

# 2023

## ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

December 31, 2023

Offered by Educators Financial Group  
Portfolio Adviser: Beutel, Goodman & Company Ltd., Toronto, Ontario

### Educators Balanced Fund





This annual management report of fund performance contains financial highlights but does not contain the annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1.800.263.9541, by writing to us at Educators Financial Group, 2225 Sheppard Ave. East, Suite 1105, Toronto, Ontario, M2J 5C2, or by visiting our website at [www.educatorsfinancialgroup.ca](http://www.educatorsfinancialgroup.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

Securityholders may also contact us using one of these methods to request a copy of the investment fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

### **Caution Regarding Forward-looking Statements**

This report may contain forward-looking statements about the Fund, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and similar forward-looking expressions.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks, and uncertainties, some of which may be unforeseeable. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, including international conflicts, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events, including any potential lingering impact of the COVID-19 pandemic on the Fund and/or its operations.

It should be stressed that the above-mentioned list of factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements, whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance, unless required by applicable law.

## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

### Investment Objectives and Strategies

The investment objective of the Educators Balanced Fund (*the "Fund"*) is to provide a less volatile and more stable growth of assets by investing in a balanced asset mix of short-term fixed income securities, common and preferred shares, index participation units such as Standard & Poor's Depositary Receipts, and bonds. The Fund invests primarily in securities of Canadian governments and corporations. The asset mix is varied depending on the outlook for the economy and financial markets. There is no pre-determined percentage mix of securities. Non-Canadian securities are generally limited to no more than 40% of the Fund's net assets. The fundamental investment objective of the Fund may not be changed without the prior approval of the unitholders.

### Risk

The risks of investing in the Fund remain as discussed in the Simplified Prospectus. No changes affecting the overall level of risk of investing in the Fund were made to the Fund in the one-year period ending December 31, 2023.

### Results of Operations

The Fund's net assets decreased by 1.9% to \$270.0 million at the end of December 2023, down from \$275.2 million at the end of December 2022.

#### Investment Performance

For the year/period ending December 31, 2023 (*the period*), the Educators Balanced Fund – Class A Series provided a return of 6.74%, versus a Benchmark return of 9.74%. The Benchmark comprises 40% FTSE Canada Universe Bond Index, 35% S&P/TSX Composite Total Return Index, 12% Russell 1000 Value Index and 13% MSCI EAFE Total Return Index (*Canadian\$*) (*the Benchmark*).

The Fund underperformed its Benchmark over the period. Unlike the Benchmark, the Fund's return is net of fees and expenses paid by the Fund. Detailed performance is provided under the heading "Past Performance" in this report. Investors cannot invest in the Benchmark without incurring fees, expenses and commissions which are not reflected in Benchmark returns.

Equity markets rallied at the beginning of 2023 despite continued recessionary fears, compounded with the backdrop of the Banking Crisis. The collapse of several U.S. regional banks, including Silicon Valley Bank, Signature Bank, First Republic, and well as Swiss banking giant Credit Suisse, brought into question the stability of the global banking system and weighed heavily against the Canadian Financials sector. Following three consecutive quarters of positive returns, the S&P/TSX Composite shifted back to negative territory during the third quarter with a broad-based downturn affecting almost all sectors. In addition, the Bank of Canada ("BoC") increased its Benchmark overnight interest rate by 0.75%, leaving the overnight rate at 5.00% by year-end, adding to tight financial conditions that muted Canadian economic growth. This changed in late 2023 when

equity markets experienced a sustained and rapid rise across almost all sectors as the prospect of a soft-landing and an end to rising rates ignited optimism. The strongest performing sectors were Information Technology, Health Care, and Financials, while Materials, Utilities and Communication Services were the biggest laggards for the year.

The equity portfolio of the Fund is divided into three portions: Canadian equities, U.S. equities and international equities. The Canadian equity, U.S. equity and international equity components underperformed their Benchmarks. The fixed income portion of the Fund outperformed its Benchmark. From an asset allocation perspective, relative underperformance was driven primarily by stock selection in U.S. equity. An overweight in U.S. equity was the primary contributor to relative performance. The selection and weighting effects in fixed income also contributed to relative performance.

Within the Canadian equity portion of the Fund, the top-performing sectors during the period relative to its Benchmark were Financials and Utilities. A combination of both stock selection and an overweight position in the Financials sector contributed to the Fund's relative performance. Stock selection in Utilities contributed to the Fund's relative performance. The Information Technology and Consumer Staples sectors were the largest detractors from relative performance. A combination of both stock selection and an underweight position in the Information Technology sector detracted from the Fund's relative performance. Stock selection in Consumer Staples also detracted from the Fund's relative performance.

Within the U.S. equity portion of the Fund, the top-performing sectors during the period relative to its Benchmark were Energy and Financials. A zero weight in the Energy sector, an area of relative weakness in the Benchmark, contributed to the Fund's relative performance. Stock selection in Financials also contributed to the Fund's relative performance. The Information Technology and Consumer Discretionary sectors were the largest detractors from relative performance. A combination of both stock selection and an underweight position in the Information Technology sector detracted from the Fund's relative performance. Stock selection in Consumer Discretionary also detracted from the Fund's relative performance.

Within the international equity portion of the Fund, the top-performing sectors during the period relative to its Benchmark were Industrials and Materials. A combination of both stock selection and an overweight position in the Industrials sector contributed to the Fund's relative performance. Stock selection in Materials also contributed to the Fund's relative performance. The Communication Services and Information Technology sectors were the largest detractors from relative performance. A combination of both stock selection and an overweight position in the Communication Services sector detracted from the Fund's relative performance. A combination of both stock selection and an underweight position in the Information Technology sector also detracted from the Fund's relative performance.

Over the period, the top individual contributors to Fund performance included SPDR Portfolio S&P 500 Growth ETF, Open Text Corp., Alimentation Couche-Tard Inc., Manulife Financial Corp., and Restaurant Brands International Inc. The largest individual detractors from Fund performance included Saputo Inc., Nutrien Ltd., BRP Inc., Metro Inc. and Franco-Nevada Corp.

The fixed income portion of the Fund's long duration positioning relative to the Benchmark detracted from performance amid rising yields in Q2 and Q3. Currently, the Fund is neutral to marginally long duration relative to the Benchmark. Curve positioning was positive during the year as 10-year bonds, where the portfolio is overweight, outperformed, especially during Q4. Sector allocation contributed to performance as the Fund was overweight corporate bonds amid a tightening of spreads. Security selection in government bonds detracted from performance during the period as mid- and long-term provincials underperformed short-term provincial bonds. Corporate security selection detracted from performance due to an overweight in financial securities.

For the equity portion of the Fund, the portfolio adviser employs a stock selection process that is based on identifying securities trading at a significant discount to their estimated business value. The Fund's sector and stock weights are outcomes of the portfolio adviser's investment decisions based on bottom-up fundamentals and business quality. As a result of this investment process, market performance and general management activity, changes that occurred in the Fund's portfolio during the reporting period included an increased weighting in the Fund's Real Estate, Materials and Energy sectors and a decreased weighting in the Communication Services, Consumer Staples, Consumer Discretionary, Industrials, Information Technology, Health Care, Financials and Utilities sectors because of relative performance and the team's buy/sell activities. Gjensidige Forsikring ASA, Colliers International Group Inc. and Merck & Co. Inc. were new additions to the Fund. Further, at the request of the Manager and Trustee, the SPDR Portfolio S&P 500 Growth ETF was also added to the Fund during the period. Some of the more significant additions in existing holdings included Brookfield Asset Management Ltd., DBS Group Holdings, Metro Inc., RB Global Inc. and Qualcomm Inc. The Fund's position in MillerKnoll Inc. and Telus Corp. were liquidated. Some of the more significant trims in existing holdings included ITV plc, Koninklijke KPN N.V., IMI plc, Smiths Group plc and Atea ASA.

For the fixed-income portion of the Fund, the portfolio adviser employs macroeconomic analysis, rigorous bottom-up credit research and proprietary risk-management tools and search for opportunities where the market has mispriced risk and reward. As a result of this investment process, market performance and general management activity, the Fund's weightings in provincial government and corporate bonds increased over the period, while the allocation to federal government and municipal bonds decreased.

At period-end, there were 94 equity holdings in the Fund, up from 91 at the beginning of the period. At period-end, there were 149 fixed-income holdings in the Fund, down from 151 at the beginning of the period. The Fund's level of cash and cash equivalents decreased from the beginning of the period.

#### **Recent Developments**

The initiatives put forth by the central banks to curb inflation, combined with recent signaling that rate cuts would be included in their outlook for 2024, were received well by the market. This shift in policy led bond yields sharply lower and supported risk-taking, including equities. However, with inflation still ahead of target, coupled with resilient consumer spending, there remains the risk that the market is being overly optimistic and that rates may stay higher for longer, which has investors resetting their expectations. Additionally, growing global geo-political instability, with several ongoing conflicts, tensions escalating in other areas, and elections taking place in seven of the world's most populous countries this year, provides further ground for caution.

While Value stocks lagged their Growth counterparts for much of 2023, the combination of extreme divergence of a handful of stocks compared to the broader markets and some contradictory macroeconomic signals continue to cause market volatility. More specifically, U.S. equity concentration is now at its highest level in over five decades, with the top seven stocks in the S&P 500 representing close to 30% of the entire index. "The Magnificent Seven" (Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, and Tesla) collectively returned 76.3% in 2023, compared to 13.8% for the rest of the index, are trading at close to 29x forward earnings, compared to 18x for the rest of the index. Such disparity leaves growth-orientated portfolios vulnerable should a market correction occur. Investors saw this scenario play out in late 2022 when many high-multiple stocks saw large price declines.

With respect to fixed income, data shows that economic growth is slowing, and interest rate cuts are likely. Albeit the level and pace remain unclear as these will need to be balanced with economic growth and the unemployment rate. With a weak growth forecast for 2024, the fixed income portfolio is currently positioned defensively. The portfolio adviser anticipates that this positioning could change with an economic slowdown as spreads move wider and opportunities arise to add higher-beta credit.

#### **Related Party Transactions**

Pursuant to the Fund's investment strategies included in the Fund's Simplified Prospectus, the Fund may invest in other mutual funds, and for the period has invested in Beutel Goodman American Equity Fund, Class I; and Beutel Goodman International Equity Fund, Class I, all of which are funds managed by the Fund's portfolio adviser.

In 2023 Educators Financial Group did not refer any conflict of interest matters to the Fund's Independent Review Committee (*the "IRC"*) and accordingly did not rely upon any recommendation of the IRC in respect of any related party transactions.



EDUCATORS BALANCED FUND

Educators Financial Group is the Manager and Trustee of the Fund. Educators Financial Group is a wholly owned subsidiary of the Ontario Secondary School Teachers' Federation (OSSTF). OSSTF may from time to time invest in units of the Fund.

**FINANCIAL HIGHLIGHTS**

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years. Currently Class I units of the Fund are not being offered to purchase.

**Educators Balanced Fund – Class A Series – Net Assets per Unit <sup>(1)</sup>**

	Year ended December 31				
	2023	2022	2021	2020	2019
Net Assets, beginning of year/period	\$19.42	\$21.14	\$20.38	\$20.09	\$18.18
<b>Increase (decrease) from operations:</b>					
Total revenue	\$0.59	\$0.58	\$0.51	\$0.63	\$0.53
Total expenses, including transaction costs [excluding distributions]	(\$0.38)	(\$0.37)	(\$0.41)	(\$0.37)	(\$0.37)
Realized gains (losses) for the period	\$0.38	\$0.47	\$1.48	\$0.82	\$0.58
Unrealized gains (losses) for the period	\$0.69	(\$1.94)	\$0.36	(\$0.16)	(\$1.54)
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>\$1.28</b>	<b>(\$1.26)</b>	<b>\$1.94</b>	<b>\$0.92</b>	<b>\$2.28</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	\$0.02	\$--	\$--	\$0.07	\$--
From dividends	\$0.19	\$0.17	\$0.08	\$0.20	\$0.17
From capital gains	\$0.17	\$0.31	\$1.10	\$0.49	\$0.20
Return of capital	\$--	\$0.05	\$--	\$--	\$--
<b>Total Annual Distributions <sup>(3)</sup></b>	<b>\$0.38</b>	<b>\$0.53</b>	<b>\$1.18</b>	<b>\$0.76</b>	<b>\$0.37</b>
<b>Net Assets, end of year</b>	<b>\$20.34</b>	<b>\$19.42</b>	<b>\$21.14</b>	<b>\$20.38</b>	<b>\$20.09</b>

**Ratios and Supplemental Data (based on Net Asset Value)**

	Year ended December 31				
	2023	2022	2021	2020	2019
Total Net Asset Value (000's) <sup>(4)</sup>	\$242,262	\$242,387	\$274,423	\$250,171	\$257,306
Number of units outstanding <sup>(4)</sup>	11,908,169	12,478,650	12,981,545	12,275,259	12,805,897
Management expense ratio <sup>(5)</sup>	1.87%	1.87%	1.87%	1.87%	1.87%
Management expense ratio before waivers or absorptions <sup>(6)</sup>	1.87%	1.87%	1.87%	1.87%	1.87%
Trading expense ratio <sup>(7)</sup>	0.01%	0.01%	0.01%	0.02%	0.01%
Portfolio turnover rate <sup>(8)</sup>	51.97%	39.74%	55.32%	80.68%	56.44%
Net Asset Value per unit	\$20.34	\$19.42	\$21.14	\$20.38	\$20.09



EDUCATORS BALANCED FUND

**Educators Balanced Fund – Class E Series – Net Assets per Unit <sup>(1)</sup>**

	Year ended December 31			
	2023	2022	2021	2020
Net Assets, beginning of year/period	\$10.48	\$11.39	\$10.96	\$10.00
<b>Increase (decrease) from operations:</b>				
Total revenue	\$0.32	\$0.32	\$0.28	\$0.27
Total expenses, including transaction costs [excluding distributions]	(\$0.16)	(\$0.16)	(\$0.18)	(\$0.10)
Realized gains (losses) for the period	\$0.21	\$0.25	\$0.81	\$0.44
Unrealized gains (losses) for the period	\$0.35	(\$0.01)	\$0.17	\$0.83
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>\$0.72</b>	<b>(\$0.60)</b>	<b>\$1.08</b>	<b>\$1.44</b>
<b>Distributions:</b>				
From net investment income (excluding dividends)	\$0.01	\$--	\$--	\$0.05
From dividends	\$0.14	\$0.11	\$0.07	\$0.15
From capital gains	\$0.09	\$0.17	\$0.59	\$0.26
Return of capital	\$--	\$0.03	\$--	\$--
<b>Total Annual Distributions <sup>(3)</sup></b>	<b>\$0.24</b>	<b>\$0.31</b>	<b>\$0.66</b>	<b>\$0.46</b>
<b>Net Assets, end of year/period</b>	<b>\$10.98</b>	<b>\$10.48</b>	<b>\$11.39</b>	<b>\$10.96</b>

**Ratios and Supplemental Data (based on Net Asset Value)**

	Year ended December 31			
	2023	2022	2021	2020
Total Net Asset Value (000's) <sup>(4)</sup>	\$12,818	\$12,910	\$13,621	\$11,663
Number of units outstanding <sup>(4)</sup>	1,167,689	1,231,618	1,196,025	1,063,819
Management expense ratio <sup>(5)</sup>	1.50%	1.50%	1.50%	1.50%
Management expense ratio before waivers or absorptions <sup>(6)</sup>	1.50%	1.50%	1.50%	1.50%
Trading expense ratio <sup>(7)</sup>	0.01%	0.01%	0.01%	0.02%
Portfolio turnover rate <sup>(8)</sup>	51.97%	39.74%	55.32%	80.68%
Net Asset Value per unit	\$10.98	\$10.48	\$11.39	\$10.96



EDUCATORS BALANCED FUND

**Educators Balanced Fund – Class F Series – Net Assets per Unit <sup>(1)</sup>**

	Year ended December 31		
	2023	2022	2021
Net Assets, beginning of year/period	\$8.78	\$9.52	\$10.00
<b>Increase (decrease) from operations:</b>			
Total revenue	\$0.26	\$0.34	\$0.22
Total expenses, including transaction costs [excluding distributions]	(\$0.07)	(\$0.07)	(\$0.04)
Realized gains (losses) for the period	\$0.15	\$0.27	\$0.78
Unrealized gains (losses) for the period	\$0.32	(\$0.32)	(\$0.66)
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>\$0.66</b>	<b>\$0.22</b>	<b>\$0.30</b>
<b>Distributions:</b>			
From net investment income (excluding dividends)	\$0.02	\$--	\$--
From dividends	\$0.18	\$0.13	\$0.12
From capital gains	\$0.08	\$0.14	\$0.50
Return of capital	\$--	\$0.03	\$--
<b>Total Annual Distributions <sup>(3)</sup></b>	<b>\$0.28</b>	<b>\$0.30</b>	<b>\$0.62</b>
<b>Net Assets, end of year/period</b>	<b>\$9.20</b>	<b>\$8.78</b>	<b>\$9.52</b>

**Ratios and Supplemental Data (based on Net Asset Value)**

	Year ended December 31		
	2023	2022	2021
Total Net Asset Value (000's) <sup>(4)</sup>	\$14,715	\$19,930	8,664
Number of units outstanding <sup>(4)</sup>	1,599,345	2,269,506	909,817
Management expense ratio <sup>(5)</sup>	0.80%	0.80%	0.79%
Management expense ratio before waivers or absorptions <sup>(6)</sup>	0.80%	0.80%	0.79%
Trading expense ratio <sup>(7)</sup>	0.01%	0.01%	0.01%
Portfolio turnover rate <sup>(8)</sup>	51.97%	39.74%	55.32%
Net Asset Value per unit	\$9.20	\$8.78	\$9.52

<sup>(1)</sup> This information is derived from the Fund's audited annual financial statements. For financial years beginning after January 1, 2014, the financial highlights were derived from the Fund's financial statements prepared in accordance with International Financial Reporting Standards (IFRS). All references to "Net Assets" or "Net Assets per Unit" in these financial highlights are references to net assets attributable to holders of redeemable units determined in accordance with IFRS as presented in the financial statements of the Fund.

<sup>(2)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

<sup>(3)</sup> Distributions were either paid in cash or reinvested in additional units of the Fund.

<sup>(4)</sup> This information is provided as at December 31 of the year shown.

<sup>(5)</sup> Management expense ratio is based on total expenses (excluding distributions, commissions, and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

<sup>(6)</sup> The management expense ratio before waivers or absorptions shows what the management expense ratio of the Fund would have been if Educators Financial Group had not charged a lesser amount for its management fee.

<sup>(7)</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 period.

<sup>(8)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund 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 fund.

**Management Fees**

Educators Financial Group is the Manager-Trustee, promoter, and principal distributor of the Fund, and is responsible for the day-to-day management and administration of the Fund.

The Manager-Trustee monitors and evaluates the performance of the Fund and pays for the investment management services of the portfolio adviser, as well as all administrative services required by the Fund. As compensation for these services, Educators Financial Group is entitled to receive a fee, payable monthly and calculated daily, based on the Net Asset Value of the Fund, at the annual rate of 1.65% for the Class A Series, 1.32% for the Class E Series and 0.70% for the Class F Series.

The Fund is responsible for paying any applicable tax owing on its management fee.

Approximately 13.7% of the total management fees collected from all Series were used to pay for portfolio management services, with the remainder of the fees being allocated to custodial services, marketing, technology, and Manager-Trustee operating expenses.

**PAST PERFORMANCE**

**General**

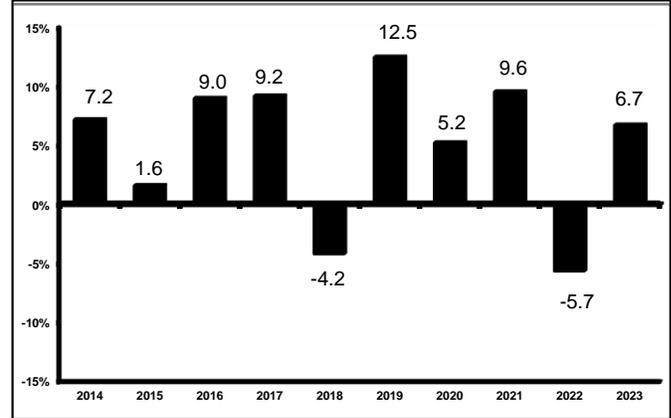
The Fund's performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund.

The performance information does not take into account sales, redemption, distribution, or other optional charges that would have reduced returns or performance. The performance of different fund series may vary for a number of reasons, including differences in management fees and expenses. Please remember that how the Fund has performed in the past does not necessarily indicate how it will perform in the future.

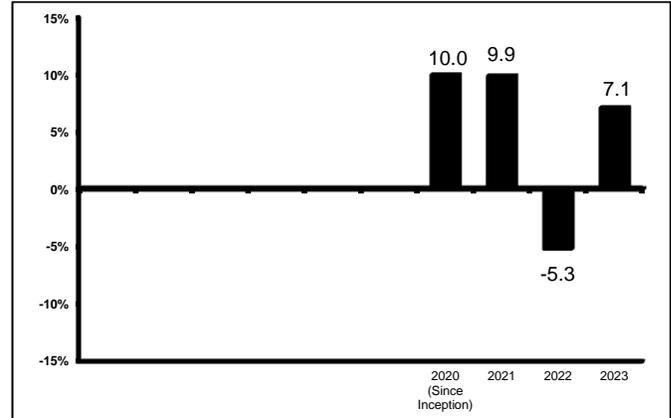
**Year-by-Year Returns**

The bar chart shows the Fund's annual performance for each of the years shown and illustrates how the Fund's performance has changed from year to year. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.

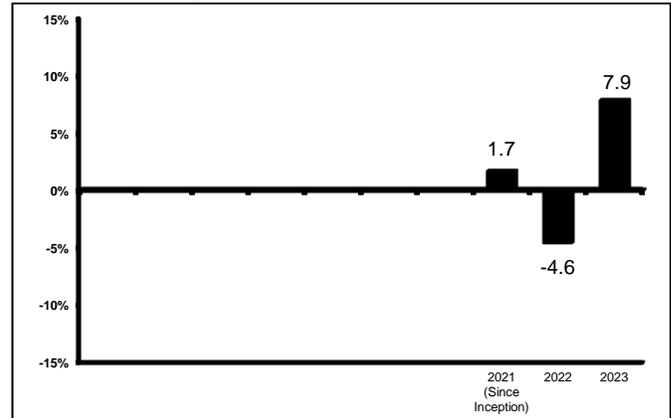
Annual Returns – Class A Series



Annual Returns – Class E Series <sup>(1)</sup>



Annual Returns – Class F Series <sup>(2)</sup>



<sup>(1)</sup> The Class E Series commenced operation February 4, 2020

<sup>(2)</sup> The Class F Series commenced operation May 14, 2021



## EDUCATORS BALANCED FUND

### Annual Returns – Class I Series

Currently Class I units of the Fund are not being offered to purchase.

### Annual Compound Returns

The following table compares the historical annual compound returns of the Fund with the performance of the blended Benchmark index comprised as follows: 40% FTSE Canada Universe Bond Index, which is a broad measure of the total return of Canadian bonds that mature in more than one year, 35% S&P/TSX Composite Total Return Index, a capitalization-weighted index designed to measure the market activity of some of the largest float adjusted stocks listed on the Toronto Stock Exchange, 12% Russell 1000 Value Index, a stock market index that measures the performance of the large-cap value segment of the US equity universe, and 13% MSCI EAFE Total Return Index (Canadian\$), a stock market index that is designed to measure the equity market performance of developed markets outside of the U.S. & Canada. The index is market-capitalization weighted.

Educators Balanced Fund	1 Year	3 Year	5 Year	10 Year
Class A Series	6.74	3.33	5.49	4.95
Class F Series <sup>1</sup>	7.88	NA	NA	NA
Class E Series <sup>2</sup>	7.13	3.72	NA	NA
Class I Series <sup>3</sup>	--	--	--	--
Blended Benchmark	9.74	4.06	6.73	5.85

<sup>1</sup> Since Inception (May 14, 2021)

<sup>2</sup> Since Inception (February 4, 2020)

<sup>3</sup> Currently not being offered to purchase

The Benchmark index returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark index.

### SUMMARY OF INVESTMENT PORTFOLIO

(Based on Net Asset Value)

As at December 31, 2023

Sector Mix	Percentage of Net Asset Value
Canadian Mutual Funds	27.14 %
Government Bonds	17.58 %
Corporate Bonds	13.35 %
Exchange-traded Funds	11.85 %
Financials	10.08 %
Industrials	3.85 %
Consumer Discretionary	3.35 %
Consumer Staples	3.12 %
Energy	2.13 %
Communication Services	1.85 %

Materials	1.56 %
Information Technology	1.46 %
Utilities	1.11 %
Short-term investments	0.91 %
Real Estate	0.50 %
Net Other Assets	0.09 %
Cash and Cash Equivalents	0.06 %
Asset-Backed Securities	0.01 %

### Top 25 Holdings

Security Name	Percentage of Net Asset Value
Beutel Goodman International Equity Class I	15.67 %
SPDR Portfolio S&P 500 Growth ETF	11.85 %
Beutel Goodman American Equity Class I Fund	11.48 %
Royal Bank of Canada	2.37 %
Toronto-Dominion Bank	1.98 %
Canadian Government Bond, 2.00%, June 1, 2032	1.58 %
Canadian National Railway Co.	1.32 %
Canadian Government Bond, 2.75%, June 1, 2033	1.31 %
Bank of Montreal	1.25 %
Province of Ontario, 3.65%, June 2, 2033	1.24 %
Rogers Communications Inc.	1.23 %
Manulife Financial Corp.	1.20 %
TC Energy Corp.	1.17 %
Magna International Inc.	1.11 %
Sun Life Financial Inc.	1.08 %
Restaurant Brands International Inc.	1.05 %
RB Global Inc.	1.04 %
Province of Ontario, 4.70%, June 2, 2037	1.03 %
Suncor Energy Inc.	0.96 %
Alimentation Couche-Tard Inc.	0.90 %
Canadian Pacific Kansas City Ltd.	0.90 %
Fortis Inc.	0.86 %
Brookfield Corp.	0.84 %
Province of Ontario, 3.50%, June 2, 2043	0.84 %
Open Text Corp.	0.82 %

Total Net Assets (000's)

\$269,795

The top 25 holdings represent approximately 65.08% of the total net assets of the Fund.

The summary of investment portfolio of the Fund is as at December 31, 2023 and may change due to the Fund's ongoing portfolio transactions. Updates are available quarterly. Information about the holdings of the Beutel Goodman Funds owned by the Fund is contained in their simplified prospectus, annual information form and fund facts documents available on SEDAR at [www.sedar.com](http://www.sedar.com).

**EDUCATORS FINANCIAL GROUP**

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