

## **Interim Management Report of Fund Performance**

*For the Period Ended September 30, 2023*

Fund Manager  
Counsel Portfolio Services Inc.

Sub-advisor  
Franklin Advisers, Inc.

*This Interim Management Report of Fund Performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You may obtain a copy of the interim financial report or annual 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 and Annual Information Form, which may also be obtained, at no cost, using any of the methods outlined above.*

*Every effort has been made to ensure that the information contained in this report is accurate as of September 30, 2023; however, the Fund cannot guarantee the accuracy or the completeness of this material. Please refer to the Fund's Simplified Prospectus and audited annual financial statements for more information.*

### **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 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 GLOBAL FIXED INCOME

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## Management Discussion of Fund Performance

November 13, 2023

This Management Discussion of Fund Performance presents the views of Counsel Portfolio Services Inc. ("Counsel") on the significant factors and developments during the period ended September 30, 2023 that have affected the Fund's performance and outlook. For information on the Fund's longer-term performance, please refer to the *Past Performance* section of the report.

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.

## Results of Operations

### Investment Performance

The performance of the Fund's Series Private Wealth securities is discussed below. The performance of all other series offered by the Fund is shown in the *Past Performance* section of this report. Where series returns differ, it is primarily because different levels of fees and expenses were charged to each series, or because securities of a series were not issued and outstanding for the entire reporting period. Please refer to the *Series Information* section of this report for the varying management and administration fees payable by series.

During the six-month period, the Fund's Series Private Wealth securities returned -2.73% (after deducting fees and expenses). This compares with a -5.06% return of the JP Morgan Global Aggregate Bond Index (the "Old Index") and a -6.08% return of the FTSE WGBI Index (the "New Index"). All index and series returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in an index without incurring fees, expenses and commissions, none of which are reflected in the index returns.

The U.S. Federal Reserve, European Central Bank and Bank of England raised their policy interest rates over the period in response to elevated inflation. As a result, global fixed income yields moved higher, while bond prices fell. Global corporate bond prices declined but outperformed government bonds, with credit spreads (the difference in yield between corporate and government bonds) narrowing.

The Fund changed its index in the current period as the Old Index is no longer freely available for comparison. The Fund outperformed the indices primarily due to sovereign yield curve exposure, including shorter duration exposures in developed markets and select emerging markets such as Hungary and Brazil. Currency positions, mainly in Asian markets such as the Malaysian Ringgit and South Korean Won, detracted during the period. The Fund maintained a defensive approach regarding interest rates in developed markets, while holding long currency exposures in select emerging markets.

### Net Assets

The Fund's NAV declined by \$1.5 million, or 4.2%, to \$34.5 million as at September 30, 2023, from \$36.0 million as at March 31, 2023. Of this decrease, \$1.0 million was attributable to investment performance (after deducting fees and expenses) and \$0.5 million to net redemptions.

### Fees and Expenses

The annualized management expense ratio ("MER") for each series during the period ended September 30, 2023, was generally similar to the MER for the year ended March 31, 2023. Total expenses paid vary from period to period mainly as a result of changes in average assets in each series. Please note that no management fees are charged to the Fund; see the *Series Information* section of this report for further details. The MERs for all series (before and after waivers or absorptions, if any) are presented in the *Financial Highlights* section of this report.

## Recent Developments

The sub-advisor broadly expects inflation to decline further over the remainder of 2023 and into 2024, although it is still expected to generally remain above inflation targets. Base effects are still currently favourable as the spikes seen in food and energy prices initially following Russia's invasion of Ukraine last year drop out of year-over-year readings. However, this impact is becoming somewhat less pronounced. The United Nations Food and Agriculture Organization's international food price index was down just under 12% year-over-year in August, but it had been down more than 20% year-over-year in prior months. With goods prices trending lower and the impact of tighter monetary policy still in progress, services inflation is also slowing. That said, inflation drivers across regions can and do differ, and the sub-advisor continues to closely monitor individual inflation drivers and outcomes in different regions and countries.

On April 3, 2023, The Canada Life Assurance Company announced an agreement to acquire Investment Planning Counsel Inc. (the parent company of Counsel). The transaction is expected to be completed prior to the end of 2023. During the initial period following completion of the transaction, Counsel will continue to operate as manager of the Counsel Funds and no material changes to the Fund's operations are expected. However, there will be changes to the membership of the Fund's Independent Review Committee and Counsel's Board of Directors in connection with the completion of the transaction.

## Related Party Transactions

### Management and Administration Services

For Series Private Wealth, the Fund paid 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. No management fees are paid by the Fund.

### 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 September 30, 2023, Top Funds owned 31.8% of the Fund's NAV and Series Private Wealth investors owned 68.2% of the Fund's NAV. As of September 30, 2023, 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

The indicated rates of return are the historical annual compound total returns, including changes in NAV per security and assuming reinvestment of all distributions. They do not take into account sales, redemption, distribution or optional sales charges, management fees directly payable by investors or income taxes payable by any investor that would have reduced returns. Returns for each series primarily differ because fees and expenses vary for each series. Please refer to *Series Information* for further information. The past performance of the Fund is not necessarily an indication of how it will perform in the future.

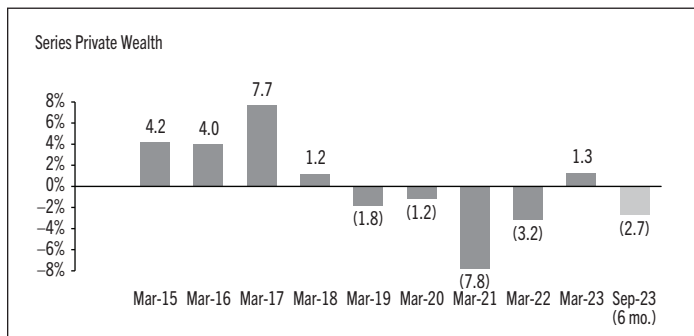
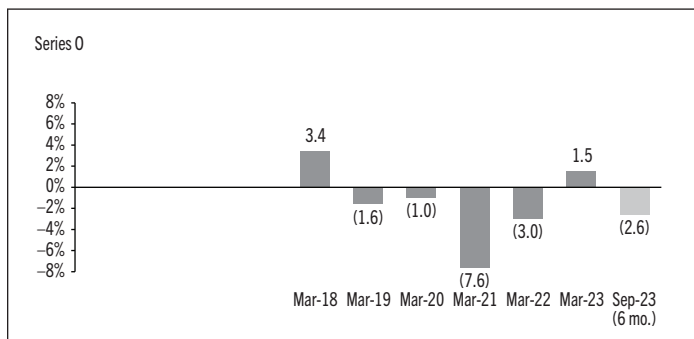
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If you hold this Fund outside of a registered plan, income and capital gains distributions paid to you increase your income for tax purposes, whether paid in cash or reinvested in additional securities. The amount of reinvested taxable distributions is added to the adjusted cost base of the securities that you own. This would decrease your capital gain or increase your capital loss when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

## Year-by-Year Returns

The bar charts show how much an investment made on the first day of each financial year would have increased or decreased by the end of the respective periods. For the first year of a series, the percentage shown will be the actual return of the series from its inception date, which can be found under *Series Information*. The charts illustrate how the Fund's performance has changed over time.



# COUNSEL GLOBAL FIXED INCOME

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## Summary of Investment Portfolio

at September 30, 2023

ASSET TYPE	% OF NAV
Foreign government bonds	75.2
Foreign government short-term discount notes	5.1
Supranational	2.3
Interest rate swaps*	(0.7)
Cash and cash equivalents	16.2
Other	1.9

COUNTRY ALLOCATION	% OF NAV
Australia	9.8
Malaysia	9.7
South Korea	9.1
Indonesia	8.8
Brazil	8.4
Japan	6.7
Hungary	4.6
Mexico	4.6
Thailand	4.5
Colombia	3.6
United States	2.8
Egypt	2.4
Other countries	8.8
Cash and cash equivalents	16.2

FIXED INCOME BY CREDIT RATING**	% OF NAV
AAA	13.3
AA	11.9
A	20.8
BBB	22.6
Less than BBB	13.8

\* Notional values represent 4.6% of NAV for swaps.

\*\* Credit ratings and rating categories are based on ratings issued by a designated rating organization.

TOP 25 POSITIONS	% OF NAV
<b>Issuer</b>	
Cash and cash equivalents	16.2
Government of Australia 2.75% 04-21-2024	9.8
Government of Indonesia 7.00% 02-15-2033	7.5
Japan Treasury -0.13% 07-22-2024	5.1
Government of Korea 1.13% 06-10-2024	4.5
Government of Hungary 4.75% 11-24-2032	4.2
Government of Malaysia 3.90% 11-16-2027	4.1
Interest Rate SWAP 06-02-2053	4.0
Government of Brazil 10.00% 01-01-2031	3.9
Government of Korea 1.38% 09-10-2024	2.8
Government of Thailand 1.00% 06-17-2027	2.7
Government of Mexico 7.50% 05-26-2033	2.5
Asian Development Bank 11.20% 01-31-2025	2.3
Government of Colombia 9.25% 05-28-2042	2.0
Government of Brazil 10.00% 01-01-2029	1.9
Government of Korea 0.88% 12-10-2023	1.8
Government of Malaysia 3.58% 07-15-2032	1.6
Government of Japan 0% 02-20-2024	1.6
Government of Brazil 10.00% 01-01-2027	1.5
United States Treasury 3.63% 08-15-2043	1.4
Government of Brazil 10.00% 01-01-2033	1.1
Government of Malaysia 4.50% 04-15-2030	1.1
Government of Mongolia 4.45% 07-07-2031	1.0
Government of Panama 4.50% 04-01-2056 Callable 2055	0.9
Government of Indonesia 8.38% 03-15-2034	0.9

Top long positions as a percentage  
of total net asset value

86.4

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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 (\$)¹

	Sep. 30	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
Series O	2023	2023	2022	2021	2020	2019
<b>Net assets, beginning of period</b>	7.99	8.13	8.56	9.31	9.73	10.26
<b>Increase (decrease) from operations:</b>						
Total revenue	0.21	0.42	0.56	0.18	0.04	0.35
Total expenses	–	–	(0.01)	–	–	–
Realized gains (losses) for the period	(0.06)	(0.69)	(1.49)	(0.71)	(0.09)	(0.08)
Unrealized gains (losses) for the period	(0.41)	0.37	0.69	–	(0.03)	(0.44)
<b>Total increase (decrease) from operations²</b>	<b>(0.26)</b>	<b>0.10</b>	<b>(0.25)</b>	<b>(0.53)</b>	<b>(0.08)</b>	<b>(0.17)</b>
<b>Distributions:</b>						
From income (excluding Canadian dividends)	(0.20)	(0.26)	(0.17)	(0.04)	(0.32)	(0.36)
From Canadian dividends	–	–	–	–	–	–
From capital gains	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.20)</b>	<b>(0.26)</b>	<b>(0.17)</b>	<b>(0.04)</b>	<b>(0.32)</b>	<b>(0.36)</b>
<b>Net assets at period end</b>	<b>7.58</b>	<b>7.99</b>	<b>8.13</b>	<b>8.56</b>	<b>9.31</b>	<b>9.73</b>
	Sep. 30	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
Series Private Wealth	2023	2023	2022	2021	2020	2019
<b>Net assets, beginning of period</b>	7.61	7.75	8.16	8.88	9.28	9.78
<b>Increase (decrease) from operations:</b>						
Total revenue	0.20	0.40	0.53	0.18	0.03	0.33
Total expenses	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Realized gains (losses) for the period	–	(0.65)	(1.34)	(0.75)	(0.09)	(0.08)
Unrealized gains (losses) for the period	(0.39)	0.35	0.65	–	(0.03)	(0.42)
<b>Total increase (decrease) from operations²</b>	<b>(0.20)</b>	<b>0.08</b>	<b>(0.18)</b>	<b>(0.59)</b>	<b>(0.11)</b>	<b>(0.19)</b>
<b>Distributions:</b>						
From income (excluding Canadian dividends)	(0.19)	(0.23)	(0.16)	(0.03)	(0.29)	(0.33)
From Canadian dividends	–	–	–	–	–	–
From capital gains	–	–	–	–	–	–
Return of capital	–	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.19)</b>	<b>(0.23)</b>	<b>(0.16)</b>	<b>(0.03)</b>	<b>(0.29)</b>	<b>(0.33)</b>
<b>Net assets at period end</b>	<b>7.23</b>	<b>7.61</b>	<b>7.75</b>	<b>8.16</b>	<b>8.88</b>	<b>9.28</b>

(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.

## RATIOS AND SUPPLEMENTAL DATA

	Sep. 30	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
Series O	2023	2023	2022	2021	2020	2019
Total net asset value (\$000's)¹	10,969	10,004	10,796	11,179	34,905	46,079
Securities Outstanding (000's)¹	1,447	1,252	1,328	1,306	3,749	4,736
Management expense ratio (%)²	0.03	0.03	–	–	–	–
Management expense ratio before waivers or absorptions (%)²	0.03	0.03	–	–	–	–
Trading expense ratio (%)³	–	–	–	–	–	–
Portfolio turnover rate (%)⁴	55.58	82.92	93.07	24.42	–	48.91
	Sep. 30	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
Series Private Wealth	2023	2023	2022	2021	2020	2019
Total net asset value (\$000's)¹	23,543	26,038	29,208	34,607	66,325	76,584
Securities Outstanding (000's)¹	3,258	3,419	3,770	4,240	7,470	8,253
Management expense ratio (%)²	0.20	0.20	0.17	0.17	0.17	0.17
Management expense ratio before waivers or absorptions (%)²	0.20	0.20	0.17	0.17	0.17	0.17
Trading expense ratio (%)³	–	–	–	–	–	–
Portfolio turnover rate (%)⁴	55.58	82.92	93.07	24.42	–	48.91

(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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## Series Information

Series	Inception/ Reinstatement Date	Minimum Investment (\$)	Management fee (%)	Administration fee (%) <sup>3</sup>
Series O <sup>1</sup>	January 17, 2018	–	–	–
Series Private Wealth <sup>2</sup>	May 23, 2014	–	–	0.15

(1) 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.

(2) 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.

(3) Counsel may, at its discretion, waive or lower the administration fee payable by investors.