

# Audited Annual Financial Statements

For the year ended December 31, 2023

**Tangerine<sup>®</sup> Dividend Portfolio**



**KPMG LLP**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Unitholders and Trustee of Tangerine Dividend Portfolio (the Fund)

### ***Opinion***

We have audited the financial statements of the Fund, which comprise:

- the statements of financial position as at December 31, 2023 and December 31, 2022
- the statements of comprehensive income for the periods then ended as indicated in note 1
- the statements of changes in net assets attributable to holders of redeemable units for the periods then ended as indicated in note 1
- the statements of cash flows for the periods then ended as indicated in note 1
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

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 December 31, 2022, and its financial performance and its cash flows for the periods then ended as indicated in note 1 in accordance with IFRS Accounting Standards.

### ***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 auditor's report.

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

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



### ***Other Information***

Management is responsible for the other information. Other information comprises:

- the information included in the Annual Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will 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 and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Annual Management Report of Fund Performance filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

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 financial reporting process of the Fund.

### ***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 the financial statements.



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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 internal control of the Fund.
- 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, stylized font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

March 5, 2024

# Tangerine Dividend Portfolio

Audited Annual Financial Statements for the year ended December 31, 2023  
(In Canadian dollars, unless otherwise indicated)



## Statements of Financial Position

As at

	December 31, 2023	December 31, 2022
<b>Assets</b>		
Investments (Notes 3c and 5)	\$319,124,936	\$272,031,848
Cash (Note 3m)	1,173,123	1,136,059
Subscriptions receivable	256,510	731,112
Accrued investment income	828,033	815,307
<b>Total assets</b>	<b>321,382,602</b>	<b>274,714,326</b>
<b>Liabilities</b>		
Payable for securities purchased	28,446	424,830
Redemptions payable	548,990	418,127
Accrued expenses	287,370	249,937
<b>Total current liabilities</b>	<b>864,806</b>	<b>1,092,894</b>
<b>Net assets attributable to holders of redeemable units</b>	<b>\$320,517,796</b>	<b>\$273,621,432</b>
Number of redeemable units outstanding (Notes 7)	24,232,465	21,896,178
Net assets attributable to holders of redeemable units per unit (Notes 3e)	\$13.23	\$12.50

Approved by the board of directors of Tangerine Investment Management Inc.

*Jeff Snowden*

Jeff Snowden, Director

*Gillian Riley*

Gillian Riley, Director

## Statements of Comprehensive Income

For the years ended

	December 31, 2023	December 31, 2022
<b>Income</b>		
Dividends (Note 3j)	\$13,991,537	\$11,864,962
Interest for distribution purposes (Note 3j)	53,639	10,888
Net realized gain on investments	9,699,849	9,639,262
Change in unrealized appreciation (depreciation) on investments	11,318,057	(15,949,728)
Net realized gain (loss) on foreign exchange	(8,898)	16,416
Change in unrealized appreciation on foreign exchange	9,267	17,267
<b>Total income</b>	<b>35,063,451</b>	<b>5,599,067</b>
<b>Expenses</b>		
Management fees (Note 10a)	2,412,575	2,079,501
Administrative fees (Note 10a)	452,358	389,906
Other expenses including indirect taxes (Note 10a)	327,711	280,865
Independent Review Committee fees (Note 10a)	8,284	8,562
Foreign withholding taxes (Note 6)	688,058	531,276
Transaction costs (Note 3g)	80,719	86,509
<b>Net expenses</b>	<b>3,969,705</b>	<b>3,376,619</b>
<b>Increase in net assets attributable to holders of redeemable units from operations</b>	<b>\$31,093,746</b>	<b>\$2,222,448</b>
Increase in net assets attributable to holders of redeemable units from operations per unit (Note 3l)	\$1.36	\$0.11

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

## Tangerine Dividend Portfolio

Audited Annual Financial Statements for the year ended December 31, 2023  
(In Canadian dollars, unless otherwise indicated)



## Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the years ended

	December 31, 2023	December 31, 2022
<b>Net assets attributable to holders of redeemable units, beginning of the year</b>	<b>\$273,621,432</b>	<b>\$236,141,670</b>
Increase in net assets attributable to holders of redeemable units from operations	31,093,746	2,222,448
<b>Distributions to holders of redeemable units from</b>		
Net investment income	(9,268,248)	(8,663,348)
Capital gains	(5,523,078)	—
Total distributions to holders of redeemable units	(14,791,326)	(8,663,348)
<b>Redeemable unit transactions</b>		
Proceeds from redeemable units issued	71,121,629	83,628,453
Reinvestments of distributions to holders of redeemable units	14,763,820	8,643,818
Redemptions of redeemable units	(55,291,505)	(48,351,609)
Net increase from redeemable units transactions	30,593,944	43,920,662
Net increase in net assets attributable to holders of redeemable units for the year	46,896,364	37,479,762
<b>Net assets attributable to holders of redeemable units, end of the year</b>	<b>\$320,517,796</b>	<b>\$273,621,432</b>

## Statements of Cash Flows

For the years ended

	December 31, 2023	December 31, 2022
<b>Cash flows from operating activities</b>		
Increase in net assets attributable to holders of redeemable units from operations	\$31,093,746	\$2,222,448
<b>Adjustments for:</b>		
Net realized gain on investments	(9,699,849)	(9,639,262)
Unrealized foreign exchange loss on cash	660	380
Change in unrealized (appreciation) depreciation on investments	(11,318,057)	15,949,728
Proceeds from sale and maturity of investments*	136,989,737	95,909,582
Purchase of investments*	(163,461,303)	(139,438,987)
Net change in non-cash assets and liabilities	24,707	144,006
<b>Net cash used in operating activities</b>	<b>(16,370,359)</b>	<b>(34,852,105)</b>
<b>Cash flows from financing activities</b>		
Cash proceeds from issuances of redeemable units*	71,596,231	83,952,883
Distributions to holders of redeemable units, net of reinvestments	(27,506)	(19,530)
Amounts paid on redemptions of redeemable units*	(55,160,642)	(49,020,274)
<b>Net cash flows from financing activities</b>	<b>16,408,083</b>	<b>34,913,079</b>
Unrealized foreign exchange loss on cash	(660)	(380)
Net increase in cash during the year	37,064	60,594
Cash, beginning of the year	1,136,059	1,075,465
<b>Cash, end of the year</b>	<b>\$1,173,123</b>	<b>\$1,136,059</b>
<b>Supplemental cash flow information relating to operating activities</b>		
Interest received	\$53,639	\$10,888
Dividends received, net of withholding taxes	\$13,290,740	\$11,440,367

\* Excludes in-kind and other non-cash transactions, if any.

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

# Tangerine Dividend Portfolio

Audited Annual Financial Statements for the year ended December 31, 2023  
(In Canadian dollars, unless otherwise indicated)



## Schedule of Investments

As at December 31, 2023

Number of Shares	Security	Average Cost (\$)	Fair Value (\$)
<b>EQUITY (99.6% of Net Assets)</b>			
<b>Australia (3.3% of Net Assets)</b>			
93,547	BHP Group Limited	3,943,901	4,234,126
30,349	Coles Group Limited	492,821	439,059
38,400	Fortescue Ltd	513,298	1,002,880
62,449	Medibank Private Limited	182,754	199,816
64,830	Pilbara Minerals Limited	211,581	229,394
8,418	Rio Tinto Limited	774,313	1,024,317
73,646	Santos Limited	472,974	507,789
91,702	Telstra Group Limited	314,516	326,240
25,726	Wesfarmers Limited	1,135,526	1,318,449
43,056	Woodside Energy Group Ltd.	1,300,207	1,204,304
		<b>9,341,891</b>	<b>10,486,374</b>
<b>Austria (0.1% of Net Assets)</b>			
3,340	OMV AG	223,908	193,728
<b>Belgium (0.1% of Net Assets)</b>			
3,623	Ageas SA/NV	226,121	207,840
<b>Bermuda (0.0% of Net Assets)</b>			
14,500	CK Infrastructure Holdings Limited	121,520	106,232
<b>Canada (50.2% of Net Assets)</b>			
46,812	BCE Inc.	2,871,551	2,442,182
33,669	Canadian Tire Corporation, Limited Cl. A	5,080,400	4,737,902
84,110	Canadian Utilities Limited Cl. A	3,005,997	2,682,268
175,104	Emera Incorporated	9,422,594	8,807,731
280,853	Fortis Inc.	15,336,752	15,309,297
179,023	Great-West Lifeco Inc.	6,356,885	7,851,949
53,451	IGM Financial Inc.	1,993,738	1,871,320
146,980	Keyera Corp.	4,608,881	4,707,769
421,618	Lundin Mining Corporation	3,664,683	4,570,339
596,693	Manulife Financial Corporation	14,392,736	17,471,171
352,258	Pembina Pipeline Corporation	14,860,846	16,070,010
98,754	Quebecor Inc. Cl. B	2,907,519	3,112,726
131,141	Royal Bank of Canada	15,503,093	17,572,894
226,550	Sun Life Financial Inc.	14,030,052	15,568,516
344,066	Suncor Energy Inc.	13,148,521	14,605,602
307,759	TELUS Corporation	7,855,668	7,256,957
185,739	The Toronto-Dominion Bank	15,183,348	15,902,973
		<b>150,223,264</b>	<b>160,541,606</b>
<b>Cayman Islands (0.2% of Net Assets)</b>			
44,500	CK Asset Holdings Limited	359,857	293,437
30,000	SITC International Holdings Company Limited	61,454	68,196
189,000	WH Group Limited	164,706	160,747
39,654	Xinyi Glass Holdings Limited	79,564	58,560
		<b>665,581</b>	<b>580,940</b>
<b>Denmark (0.2% of Net Assets)</b>			
69	A.P. Moller – Maersk A/S Cl. A	245,570	161,490
110	A.P. Moller – Maersk A/S Cl. B	377,621	260,883
7,917	Tryg A/S	232,023	227,195
		<b>855,214</b>	<b>649,568</b>

Number of Shares	Security	Average Cost (\$)	Fair Value (\$)
<b>Finland (0.6% of Net Assets)</b>			
3,225	Elisa OYJ	215,864	197,334
6,193	Kesko OYJ Cl. B	193,126	161,942
7,707	KONE OYJ Series B	465,067	508,876
2,442	Orion OYJ Series B	131,644	139,705
13,192	Stora Enso OYJ Series R	232,433	240,774
12,103	UPM-Kymmene OYJ	522,940	600,690
		<b>1,761,074</b>	<b>1,849,321</b>
<b>France (3.5% of Net Assets)</b>			
1,414	Amundi SA	106,838	127,589
41,112	AXA SA	1,477,418	1,770,701
4,325	Bouygues SA	207,459	215,485
15,384	Compagnie Generale des Etablissements Michelin	581,027	729,375
14,601	Danone SA	1,170,644	1,249,558
2,382	La Francaise des Jeux SAEM	116,992	114,088
25,913	Sanofi	3,228,248	3,389,699
41,613	TotalEnergies SE	3,209,940	3,729,659
		<b>10,098,566</b>	<b>11,326,154</b>
<b>Germany (2.0% of Net Assets)</b>			
9,182	Allianz SE	2,658,775	3,235,939
7,231	Bayerische Motoren Werke (BMW) AG	892,855	1,061,169
1,336	Bayerische Motoren Werke (BMW) AG Preferred	155,778	175,066
22,600	Deutsche Post AG	1,196,093	1,477,119
5,283	Evonik Industries AG	191,737	142,321
3,472	Porsche Automobil Holding SE Preferred	280,297	234,289
422	Wacker Chemie AG	75,953	70,270
		<b>5,451,488</b>	<b>6,396,173</b>
<b>Hong Kong (0.5% of Net Assets)</b>			
37,500	CLP Holdings Limited	395,533	407,569
42,000	Hang Lung Properties Limited	121,785	76,840
33,000	Henderson Land Development Company Limited	187,040	134,502
86,000	HKT Trust and HKT Limited	151,627	135,646
31,500	Power Assets Holdings Limited	276,086	240,460
84,208	Sino Land Company Limited	155,617	121,059
33,000	Sun Hung Kai Properties Limited	577,102	468,282
27,000	Swire Properties Limited	83,592	71,782
		<b>1,948,382</b>	<b>1,656,140</b>
<b>Ireland (0.7% of Net Assets)</b>			
2,437	Eaton Corporation PLC	384,272	773,858
4,142	Johnson Controls International PLC	276,092	314,809
8,127	Medtronic Public Limited Company	1,127,842	882,806
5,904	Smurfit Kappa Group PLC	284,799	307,093
		<b>2,073,005</b>	<b>2,278,566</b>
<b>Israel (0.3% of Net Assets)</b>			
28,807	Bank Hapoalim BM	330,473	342,216
34,562	Bank Leumi Le-Israel BM	427,372	368,307
3,503	Mizrahi Tefahot Bank, Ltd.	169,622	179,542
		<b>927,467</b>	<b>890,065</b>



# Tangerine Dividend Portfolio

Audited Annual Financial Statements for the year ended December 31, 2023  
(In Canadian dollars, unless otherwise indicated)



## Schedule of Investments

As at December 31, 2023

Number of Shares	Security	Average Cost (\$)	Fair Value (\$)
<b>Italy (0.4% of Net Assets)</b>			
22,983	Assicurazioni Generali SPA	556,000	639,705
45,726	Snam SPA	307,070	310,536
31,905	Terna – Rete Elettrica Nazionale SPA	292,846	351,238
		<b>1,155,916</b>	<b>1,301,479</b>

<b>Japan (1.9% of Net Assets)</b>			
4,400	AGC Inc.	199,337	215,059
13,500	Daiwa House Industry Co., Ltd.	460,734	537,874
3,500	Iida Group Holdings Co., Ltd.	85,670	68,904
13,200	Isuzu Motors Limited	209,933	223,333
27,200	Japan Tobacco Inc.	647,409	925,929
3,900	Mitsui Chemicals, Inc.	131,032	152,098
7,800	Mitsui O.S.K. Lines, Ltd.	265,414	329,973
9,700	MS&AD Insurance Group Holdings, Inc.	393,709	502,031
11,000	Nippon Yusen Kabushiki Kaisha	379,460	449,590
14,700	Obayashi Corporation	157,381	167,379
13,500	Sekisui House, Ltd.	331,796	394,469
65,200	SoftBank Corp.	1,050,483	1,071,613
6,700	Sompo Holdings, Inc.	351,599	431,457
7,900	SUMCO Corporation	153,028	155,637
5,600	Sumitomo Metal Mining Co., Ltd.	253,888	221,586
5,900	Tosoh Corporation	113,089	99,166
20,400	Yamaha Motor Co., Ltd.	184,947	239,397
		<b>5,368,909</b>	<b>6,185,495</b>

<b>Jersey (0.7% of Net Assets)</b>			
8,824	Arcor PLC	124,486	112,164
1,263	Ferguson PLC	207,896	321,537
238,510	Glencore PLC	1,659,266	1,886,978
		<b>1,991,648</b>	<b>2,320,679</b>

<b>Netherlands (1.1% of Net Assets)</b>			
3,594	ASR Nederland NV	224,743	224,231
21,786	Koninklijke Ahold Delhaize NV	833,022	825,347
76,084	Koninklijke KPN NV	354,215	345,588
1,599	LyondellBasell Industries NV Cl. A	190,077	200,471
6,221	NN Group NV	313,780	324,720
2,503	Randstad NV	167,450	206,999
50,168	Stellantis NV	975,778	1,550,155
		<b>3,059,065</b>	<b>3,677,511</b>

<b>New Zealand (0.1% of Net Assets)</b>			
41,694	Spark New Zealand Limited	162,214	180,371

<b>Norway (0.2% of Net Assets)</b>			
7,166	Aker BP ASA	312,511	274,731
4,535	Gjensidige Forsikring ASA	126,873	110,341
15,896	Orkla ASA	186,636	162,577
3,754	Yara International ASA	234,706	175,962
		<b>860,726</b>	<b>723,611</b>

<b>Singapore (1.1% of Net Assets)</b>			
41,100	DBS Group Holdings Limited	1,325,285	1,369,884
76,781	Oversea-Chinese Banking Corporation Limited	832,261	994,959
19,400	Singapore Exchange Limited	165,369	190,241

Number of Shares	Security	Average Cost (\$)	Fair Value (\$)
35,400	Singapore Technologies Engineering Limited	130,677	137,433
28,700	United Overseas Bank Limited	719,604	814,892
43,600	Wilmar International, Ltd.	171,774	155,216
		<b>3,344,970</b>	<b>3,662,625</b>

<b>Spain (0.9% of Net Assets)</b>			
5,644	Enagas SA	169,394	125,638
7,202	Endesa SA	214,060	193,740
137,403	Iberdrola SA	1,916,068	2,370,990
9,202	Redeia Corporacion SA	232,151	200,116
		<b>2,531,673</b>	<b>2,890,484</b>

<b>Sweden (0.6% of Net Assets)</b>			
6,202	Boliden AB	322,531	255,343
7,715	Skanska AB Series B	137,789	184,198
12,114	Tele2 AB Series B	193,828	137,391
4,541	Volvo AB Cl. A	118,317	158,702
34,219	Volvo AB Cl. B	857,329	1,173,922
		<b>1,629,794</b>	<b>1,909,556</b>

<b>Switzerland (3.7% of Net Assets)</b>			
3,628	Adecco Group AG	227,128	235,253
1,039	Baloise Holding AG	214,257	214,632
970	Garmin Ltd.	120,605	164,408
842	Helvetia Holding AG	161,886	152,904
11,890	Holcim AG	839,457	1,230,292
1,232	Kuehne + Nagel International AG	407,201	559,604
30,088	Novartis AG	3,501,678	4,003,013
515	Partners Group Holding AG	632,120	981,096
3,399	SGS SA	393,783	386,805
6,840	Swiss Re AG	821,532	1,013,694
587	Swisscom AG	418,911	465,439
3,334	Zurich Insurance Group AG	1,752,625	2,296,737
		<b>9,491,183</b>	<b>11,703,877</b>

<b>United Kingdom (3.7% of Net Assets)</b>			
5,904	Admiral Group PLC	238,402	265,966
28,814	Anglo American PLC	1,447,196	953,507
8,942	Antofagasta PLC	213,188	252,256
22,100	Barratt Developments PLC	194,901	208,477
8,067	Hargreaves Lansdown PLC	110,237	99,128
19,310	Imperial Brands PLC	523,071	585,185
42,903	Kingfisher PLC	178,929	175,101
85,747	National Grid PLC	1,368,113	1,526,834
25,599	Rio Tinto PLC	2,089,366	2,507,199
2,312	Royalty Pharma PLC Cl. A	118,023	85,635
18,278	Schroders PLC	155,578	131,572
24,765	SSE PLC	778,951	770,457
161,144	Tesco PLC	741,975	786,085
56,793	Unilever PLC	4,021,527	3,623,763
		<b>12,179,457</b>	<b>11,971,165</b>

<b>United States (23.5% of Net Assets)</b>			
3,428	3M Company	742,087	494,144
10,651	Abbott Laboratories	1,506,188	1,545,868
10,827	AbbVie Inc.	1,630,962	2,212,426
3,505	AFLAC Incorporated	235,899	381,290
1,365	Air Products and Chemicals, Inc.	410,131	492,810



# Tangerine Dividend Portfolio

Audited Annual Financial Statements for the year ended December 31, 2023  
(In Canadian dollars, unless otherwise indicated)



## Schedule of Investments

As at December 31, 2023

Number of Shares	Security	Average Cost (\$)	Fair Value (\$)
1,492	Alliant Energy Corporation	97,622	100,925
1,608	Ally Financial Inc.	92,295	74,041
1,663	Ameren Corporation	163,119	158,629
3,173	American Electric Power Company, Inc.	346,199	339,818
430	American Financial Group, Inc.	70,660	67,410
3,267	Amgen Inc.	915,023	1,240,752
3,063	Analog Devices, Inc.	567,132	801,958
3,294	Archer-Daniels-Midland Company	249,936	313,685
314	Assurant, Inc.	54,348	69,762
941	Atmos Energy Corporation	125,872	143,809
2,516	Automatic Data Processing, Inc.	606,671	772,901
1,166	Best Buy Co., Inc.	120,676	120,355
916	BlackRock, Inc.	735,968	980,523
2,717	Broadcom Inc.	2,178,663	3,999,118
692	C.H. Robinson Worldwide, Inc.	79,118	78,828
1,156	Campbell Soup Company	68,638	65,896
2,330	Capital One Financial Corporation	364,868	402,845
3,133	Caterpillar Inc.	880,090	1,221,464
1,164	CF Industries Holdings, Inc.	97,323	122,021
11,129	Chevron Corporation	2,279,830	2,188,878
24,786	Cisco Systems, Inc.	1,490,669	1,651,136
2,876	Citizens Financial Group, Inc.	147,310	125,677
2,213	CME Group Inc. Cl. A	533,935	614,544
4,868	Colgate-Palmolive Company	470,941	511,654
25,263	Comcast Corporation Cl. A	1,638,910	1,460,722
2,832	Conagra Brands, Inc.	133,598	107,024
7,356	ConocoPhillips	1,152,512	1,125,835
2,117	Consolidated Edison, Inc.	234,082	253,941
4,962	Corning Incorporated	209,315	199,231
4,563	Coterra Energy Inc.	191,283	153,548
855	Cummins Inc.	215,385	270,092
7,845	CVS Health Corporation	809,869	816,795
747	Darden Restaurants, Inc.	136,311	161,835
1,589	Dell Technologies Inc. Cl. C	101,476	160,287
369	Dick's Sporting Goods, Inc.	63,957	71,500
1,540	Discover Financial Services	215,391	228,244
1,240	DTE Energy Company	169,251	180,282
708	Eastman Chemical Company	86,230	83,853
2,384	Edison International	205,989	224,732
3,526	Emerson Electric Co.	358,593	452,525
151	Erie Indemnity Company Cl. A	37,627	66,685
1,492	Essential Utilities, Inc.	88,435	73,481
1,364	Evergy, Inc.	106,006	93,885
2,194	Eversource Energy	216,159	178,556
24,524	Exxon Mobil Corporation	3,408,804	3,233,088
3,537	Fastenal Company	191,381	302,080
1,536	Fidelity National Financial, Inc.	81,684	103,334
4,322	Fifth Third Bancorp	180,304	196,558
1,874	Franklin Resources, Inc.	75,904	73,613
3,416	Gen Digital Inc.	110,750	102,789
1,427	General Dynamics Corporation	343,624	488,606
3,544	General Mills, Inc.	289,517	304,407
896	Genuine Parts Company	139,533	163,633
782	Hasbro, Inc.	90,770	52,650
7,999	Hewlett Packard Enterprise Company	161,603	179,096
960	HF Sinclair Corporation	79,119	70,344

Number of Shares	Security	Average Cost (\$)	Fair Value (\$)
4,055	Honeywell International Inc.	940,555	1,121,303
1,785	Hormel Foods Corporation	105,178	75,577
5,558	HP Inc.	181,217	220,523
9,354	Huntington Bancshares Incorporated	168,455	156,891
237	Huntington Ingalls Industries, Inc.	54,294	81,140
1,845	Illinois Tool Works Inc.	446,902	637,252
5,564	International Business Machines Corporation	1,033,299	1,199,916
14,742	Johnson & Johnson	2,886,177	3,046,838
1,909	Juniper Networks, Inc.	69,562	74,207
1,653	Kellanova	141,921	121,864
10,526	Kenvue Inc.	332,575	298,827
2,058	Kimberly-Clark Corporation	347,013	329,739
12,219	Kinder Morgan, Inc. Cl. P	275,349	284,215
1,147	L3Harris Technologies, Inc.	312,062	318,549
1,634	LKQ Corporation	98,654	102,968
1,370	Lockheed Martin Corporation	666,783	818,770
3,525	Lowe's Companies, Inc.	950,282	1,034,427
998	M&T Bank Corporation	205,184	180,392
2,442	Marathon Petroleum Corporation	222,738	477,722
1,339	Masco Corporation	95,513	118,260
1,563	McCormick & Company, Incorporated	173,277	141,012
4,472	McDonald's Corporation	1,234,086	1,748,454
3,971	MetLife, Inc.	338,826	346,267
1,127	Molson Coors Brewing Company Cl. B	69,695	90,962
8,386	Mondelez International, Inc. Cl. A	666,718	800,915
1,270	NetApp, Inc.	110,556	147,635
1,387	Norfolk Southern Corporation	419,341	432,315
1,288	Northern Trust Corporation	171,167	143,307
1,196	Omnicom Group Inc.	123,894	136,430
565	Packaging Corporation of America	91,589	121,369
2,020	Paychex, Inc.	244,600	317,258
8,435	PepsiCo, Inc.	1,579,983	1,889,027
34,485	Pfizer Inc.	1,813,241	1,309,137
9,481	Philip Morris International Inc.	1,181,614	1,176,155
2,720	Phillips 66	396,147	477,519
1,443	Principal Financial Group, Inc.	121,895	149,689
3,020	Public Service Enterprise Group Incorporated	222,374	243,510
6,852	QUALCOMM Incorporated	1,157,397	1,306,739
699	Quest Diagnostics Incorporated	119,065	127,084
6,080	Regions Financial Corporation	147,511	155,371
640	Robert Half Inc.	58,632	74,196
711	Rockwell Automation, Inc.	209,109	291,083
766	RPM International Inc.	88,853	112,752
3,824	Sempra	333,358	376,813
4,621	Sirius XM Holdings Inc.	22,361	33,330
993	Skyworks Solutions, Inc.	136,969	147,199
316	Snap-on Incorporated	74,704	120,353
6,996	Starbucks Corporation	750,358	885,685
1,998	State Street Corporation	189,365	204,073
2,545	Synchrony Financial	112,291	128,159
1,389	T. Rowe Price Group Inc.	220,929	197,238
2,844	Target Corporation	586,446	534,089
5,546	Texas Instruments Incorporated	1,014,172	1,246,566

## Tangerine Dividend Portfolio

Audited Annual Financial Statements for the year ended December 31, 2023  
(In Canadian dollars, unless otherwise indicated)



## Schedule of Investments

As at December 31, 2023

Number of Shares	Security	Average Cost (\$)	Fair Value (\$)
4,779	The Bank of New York Mellon Corporation	272,719	327,998
770	The Clorox Company	153,778	144,775
25,203	The Coca-Cola Company	1,754,101	1,958,402
1,418	The Estee Lauder Companies Inc. Cl. A	245,496	273,455
1,855	The Hartford Financial Services Group, Inc.	127,807	196,610
915	The Hershey Company	233,134	224,943
6,123	The Home Depot, Inc.	2,075,736	2,797,971
2,295	The Interpublic Group of Companies, Inc.	78,046	98,775
633	The J.M. Smucker Company	104,354	105,486
4,173	The Kroger Co.	210,084	251,520
1,972	The Mosaic Company	85,670	92,908
2,430	The PNC Financial Services Group, Inc.	484,475	496,170
14,430	The Procter & Gamble Company	2,296,546	2,788,275
1,394	The Travelers Companies, Inc.	266,402	350,145
665	Tractor Supply Company	183,042	188,553
8,201	Truist Financial Corporation	516,707	399,247
1,696	Tyson Foods, Inc. Cl. A	152,988	120,204
9,422	U.S. Bancorp	621,068	537,704
3,722	Union Pacific Corporation	1,111,450	1,205,461
4,451	United Parcel Service, Inc. Cl. B	875,368	922,797
2,164	Valero Energy Corporation	391,371	370,949
25,678	Verizon Communications Inc.	1,796,485	1,276,485
4,592	Walgreens Boots Alliance, Inc.	252,567	158,096
217	Watsco, Inc.	97,148	122,601
1,975	WEC Energy Group, Inc.	214,900	219,198
3,361	Xcel Energy Inc.	266,563	274,374
1,711	YUM! Brands, Inc.	271,265	294,785
		<b>67,639,051</b>	<b>75,435,376</b>
Total investments (99.6% of Net Assets)		<b>293,332,087</b>	<b>319,124,936</b>
Other assets less liabilities (0.4% of Net Assets)			<b>1,392,860</b>
Net assets attributable to holders of redeemable units ("Net Assets") (100.0% of Net Assets)			<b>320,517,796</b>

# Tangerine Dividend Portfolio

Audited Annual Financial Statements for the year ended December 31, 2023  
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## Notes to the Financial Statements

### 1. Organization of the Fund

Tangerine Dividend Portfolio (the "Fund") is an open-ended mutual fund trust established under the laws of Ontario. The Fund is governed by a Master Declaration of Trust dated November 19, 2008 as amended and restated on November 10, 2020.

The Fund is domiciled in Canada and its principal business office is located at 3389 Steeles Avenue East in Toronto, Ontario.

The Fund seeks to provide capital appreciation and dividend income by investing in equity securities based on a targeted allocation among three different types of investments in the following proportions: Canadian dividend equities (50%), U.S. dividend equities (25%) and international dividend equities (25%). Each of the three investment types seeks to replicate, as closely as possible, the performance of a recognized securities index: the Canadian dividend equities component seeks to replicate the Morgan Stanley Capital International ("MSCI") Canada High Dividend Yield Index, the U.S. dividend equities component seeks to replicate the MSCI USA High Dividend Yield Index, and the EAFE dividend equities component seeks to replicate the MSCI EAFE High Dividend Yield Index.

Tangerine Investment Management Inc. (the "Manager") provides management services to the Fund. The principal distributor of the Fund is Tangerine Investment Funds Limited. Both companies are wholly owned subsidiaries of Tangerine Bank. Tangerine Bank is a wholly owned subsidiary of The Bank of Nova Scotia.

The Statements of Financial Position of the Fund are as at December 31, 2023 and December 31, 2022 and the Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and Statements of Cash Flows are for the years ended December 31, 2023 and December 31, 2022. The Schedule of Investment Portfolio for the Fund is as at December 31, 2023. Throughout this document, reference to the period or periods refers to the reporting period described above. These financial statements were authorized for issue by the Manager on March 5, 2024.

### 2. Basis of Presentation

These financial statements are prepared in accordance with IFRS Accounting Standards.

The financial statements are prepared on a going concern basis using the historical cost convention, except for financial assets and liabilities that have been measured at fair value.

### 3. Material Accounting Policy Information

#### 3a. Accounting estimates

The preparation of financial statements requires the Manager to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The most significant uses of judgments, estimates and assumptions are to classify financial instruments held by the Fund and to determine the fair value of financial instruments. Actual results may differ from these estimates.

#### *Investment entities*

The Manager has determined that the Fund meets the definition of an investment entity which requires that the Fund obtains funds from one or more investors for the purpose of providing investment management services, commit to their investors that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measure and evaluate the performance of their investments on a fair value basis. Consequently, the Fund does not consolidate its investment in subsidiaries, if any, but instead measure these at fair value through profit or loss, as required by the accounting standard.

#### *Classification and measurement of financial instruments*

In classifying and measuring certain financial instruments held by the Fund, the Manager is required to make significant judgments about whether or not the business model of the Fund is to manage their assets on a fair value basis and to realize those fair values, for the purpose of classifying all financial instruments as fair value through profit or loss.

#### *Fair value measurement of financial instruments not quoted in an active market*

Key areas of estimation, where the Manager has made complex or subjective judgments, include the determination of fair values of financial instruments that are not quoted in an active market. The use of valuation techniques for financial instruments that are not quoted in an active

## Notes to the Financial Statements

market requires the Manager to make assumptions that are based on market conditions existing as at the date of the financial statements. Changes in these assumptions as a result of changes in market conditions could affect the reported fair value of financial instruments.

### 3b. Translation of foreign currencies

The Fund's functional and presentation currency is the Canadian dollar, which is the currency of the primary economic environment in which the Fund operates.

- Financial instrument assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing at the Statements of Financial Position dates.
- Purchases and sales of investments classified as fair value recognized in profit and loss ("FVTPL"), investment income and expenses denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing on the respective dates of such transactions.
- Realized foreign currency gains (losses) on investments classified as FVTPL are included in the Statements of Comprehensive Income as part of "Net realized gain on investments".
- Unrealized foreign currency gains (losses) on investments classified as FVTPL are included in the Statements of Comprehensive Income as part of "Change in unrealized appreciation (depreciation) on investments".
- Realized and unrealized foreign currency gains (losses) on non-investment assets, liabilities and investment income denominated in foreign currencies are included in the Statements of Comprehensive Income as "Net realized gain on foreign exchange" and "Change in unrealized appreciation (depreciation) on foreign exchange", respectively.

### 3c. Recognition and classification of financial instruments

The Fund recognizes a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument. The Fund's accounting policy regarding derivative instruments is described in note 3f.

The initial classification of a financial instrument depends upon the contractual cash flow characteristics of the financial assets as well as the Fund's business model for

managing the financial assets. This classification is not subsequently changed except in very limited circumstances.

All financial instruments, including regular way purchases and sales of financial assets, are initially recorded at fair value on the trade date i.e., the date that the Fund commits to purchase or sell the asset. The subsequent measurement of all financial instruments depends on the initial classification.

Investment and derivative financial assets are those that are managed and whose performance is evaluated on a fair value basis and is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Consequently, all investments and derivatives of the Fund are classified as FVTPL. Financial assets classified as FVTPL are subsequently measured at fair value. The cost of investments classified as FVTPL represents the amount paid for each security, excluding transaction costs, and is determined on an average cost basis.

Income from FVTPL financial instruments are included directly in the Statements of Comprehensive Income and are reported as "Dividends", "Interest for distribution purposes", "Change in unrealized appreciation (depreciation) on investments" and "Net realized gain on investments".

The Fund's obligation for net assets attributable to holders of redeemable units represents a financial liability and is measured at the redemption amount. Other financial assets and financial liabilities are measured at amortized cost, which approximates their fair value due to their short-term nature. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, where appropriate, at the effective rate of interest.

### 3d. Derecognition of financial instruments

#### *Financial assets*

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or when the Fund has transferred substantially all the risks and rewards of ownership. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, it derecognizes the financial asset if it no longer has control over the asset.

## Notes to the Financial Statements

In transfers where control over the asset is retained, the Fund continues to recognize the asset to the extent of its continuing involvement. The extent of the Fund's continuing involvement is determined by the extent to which it is exposed to changes in the value of the asset.

### *Financial liabilities*

Financial liabilities are derecognized when contractual obligations are met, revoked or have expired.

### **3e. Redeemable units**

The units of the Fund contain a contractual obligation for the Fund to repurchase or redeem them for cash or another financial asset and therefore do not meet the criteria in IFRS Accounting Standards for classification as equity. The Fund's redeemable units' entitlement includes a contractual obligation to distribute any net income and net capital gains annually in December in cash (at the request of the unitholder) and therefore meet the contractual obligation requirement to be classified as financial liabilities. Redeemable units are redeemable at the unitholders' option and are classified as financial liabilities. Redeemable units can be put back to the Fund at any date for cash equal to a proportionate share of the Fund's Net Assets. The redeemable units are carried at the redemption amount that is payable at the Statement of Financial Position dates if the holder exercises the right to put the unit back to the Fund.

The redemption amount ("Net Assets") is the net difference between total assets and all other liabilities of the Fund calculated in accordance with IFRS Accounting Standards.

National Instrument 81-106, "Investment Fund Continuous Disclosure", requires the Fund to calculate its daily Net Asset Value ("NAV") for subscriptions and redemptions at the fair value of the Fund's assets and liabilities. The Fund's Net Asset Value Per Unit ("NAVPU") at the date of issue or redemption is computed by dividing the NAV of the Fund by the total number of outstanding units of the Fund. The NAVPU is calculated as of the close of each day that the Toronto Stock Exchange is open for trading.

The calculations of the NAV and Net Assets are both based on the closed or last traded prices of "Investments". As such, there is no difference between NAV and Net Assets at the Statement of Financial Position dates.

### **3f. Derivative transactions**

The Fund is permitted by Canada's securities law to use derivative instruments to achieve its investment objectives

as set out in the Fund's Simplified Prospectus. Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at their fair value. Derivative instruments are valued daily using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative and are reported on the Statements of Financial Position.

### **3g. Transaction costs**

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment. These costs include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs incurred in the purchase and sale of investments classified as FVTPL are expensed and are included in "Transaction costs" on the Statements of Comprehensive Income.

### **3h. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported on the Statements of Financial Position when the Fund has a currently legally enforceable right to offset and the Fund either intends to settle on a net basis or realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Accounting Standards, for gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss.

### **3i. Fair value measurement and disclosure**

#### *Fair value estimation*

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 instruments at the financial reporting date is determined as follows:

- Financial instruments that are traded in an active market are based on the quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market prices for both financial assets and financial liabilities where the last traded price falls within



## Notes to the Financial Statements

the reporting day's end bid-ask spread. In circumstances where the last traded price is not within the reporting day's end bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value.

- Financial instruments that are not traded in an active market are valued through valuation techniques using observable market inputs, on such basis and in such manner as established by the Manager.

### *Fair value hierarchy*

IFRS Accounting Standards requires disclosures relating to fair value measurements using a three-level fair value hierarchy that reflects the significance of the inputs used in measuring fair values.

The Fund's policy for the three-level fair value hierarchy levels is as follows:

Level 1 – Fair values are based on unadjusted quoted prices from an active market for identical assets.

Level 2 – Fair values are based on inputs, other than quoted prices, that are directly or indirectly observable in an active market.

Level 3 – Fair values are based on inputs not observable in the market.

The Fund recognizes a transfer between levels of the fair value hierarchy as of the end of the reporting period during which the change occurred.

### **3j. Investment transactions and income**

Investment transactions are accounted for on a trade date basis. Dividends including stock dividends are recorded on the ex-dividend date. The "Interest for distribution purposes" on the Statements of Comprehensive Income represents the interest received by the Fund on cash balances and is accounted for on an accrual basis.

Realized gain (loss) on sale of investments and unrealized appreciation (depreciation) on investments are determined on an average cost basis.

### **3k. Securities lending**

The Fund qualifies to lend securities from time to time in order to earn additional income. The Fund receives collateral in the form of cash or qualified non-cash instruments having a fair value equal to at least 102% of the fair value of the securities loaned during the period. The

Fund has the right to sell the non-cash collateral if the borrower defaults on its obligations under the transaction. The fair value of the loaned securities is determined at the close of each business day and any additional required collateral is delivered to the Fund on the following business day. Cash collateral is invested in cash equivalents. The loaned securities continue to be included in "Investments" on the Statements of Financial Position. The non-cash collateral pledged by the borrower and the related obligation of the Fund to return the collateral are not reported on the Statements of Financial Position and the Schedule of Investments.

Income on securities lending transactions is accrued with the passage of time and is included in "Securities lending income" on the Statements of Comprehensive Income.

### **3l. Increase (decrease) in net assets attributable to holders of redeemable units from operations per unit**

"Increase (decrease) in net assets attributable to holders of redeemable units from operations per unit" in the Statements of Comprehensive Income represents the "Increase (decrease) in net assets attributable to holders of redeemable units from operations" for the year divided by the weighted average number of units outstanding during the year.

### **3m. Cash and Bank overdraft**

Cash comprises of deposits in banks. Any overdrawn bank account is included in the "Current Liabilities" as "Bank Overdraft".

### **3n. Non-cash transactions**

Non-cash transactions on the Statements of Cash Flows include stock dividends from equity investments. These amounts represent non-cash income recognized in the Statements of Comprehensive Income.

### **3o. Changes in accounting policies**

The funds adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from January 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The

## Tangerine Dividend Portfolio

Audited Annual Financial Statements for the year ended December 31, 2023  
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## Notes to the Financial Statements

amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

The Manager reviewed the accounting policies and made updates to the information disclosed within Note 3 in certain instances in line with the amendments.

### 4. Financial Instrument Risk

The Fund's activities expose it to a variety of financial risks. The Manager seeks to minimize potential adverse effects of these risks on the Fund's performance by employing professional, experienced portfolio advisors; by daily monitoring of the Fund's position and market events; by diversifying the investment portfolio within the constraints of the investment objectives; and by using derivatives to hedge certain risk exposures.

Market disruptions associated with the global health emergencies and geopolitical conflicts have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect the financial instrument risks associated with the Fund.

#### 4a. Currency risk

Currency risk arises from financial instruments that are denominated in currencies other than the Canadian dollar. The Fund is exposed to the risk that the Canadian dollar value of investments and cash denominated in other currencies will fluctuate due to changes in exchange rates. When the value of the Canadian dollar falls in relation to foreign currencies, then the Canadian dollar value of foreign investments and cash rises. When the value of the Canadian dollar rises, the Canadian dollar value of foreign investments and cash falls. Other financial assets and financial liabilities that are denominated in foreign currencies do not expose the Fund to significant currency risk. The Fund may enter into foreign exchange forward contracts for hedging purposes to reduce its foreign currency exposure.

The tables below indicate, in Canadian dollar terms, the foreign currencies to which the Fund had significant exposure as at December 31, 2023 and December 31, 2022, including the underlying principal amount of forward currency contracts, if any. The tables also illustrate the potential impact to the Fund's Net Assets, all other variables held constant, as a result of a 10% change in

these currencies relative to the Canadian dollar. In practice, actual trading results may differ from this sensitivity analysis and the difference could be material.

December 31, 2023 Currency	Cash and Investments (\$)	As % of Net Assets	Impact on Net Assets (\$)
Australian Dollar	10,488,594	3.27%	1,048,859
British Pound	13,790,596	4.30%	1,379,060
Danish Krone	650,107	0.20%	65,011
Euro	27,949,849	8.72%	2,794,985
Hong Kong Dollar	2,343,903	0.73%	234,390
Israeli Shekel	890,374	0.28%	89,037
Japanese Yen	6,185,498	1.93%	618,550
New Zealand Dollar	180,980	0.06%	18,098
Norwegian Krone	723,782	0.23%	72,378
Singapore Dollar	3,664,606	1.14%	366,461
Swedish Krona	1,909,985	0.60%	190,999
Swiss Franc	11,541,084	3.60%	1,154,108
U.S. Dollar	78,358,223	24.45%	7,835,822
<b>Total</b>	<b>158,677,581</b>	<b>49.51%</b>	<b>15,867,758</b>

December 31, 2022 Currency	Cash and Investments (\$)	As % of Net Assets	Impact on Net Assets (\$)
Australian Dollar	6,679,487	2.44%	667,949
British Pound	14,027,183	5.13%	1,402,718
Danish Krone	545,884	0.20%	54,588
Euro	22,402,618	8.19%	2,240,262
Hong Kong Dollar	2,302,295	0.84%	230,230
Israeli Shekel	387,114	0.14%	38,711
Japanese Yen	7,937,223	2.90%	793,722
New Zealand Dollar	194,545	0.07%	19,455
Norwegian Krone	1,092,972	0.40%	109,297
Singapore Dollar	2,308,271	0.84%	230,827
Swedish Krona	573,565	0.21%	57,357
Swiss Franc	8,479,669	3.10%	847,967
U.S. Dollar	68,030,270	24.86%	6,803,027
<b>Total</b>	<b>134,961,096</b>	<b>49.32%</b>	<b>13,496,110</b>



## Tangerine Dividend Portfolio

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## Notes to the Financial Statements

### 4b. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments held in the investment portfolio. As the Fund is primarily invested in equity instruments which are non-interest bearing, the Fund does not have significant exposure to interest rate risk.

### 4c. Other price risk

Other price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or other factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Fund's investment portfolio is susceptible to market price risk arising from uncertainties about future prices of the instruments. The Fund manages its exposure to other price risk by diversifying its portfolio of equity securities in various countries.

The table below indicates the change in Net Assets had the value of the Fund's benchmarks increased or decreased by 10%, as at December 31, 2023 and December 31, 2022. This change is estimated based on the historical correlation between the return of the Fund and the return of the Fund's benchmarks. The historical correlation may not be representative of future correlation and, accordingly, the impact on Net Assets could be materially different.

	December 31, 2023	December 31, 2022
Benchmark	Impact on Net Assets (\$)	Impact on Net Assets (\$)
MSCI EAFE High Dividend Yield Index	7,842,250	6,652,215
MSCI CAD High Dividend Yield Index	15,995,157	13,649,633
MSCI USD High Dividend Yield Index	7,797,995	6,747,208
	31,635,402	27,049,056

As at December 31, 2023, 99.57% (December 31, 2022: 99.42%) of the Fund's Net Assets traded on global stock exchanges.

### 4d. 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. As the Fund is primarily invested in equity instruments, its exposure to credit risk mainly arises from participation in securities lending transactions. Under the securities lending program, the Fund holds collateral of at least 102% of the fair value of the loaned securities. The collateral holdings are adjusted daily to reflect changes in fair value for both the loaned securities and the securities held as collateral. Accordingly, the Fund has no significant exposure to credit risk.

All transactions executed by the Fund in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

### 4e. Liquidity risk

All financial liabilities of the Fund mature in one year or less. In addition, the Fund is exposed to daily cash redemptions of redeemable units. Therefore, in accordance with securities legislation, the Fund maintains at least 90% of its assets in investments that are traded in an active market and can be readily disposed. In addition, the Fund retains sufficient cash and cash equivalent positions to maintain liquidity.

### 4f. Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, asset type, industry sector or counterparty type.

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## Notes to the Financial Statements

The following is a summary of the Fund's concentration risk by country:

As at	December 31, 2023	December 31, 2022
Country of Issue	As % of Net Assets	As % of Net Assets
Canada	50.2	50.0
USA	23.5	23.9
Australia	3.3	2.4
Austria	0.1	0.1
Belgium	0.1	0.1
Bermuda	0.0	0.0
Cayman Islands	0.2	0.3
Denmark	0.2	0.2
Finland	0.6	0.4
France	3.5	2.5
Germany	2.0	2.5
Hong Kong	0.5	0.5
Ireland	0.7	0.6
Israel	0.3	0.1
Italy	0.4	0.9
Japan	1.9	2.9
Jersey	0.7	0.1
Netherlands	1.1	0.9
New Zealand	0.1	0.1
Norway	0.2	0.4
Portugal	0.0	0.1
Singapore	1.1	0.8
Spain	0.9	1.0
Sweden	0.6	0.2
Switzerland	3.7	3.1
United Kingdom	3.7	5.3
<b>Total Investments</b>	<b>99.6</b>	<b>99.4</b>

The following is a summary of the Fund's concentration risk by industry grouping:

As at	December 31, 2023	December 31, 2022
Industry Grouping	As % of Net Assets	As % of Net Assets
<b>Equities</b>		
Communication Services	5.9	13.9
Consumer Discretionary	6.1	9.3
Consumer Staples	6.6	7.8
Energy	15.7	3.3
Financials	31.4	26.8
Health Care	6.0	8.2
Industrials	6.0	5.4
Information Technology	3.6	3.4
Materials	6.5	7.7
Real Estate	0.5	0.7
Utilities	11.3	12.9
<b>Total Investments</b>	<b>99.6</b>	<b>99.4</b>

## 5. Fair Value Disclosure

The following tables categorize financial instruments recorded at fair value on the Statements of Financial Position into one of the three fair value hierarchy levels:

December 31, 2023	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	319,124,936	—	—	319,124,936

December 31, 2022	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	272,031,848	—	—	272,031,848

During the years ended December 31, 2023 and December 31, 2022, there were no transfers between Level 1 and Level 2.

There were no level 3 investments held by the Fund as at December 31, 2023 and December 31, 2022.

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## Notes to the Financial Statements

### 6. Income Tax

The Fund qualifies as a mutual fund trust under the Income Tax Act (Canada) (the "Tax Act") and, accordingly, is not subject to income tax on the portion of its net income, including net realized capital gains, which is paid or payable to unitholders. Such distributed income is taxable in the hands of the unitholders. The taxation year end for the Fund is December 15, 2023.

Temporary differences between the carrying value of assets and liabilities for accounting and income tax purposes give rise to deferred income tax assets and liabilities. The most significant temporary difference is between the reported fair value of the Fund's investment portfolio and its adjusted cost base for income tax purposes. Since the Fund's distribution policy is to distribute all net realized capital gains, deferred tax liabilities with respect to unrealized capital gains and deferred tax assets with respect to unrealized capital losses are not realized by the Fund and are, therefore, not recorded by the Fund.

As at December 31, 2023, the Fund did not have a net capital loss or a non-capital loss that could be used to offset future taxable income.

The Fund incurs withholding taxes imposed by certain countries on investment income. Such income is recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income. For the purpose of the Statements of Cash Flows, cash inflows from dividend income are presented net of withholding taxes, when applicable.

### 7. Redeemable Units

The Fund is authorized to issue an unlimited number of transferable, redeemable trust units of one class, which represent an equal, undivided interest in the Net Assets of the Fund.

The capital of the Fund is represented by the net assets attributable to holders of the redeemable units with no par value. The units are entitled to distributions, if any, and to a proportionate share of the Fund's net assets attributable to holders of redeemable units. Each unitholder has one vote for each unit owned as determined at the close of business on the record date for voting at a meeting. There are no voting rights attributed to fractions of a unit. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of units.

The number of units issued, reinvested, redeemed and outstanding were as follows:

Number of units	December 31, 2023	December 31, 2022
Balance – beginning of the year	21,896,178	18,475,640
Issued	5,292,344	6,539,043
Reinvested	1,120,168	690,386
Redeemed	(4,076,225)	(3,808,891)
<b>Balance – end of the year</b>	<b>24,232,465</b>	<b>21,896,178</b>

The Fund's objectives are to manage capital to safeguard the Fund's ability to continue as a going concern; to provide financial capacity and flexibility to meet its strategic objectives; and to provide an adequate return to unitholders commensurate with the level of risk while maximizing the distributions to unitholders.

Since both the revenue and expenses of the Fund are reasonably predictable and stable and since the Fund does not have any externally imposed capital requirements, the Manager believes that current levels of distributions, capital and capital structure are sufficient to sustain ongoing operations. The Manager actively monitors the cash position and financial performance of the Fund to ensure resources are available to meet current distribution levels.

### 8. Securities Lending

There were no securities loaned and collateral held as at December 31, 2023 (December 31, 2022: \$nil).

### 9. Soft Dollars Commissions

Brokerage business is allocated to brokers based on an assessment as to which broker can deliver the best results to the Fund. Business may be allocated to brokers that provide, in addition to transaction execution, investment research services which may or may not be used by the Manager during its investment decision-making process. No portion of the broker commissions were related to soft dollar costs during the years ended December 31, 2023 and December 31, 2022.

### 10. Related Party Transactions

#### 10a. Management fees, administration fees and other expenses

The Manager charges fees in connection with management services at a rate of 0.80% per year of the Fund's daily

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## Notes to the Financial Statements

NAV. The Fund also pays a fixed administration fee to the Manager equal to 0.15% per year of the Fund's daily NAV to cover regulatory filing fees and other day- to-day operating expenses including, but not limited to, recordkeeping, accounting and fund valuation costs, custodial fees, audit and legal fees, the costs of preparing and distributing annual and semi-annual reports, prospectuses, financial statements and investor communications. Finally, certain operating expenses are paid directly by the Fund, including the costs and expenses related to the Independent Review Committee; the cost of any government or regulatory requirements introduced after July 1, 2007; and borrowing costs and taxes (including, but not limited to, GST and HST). The Manager, at its sole discretion, may absorb a portion of the Fund's expenses and these are reflected in the Statements of Comprehensive Income as "Rebated and absorbed expenses".

### 10b. Buying and selling securities

The Fund invests in securities issued by The Bank of Nova Scotia. Refer to the Schedule of Investments for details.

## 11. Offsetting of Financial Assets and Financial Liabilities

The Fund has not offset financial assets and financial liabilities on its Statements of Financial Position nor does it transact in financial instruments that are subject to an enforceable master netting arrangement or similar agreement.

## 12. Audit fee

The fees paid or payable to KPMG LLP as the external auditor of all Funds managed by the Manager, for the fiscal years of the funds are as follows:

	(\$)
Audit fees	106,405
Fees for the services other than audit	19,526
<b>Total</b>	<b>125,931</b>

