

## **Annual Management Report of Fund Performance**

*For the Period Ended March 31, 2024*

Fund Manager  
Counsel U.S. Growth Equity

Sub-advisor  
Brown Advisory LLP

*This Annual Management Report of Fund Performance contains financial highlights but does not contain either the annual or interim financial statements of the investment fund. You may obtain a copy of the financial statements, at no cost, by calling toll-free at 1-877-216-4979, by writing to us at Counsel Portfolio Services Inc, 5015 Spectrum Way, Suite 300, Mississauga, Ontario, L4W 0E4, by visiting our website at [www.counselservices.com](http://www.counselservices.com) or by visiting the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).*

*Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure. For more information, please refer to the Fund's Simplified Prospectus, Annual Information Form and Fund Facts, which may also be obtained, at no cost, using any of the methods outlined above.*

*For the Fund's current net asset value per security for series available via prospectus and for more recent information on general market events, please visit our website.*

### **A NOTE ON FORWARD-LOOKING STATEMENTS**

*This report may contain forward-looking statements which reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as: "expects", "anticipates", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions which could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in securities legislation, changes in government regulations, changes in tax law, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), and the ability of Counsel Portfolio Services Inc. to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.*

*The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.*

# COUNSEL U.S. GROWTH EQUITY

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | March 31, 2024

## Management Discussion of Fund Performance

June 5, 2024

This Management Discussion of Fund Performance presents the views of Counsel Portfolio Services Inc. (“Counsel” or “we”) on the significant factors and developments during the period ended March 31, 2024 that have affected the Fund’s performance and outlook.

In addition, net asset value (NAV) refers to the value of the Fund or a series, as calculated for transaction purposes, on which the discussion of Fund performance is based.

### Investment Objective and Strategies

The Fund seeks long-term capital appreciation, by investing primarily in U.S. equity securities. The Fund invests primarily in the common stock of mid and large-cap companies that, in the sub-advisor’s view, have attractive valuations, leverage long-term competitive advantages, and are expected to provide above-average earnings growth over a market cycle. The Fund may invest up to 15% of its net assets in non-U.S. and emerging market securities, typically through sponsored American Depository Receipts (ADRs).

### Risks

The risks of investing in the Fund remain as discussed in the Fund’s Simplified Prospectus. The Fund is suitable for investors who: seek a U.S. equity fund to hold as part of their portfolio; want a medium to long-term investment; can handle the volatility of stock markets; and have a medium tolerance for risk.

### Results of Operations

#### Investment Performance

Investment performance is not presented because the Fund has not issued securities for the full 12-month period.

#### Net Assets

The Fund’s NAV increased to \$212.6 million at March 31, 2024. Of this increase, \$174.8 million was attributable to net sales (almost entirely by larger investors, see *Other Related Party Transactions*) and \$37.8 million to investment performance.

#### Fees and Expenses

The annualized management expense ratio (“MER”) for each series during the period ended March 31, 2024, is presented in the *Financial Highlights* section of this report.

### Recent Developments

While early 2024 appears high relative to our typical cadence, the sub-advisor is executing on their long-standing playbook. They remain committed to our process of finding investment opportunities at the intersection of strong fundamentals, sustainable business advantages, and attractive valuation.

A partial hedge of 20% against the USD was added in early April, while the Fund remains otherwise unhedged against other foreign currencies. This hedge was subsequently removed in May 2024. Currency hedging is dynamic and may vary between 0-100% at our discretion based on our assessment of currency market conditions.

On November 30, 2023 (the “Transaction Date”), The Canada Life Assurance Company acquired Investment Planning Counsel Inc. (the parent company of Counsel). Counsel continues to operate as manager of the Fund. Effective on the Transaction Date, changes to the membership of the Fund’s Independent Review Committee and Counsel’s Board of Directors were made to align governance structures with Counsel’s affiliated entity Canada Life Investment Management Ltd.

## Related Party Transactions

### Management Fees

Counsel used approximately 42% of the total management fee revenues received from all Counsel funds to fund Distribution Related Payments to registered dealers and brokers. In comparison, such Distribution Related Payments for the Fund represented 54% of the management fees paid. This amount is an average percentage of the management fees paid by all series. The actual percentage for each series may be higher or lower than the average depending on the level of trailing commissions paid for that series. The higher proportion of Distribution Related Payments is primarily attributable to the lower management fee paid by the Fund.

### Management and Administration Services

For each applicable series, the Fund paid management fees and administration fees to Counsel at the annual rates specified under *Series Information* in this report and as more fully described in the Simplified Prospectus. In return for the administration fees, Counsel pays all costs and expenses (other than certain specified fund costs) required to operate the Fund. See also *Management Fees*.

### Other Related Party Transactions

Other investment funds managed by Counsel (“Top Funds”) invest in Series O securities offered by the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. Series Private Wealth securities are issued on a prospectus-exempt basis to investors in discretionary managed account programs offered by IPC Securities Corporation, an affiliate of Counsel. As a result of these investments, the Fund is subject to large transaction risk as discussed in the Counsel Funds’ Simplified Prospectus. Counsel manages this risk to reduce the possibility of any adverse effect on the Fund or on its investors, through such processes as requiring advance notice of large redemptions. At March 31, 2024, Top Funds owned 97.9% of the Fund’s NAV and Series Private Wealth investors owned 1.8% of the Fund’s NAV. As of March 31, 2024, Counsel had not received notice of any large redemptions. All related party transactions are based on the NAV per security on each transaction day.

During the period, the Fund did not rely on an approval, positive recommendation, or standing instruction from the Counsel Funds’ Independent Review Committee (“IRC”) with respect to any related party transactions.

## Past Performance

Past performance is not presented because the Fund has not issued securities for the full 12-month period.

# COUNSEL U.S. GROWTH EQUITY

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## Summary of Investment Portfolio

at March 31, 2024

ASSET TYPE	% OF NAV
Equities	97.5
Cash and cash equivalents	2.2
Other assets (liabilities)	0.3

SECTOR ALLOCATION	% OF NAV
Information technology	39.9
Financials	16.1
Health care	15.3
Consumer discretionary	9.6
Industrials	9.3
Communication services	3.5
Cash and cash equivalents	2.2
Real estate	2.0
Materials	1.8
Other assets (liabilities)	0.3

COUNTRY ALLOCATION	% OF NAV
United States	97.5
Cash and cash equivalents	2.2
Other assets (liabilities)	0.3

TOP 25 POSITIONS	% OF NAV
Issuer	
NVIDIA Corp.	8.4
Microsoft Corp.	6.4
Amazon.com Inc.	5.6
Intuit Inc.	4.5
Visa Inc.	4.3
ServiceNow Inc.	3.9
Alphabet Inc.	3.5
Danaher Corp.	3.4
Uber Technologies Inc.	3.0
Edwards Lifesciences Corp.	3.0
Monolithic Power Systems Inc.	2.8
Fortive Corp.	2.8
Thermo Fisher Scientific Inc.	2.7
West Pharmaceutical Services Inc.	2.6
Chipotle Mexican Grill Inc.	2.6
Marvell Technology Group Ltd.	2.6
The Progressive Corp.	2.6
KKR & Co. LP	2.4
MSCI Inc.	2.4
Cadence Design Systems Inc.	2.3
IDEXX Laboratories Inc.	2.3
Gartner Inc.	2.3
Cash and cash equivalents	2.2
Arthur J. Gallagher & Co.	2.2
The Blackstone Group Inc.	2.1

Top long positions as a percentage  
of total net asset value

82.9

# COUNSEL U.S. GROWTH EQUITY

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## 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 each of the fiscal periods presented below. If during the period a fund or series was established or reinstated, "period" represents the period from inception to the end of that fiscal period. Series inception dates can be found under *Series Information*.

### NET ASSETS PER SECURITY (\$)<sup>1</sup>

	Mar. 31 2024
<b>Series A</b>	
<b>Net assets, beginning of period</b>	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.03
Total expenses	(0.11)
Realized gains (losses) for the period	(0.75)
Unrealized gains (losses) for the period	2.57
<b>Total increase (decrease) from operations<sup>2</sup></b>	1.74
<b>Distributions:</b>	
From income (excluding Canadian dividends)	–
From Canadian dividends	–
From capital gains	(0.01)
Return of capital	–
<b>Total annual distributions<sup>3</sup></b>	(0.01)
<b>Net assets at period end</b>	12.28
<b>Series F</b>	
<b>Net assets, beginning of period</b>	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.03
Total expenses	(0.06)
Realized gains (losses) for the period	(0.72)
Unrealized gains (losses) for the period	2.34
<b>Total increase (decrease) from operations<sup>2</sup></b>	1.59
<b>Distributions:</b>	
From income (excluding Canadian dividends)	–
From Canadian dividends	–
From capital gains	(0.03)
Return of capital	–
<b>Total annual distributions<sup>3</sup></b>	(0.03)
<b>Net assets at period end</b>	12.30

	Mar. 31 2024
<b>Series I</b>	
<b>Net assets, beginning of period</b>	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.03
Total expenses	(0.01)
Realized gains (losses) for the period	(0.30)
Unrealized gains (losses) for the period	2.29
<b>Total increase (decrease) from operations<sup>2</sup></b>	2.01
<b>Distributions:</b>	
From income (excluding Canadian dividends)	(0.02)
From Canadian dividends	–
From capital gains	(0.04)
Return of capital	–
<b>Total annual distributions<sup>3</sup></b>	(0.06)
<b>Net assets at period end</b>	12.32
<b>Series O</b>	
<b>Net assets, beginning of period</b>	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.03
Total expenses	–
Realized gains (losses) for the period	0.11
Unrealized gains (losses) for the period	2.21
<b>Total increase (decrease) from operations<sup>2</sup></b>	2.35
<b>Distributions:</b>	
From income (excluding Canadian dividends)	(0.02)
From Canadian dividends	–
From capital gains	(0.04)
Return of capital	–
<b>Total annual distributions<sup>3</sup></b>	(0.06)
<b>Net assets at period end</b>	12.33

(1) These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per security. The information presented is derived from the Fund's financial statements prepared in accordance with IFRS. The net assets presented here in this table and in the financial statements may differ from the NAV; an explanation of these differences can be found in Note 3 of the Fund's Financial Statements.

(2) NAV and distributions per security figures are based on the actual number of securities outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of securities outstanding over the financial period.

(3) Distributions were paid in cash, reinvested in additional securities of the Fund, or both.

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## THE FUND'S NET ASSETS PER SECURITY (\$) <sup>1</sup> (cont'd)

	Mar. 31 2024
<b>Series Private Wealth</b>	
Net assets, beginning of period	10.00
<b>Increase (decrease) from operations:</b>	
Total revenue	0.02
Total expenses	(0.01)
Realized gains (losses) for the period	(0.01)
Unrealized gains (losses) for the period	2.17
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>2.17</b>
<b>Distributions:</b>	
From income (excluding Canadian dividends)	(0.02)
From Canadian dividends	–
From capital gains	(0.04)
Return of capital	–
<b>Total annual distributions<sup>3</sup></b>	<b>(0.06)</b>
<b>Net assets at period end</b>	<b>12.32</b>

## RATIOS AND SUPPLEMENTAL DATA

	Mar. 31 2024
<b>Series A</b>	
Total net asset value (\$000's) <sup>1</sup>	84
Securities Outstanding (000's) <sup>1</sup>	7
Management expense ratio (%) <sup>2</sup>	2.39
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	2.39
Trading expense ratio (%) <sup>3</sup>	0.06
Portfolio turnover rate (%) <sup>4</sup>	27.41
<b>Series F</b>	
Total net asset value (\$000's) <sup>1</sup>	161
Securities Outstanding (000's) <sup>1</sup>	13
Management expense ratio (%) <sup>2</sup>	1.18
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	1.18
Trading expense ratio (%) <sup>3</sup>	0.06
Portfolio turnover rate (%) <sup>4</sup>	27.41
<b>Series I</b>	
Total net asset value (\$000's) <sup>1</sup>	387
Securities Outstanding (000's) <sup>1</sup>	31
Management expense ratio (%) <sup>2</sup>	0.17
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	0.17
Trading expense ratio (%) <sup>3</sup>	0.06
Portfolio turnover rate (%) <sup>4</sup>	27.41
<b>Series O</b>	
Total net asset value (\$000's) <sup>1</sup>	208,092
Securities Outstanding (000's) <sup>1</sup>	16,879
Management expense ratio (%) <sup>2</sup>	–
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	–
Trading expense ratio (%) <sup>3</sup>	0.06
Portfolio turnover rate (%) <sup>4</sup>	27.41

(1) This information is provided as at the end of the fiscal period shown.

(2) MER and MER before waivers or absorptions ("Gross MER") are based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of average daily NAV during the period. In the period a series is established, the MERs and Gross MERs are annualized from the date of inception to the end of the period. MER and Gross MER may be impacted by decreases and/or increases in management fees and/or administration fees as discussed under Series Information. Where the Fund invests in securities of an Underlying Fund, the MERs and Gross MERs presented for the Fund include the portion of MERs of the Underlying Fund(s) attributable to this investment.

(3) The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs incurred as an annualized percentage of the daily average NAV during the period. Where the Fund invests in securities of an Underlying Fund, the TERs presented for the Fund include the portion of TERs of its Underlying Fund(s) attributable to this investment.

(4) The portfolio turnover rate ("PTR") indicates how actively the portfolio advisor manages the investments. A PTR of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher PTR in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high PTR and the performance of the Fund. Costs incurred to realign the Fund's portfolio after a fund merger, if any, are excluded from the PTR.

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## RATIOS AND SUPPLEMENTAL DATA (cont'd)

Series Private Wealth	Mar. 31 2024
Total net asset value (\$000's) <sup>1</sup>	3,857
Securities Outstanding (000's) <sup>1</sup>	313
Management expense ratio (%) <sup>2</sup>	0.17
Management expense ratio before waivers or absorptions (%) <sup>2</sup>	0.17
Trading expense ratio (%) <sup>3</sup>	0.06
Portfolio turnover rate (%) <sup>4</sup>	27.41

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## Series Information

Series	Inception/ Reinstatement Date	Minimum Investment (\$)	Management fee (%) <sup>6</sup>	Administration fee (%) <sup>6</sup>
Series A <sup>1</sup>	October 30, 2023	1,000	1.90	0.25
Series F <sup>2,3</sup>	October 30, 2023	1,000	0.9	0.15
Series I <sup>2,6</sup>	October 30, 2023	1,000	–	0.15
Series O <sup>4</sup>	October 30, 2023	–	–	–
Series Private Wealth <sup>5</sup>	October 30, 2023	–	–	0.15

(1) Series A is the only series subject to sales charges. Securities may be subject to a negotiated fee of up to 5% at time of initial purchase.

(2) A negotiable advisory or asset-based fee (plus sales taxes) is payable by investors to their dealer(s) in connection with the securities held in this series. The fee may be collected by Counsel from the investor's account through redemption of securities and remitted to the dealer at the investor's request. Alternatively, the dealer may collect it directly from the investor.

(3) The management fee for this series is 0.90% and is payable directly to Counsel generally through the monthly redemption of securities.

(4) There are no management or administration fees for this series since these securities are designed to facilitate fund-of-fund investing where duplication of management fees is prohibited.

(5) There are no management fees for Series Private Wealth. An investor must enter into an agreement to participate in a discretionary managed program offered by IPC Securities Corporation and agree to pay certain asset-based fees.

(6) Counsel may, at its discretion, waive or lower the management fee (either directly or indirectly) and/or administration fee payable by investors. Individual investors may be eligible for a management fee reduction subject to meeting certain requirements as discussed in the Fund's Simplified Prospectus.