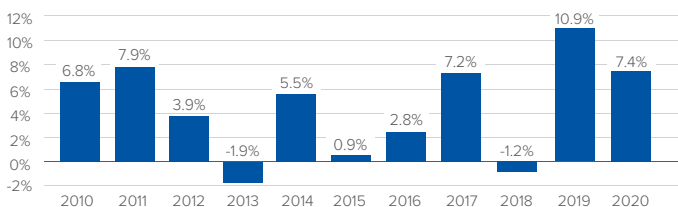


ABOUT THE PLAN

Managed by:	Heritage Education Funds International Inc.
Portfolio Advisers:	Scotia Institutional Asset Management, a division of 1832 Management L.P., Fiera Capital Corporation
Inception Date:	Sept 1, 1988
Assets Under Management ²	U.S. \$146 million
Fees ³ :	
Membership Fee	\$110/unit
Depository Fee	\$1.00 - \$5.00/unit per year based on frequency of contributions
Administration fee ⁴	Up to 1% per annum of principal and income. 0.81% in 2019 (incl. portfolio management fee).

ANNUAL PORTFOLIO RETURNS AS OF DECEMBER 31^{2,5}



PERFORMANCE ANALYSIS AS OF DECEMBER 31, 2020²

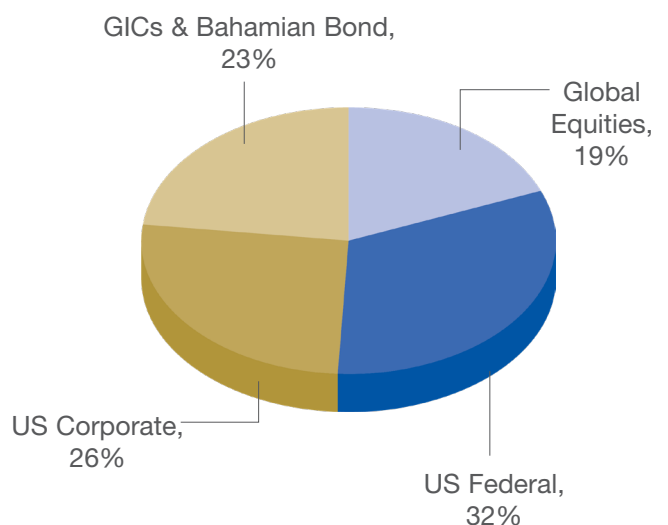
The following table illustrates the annual compounded returns for the periods shown. Investment returns have been calculated using market values and time-weighted cash flows during the periods.

Estimated unaudited Net Returns ⁶	1 year	3 years	5 years	10 years
	7.4%	5.6%	5.3%	4.3%

TOP 10 INVESTMENTS²

NAME	%
VANGUARD S&P 500 ETF	13.7
U.S. Treasury Notes, 4.75% coupon 2037-02-15	7.8
VANGUARD EAFE ETF	7.1
RBC Finco Term Deposit, 0.35% coupon 2021-03-11	6.7
RBC Finco Term Deposit, 0.35% coupon 2021-03-29	6.0
U.S. Treasury Notes, 1.75% coupon 2021-11-30	5.7
U.S. Treasury Notes, 2.75% coupon 2042-08-15	5.1
RBC Finco Term Deposit, 0.35% coupon 2021-01-29	4.7
U.S. Treasury Notes, 0.25% coupon 2025-09-30	3.5
RBC Finco Term Deposit, 0.35% coupon 2021-02-02	1.6

ASSET WEIGHTINGS AS AT DECEMBER 31, 2020²



INVESTMENT POLICIES

Subscribers' Contributions will be, as directed by the Foundation, invested in term deposits, debentures and bonds, most of which are guaranteed by the Government of the United States of America or the Government of Canada, and any state, province or municipality thereof. Contributions may also be invested in corporate bonds with a minimum credit rating of BBB or equivalent, as directed by the Foundation. Income earned on Contributions may be invested in: (a) Equities listed on a stock exchange in Canada or the United States; (b) Index participation units of a Canadian or U.S. Exchange-Traded Fund ("ETF") whose objective is to replicate the performance of a specified widely quoted index of Canadian, U.S. or Global Equity Securities; (c) Corporate Bonds issued in Canada and the United States, with a minimum credit rating of BBB, and/or (d) Derivatives for hedging and liquidity purposes.

INVESTMENT COMMENTARY

The year started with stocks in a bull market and equities reaching all-time highs in February 2020. Then the pandemic of the century, COVID-19 outbreak, hit worldwide and resulted in a global economic shock. Supply chains have been disrupted, borders have been closed, workplaces and schools have been shut down.

In an effort to save local economies, Central banks around the world responded with aggressive monetary and fiscal stimulus measures by cutting interest rates, developing new policy response, and boosting asset purchases.

The exceptional government response, as well as some flattening of new virus cases resulted in positive market reaction, and markets surged from their March lows. As at December 31, 2020, the Global equity markets (MSCI World) were up 15.9%. The recovery was not even, and there was a large divergence between sector performance. Information Technology was the clear winner, while Energy suffered disproportionately.

On the bonds side, as COVID-19 cases surged, the initial flight to safety helped propel government bond prices higher. The US Corporate and Government bonds (ICE BAML US Corp & Govt Master Index) were up 8.8% in 2020.

Overall, the capital markets closed on an optimistic note as countries around the world began to administer COVID-19 vaccines.

¹ The Heritage International Scholarship Trust Plan is a scholarship plan administered by Heritage Education Funds International Inc., and sponsored by the Heritage International Scholarship Trust Foundation.

² Source: Heritage Education Funds International Inc. Contributions from Bahamian subscribers are required to be invested in Bahamian securities only, in accordance with requirements of The Central Bank of The Bahamas. Please see the Bahamas' prospectus for more information.

³ Please refer to the plan's prospectus for full details.

⁴ This fee is calculated based on the total amount of money all subscribers have in the Heritage International Scholarship Trust Plan and is deducted from total income before income is allocated to subscribers' plans.

⁵ The bar chart illustrates the annual performance of the Heritage International Scholarship Trust Plan in each of the past ten years to December 31, 2019. Past performance is not indicative of future returns.

⁶ The YTD return is the unaudited compounded rate of return as of December 31, 2020. The 1, 3, 5 and 10-year returns are audited annually compounded rate of returns as of December 31, 2019.

This report is intended for general guidance and information purposes only and is under no circumstances intended to be used or considered as financial or investment advice, a recommendation or an offer to sell, or a solicitation of any offer to buy any securities or other form of financial asset. The information contained herein may be subject to changes without prior notice. Knowledge First Financial does not accept any form of liability, neither legally nor financially, for loss (direct or indirect) caused by the understanding and/or use of this report or its content.