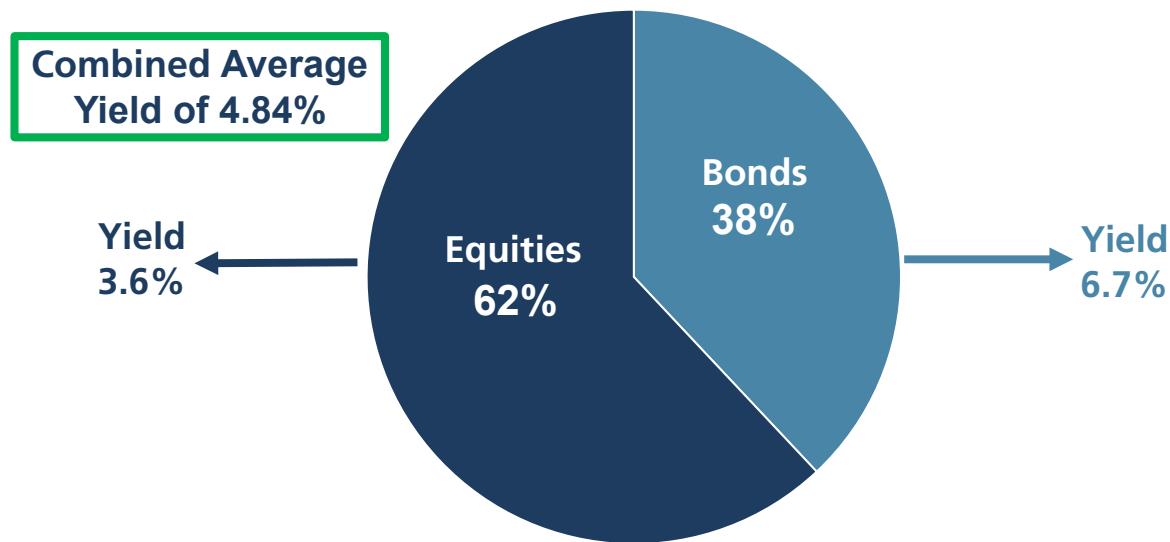
BUYING WHEN OTHERS ARE FEARFUL

We were at a 50-50 asset allocation between bonds and equities at the beginning of the year and made more than \$150 million CAD in purchases after the pandemic hit, boosting our equity weighting to 69 per cent of the portfolio. We have reduced our equity component slightly since then and we continue to monitor the opportunities before us.



GOOD YIELD, GOOD OPPORTUNITY FOR GROWTH

The opportunity today is significant. The yield on equities is 3.6%, bonds are 6.7% and the combined yield is 4.84%



Data as of September 30, 2020. The chart represents the asset allocation for equities and bonds in the VPI Income Pool. Bond yield is yield to maturity. Bonds represent the units held in the VPI Corporate Bond Pool Series O. Source: Bloomberg, Canso Investment Counsel

STANDARD PERFORMANCE INFORMATION

SEPTEMBER 2020



	1 YEAR	3 YEARS	5 YEARS	10 YEARS
SERIES A	-9.9%	-2.2%	0.6%	2.7%

Note: Annualized returns as of September 30, 2020.

Source: Value Partners Investments

1. This footnote references information found on page 2. VPI Income Pool primarily invests in VPI Corporate Bond Pool for the fixed income component of the portfolio. VPI Corporate Bond Pool is managed using the same investment methodology as Canso Corporate Value Fund. These returns are not indicative of future performance. Fund characteristics as of September 30, 2020. Percentages of the Canso Corporate Value Pool are allocated to high yield bonds. YTD as of June 30, 2020. Historical track record: 2001 to 2013: Canso Corporate Value fund, 2014 to June 30, 2020: Fixed income portion of the VPI Income Pool. Long term Canadian government bond yields from December 31, 1980 to September 1, 2020. Long term Canadian government bond yields from December 31, 1980 to September 1, 2020. RBC 3 Year GIC Yield as of October 20, 2020. 30 Year Government of Canada Bond Yield as of October 14, 2020. VPI Corporate Bond Pool Yield as of September 30, 2020. Source: Canso Investment Counsel, Value Partners Investments, Federal Reserve Bank of St. Louis, RBC.com, worldgovernmentbonds.com

DISCLAIMER

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The complete holdings of the Pool are disclosed in its Statement of Investment Portfolio semi-annually. On a quarterly basis, the Pool discloses its top 25 holdings in its Summary of Investment Portfolio. Both these documents are available on our website at www.valuepartnersinvestments.ca. Value Partners is a registered investment fund manager, portfolio manager, and exempt market dealer and is responsible for making decisions about the investments in the Pool.

Commissions, trailing commissions, management fees, and expenses all may be associated with mutual fund investments. Please read the fund facts document and the prospectus before investing. The indicated returns represent historical annual compounded total returns, including changes in share or unit value and reinvestment of all dividends, and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance will not tell you how the Pool will perform in the future, particularly since the investment objectives of the Pool changed effective December 1, 2013, and the portfolio manager of the Pool changed in December 1, 2013 and June 24, 2020.

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