

## Annual Management Report of Fund Performance

December 2024

This annual management report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the Portfolio. You can request a copy of the annual financial statements, at no cost, by calling 514-350-5050 or toll free 1-888-377-7337 or by writing to us at 2 Complexe Desjardins, East Tower, 31<sup>st</sup> Floor, P. O. Box 1116, Montréal, Québec H5B 1C2, or by visiting our website at [fdpgp.ca/en](http://fdpgp.ca/en) or SEDAR+'s website at [www.sedarplus.ca](http://www.sedarplus.ca).

You may also contact us using one of these methods to request a copy of the Portfolio's proxy voting policies and procedures, proxy voting disclosure records and quarterly portfolio disclosure.

## Performance Analysis

### Investment Objective and Strategies

The fundamental investment objective of the Fund is to achieve steady income and to ensure invested capital preservation. The Fund invests primarily (either directly or indirectly through investments which provide exposure to such securities) in rated or unrated municipal bonds, primarily denominated in Canadian dollars. The Fund may also invest in debt instruments rated primarily by DBRS Morningstar or Standard & Poor's Global Ratings and issued primarily by Canadian public and quasi-public entities, as well as in debt instruments issued by the Canadian and provincial governments, in primarily Canadian investment-grade corporate bonds and in securities of other investment funds which are compatible with its investment objectives.

### Risk

The Portfolio invests primarily in debt securities and equities, both Canadian and foreign. Derivatives may also be used for hedging or to establish market positions. The Portfolio's investment risks are as set forth in the Simplified Prospectus. The risks associated with the Portfolio and its holdings are as follows: stock market risk, credit risk, sector risk, foreign securities risk, specific issuer risk, currency risk, interest rate risk, derivatives risk, securities lending risk, emerging markets risk, exchange-traded funds risk, underlying funds risk, asset-backed and mortgage-backed securities risk, multi-series risk, short selling risk, loss restrictions risk, cybersecurity risk and liquidity risk.

### Operating Results

The FDP Municipal Bond Portfolio, Series A posted a net return of 5.7% for 2024. The FDP Municipal Bond Portfolio, Series I posted a net return of 6.2%. The Fund's benchmark index posted a 5.2% return for the period.

Inflation fell within the Bank of Canada's (BoC) target range in 2024, prompting the central bank to start normalizing its monetary policy, shifting it from restrictive to neutral. To achieve this, the BoC lowered its key interest rate five times, bringing it from 5.00% to 3.25% for a total drop of 175 basis points. Against this backdrop, the Portfolio's yield curve positioning proved favourable as the curve steepened, with short-term rates falling more than long-term rates.

Additionally, the relatively higher yields on municipal bonds helped protect capital and take advantage of higher rates on new issues over the holding period. The Portfolio's exposure to certain high-quality corporate bonds, mostly with 4- and 5-year maturities, added several basis points of additional yield to maturity.

The Portfolio continues to maintain a duration in line with that of its benchmark index while leveraging its curve positioning to generate superior relative returns.

### Recent Developments

There are no events to report for 2024.

## Description of the Benchmark Index

The benchmark is weighted as follows: 10% in securities from the FTSE Canada 91-Day T-Bill Index and 90% in securities from the FTSE Canada Short-Term Municipal Bond Index.

## Related Party Transactions

The Manager of the FDP Municipal Bond Portfolio is Professionals' Financial – Mutual Funds Inc. The Manager is in charge of the portfolio's research, analyses, selections and transactions. The Investment Committee of Professionals' Financial – Mutual Funds Inc. supervises the execution of the mandates entrusted to the internal managers and to other external managers, as the case may be. With regard to the management of the Portfolio, any transaction between related parties must receive the Independent Review Committee's (IRC) positive recommendation or approval beforehand.

Monthly management fees, calculated daily at an annual percentage of the Portfolio's net assets after deducting the value of interfund investments, are paid to the Manager.

## Financial Highlights

The following tables illustrate key financial data concerning the Portfolio. Their purpose is to help you understand its financial results for the past five years.

This information comes from the audited annual financial statements of the Portfolio. You can obtain the financial statements on the website at [fdpgp.ca/en](http://fdpgp.ca/en).

## Portfolio's Distributions and Net Assets per Unit (in dollars)

Series A (created in 2023)	Years ended December 31				
	2024	2023	2022	2021	2020
Net assets, beginning of year	10.085	0.000	n.a.	n.a.	n.a.
Increase (decrease) from operations:					
Total revenue	0.356	0.021	n.a.	n.a.	n.a.
Total expenses	(0.064)	(0.003)	n.a.	n.a.	n.a.
Realized gains (losses)	0.275	0.006	n.a.	n.a.	n.a.
Unrealized gains (losses)	0.139	0.052	n.a.	n.a.	n.a.
Total increase (decrease) from operations <sup>(1)</sup>	0.706	0.076	n.a.	n.a.	n.a.
Distributions:					
from income	0.225	0.001	n.a.	n.a.	n.a.
from dividends	–	–	n.a.	n.a.	n.a.
from capital gains	0.052	–	n.a.	n.a.	n.a.
from capital returns	–	–	n.a.	n.a.	n.a.
Total distributions <sup>(2)</sup>	0.277	0.001	n.a.	n.a.	n.a.
Net assets at the end of the year	10.381	10.085	n.a.	n.a.	n.a.

## FDP Municipal Bond Portfolio, Series A and I (continued)

Series I (created in 2023)	Years ended December 31				
	2024	2023	2022	2021	2020
<b>Net assets, beginning of year</b>	<b>10.111</b>	<b>0.000</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Increase (decrease) from operations:</b>					
Total revenue	0.330	0.027	n.a.	n.a.	n.a.
Total expenses	(0.021)	(0.002)	n.a.	n.a.	n.a.
Realized gains (losses)	0.156	0.079	n.a.	n.a.	n.a.
Unrealized gains (losses)	0.131	0.095	n.a.	n.a.	n.a.
<b>Total increase (decrease) from operations <sup>(1)</sup></b>	<b>0.596</b>	<b>0.199</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Distributions:</b>					
from income	0.305	0.013	n.a.	n.a.	n.a.
from dividends	—	—	n.a.	n.a.	n.a.
from capital gains	0.004	0.074	n.a.	n.a.	n.a.
from capital returns	—	—	n.a.	n.a.	n.a.
<b>Total distributions <sup>(2)</sup></b>	<b>0.309</b>	<b>0.087</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Net assets at the end of the year</b>	<b>10.422</b>	<b>10.111</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>

<sup>(1)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase or decrease from operations is based on the weighted average number of units outstanding over the financial period.

<sup>(2)</sup> Distributions were reinvested in additional units of the Portfolio.

### Ratios and Supplemental Data

Series A (created in 2023)	Years ended December 31				
	2024	2023	2022	2021	2020
<b>Net asset value (in thousands of dollars) <sup>(1)</sup></b>	<b>13,111</b>	<b>466</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Number of units outstanding (thousands) <sup>(1)</sup></b>	<b>1,263</b>	<b>46</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Management expense ratio (%) <sup>(2)</sup></b>	<b>0.622</b>	<b>0.478</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Management expense ratio before waivers and absorptions (%)</b>	<b>0.622</b>	<b>0.478</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Portfolio turnover rate (%) <sup>(3)</sup></b>	<b>164.65</b>	<b>53.95</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Trading expense ratio (%) <sup>(4)</sup></b>	<b>—</b>	<b>—</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Net asset value per unit</b>	<b>10.381</b>	<b>10.085</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>

Series I (created in 2023)	Years ended December 31				
	2024	2023	2022	2021	2020
<b>Net asset value (in thousands of dollars) <sup>(1)</sup></b>	<b>112,643</b>	<b>157,351</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Number of units outstanding (thousands) <sup>(1)</sup></b>	<b>10,808</b>	<b>15,562</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Management expense ratio (%) <sup>(2)</sup></b>	<b>0.203</b>	<b>0.199</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Management expense ratio before waivers and absorptions (%)</b>	<b>0.203</b>	<b>0.199</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Portfolio turnover rate (%) <sup>(3)</sup></b>	<b>164.65</b>	<b>53.95</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Trading expense ratio (%) <sup>(4)</sup></b>	<b>—</b>	<b>—</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Net asset value per unit</b>	<b>10.422</b>	<b>10.111</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>

<sup>(1)</sup> The information is derived from audited annual financial statements and unaudited interim financial statements in accordance with International Financial Reporting Standards (IFRS). In compliance with these Standards, net assets per unit presented in the financial statements generally equal the net asset value calculated to establish unit prices.

<sup>(2)</sup> Management expense ratio includes management fees and operating expenses. It excludes income tax withheld on dividend income and transaction costs, and is expressed as a percentage of the daily average annualized net asset value during the fiscal year. The management expense ratio takes into consideration the management expense ratios of the underlying funds.

<sup>(3)</sup> The Portfolio's portfolio turnover rate indicates how actively the Portfolio's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Portfolio buying and selling all of the securities in its portfolio once in the course of the period. The higher a Portfolio's portfolio turnover rate in a period, the greater the trading costs payable by the Portfolio in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Portfolio.

<sup>(4)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

### Management Fees

Series A units pay management fees to the Manager, Professionals' Financial – Mutual Funds Inc., for service rendered to the unitholders, and investment management and administration services. Series A units' annual management fees of 0.45% and 0.05% for Series I are calculated daily according to the net assets and paid monthly after deducting the value of interfund investments. For 2024, Series A units paid \$24,000 and \$80,000 for Series I to the Manager.

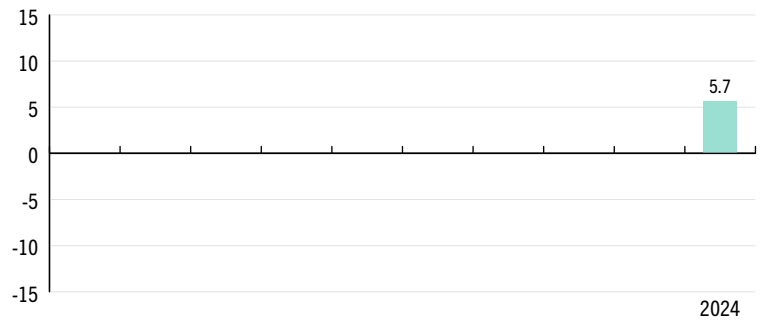
### Past Performance

Information on performance presupposes that the Portfolio's distributions during the years presented have been totally reinvested in additional units of the same series. The returns do not include deductions for sales, transfer, redemption or other optional fees (because there are none) or income taxes payable, and would be lower if they included such items. The Portfolio's past performance is not necessarily indicative of future performance.

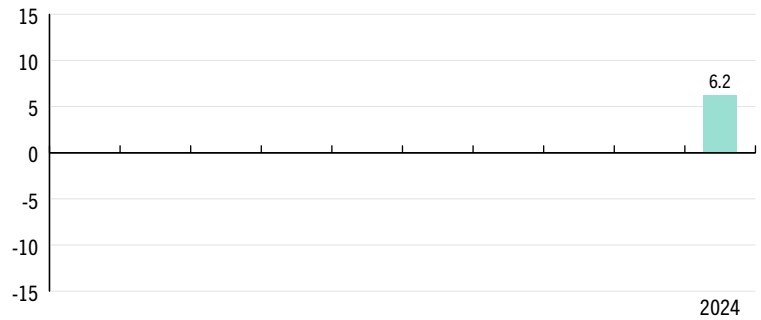
### Annual Performance

The following bar graphs indicate the Portfolio's annual returns for each year. They show the year-to-year variation in the Portfolio's return. The graphs present, in percentage form, what would have been the upward or downward variation, on the last day of the year, of an investment made on the first day of that year.

% Series A (created in 2023)



% Series I (created in 2023)



## FDP Municipal Bond Portfolio, Series A and I (continued)

### Annual Compound Returns

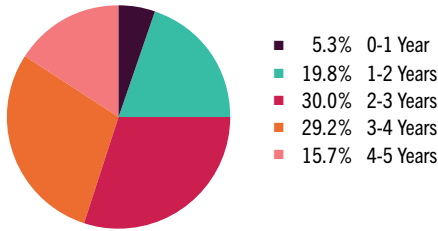
The following table indicates the Portfolio's annual composite returns and highlights Portfolio performance fluctuations from one fiscal year to the next, ending on December 31, for each year, as well as those of the Portfolio's benchmark index.

	1 yr %	3 yrs %	5 yrs %	10 yrs %	From its creation if <10 years %
FDP Municipal Bond Portfolio, Series A	5.65	—	—	—	6.56
FDP Municipal Bond Portfolio, Series I	6.18	—	—	—	8.29
FTSE Index Canada, Series A	5.24	—	—	—	5.71
FTSE Index Canada, Series I	5.24	—	—	—	6.55

The benchmark is weighted as follows: 10% in securities from the FTSE Canada 91-Day T-Bill Index and 90% in securities from the FTSE Canada Short-Term Municipal Bond Index.

### Overview of Portfolio

#### Portfolio Mix



#### Top 25 Portfolio Holdings

	% of net asset value
Province of Ontario, 4.00%, Mar. 08, 2029	10.6
Cash	5.3
City of Brossard, 3.65%, Oct. 28, 2029	4.1
Société de transport de l'Outaouais, 4.20%, Apr. 12, 2028	3.8
City of Westmount, 4.00%, May 16, 2028	3.6
City of Rimouski, 4.50%, Dec. 01, 2027	3.4
Government of Canada, 4.00%, Aug. 01, 2026	3.4
City of Lévis, 5.00%, Nov. 27, 2028	3.3
City of Saint-Hyacinthe, 4.50%, Mar. 03, 2028	3.3
Société de transport de Laval, 4.70%, Nov. 10, 2027	3.0
City of Lévis, 2.50%, Feb. 28, 2027	2.9
Government of Canada, 1.25%, Mar. 01, 2027	2.7
Réseau de transport Métropolitain, 4.25%, Jan. 29, 2028	2.6
City of Mont-Tremblant, 5.00%, Aug. 28, 2028	2.5
City of Saint-Lambert, 2.00%, Jan. 24, 2027	2.4
City of Côte Saint-Luc, 1.95%, Dec. 02, 2026	2.4
Municipality of Morin-Heights, 4.20%, Apr. 24, 2028	2.3
Town of Sainte-Agathe-des-Monts, 4.10%, Mar. 31, 2028	2.3
National Bank of Canada, 4.98%, Mar. 18, 2027	2.0
Canadian Imperial Bank of Commerce, 4.90%, Apr. 02, 2027	2.0
City of Côte Saint-Luc, 5.25%, Oct. 30, 2028	2.0
City of Sorel-Tracy, 1.40%, Apr. 16, 2026	1.8
City of Montréal East, 1.30%, May 03, 2026	1.8
City of Saint-Lazare, 4.75%, Jul. 21, 2028	1.7
City of Longueuil, 3.80%, May 03, 2027	1.5

This portfolio may change due to continual trading in the Portfolio. An update of this data is available every quarter on our website at [fdpgp.ca/en](http://fdpgp.ca/en).