

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2025

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## MANAGEMENT REPORT

### Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Canada Life Investment Management Ltd., as Manager of Counsel North American High Yield Bond (the "Fund"). The Manager is responsible for the integrity, objectivity and reliability of the data presented. This responsibility includes selecting appropriate accounting principles and making judgments and estimates consistent with IFRS Accounting Standards. The Manager is also responsible for the development of internal controls over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors (the "Board") of Canada Life Investment Management Ltd. is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board meets regularly with senior representatives of the Manager and auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

KPMG LLP is the external auditor of the Fund. It is appointed by the Board. The external auditor has audited the financial statements in accordance with Canadian generally accepted auditing standards to enable it to express to the securityholders its opinion on the financial statements. Its report is set out below.

On behalf of Canada Life Investment Management Ltd.,  
Manager of the Fund

*Signed "Sam Febraro"*

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Sam Febraro  
Chief Executive Officer  
Canada Life Investment Management Ltd.  
June 4, 2025

*Signed "Carson Vanderwel"*

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Carson Vanderwel  
Chief Financial Officer  
Canada Life Investment Management Ltd.

## INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Counsel North American High Yield Bond (the "Fund")

### Opinion

We have audited the financial statements of the Fund, which comprise:

- the statements of financial position as at March 31, 2025 and March 31, 2024
- the statements of comprehensive income for the periods then ended as indicated in note 1
- the statements of changes in financial position for the periods then ended as indicated in note 1
- the statements of cash flows for the periods then ended as indicated in note 1 and
- notes to the financial statements, including a summary of material accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2025 and March 31, 2024, and its financial performance and cash flows for the periods then ended as indicated in note 1 in accordance with IFRS Accounting Standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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## INDEPENDENT AUDITOR'S REPORT (cont'd)

### Other Information

Management is responsible for the other information. Other information comprises:

– the information included in the Annual Management Report of Fund Performance of the Fund filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Annual Management Report of Fund Performance of the Fund filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Fund.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.  
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants, Licensed Public Accountants  
Toronto, Canada  
June 4, 2025

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2025

## STATEMENTS OF FINANCIAL POSITION

at March 31 (in \$ 000 except per security amounts)

	2025 \$	2024 \$
<b>ASSETS</b>		
<b>Current assets</b>		
Investments at fair value	108,602	73,579
Cash and cash equivalents	7,458	5,269
Accrued interest receivable	1,782	1,355
Accounts receivable for investments sold	144	932
Accounts receivable for securities issued	—	49
Margin on derivatives	220	81
Derivative assets	106	85
<b>Total assets</b>	<b>118,312</b>	<b>81,350</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable for investments purchased	1,999	1,456
Accounts payable for securities redeemed	—	183
Derivative liabilities	2	188
<b>Total liabilities</b>	<b>2,001</b>	<b>1,827</b>
<b>Net assets attributable to securityholders</b>	<b>116,311</b>	<b>79,523</b>

	Net assets attributable to securityholders (note 3)			
	per security		per series	
	2025	2024	2025	2024
Series O	9.87	9.25	116,310	79,522
Series Private Wealth	10.49	9.73	1	1
			<b>116,311</b>	<b>79,523</b>

## STATEMENTS OF COMPREHENSIVE INCOME

for the periods ended March 31 (in \$ 000 except per security amounts)

	2025 \$	2024 \$
<b>Income</b>		
Dividends	46	32
Interest income for distribution purposes	6,342	5,323
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	1,783	(981)
Net unrealized gain (loss)	4,684	4,141
Securities lending income	4	2
<b>Total income (loss)</b>	<b>12,859</b>	<b>8,517</b>
<b>Expenses (note 6)</b>		
Interest charges	1	3
Commissions and other portfolio transaction costs	4	3
Independent Review Committee fees	—	—
<b>Expenses before amounts absorbed by Manager</b>	<b>5</b>	<b>6</b>
Expenses absorbed by Manager	—	—
<b>Net expenses</b>	<b>5</b>	<b>6</b>
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>12,854</b>	<b>8,511</b>
Foreign withholding tax expense (recovery)	9	5
Foreign income tax expense (recovery)	—	—
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>12,845</b>	<b>8,506</b>

	Increase (decrease) in net assets attributable to securityholders from operations (note 3)			
	per security		per series	
	2025	2024	2025	2024
Series O	1.27	0.94	12,845	8,507
Series Private Wealth	1.35	(1.99)	—	(1)
			<b>12,845</b>	<b>8,506</b>

The accompanying notes are an integral part of these financial statements.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

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## STATEMENTS OF CHANGES IN FINANCIAL POSITION

for the periods ended March 31 (in \$ 000 except per security amounts)

	Total		Series O		Series Private Wealth	
	2025	2024	2025	2024	2025	2024
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>						
Beginning of period	79,523	87,004	79,522	87,003	1	1
Increase (decrease) in net assets from operations	12,845	8,506	12,845	8,507	–	(1)
Distributions paid to securityholders:						
Investment income	(6,755)	(5,119)	(6,755)	(5,119)	–	–
Capital gains	–	–	–	–	–	–
Total distributions paid to securityholders	(6,755)	(5,119)	(6,755)	(5,119)	–	–
Security transactions:						
Proceeds from securities issued	43,190	10,438	43,190	10,437	–	1
Reinvested distributions	6,755	5,119	6,755	5,119	–	–
Payments on redemption of securities	(19,247)	(26,425)	(19,247)	(26,425)	–	–
Total security transactions	30,698	(10,868)	30,698	(10,869)	–	1
Increase (decrease) in net assets attributable to securityholders	36,788	(7,481)	36,788	(7,481)	–	–
End of period	116,311	79,523	116,310	79,522	1	1
Increase (decrease) in fund securities (in thousands) (note 7):			Securities		Securities	
Securities outstanding – beginning of period			8,595	9,821	–	–
Issued			4,490	1,152	–	–
Reinvested distributions			701	577	–	–
Redeemed			(1,996)	(2,955)	–	–
Securities outstanding – end of period			11,790	8,595	–	–

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# COUNSEL NORTH AMERICAN HIGH YIELD BOND

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## STATEMENTS OF CASH FLOWS

for the periods ended March 31 (in \$ 000)

	2025 \$	2024 \$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	12,845	8,506
Adjustments for:		
Net realized loss (gain) on investments	(1,272)	1,274
Change in net unrealized loss (gain) on investments	(4,684)	(4,141)
Purchase of investments	(67,414)	(35,659)
Proceeds from sale and maturity of investments	39,456	49,047
(Increase) decrease in accounts receivable and other assets	(566)	(118)
Increase (decrease) in accounts payable and other liabilities	—	(145)
<b>Net cash provided by (used in) operating activities</b>	<b>(21,635)</b>	<b>18,764</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	43,239	10,389
Payments on redemption of securities	(19,430)	(26,464)
Distributions paid net of reinvestments	—	—
<b>Net cash provided by (used in) financing activities</b>	<b>23,809</b>	<b>(16,075)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>2,174</b>	<b>2,689</b>
Cash and cash equivalents at beginning of period	5,269	2,566
Effect of exchange rate fluctuations on cash and cash equivalents	15	14
<b>Cash and cash equivalents at end of period</b>	<b>7,458</b>	<b>5,269</b>
Cash	7,458	5,269
Cash equivalents	—	—
<b>Cash and cash equivalents at end of period</b>	<b>7,458</b>	<b>5,269</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	46	32
Foreign taxes paid	9	5
Interest received	5,915	5,286
Interest paid	1	3

The accompanying notes are an integral part of these financial statements.

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## SCHEDULE OF INVESTMENTS

as at March 31, 2025

Investment Name	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS</b>					
1011778 BC ULC 6.13% 06-15-2029 144A	Canada	Corporate - Non Convertible	USD 60,000	82	87
1261229 BC Ltd. Term Loan B 1st Lien Senior F/R 09-25-2030	Canada	Term Loans	USD 125,000	174	173
1261229 BC Ltd. 10.00% 04-15-2032 144A	United States	Corporate - Non Convertible	USD 200,000	286	286
AAdvantage Loyalty IP Ltd. Term Loan 1st Lien F/R 03-10-2028	United Kingdom	Term Loans	USD 293,966	399	418
Acrisure LLC 8.50% 06-15-2029 144A	United States	Corporate - Non Convertible	USD 315,000	439	472
Acrisure LLC 7.50% 11-06-2030 144A	United States	Corporate - Non Convertible	USD 180,000	246	263
Adient Global Holdings Ltd. 8.25% 04-15-2031 144A	United States	Corporate - Non Convertible	USD 305,000	449	428
Adient Global Holdings Ltd. 7.50% 02-15-2033 144A	United States	Corporate - Non Convertible	USD 70,000	101	94
AerCap Ireland Capital DAC F/R 03-10-2055	Ireland	Corporate - Non Convertible	USD 150,000	205	221
Ahead DB Holdings LLC 6.63% 05-01-2028	United States	Corporate - Non Convertible	USD 140,000	164	197
Alliant Holdings Intermediate LLC 5.88% 11-01-2029 144A	United States	Corporate - Non Convertible	USD 305,000	389	423
Alliant Holdings Intermediate LLC 7.00% 01-15-2031 144A	United States	Corporate - Non Convertible	USD 330,000	455	477
Alliant Holdings Intermediate LLC 7.38% 10-01-2032 144A	United States	Corporate - Non Convertible	USD 60,000	81	87
Allied Universal Holdco LLC 6.00% 06-01-2029	United States	Corporate - Non Convertible	USD 200,000	248	265
Allied Universal Holdco LLC 7.88% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 190,000	257	277
Allison Transmission Inc. 3.75% 01-30-2031 144A	United States	Corporate - Non Convertible	USD 75,000	92	96
Ally Financial Inc. 8.00% 11-01-2031	United States	Corporate - Non Convertible	USD 100,000	167	160
Altice France 5.50% 01-15-2028 144A	France	Corporate - Non Convertible	USD 400,000	508	463
Altice International SARL 5.00% 01-15-2028 144A	Luxembourg	Corporate - Non Convertible	USD 200,000	245	220
American Airlines Inc. Term Loan B 1st Lien F/R 05-29-2029	United States	Term Loans	USD 79,200	108	112
American Builders & Contractors Supply Co. Inc. 4.00% 01-15-2028	United States	Corporate - Non Convertible	USD 175,000	220	241
Anywhere Real Estate Group LLC 7.00% 04-15-2030	United States	Corporate - Non Convertible	USD 109,400	130	139
Apollo Commercial Real Estate Finance Inc. Term Loan B1 1st Lien Senior F/R 03-13-2028	United States	Term Loans	USD 130,000	187	187
Apollo Commercial Real Estate Finance Inc. 4.63% 06-15-2029 144A	United States	Corporate - Non Convertible	USD 190,000	215	249
Aramark Intermediate Holdco Corp. 5.00% 02-01-2028	United States	Corporate - Non Convertible	USD 115,000	147	162
ArcelorMittal SA 7.00% 10-15-2039	Luxembourg	Corporate - Non Convertible	USD 220,000	331	345
Arcosa Inc. 6.88% 08-15-2032 144A	United States	Corporate - Non Convertible	USD 70,000	96	102
Ardagh Metal Packaging Finance USA LLC 3.00% 09-01-2029	United States	Corporate - Non Convertible	EUR 120,000	133	157
Ardagh Packaging Finance PLC 5.25% 08-15-2027 144A	United States	Corporate - Non Convertible	USD 200,000	198	132
Aretex Escrow Issuer 2 Inc. 10.00% 08-15-2030 144A	United States	Corporate - Non Convertible	USD 55,000	77	85
Aris Water Holdings LLC 7.25% 04-01-2030 144A	United States	Corporate - Non Convertible	USD 230,000	331	335
Ascend Learning LLC Term Loan 2nd Lien F/R 11-18-2029	United States	Term Loans	USD 54,073	68	78
ATI Inc. 5.88% 12-01-2027	United States	Corporate - Non Convertible	USD 130,000	170	186
ATI Inc. 4.88% 10-01-2029	United States	Corporate - Non Convertible	USD 50,000	61	69
ATI Inc. 7.25% 08-15-2030	United States	Corporate - Non Convertible	USD 305,000	426	452
ATI Inc. 5.13% 10-01-2031	United States	Corporate - Non Convertible	USD 35,000	46	47
Avient Corp. 7.13% 08-01-2030 144A	United States	Corporate - Non Convertible	USD 120,000	162	176
Avient Corp. 6.25% 11-01-2031 144A	United States	Corporate - Non Convertible	USD 215,000	298	307
Axalta Coating Systems LLC 3.38% 02-15-2029	United States	Corporate - Non Convertible	USD 190,000	220	250
Axon Enterprise Inc. 6.13% 03-15-2030 144A	United States	Corporate - Non Convertible	USD 150,000	215	218
Axon Enterprise Inc. 6.25% 03-15-2033 144A	United States	Corporate - Non Convertible	USD 115,000	165	167
Banjay Entertainment SASU 8.13% 05-01-2029 144A	France	Corporate - Non Convertible	USD 325,000	450	484
Bausch + Lomb Corp. Term Loan B 1st Lien Senior F/R 05-10-2027	Canada	Term Loans	USD 138,362	186	199
Bausch + Lomb Escrow Corp. 8.38% 10-01-2028 144A	United States	Corporate - Non Convertible	USD 205,000	290	305
Bausch Health Cos. Inc. 6.13% 02-01-2027 144A	United States	Corporate - Non Convertible	USD 190,000	242	277
BCPE Ulysses Intermediate Inc. 7.75% 04-01-2027 144A	United States	Corporate - Non Convertible	USD 85,000	109	116
Beacon Roofing Supply Inc. 4.13% 05-15-2029	United States	Corporate - Non Convertible	USD 235,000	286	341
Benteler International AG 10.50% 05-15-2028 144A	Austria	Corporate - Non Convertible	USD 210,000	292	319
Big River Steel LLC 6.63% 01-31-2029 144A	United States	Corporate - Non Convertible	USD 122,000	161	176
Boise Cascade Co. 4.88% 07-01-2030	United States	Corporate - Non Convertible	USD 655,000	866	891
Bombardier Inc. 7.88% 04-15-2027 144A	Canada	Corporate - Non Convertible	USD 59,000	81	85
Bombardier Inc. 7.50% 02-01-2029 144A	Canada	Corporate - Non Convertible	USD 15,000	20	22
Bombardier Inc. 8.75% 11-15-2030 144A	Canada	Corporate - Non Convertible	USD 105,000	145	159
Bombardier Inc. 7.25% 07-01-2031 144A	Canada	Corporate - Non Convertible	USD 50,000	68	72
Bombardier Inc. 7.00% 06-01-2032 144A	Canada	Corporate - Non Convertible	USD 340,000	478	488
Borr IHC Ltd. 10.00% 11-15-2028	Mexico	Corporate - Non Convertible	USD 250,244	352	342
Boyd Gaming Corp. 4.75% 06-15-2031 144A	United States	Corporate - Non Convertible	USD 325,000	401	430
Builders FirstSource Inc. 6.38% 06-15-2032 144A	United States	Corporate - Non Convertible	USD 60,000	82	87
Builders FirstSource Inc. 6.38% 03-01-2034 144A	United States	Corporate - Non Convertible	USD 75,000	101	107
Caesars Entertainment Inc. 4.63% 10-15-2029 144A	United States	Corporate - Non Convertible	USD 365,000	432	483
Caesars Entertainment Inc. 7.00% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 245,000	336	357
Caesars Entertainment Inc. 6.50% 02-15-2032 144A	United States	Corporate - Non Convertible	USD 25,000	34	36
Caesars Entertainment Inc. 6.00% 10-15-2032 144A	United States	Corporate - Non Convertible	USD 240,000	327	323

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## SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2025

Investment Name	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
California Buyer Ltd. 6.38% 02-15-2032 144A	Spain	Corporate - Non Convertible	USD 200,000	277	279
Calpine Corp. 5.00% 02-01-2031 144A	United States	Corporate - Non Convertible	USD 120,000	146	165
Camelot Return Merger Sub Inc. 8.75% 08-01-2028 144A	United States	Corporate - Non Convertible	USD 150,000	189	177
Carnival Corp. 5.75% 03-01-2027 144A	United States	Corporate - Non Convertible	USD 280,000	357	403
Carnival Corp. 7.00% 08-15-2029 144A	United States	Corporate - Non Convertible	USD 50,000	66	75
Carnival Corp. 5.75% 03-15-2030 144A	United States	Corporate - Non Convertible	USD 140,000	199	200
Carnival Corp. 6.13% 02-15-2033 144A	United States	Corporate - Non Convertible	USD 110,000	158	156
Carvana Co. 12.00% 12-01-2028 144A	United States	Corporate - Non Convertible	USD 128,913	183	191
Carvana Co. 9.00% 06-01-2031 144A	United States	Corporate - Non Convertible	USD 105,000	169	168
CCO Holdings LLC 5.38% 06-01-2029 Callable 144A	United States	Corporate - Non Convertible	USD 65,000	91	90
CCO Holdings LLC 4.75% 03-01-2030 Callable 144A	United States	Corporate - Non Convertible	USD 765,000	942	1,021
CCO Holdings LLC 4.75% 02-01-2032 144A	United States	Corporate - Non Convertible	USD 875,000	1,014	1,117
CDI Escrow Issuer Inc. 5.75% 04-01-2030 144A	United States	Corporate - Non Convertible	USD 155,000	194	218
CDW LLC 3.25% 02-15-2029	United States	Corporate - Non Convertible	USD 160,000	198	216
Celanese US Holdings LLC 6.38% 07-15-2032	United States	Corporate - Non Convertible	USD 325,000	477	479
Centene Corp. 3.00% 10-15-2030	United States	Corporate - Non Convertible	USD 95,000	121	120
Cerdia Finanz GmbH 9.38% 10-03-2031 144A	Germany	Corporate - Non Convertible	USD 200,000	282	296
Chart Industries Inc. 7.50% 01-01-2030 144A	United States	Corporate - Non Convertible	USD 150,000	205	224
Chart Industries Inc. 9.50% 01-01-2031 144A	United States	Corporate - Non Convertible	USD 55,000	76	84
The Chefs' Warehouse Inc. 2.38% 12-15-2028 Conv.	United States	Corporate - Convertible	USD 112,000	176	222
Chesapeake Energy Corp. 6.75% 04-15-2029 144A	United States	Corporate - Non Convertible	USD 365,000	502	532
Chobani Holdco II LLC 8.75% 10-01-2029 144A	United States	Corporate - Non Convertible	USD 70,000	99	110
Chobani LLC 7.63% 07-01-2029 144A	United States	Corporate - Non Convertible	USD 215,000	297	318
Chord Energy Corp. 6.75% 03-15-2033 144A	United States	Corporate - Non Convertible	USD 275,000	399	394
Cinemark USA Inc. 5.25% 07-15-2028 144A	United States	Corporate - Non Convertible	USD 140,000	169	196
Civitas Resources Inc. 8.38% 07-01-2028 144A	United States	Corporate - Non Convertible	USD 90,000	119	134
Civitas Resources Inc. 8.75% 07-01-2031 144A	United States	Corporate - Non Convertible	USD 190,000	269	281
Clarios Global LP 6.75% 05-15-2028 144A	United States	Corporate - Non Convertible	USD 30,000	40	44
Clarios Global LP Term Loan B 1st Lien Senior F/R 01-14-2032	United States	Term Loans	USD 114,562	164	163
Clean Harbors Inc. 6.38% 02-01-2031 144A	United States	Corporate - Non Convertible	USD 230,000	322	334
Clear Channel Outdoor Holdings Inc. 7.75% 04-15-2028 144A	United States	Corporate - Non Convertible	USD 175,000	215	217
Clear Channel Outdoor Holdings Inc. Term Loan B 1st Lien Senior F/R 08-21-2028	United States	Term Loans	USD 120,938	164	173
Clear Channel Outdoor Holdings Inc. 7.88% 04-01-2030 144A	United States	Corporate - Non Convertible	USD 210,000	287	297
Cleveland-Cliffs Inc. 7.00% 03-15-2032 144A	United States	Corporate - Non Convertible	USD 140,000	190	193
Cleveland-Cliffs Inc. 7.38% 05-01-2033 144A	United States	Corporate - Non Convertible	USD 165,000	225	228
Cloud Software Group Inc. 9.00% 09-30-2029 144A	United States	Corporate - Non Convertible	USD 210,000	271	301
Clydesdale Acquisition Holdings Inc. 6.75% 04-15-2032 144A	United States	Corporate - Non Convertible	USD 240,000	343	347
CNO Financial Group Inc. 5.25% 05-30-2029 Callable 2029	United States	Corporate - Non Convertible	USD 95,000	129	137
Commercial Metals Co. 4.38% 03-15-2032	United States	Corporate - Non Convertible	USD 145,000	165	189
CommScope Inc. 7.13% 07-01-2028 Callable 144A	United States	Corporate - Non Convertible	USD 405,000	492	519
Community Health Systems Inc. 5.63% 03-15-2027 144A	United States	Corporate - Non Convertible	USD 160,000	205	220
Community Health Systems Inc. 6.88% 04-01-2028 Callable 144A	United States	Corporate - Non Convertible	USD 95,000	109	91
Community Health Systems Inc. 5.25% 05-15-2030 144A	United States	Corporate - Non Convertible	USD 570,000	664	672
Community Health Systems Inc. 10.88% 01-15-2032 144A	United States	Corporate - Non Convertible	USD 210,000	296	297
Concentra Escrow Issuer Corp. 6.88% 07-15-2032 144A	United States	Corporate - Non Convertible	USD 170,000	242	249
Condor Merger Sub Inc. 7.38% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 530,000	684	676
Connect Finco SARL Term Loan B 1st Lien Senior F/R 09-13-2029	United States	Term Loans	USD 208,497	265	265
Connect Finco SARL 9.00% 09-15-2029 144A	United Kingdom	Corporate - Non Convertible	USD 410,000	551	538
Constellation SE 5.63% 06-15-2028 Callable 144A	United States	Corporate - Non Convertible	USD 250,000	298	350
Constellation SE 6.38% 08-15-2032 144A	United States	Corporate - Non Convertible	USD 250,000	346	352
Coty Inc. 4.75% 01-15-2029 144A	United States	Corporate - Non Convertible	USD 145,000	182	201
Coty Inc. 6.63% 07-15-2030 144A	United States	Corporate - Non Convertible	USD 95,000	125	140
CP Atlas Buyer Inc. Term Loan B1 1st Lien F/R 12-27-2027	United States	Term Loans	USD 172,590	220	231
CP Atlas Buyer Inc. 7.00% 12-01-2028 144A	United States	Corporate - Non Convertible	USD 70,000	93	80
Credit Acceptance Corp. 9.25% 12-15-2028 144A	United States	Corporate - Non Convertible	USD 100,000	139	152
Crocs Inc. 4.25% 03-15-2029 144A	United States	Corporate - Non Convertible	USD 170,000	204	228
CSC Holdings LLC 5.38% 02-01-2028 Callable 144A	United States	Corporate - Non Convertible	USD 415,000	519	516
CSC Holdings LLC 11.75% 01-31-2029 144A	United States	Corporate - Non Convertible	USD 385,000	525	533
CVS Health Corp. F/R 12-10-2054	United States	Corporate - Non Convertible	USD 100,000	141	144
CVS Health Corp. F/R 03-10-2055	United States	Corporate - Non Convertible	USD 165,000	236	240
DaVita Inc. 4.63% 06-01-2030 Callable 2025 144A	United States	Corporate - Non Convertible	USD 160,000	206	212
DaVita Inc. 6.88% 09-01-2032 144A	United States	Corporate - Non Convertible	USD 385,000	530	558
Dexko Global Inc. Term Loan B 1st Lien Senior F/R 10-04-2028	United States	Term Loans	USD 129,668	173	174

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<b>BONDS (cont'd)</b>					
DIRECTV Financing LLC Term Loan 1st Lien Senior F/R 08-02-2029	United States	Term Loans	USD 232,184	317	330
DIRECTV Financing LLC 8.88% 02-01-2030 144A	United States	Corporate - Non Convertible	USD 65,000	90	89
DIRECTV Financing LLC 10.00% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 170,000	248	234
DIRECTV Holdings LLC 5.88% 08-15-2027 144A	United States	Corporate - Non Convertible	USD 85,000	103	118
Dornoch Debt Merger Sub Inc. 6.63% 10-15-2029 144A	United States	Corporate - Non Convertible	USD 215,000	246	235
EchoStar Corp. 10.75% 11-30-2029	United States	Corporate - Non Convertible	USD 200,000	301	302
Efesto Bidco SpA Efesto US LLC 7.50% 02-15-2032 144A	Italy	Corporate - Non Convertible	USD 295,000	429	416
EMRLD Borrower LP Term Loan B 1st Lien Senior F/R 06-18-2031	United States	Term Loans	USD 164,175	223	234
Encino Acquisition Partners Holdings LLC 8.50% 05-01-2028	United States	Corporate - Non Convertible	USD 445,000	593	651
Encino Acquisition Partners Holdings LLC 8.75% 05-01-2031 144A	United States	Corporate - Non Convertible	USD 155,000	233	237
Encore Capital Group Inc. 9.25% 04-01-2029 144A	United States	Corporate - Non Convertible	USD 200,000	285	304
Encore Capital Group Inc. 8.50% 05-15-2030 144A	United States	Corporate - Non Convertible	USD 215,000	303	319
Endo Finance Holdings Inc. 8.50% 04-15-2031 144A	United States	Corporate - Non Convertible	USD 80,000	111	120
Endo Finance Holdings Inc. Term Loan B 1st Lien Senior F/R 04-23-2031	United States	Term Loans	USD 261,685	355	374
Energizer Holdings Inc. 4.38% 03-31-2029 144A	United States	Corporate - Non Convertible	USD 190,000	246	254
Energizer Holdings Inc. 3.50% 06-30-2029	United States	Corporate - Non Convertible	EUR 125,000	177	181
Energy Transfer Partners LP F/R 02-15-2166 Perp. Callable 2028	United States	Corporate - Non Convertible	USD 255,000	322	364
EquipmentShare.com Inc. 9.00% 05-15-2028 144A	United States	Corporate - Non Convertible	USD 140,000	196	208
EquipmentShare.com Inc. 8.63% 05-15-2032 144A	United States	Corporate - Non Convertible	USD 100,000	137	149
Fertitta Entertainment Inc. 6.75% 01-15-2030 144A	United States	Corporate - Non Convertible	USD 460,000	582	575
Fertitta Entertainment LLC Term Loan B 1st Lien Senior F/R 10-31-2029	United States	Term Loans	USD 153,382	207	218
Filtration Group Corp. Term Loan B 1st Lien F/R 10-19-2028	United States	Term Loans	USD 197,731	271	284
FirstCash Inc. 6.88% 03-01-2032 144A	United States	Corporate - Non Convertible	USD 495,000	677	722
Fortescue Metals Group Ltd. 6.13% 04-15-2032 144A	Australia	Corporate - Non Convertible	USD 190,000	243	270
Fortress Intermediate 3 Inc. Term Loan B 1st Lien Senior F/R 05-09-2031	United States	Term Loans	USD 104,475	144	150
Fortress Intermediate 3 Inc. 7.50% 06-01-2031 144A	United States	Corporate - Non Convertible	USD 200,000	279	291
Foundation Building Materials 6.00% 03-01-2029	United States	Corporate - Non Convertible	USD 195,000	234	229
Foundation Building Materials Inc. Term Loan B2 1st Lien Senior F/R 01-29-2031	United States	Term Loans	USD 158,797	215	209
Freedom Mortgage Corp. 12.25% 10-01-2030 144A	United States	Corporate - Non Convertible	USD 175,000	280	277
Freedom Mortgage Holdings LLC 8.38% 04-01-2032 144A	United States	Corporate - Non Convertible	USD 325,000	467	455
Frontier Communications Corp. 5.88% 10-15-2027 144A	United States	Corporate - Non Convertible	USD 110,000	137	158
Frontier Communications Holdings LLC 8.75% 05-15-2030 144A	United States	Corporate - Non Convertible	USD 120,000	164	182
Gartner Inc. 3.75% 10-01-2030 Callable 2025 144A	United States	Corporate - Non Convertible	USD 250,000	304	332
The Gates Corp. 6.88% 07-01-2029 144A	United States	Corporate - Non Convertible	USD 20,000	27	29
GFL Environmental Inc. 4.75% 06-15-2029 144A	Canada	Corporate - Non Convertible	USD 245,000	295	339
GFL Environmental Inc. 6.75% 01-15-2031 144A	Canada	Corporate - Non Convertible	USD 45,000	61	67
GGAM Finance Ltd. 8.00% 02-15-2027 144A	Ireland	Corporate - Non Convertible	USD 50,000	68	74
GGAM Finance Ltd. 6.88% 04-15-2029 144A	Ireland	Corporate - Non Convertible	USD 60,000	83	88
GPC Merger Sub Inc. 7.13% 08-15-2028 144A	United States	Corporate - Non Convertible	USD 300,000	407	422
Graphic Packaging International LLC 2.63% 02-01-2029	United States	Corporate - Non Convertible	EUR 105,000	135	154
Gray Television Inc. 5.38% 11-15-2031 144A	United States	Corporate - Non Convertible	USD 55,000	67	48
Great Canadian Gaming Corp. Term Loan B 1st Lien Senior F/R 11-01-2029	Canada	Term Loans	USD 119,369	172	170
Great Canadian Gaming Corp. 8.75% 11-15-2029 144A	Canada	Corporate - Non Convertible	USD 325,000	461	471
Grifols Escrow Issuer SA 3.88% 10-15-2028	Spain	Corporate - Non Convertible	EUR 455,000	575	652
GTCR W-2 Merger Sub LLC 7.50% 01-15-2031 144A	United States	Corporate - Non Convertible	USD 200,000	270	300
Guidewire Software Inc. 1.25% 11-01-2029 Conv. 144A	United States	Corporate - Convertible	USD 176,000	247	264
Hanesbrands Inc. 9.00% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 225,000	312	343
Harbour Energy PLC 5.50% 10-15-2026 144A	United Kingdom	Corporate - Non Convertible	USD 240,000	327	346
Herc Holdings Inc. 5.50% 07-15-2027 144A	United States	Corporate - Non Convertible	USD 235,000	300	336
Herc Holdings Inc. 6.63% 06-15-2029 144A	United States	Corporate - Non Convertible	USD 85,000	116	123
Herens Holdco SARL 4.75% 05-15-2028	Luxembourg	Corporate - Non Convertible	USD 200,000	243	259
Herens US Holdco Corp. Term Loan B 1st Lien F/R 04-30-2028	United States	Term Loans	USD 59,254	76	79
Hess Midstream Operations LP 5.88% 03-01-2028 144A	United States	Corporate - Non Convertible	USD 125,000	182	181
Hess Midstream Operations LP 6.50% 06-01-2029 144A	United States	Corporate - Non Convertible	USD 75,000	103	110
Hess Midstream Operations LP 5.50% 10-15-2030 144A	United States	Corporate - Non Convertible	USD 450,000	612	633
Hess Midstream Partners LP 5.13% 06-15-2028 Callable 144A	United States	Corporate - Non Convertible	USD 75,000	98	106
Hexion Inc. Term Loan 2nd Lien Senior F/R 03-15-2030	United States	Term Loans	USD 180,000	220	248
HUB International Ltd. 7.25% 06-15-2030 144A	United States	Corporate - Non Convertible	USD 250,000	351	370
Hudbay Minerals Inc. 6.13% 04-01-2029 144A	Peru	Corporate - Non Convertible	USD 160,000	194	229
Idera Inc. Term Loan 1st Lien Senior F/R 03-02-2028	United States	Term Loans	USD 119,100	162	159
IHO Verwaltungs GmbH 7.75% 11-15-2030 144A	Germany	Corporate - Non Convertible	USD 275,000	378	390
Iliad Holding SASU 7.00% 04-15-2032 144A	France	Corporate - Non Convertible	USD 200,000	279	289
Imola Merger Corp. 4.75% 05-15-2029 144A	United States	Corporate - Non Convertible	USD 190,000	237	260



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<b>BONDS (cont'd)</b>					
Insulet Corp. 6.50% 04-01-2033 144A	United States	Corporate - Non Convertible	USD 70,000	100	102
Intelligent Packaging Ltd. Finco Inc. 6.00% 09-15-2028 144A	Canada	Corporate - Non Convertible	USD 390,000	514	547
IRB Holding Corp. Term Loan B 1st Lien F/R 12-15-2027	United States	Term Loans	USD 138,200	185	198
Iron Mountain Inc. 6.25% 01-15-2033 144A	United States	Corporate - Non Convertible	USD 405,000	570	578
Jane Street Group LLC 6.13% 11-01-2032	United States	Corporate - Non Convertible	USD 465,000	650	659
Jefferson Capital Holdings LLC 9.50% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 225,000	313	344
Jones Deslauriers Insurance Management Inc. 8.50% 03-15-2030 144A	Canada	Corporate - Non Convertible	USD 70,000	99	106
Jones Deslauriers Insurance Management Inc. 10.50% 12-15-2030	Canada	Corporate - Non Convertible	USD 270,000	401	416
Kedrion SpA 6.50% 09-01-2029 144A	Italy	Corporate - Non Convertible	USD 530,000	668	724
Kinetik Holdings LP 5.88% 06-15-2030 144A	United States	Corporate - Non Convertible	USD 575,000	783	817
Klockner Pentaplast of America Inc. Term Loan 1st Lien F/R 02-04-2026	United States	Term Loans	USD 105,980	133	139
Kodiak Gas Services LLC 7.25% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 380,000	554	557
Kraken Oil & Gas Partners LLC 7.63% 08-15-2029 144A	United States	Corporate - Non Convertible	USD 245,000	338	344
L Brands Inc. 6.875% 11-01-2035	United States	Corporate - Non Convertible	USD 415,000	576	605
Ladder Capital Finance Holdings LLLP 4.25% 02-01-2027 144A	United States	Corporate - Non Convertible	USD 175,000	223	245
LBM Acquisition LLC 6.25% 01-15-2029 144A	United States	Corporate - Non Convertible	USD 140,000	177	172
LBM Acquisition LLC Term Loan B 1st Lien Senior F/R 06-06-2031	United States	Term Loans	USD 69,297	93	92
Level 3 Financing Inc. 10.50% 05-15-2030 144A	United States	Corporate - Non Convertible	USD 161,000	217	251
Level 3 Financing Inc. 10.00% 10-15-2032 144A	United States	Corporate - Non Convertible	USD 93,100	131	134
Levi Strauss & Co. 3.50% 03-01-2031 144A	United States	Corporate - Non Convertible	USD 180,000	212	228
LGI Homes Inc. 8.75% 12-15-2028 144A	United States	Corporate - Non Convertible	USD 195,000	269	293
Light & Wonder International Inc. 7.50% 09-01-2031 144A	United States	Corporate - Non Convertible	USD 30,000	40	44
Live Nation Entertainment Inc. 6.50% 05-15-2027 144A	United States	Corporate - Non Convertible	USD 105,000	149	153
Live Nation Entertainment Inc. 3.13% 01-15-2029 Conv. 144A	United States	Corporate - Convertible	USD 85,000	126	168
Macquarie Airfinance Holdings Ltd. 6.40% 03-26-2029 144A	United Kingdom	Corporate - Non Convertible	USD 20,000	27	30
Macquarie Airfinance Holdings Ltd. 6.50% 03-26-2031 144A	United Kingdom	Corporate - Non Convertible	USD 30,000	41	45
Madison IAQ LLC Term Loan 1st Lien F/R 06-21-2028	United States	Term Loans	USD 48,858	64	70
Madison IAQ LLC 4.13% 06-30-2028 144A	United States	Corporate - Non Convertible	USD 105,000	125	143
Madison IAQ LLC 5.88% 06-30-2029 144A	United States	Corporate - Non Convertible	USD 180,000	195	245
The Manitowoc Co. Inc. 9.25% 10-01-2031 144A	United States	Corporate - Non Convertible	USD 130,000	183	192
Matador Resources Co. 6.50% 04-15-2032 144A	United States	Corporate - Non Convertible	USD 235,000	321	336
Matador Resources Co. 6.25% 04-15-2033 144A	United States	Corporate - Non Convertible	USD 540,000	739	759
Mauser Packaging Solutions 7.88% 04-15-2027 144A	United States	Corporate - Non Convertible	USD 160,000	221	226
Mauser Packaging Solutions Holding Co. 9.25% 04-15-2027 144A	United States	Corporate - Non Convertible	USD 145,000	184	197
Mav Acquisition Corp. 5.75% 08-01-2028 144A	United States	Corporate - Non Convertible	USD 95,000	116	133
Mav Acquisition Corp. 8.00% 08-01-2029 144A	United States	Corporate - Non Convertible	USD 190,000	237	271
McGraw-Hill Education Inc. 7.38% 09-01-2031 144A	United States	Corporate - Non Convertible	USD 200,000	277	291
Medline Borrower LP Term Loan 1st Lien Senior F/R 10-23-2028	United States	Term Loans	USD 76,458	103	110
Mercer International Inc. 12.88% 10-01-2028 144A	Germany	Corporate - Non Convertible	USD 85,000	118	129
Mercer International Inc. F/R 02-01-2029	Germany	Corporate - Non Convertible	USD 145,000	182	179
Metal Services Holdco LLC 6.25% 04-15-2029 144A	United States	Corporate - Non Convertible	USD 155,000	193	208
Minerva Merger Sub Inc. 6.50% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 310,000	401	417
Miter Brands Acquisition Holdco Inc. 6.75% 04-01-2032 144A	United States	Corporate - Non Convertible	USD 315,000	434	447
MIWD Holdco II LLC 5.50% 02-01-2030 144A	United States	Corporate - Non Convertible	USD 225,000	285	291
Mozart Debt Merger Sub Inc. 3.88% 04-01-2029 144A	United States	Corporate - Non Convertible	USD 165,000	191	221
Mozart Debt Merger Sub Inc. 5.25% 10-01-2029 144A	United States	Corporate - Non Convertible	USD 140,000	175	193
MPT Operating Partnership LP 8.50% 02-15-2032 144A	United States	Corporate - Non Convertible	USD 465,000	673	682
Mr Cooper Group Inc. 5.75% 11-15-2031 144A	United States	Corporate - Non Convertible	USD 470,000	602	676
Nabors Industries Inc. 7.38% 05-15-2027 144A	United States	Corporate - Non Convertible	USD 260,000	356	369
Nabors Industries Inc. 1.75% 06-15-2029	United States	Corporate - Convertible	USD 75,000	105	73
Nabors Industries Inc. 8.88% 08-15-2031 144A	United States	Corporate - Non Convertible	USD 360,000	488	449
Nationstar Mortgage Holdings Inc. 7.13% 02-01-2032 144A	United States	Corporate - Non Convertible	USD 145,000	193	216
NCL Corp. Ltd. 8.13% 01-15-2029 144A	United States	Corporate - Non Convertible	USD 70,000	95	106
NCL Corp. Ltd. 7.75% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 100,000	127	150
NCL Corp. Ltd. 6.75% 02-01-2032 144A	United States	Corporate - Non Convertible	USD 140,000	201	199
New Red Finance Inc. 4.00% 10-15-2030	Canada	Corporate - Non Convertible	USD 490,000	602	636
News Corp. 3.88% 05-15-2029 144A	United States	Corporate - Non Convertible	USD 250,000	310	340
News Corp. 5.13% 02-15-2032 144A	United States	Corporate - Non Convertible	USD 60,000	76	82
Nexstar Broadcasting Inc. 4.75% 11-01-2028 144A	United States	Corporate - Non Convertible	USD 95,000	117	128
Nouryon USA LLC Term Loan 1st Lien Senior F/R 04-03-2028	United States	Term Loans	USD 64,190	87	92
Nouryon USA LLC Term Loan B 1st Lien Senior F/R 04-03-2028	United States	Term Loans	USD 167,265	220	240
Novelis Inc. 4.75% 01-30-2030 Callable 2025 144A	United States	Corporate - Non Convertible	USD 305,000	390	409
Novelis Inc. 6.88% 01-30-2030 144A	United States	Corporate - Non Convertible	USD 165,000	238	241
NRG Energy Inc. 6.25% 11-01-2034 144A	United States	Corporate - Non Convertible	USD 190,000	261	269

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<b>BONDS (cont'd)</b>					
Olympus Water US Holding Corp. 9.75% 11-15-2028	United States	Corporate - Non Convertible	USD 200,000	294	298
ON Semiconductor Corp. 3.88% 09-01-2028	United States	Corporate - Non Convertible	USD 65,000	81	88
OneMain Finance Corp. 7.50% 05-15-2031	United States	Corporate - Non Convertible	USD 145,000	199	211
OneMain Finance Corp. 7.13% 11-15-2031	United States	Corporate - Non Convertible	USD 125,000	171	181
OneMain Holdings Inc. 5.38% 11-15-2029 Callable 2029	United States	Corporate - Non Convertible	USD 340,000	424	466
OneSky Flight LLC 8.88% 12-15-2029 144A	United States	Corporate - Non Convertible	USD 135,000	195	198
Opal Bidco SAS 6.50% 03-31-2032 144A	France	Corporate - Non Convertible	USD 505,000	727	726
Outfront Media Capital LLC 5.00% 08-15-2027 Callable 144A	United States	Corporate - Non Convertible	USD 65,000	78	92
Outfront Media Capital LLC 4.63% 03-15-2030 Callable 2025 144A	United States	Corporate - Non Convertible	USD 290,000	391	382
Pactive Evergreen Group 4.38% 10-15-2028 144A	United States	Corporate - Non Convertible	USD 90,000	106	132
Panther BF Aggregator 2 LP 8.50% 05-15-2027 Callable 144A	United States	Corporate - Non Convertible	USD 115,000	158	166
Penn Entertainment Inc. 4.13% 07-01-2029 144A	United States	Corporate - Non Convertible	USD 20,000	22	26
Penn National Gaming Inc. 5.63% 01-15-2027 Callable 144A	United States	Corporate - Non Convertible	USD 145,000	191	206
PetSmart Inc. Term Loan B 1st Lien F/R 01-29-2028	United States	Term Loans	USD 199,351	266	283
PetSmart Inc. 7.75% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 250,000	334	329
PG&E Corp. 5.25% 07-01-2030	United States	Corporate - Non Convertible	USD 170,000	218	235
PG&E Corp. 7.38% 03-15-2055	United States	Corporate - Non Convertible	USD 105,000	142	149
PHH Escrow Issuer LLC 9.88% 11-01-2029 144A	United States	Corporate - Non Convertible	USD 490,000	672	681
Picard Midco Inc. 6.50% 03-31-2029 144A	United States	Corporate - Non Convertible	USD 190,000	224	265
Pinewood Finco PLC 6.00% 03-27-2030	United Kingdom	Corporate - Non Convertible	GBP 100,000	173	183
Pinewood Finco PLC 6.00% 03-27-2030 144A	United Kingdom	Corporate - Non Convertible	GBP 120,000	205	220
PMHC II Inc. 9.00% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 300,000	384	361
Post Holdings Inc. 2.50% 08-15-2027 Conv.	United States	Corporate - Convertible	USD 137,000	230	235
PRA Group Inc. 8.88% 01-31-2030 144A	United States	Corporate - Non Convertible	USD 440,000	610	662
Precision Drilling Corp. 7.13% 01-15-2026 144A	Canada	Corporate - Non Convertible	USD 64,000	82	92
Precision Drilling Corp. 6.88% 01-15-2029 144A	Canada	Corporate - Non Convertible	USD 95,000	124	133
Prime Security Services Borrower LLC 6.25% 01-15-2028 Callable 144A	United States	Corporate - Non Convertible	USD 325,000	430	467
Quikrete Holdings Inc. 6.38% 03-01-2032 144A	United States	Corporate - Non Convertible	USD 145,000	211	210
Quikrete Holdings Inc. 6.75% 03-01-2033 144A	United States	Corporate - Non Convertible	USD 75,000	109	108
Rain Carbon Inc. 12.25% 09-01-2029	United States	Corporate - Non Convertible	USD 210,000	301	322
Realogy Group LLC 0.25% 06-15-2026 Conv.	United States	Corporate - Convertible	USD 133,000	130	179
RHP Hotel Properties LP 7.25% 07-15-2028 144A	United States	Corporate - Non Convertible	USD 45,000	63	66
RHP Hotel Properties LP 6.50% 04-01-2032 144A	United States	Corporate - Non Convertible	USD 325,000	449	467
Ritchie Bros Auctioneers Inc. 7.75% 03-15-2031 144A	Canada	Corporate - Non Convertible	USD 220,000	306	331
Rockcliff Energy II LLC 5.50% 10-15-2029 144A	United States	Corporate - Non Convertible	USD 200,000	253	271
Rocket Software Inc. Term Loan B 1st Lien Senior F/R 10-05-2028	United States	Term Loans	USD 118,800	162	171
Rocket Software Inc. 6.50% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 140,000	166	190
Royal Caribbean Cruises Ltd. 4.25% 07-01-2026 144A	United States	Corporate - Non Convertible	USD 35,000	42	50
Royal Caribbean Cruises Ltd. 5.50% 08-31-2026 144A	United States	Corporate - Non Convertible	USD 120,000	147	173
Royal Caribbean Cruises Ltd. 5.63% 09-30-2031 144A	United States	Corporate - Non Convertible	USD 195,000	265	276
Royal Caribbean Cruises Ltd. 6.25% 03-15-2032 144A	United States	Corporate - Non Convertible	USD 30,000	40	44
Royal Caribbean Cruises Ltd. 6.00% 02-01-2033 144A	United States	Corporate - Non Convertible	USD 340,000	471	489
RR Donnelley & Sons Co. 9.50% 08-01-2029 144A	United States	Corporate - Non Convertible	USD 415,000	572	592
Scientific Games Corp. 7.25% 11-15-2029 Callable 144A	United States	Corporate - Non Convertible	USD 255,000	345	373
Scientific Games Holdings LP Term Loan B 1st Lien F/R 02-04-2029	United States	Term Loans	USD 69,474	93	99
Scientific Games Holdings LP 6.63% 03-01-2030 144A	United States	Corporate - Non Convertible	USD 270,000	345	366
SCIH Salt Holdings Inc. 4.88% 05-01-2028	United States	Corporate - Non Convertible	USD 215,000	270	295
SCIH Salt Holdings Inc. 6.63% 05-01-2029	United States	Corporate - Non Convertible	USD 165,000	194	231
Seadrill Finance Ltd. 8.38% 08-01-2030 144A	Bermuda	Corporate - Non Convertible	USD 200,000	265	289
Seagate HDD Cayman 3.50% 06-01-2028 Conv. 144A	United States	Corporate - Convertible	USD 110,000	175	189
Seagate HDD Cayman 3.13% 07-15-2029	United States	Corporate - Non Convertible	USD 55,000	59	71
Sensata Technologies Inc. 3.75% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 125,000	144	157
Shake Shack Inc. 0% 03-01-2028 Conv. 144A	United States	Corporate - Convertible	USD 145,000	155	192
Shift4 Payments LLC 4.63% 11-01-2026 144A	United States	Corporate - Non Convertible	USD 175,000	220	248
Sinclair Television Group Inc. 8.13% 02-15-2033 144A	United States	Corporate - Non Convertible	USD 490,000	708	696
Sirius XM Radio Inc. 4.00% 07-15-2028 144A	United States	Corporate - Non Convertible	USD 150,000	180	201
Sirius XM Radio Inc. 3.88% 09-01-2031 144A	United States	Corporate - Non Convertible	USD 340,000	403	419
Sitio Royalties Operating Partnership LP 7.88% 11-01-2028 144A	United States	Corporate - Non Convertible	USD 330,000	463	488
Six Flags Entertainment Corp. 7.25% 05-15-2031 144A	United States	Corporate - Non Convertible	USD 170,000	231	245
Six Flags Entertainment Corp. 6.63% 05-01-2032 144A	United States	Corporate - Non Convertible	USD 140,000	195	203
SM Energy Co. 6.75% 09-15-2026 Callable	United States	Corporate - Non Convertible	USD 200,000	265	288
SM Energy Co. 7.00% 08-01-2032 144A	United States	Corporate - Non Convertible	USD 205,000	281	289
Smyrna Ready Mix Concrete LLC 8.88% 11-15-2031 144A	United States	Corporate - Non Convertible	USD 145,000	200	217
Snap Inc. 6.88% 03-01-2033 144A	United States	Corporate - Non Convertible	USD 505,000	723	725

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

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## SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2025

Investment Name	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
Specialty Building Products Holdings LLC 7.75% 10-15-2029 144A	United States	Corporate - Non Convertible	USD 160,000	225	213
Spirit AeroSystems Holdings Inc. 4.60% 06-15-2028	United States	Corporate - Non Convertible	USD 125,000	162	173
Spirit AeroSystems Holdings Inc. 9.38% 11-30-2029 144A	United States	Corporate - Non Convertible	USD 50,000	72	77
Spirit AeroSystems Holdings Inc. 9.75% 11-15-2030 144A	United States	Corporate - Non Convertible	USD 360,000	531	571
Standard Industries Inc. 4.38% 07-15-2030 144A	United States	Corporate - Non Convertible	USD 235,000	277	312
Standard Industries Inc. 6.50% 07-30-2032 144A	United States	Corporate - Non Convertible	USD 435,000	613	626
Station Casinos LLC 4.63% 12-01-2031 144A	United States	Corporate - Non Convertible	USD 190,000	224	247
Station Casinos LLC 6.63% 03-15-2032 144A	United States	Corporate - Non Convertible	USD 55,000	75	78
Sunoco LP 6.25% 07-01-2033 144A	United States	Corporate - Non Convertible	USD 240,000	344	346
Taylor Morrison Communities Inc. 5.88% 06-15-2027 144A	United States	Corporate - Non Convertible	USD 60,000	78	86
Taylor Morrison Communities Inc. 5.75% 01-15-2028 Callable 2027 144A	United States	Corporate - Non Convertible	USD 95,000	125	136
Taylor Morrison Holdings Inc. 5.13% 08-01-2030 144A	United States	Corporate - Non Convertible	USD 365,000	484	506
Tenet Healthcare Corp. 5.13% 11-01-2027 Callable 144A	United States	Corporate - Non Convertible	USD 250,000	267	291
Tenet Healthcare Corp. 4.25% 06-01-2029	United States	Corporate - Non Convertible	USD 130,000	162	176
Tenet Healthcare Corp. 6.13% 06-15-2030 144A	United States	Corporate - Non Convertible	USD 430,000	568	617
Terex Corp. 6.25% 10-15-2032 144A	United States	Corporate - Non Convertible	USD 405,000	561	565
Teva Pharmaceutical Finance Netherlands II BV 4.38% 05-09-2030	Israel	Corporate - Non Convertible	EUR 100,000	127	155
Teva Pharmaceutical Finance Netherlands III BV 3.15% 10-01-2026	Israel	Corporate - Non Convertible	USD 185,000	216	258
Teva Pharmaceutical Finance Netherlands III BV 5.13% 05-09-2029	Israel	Corporate - Non Convertible	USD 270,000	324	379
Teva Pharmaceutical Finance Netherlands III BV 8.13% 09-15-2031	Israel	Corporate - Non Convertible	USD 200,000	295	321
TIBCO Software Inc. Term Loan B 1st Lien F/R 03-2029	United States	Term Loans	USD 98,675	121	141
TK Elevator US Newco Inc. Term Loan B 1st Lien Senior F/R 04-11-2030	United States	Term Loans	USD 148,621	200	213
T-Mobile USA Inc. 2.88% 02-15-2031	United States	Corporate - Non Convertible	USD 80,000	99	103
TopBuild Corp. 4.13% 02-15-2032 144A	United States	Corporate - Non Convertible	USD 75,000	93	96
TransDigm Inc. 6.88% 12-15-2030 144A	United States	Corporate - Non Convertible	USD 130,000	174	191
TransDigm Inc. 7.13% 12-01-2031 144A	United States	Corporate - Non Convertible	USD 30,000	41	44
TransDigm Inc. Term Loan 1st Lien Senior F/R 01-05-2032	United States	Term Loans	USD 69,650	94	100
TransDigm Inc. 6.63% 03-01-2032 144A	United States	Corporate - Non Convertible	USD 110,000	148	160
TransDigm Inc. 6.00% 01-15-2033 144A	United States	Corporate - Non Convertible	USD 195,000	263	276
Transocean Aquila Ltd. 8.00% 09-30-2028 144A	United States	Corporate - Non Convertible	USD 81,538	113	119
Transocean Inc. 8.75% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 48,000	64	72
Transocean Inc. 6.80% 03-15-2038	United States	Corporate - Non Convertible	USD 265,000	304	291
Transocean Poseidon Ltd. 6.88% 02-01-2027 Callable 144A	United States	Corporate - Non Convertible	USD 112,875	151	162
Transocean Titan Financing Ltd. 8.38% 02-01-2028 144A	United States	Corporate - Non Convertible	USD 85,952	117	126
Treasure Holdco Inc. Term Loan B 1st Lien Senior F/R 10-10-2031	United States	Term Loans	USD 174,563	238	251
TTM Technologies Inc. 4.00% 03-01-2029 144A	United States	Corporate - Non Convertible	USD 385,000	478	512
UKG Inc. Term Loan B 1st Lien Senior F/R 01-31-2031	United States	Term Loans	USD 146,595	195	211
UKG Inc. 6.88% 02-01-2031 144A	United States	Corporate - Non Convertible	USD 180,000	242	263
United Airlines Inc. Term Loan B 1st Lien F/R 02-15-2031	United States	Term Loans	USD 95,542	128	137
United Rentals (North America) Inc. 6.13% 03-15-2034 144A	United States	Corporate - Non Convertible	USD 285,000	401	410
United States Steel Corp. 6.65% 06-01-2037	United States	Corporate - Non Convertible	USD 70,000	98	100
US Foods Inc. 7.25% 01-15-2032 144A	United States	Corporate - Non Convertible	USD 230,000	330	344
US Foods Inc. 5.75% 04-15-2033 144A	United States	Corporate - Non Convertible	USD 135,000	182	190
Venture Global Calcasieu Pass LLC 6.25% 01-15-2030 144A	United States	Corporate - Non Convertible	USD 30,000	40	44
Venture Global LNG Inc. 8.13% 06-01-2028 144A	United States	Corporate - Non Convertible	USD 80,000	108	117
Venture Global LNG Inc. 9.50% 02-01-2029 144A	United States	Corporate - Non Convertible	USD 145,000	199	223
Venture Global LNG Inc. 3.88% 08-15-2029 144A	United States	Corporate - Non Convertible	USD 55,000	66	73
Venture Global LNG Inc. 8.38% 06-01-2031 144A	United States	Corporate - Non Convertible	USD 200,000	270	290
Venture Global LNG Inc. 9.88% 02-01-2032 144A	United States	Corporate - Non Convertible	USD 250,000	353	380
Venture Global LNG Inc. F/R 03-30-2173 Perp. 144A	United States	Corporate - Non Convertible	USD 190,000	256	259
Verde Purchaser LLC Term Loan B 1st Lien Senior F/R 11-18-2030	United States	Term Loans	USD 63,055	89	90
Verde Purchaser LLC 10.50% 11-30-2030 144A	United States	Corporate - Non Convertible	USD 85,000	128	130
Vertiv Group Corp. Term Loan B 1st Lien F/R 03-02-2027	United States	Term Loans	USD 186,086	246	267
Vibrantz Technologies Inc. Term Loan B 1st Lien Senior F/R 04-23-2029	United States	Term Loans	USD 168,146	226	214
Viking Cruises Ltd. 7.00% 02-15-2029 144A	United States	Corporate - Non Convertible	USD 220,000	299	318
Viking Cruises Ltd. 9.13% 07-15-2031 144A	United States	Corporate - Non Convertible	USD 155,000	224	238
Viper Energy Partners LP 5.38% 11-01-2027	United States	Corporate - Non Convertible	USD 100,000	134	142
Viper Energy Partners LP 7.38% 11-01-2031 144A	United States	Corporate - Non Convertible	USD 420,000	609	632
Virgin Media Finance PLC 5.00% 07-15-2030 Callable 2025 144A	United Kingdom	Corporate - Non Convertible	USD 200,000	233	248
Virgin Media Secured Finance PLC 4.50% 08-15-2030 Callable 2025 144A	United Kingdom	Corporate - Non Convertible	USD 330,000	386	421
VM Consolidated Inc. Term Loan B 1st Lien Senior F/R 03-26-2028	United States	Term Loans	USD 127,345	173	184
VM Consolidated Inc. 5.50% 04-15-2029 144A	United States	Corporate - Non Convertible	USD 310,000	422	423
VodafoneZiggo Group Holding BV 5.00% 01-15-2032 144A	Netherlands	Corporate - Non Convertible	USD 200,000	233	250
Waste Pro USA Inc. 7.00% 02-01-2033 144A	United States	Corporate - Non Convertible	USD 90,000	130	130

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

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## SCHEDULE OF INVESTMENTS (cont'd)

as at March 31, 2025

Investment Name	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
Watco Cos. LLC 7.13% 08-01-2032 144A	United States	Corporate - Non Convertible	USD 215,000	293	311
Wayfair LLC 7.25% 10-31-2029 144A	United States	Corporate - Non Convertible	USD 265,000	370	366
Wayfair LLC 7.75% 09-15-2030 144A	United States	Corporate - Non Convertible	USD 205,000	296	285
Weekley Homes LLC 4.88% 09-15-2028 144A	United States	Corporate - Non Convertible	USD 165,000	222	225
Welltower OP LLC 2.75% 05-15-2028 Conv. 144A	United States	Corporate - Convertible	USD 131,000	185	309
WESCO Distribution Inc. 6.38% 03-15-2029 144A	United States	Corporate - Non Convertible	USD 35,000	47	51
WESCO Distribution Inc. 6.63% 03-15-2032 144A	United States	Corporate - Non Convertible	USD 540,000	764	790
WESCO Distribution Inc. 6.38% 03-15-2033 144A	United States	Corporate - Non Convertible	USD 90,000	129	130
White Cap Buyer LLC Term Loan B 1st Lien Senior F/R 10-19-2029	United States	Term Loans	USD 140,655	187	197
White Cap Parent LLC 6.88% 10-15-2028 144A	United States	Corporate - Non Convertible	USD 470,000	639	650
WR Grace Holdings LLC Term Loan B 1st Lien F/R 08-11-2028	United States	Term Loans	USD 34,554	47	49
WR Grace Holdings LLC 5.63% 08-15-2029 144A	United States	Corporate - Non Convertible	USD 100,000	118	124
Wrangler Holdco Corp. 6.63% 04-01-2032 144A	Canada	Corporate - Non Convertible	USD 65,000	89	95
Wynn Resorts Finance LLC 5.13% 10-01-2029	United States	Corporate - Non Convertible	USD 160,000	204	220
Wynn Resorts Finance LLC 7.13% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 480,000	676	713
XHR LP 6.63% 05-15-2030 144A	United States	Corporate - Non Convertible	USD 65,000	91	92
Zegona Finance PLC 8.63% 07-15-2029 144A	United Kingdom	Corporate - Non Convertible	USD 235,000	321	359
<b>Total bonds</b>				<b>101,953</b>	<b>107,316</b>
<b>EQUITIES</b>					
Apollo Global Management Inc. Conv. Pfd.	United States	Financials	1,968	158	207
Chart Industries Inc. Conv. Pfd. Series B	United States	Industrials	2,238	152	176
GFL Environmental Inc.	Canada	Industrials	1,860	82	129
Hewlett Packard Enterprise Co. 7.62% Conv. Pfd.	United States	Information Technology	1,708	123	117
NextEra Energy Inc. 7.30% Conv. Pfd.	United States	Utilities	3,105	213	214
Nine Point Energy Holdings Inc. Pfd.	United States	Energy	29	38	—
Nine Point Energy Holdings Inc.	United States	Energy	1,408	25	—
PG&E Corp. 6.00% Conv. Pfd. Series A	United States	Utilities	2,446	172	157
Viking Holdings Ltd.	United States	Consumer Discretionary	5,000	165	286
<b>Total equities</b>				<b>1,128</b>	<b>1,286</b>
Transaction costs				(1)	—
<b>Total investments</b>				<b>103,080</b>	<b>108,602</b>
Derivative instruments (see schedule of derivative instruments)					104
Cash and cash equivalents					7,458
Other assets less liabilities					147
<b>Net assets attributable to securityholders</b>					<b>116,311</b>

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2025

## SUMMARY OF INVESTMENT PORTFOLIO

MARCH 31, 2025	
PORTFOLIO ALLOCATION	% OF NAV
Bonds	92.3
Cash and cash equivalents	6.4
Equities	1.1
Other assets (liabilities)	0.1
Swaps	0.1

REGIONAL ALLOCATION	% OF NAV
United States	79.0
Cash and cash equivalents	6.4
Canada	4.1
United Kingdom	2.4
France	1.7
Italy	1.0
Israel	1.0
Germany	0.9
Spain	0.8
Luxembourg	0.7
Other	0.5
Ireland	0.3
Mexico	0.3
Austria	0.3
Bermuda	0.3
Australia	0.2
Other assets (liabilities)	0.1

SECTOR ALLOCATION	% OF NAV
Corporate bonds	85.3
Term loans	7.0
Cash and cash equivalents	6.4
Utilities	0.3
Industrials	0.3
Consumer discretionary	0.2
Financials	0.2
Other assets (liabilities)	0.1
Information technology	0.1
Other	0.1

MARCH 31, 2024	
PORTFOLIO ALLOCATION	% OF NAV
Fixed income	93.8
<i>Bonds</i>	<i>91.8</i>
<i>Swaps</i>	<i>2.0</i>
Equities	0.7
Cash and cash equivalents	6.6
Other	(1.1)

REGIONAL ALLOCATION	% OF NAV
United States	81.3
Canada	2.9
United Kingdom	1.6
Israel	1.4
Luxembourg	1.1
France	0.9
Germany	0.8
Netherlands	0.7
Austria	0.4
Bermuda	0.4
Other countries	0.8
Cash and cash equivalents	6.6
Other assets (liabilities)	1.1

SECTOR ALLOCATION	% OF NAV
Corporate bonds	85.7
Term loans	8.1
Equities	0.7
Cash and cash equivalents	6.6
Other	(1.1)

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

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## SCHEDULE OF DERIVATIVE INSTRUMENTS

as at March 31, 2025

### Schedule of Swap Contracts (CDX) – Sell Protection<sup>(1)</sup>

Counterparty Credit Rating	Maturity	Index/Tranche	Fixed Receive Rate	Notional Value (\$ 000)	Premiums Paid/ (Received)	Unrealized Gains/(Loss) (\$ 000)	Asset – Fair Value (\$ 000)	Liability – Fair Value (\$ 000)
A	Jun. 20, 2030	MARKIT CDX North American High Yield 44	5% of notional value per annum	USD 1,036	72	–	72	–
<b>Total swap contracts</b>				<b>USD 1,036</b>	<b>72</b>	<b>–</b>	<b>72</b>	<b>–</b>

<sup>(1)</sup> The Fund is a seller of protection and if a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will pay (i) interest shortfalls in the event of significant appraisal reductions or realized losses and (ii) write downs as underlying cash bonds take losses.

### Schedule of Forward Currency Contracts

Counterparty Credit Rating	Currency to be Received (\$ 000)		Currency to be Delivered (\$ 000)		Settlement Date	Contract Cost (\$ 000)	Current Fair Value (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
A	208	USD	(298)	CAD	Apr. 16, 2025	298	298	–	–
A	1,433	USD	(2,059)	CAD	Apr. 16, 2025	2,059	2,060	1	–
A	388	USD	(558)	CAD	Apr. 16, 2025	558	558	–	–
A	787	USD	(1,130)	CAD	Apr. 16, 2025	1,130	1,131	1	–
A	818	USD	(1,169)	CAD	Apr. 16, 2025	1,169	1,177	8	–
A	2,145	CAD	(1,476)	USD	Apr. 16, 2025	(2,145)	(2,121)	24	–
A	740	CAD	(476)	EUR	Jun. 18, 2025	(740)	(740)	–	–
A	154	CAD	(99)	EUR	Jun. 18, 2025	(154)	(154)	–	–
A	478	CAD	(307)	EUR	Jun. 18, 2025	(478)	(478)	–	–
A	292	CAD	(158)	GBP	Jun. 18, 2025	(292)	(294)	–	(2)
<b>Total forward currency contracts</b>								<b>34</b>	<b>(2)</b>

<b>Total Derivative assets</b>	<b>106</b>
<b>Total Derivative liabilities</b>	<b>(2)</b>

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2025

## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The Fund is organized as an open-ended unit trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust as amended and restated from time to time. The address of the Fund's registered office is 255 Dufferin Avenue, London, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus or exempt distribution options.

The information provided in these financial statements and notes thereto is for the periods ended or as at March 31, 2025 and 2024. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Where a series of a Fund was terminated during either period, the information for the series is provided up to close of business on the termination date. Refer to Note 10 (a) for the formation date of the Fund and the inception date of each series.

In these financial statements, "CLIML" and "the Manager" refer to Canada Life Investment Management Ltd., which is an indirect, wholly-owned subsidiary of The Canada Life Assurance Company ("Canada Life"). During the first half of the period ending September 30, 2024, Counsel Portfolio Services Inc. ("Counsel"), was the previous manager of the Fund. On October 1, 2024, Counsel was amalgamated with CLIML, whereupon the amalgamated company, named CLIML, continued as the Fund's Manager. The Manager has entered into a fund administration agreement with Mackenzie Financial Corporation ("Mackenzie"), an affiliate of the Manager and Canada Life, for administrative services. Investments in companies within the Power Group of companies held by the Fund are identified in the Schedule of Investments.

### 2. Basis of Preparation and Presentation

These audited annual financial statements ("financial statements") have been prepared in accordance with IFRS Accounting Standards ("IFRS"). A summary of the Fund's material accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial instruments that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of CLIML on June 4, 2025.

### 3. Material Accounting Policies

#### (a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, investment funds and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9, *Financial Instruments* ("IFRS 9"). Upon initial recognition, financial instruments are classified as fair value through profit or loss ("FVTPL"). All financial instruments are recognized in the Statement of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial assets are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled or expires. Investment purchase and sale transactions are recorded as of the trade date.

Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The cost of investments is determined on a weighted average cost basis.

Realized and unrealized gains and losses on investments are calculated based on the weighted average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

The Fund accounts for its holdings in unlisted open-ended investment funds ("Underlying Funds") and Exchange-Traded Funds ("ETFs"), if any, at FVTPL. The Fund's investment in Underlying Funds and ETFs, if any, is presented in the Schedule of Investments at fair value which represents the Fund's maximum exposure on these investments.

The Fund's redeemable securities contain multiple dissimilar contractual obligations and entitle securityholders to the right to redeem their interest in the Fund for cash equal to their proportionate share of the net asset value of the Fund and therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after period-end.

#### (b) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments listed on a public securities exchange or traded on an over-the-counter market, including ETFs, are valued on the basis of the last traded market price or closing price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in the Manager's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by the Manager using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2025

## NOTES TO FINANCIAL STATEMENTS

### 3. Material Accounting Policies (cont'd)

#### (b) Fair value measurement (cont'd)

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents and short-term investments are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position. Short-term investments that are not considered cash equivalents are separately disclosed in the Schedule of Investments.

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable. Refer to "Exemptions and Approvals" in the Simplified Prospectus of the Fund for further details, including the complete conditions of these exemptions, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The daily fluctuation of futures contracts or swaps, along with daily cash settlements made by the Fund, where applicable, are equal to the change in unrealized gains or losses that are best determined at the settlement price. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on derivatives. Any change in the variation margin requirement is settled daily.

Premiums paid for purchasing an option are recorded in the Statement of Financial Position – Investments at fair value.

Premiums received from writing options are included in the Statement of Financial Position as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at March 31, 2025.

The Fund categorizes the fair value of its assets and liabilities into three categories, which are differentiated based on the observable nature of the inputs and extent of estimation required.

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly. Examples of Level 2 valuations include quoted prices for similar securities, quoted prices on inactive markets and from recognized investment dealers, and the application of factors derived from observable data to non-North American quoted prices in order to estimate the impact of differences in market closing times.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

The estimated fair values for these securities may be different from the values that would have been used had a ready market for the investment existed; and

Level 3 – Inputs that are not based on observable market data.

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

See Note 10 for the fair value classifications of the Fund.

#### (c) Income recognition

Interest income for distribution purposes represents the coupon interest received by the Fund which is accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds, which are amortized on a straight-line basis. Dividends are accrued as of the ex-dividend date. Unrealized gains or losses on investments, realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on a weighted average cost basis. Distributions received from an Underlying Fund are included in Interest income for distribution purposes, Dividends income, Net realized gains (losses) or Fee rebate income, as appropriate, on the ex-dividend or distribution date.

The Fund may invest in investment funds managed by Mackenzie. The Fund receives Fee rebate income in respect of management fees paid indirectly to Mackenzie which offset the management fees indirectly borne in the return of these funds.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.



# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2025

## NOTES TO FINANCIAL STATEMENTS

### 3. Material Accounting Policies (cont'd)

#### (d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, exchanges, brokers, dealers and other intermediaries. The total brokerage commissions incurred by the Fund in connection with portfolio transactions for the periods, together with other transaction charges, is disclosed in the Statements of Comprehensive Income. Brokerage business is allocated to brokers based on the best net result for the Fund. Subject to this criteria, commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of these services generated during the periods is disclosed in Note 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

#### (e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statement of Comprehensive Income and recognized when earned. Securities lending transactions are administered by The Canadian Imperial Bank of Commerce and The Bank of New York Mellon. The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased.

Note 10 summarizes the details of securities loaned and collateral received as at the end of period, as well as a reconciliation of securities lending income during the period, if applicable. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

#### (f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 10 summarizes the details of such offsetting, if applicable, subject to master netting arrangements or other similar agreements and the net impact to the Statements of Financial Position if all such rights were exercised.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

#### (g) Currency

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

#### (h) Net assets attributable to securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

#### (i) Net asset value per security

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities and is disclosed in Note 10, if applicable.

#### (j) Increase (decrease) in net assets attributable to securityholders from operations per security

Increase (decrease) in net assets attributable to securityholders from operations per security in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to securityholders from operations for the period, divided by the weighted average number of securities outstanding during the period.

#### (k) Mergers

In a fund merger, the Fund acquires all of the assets and assumes all of the liabilities of the terminating fund at fair value in exchange for securities of the Fund on the effective date of the merger.

#### (l) Future accounting changes

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18, *Presentation and Disclosure in Financial Statements* ("IFRS 18"). IFRS 18, which replaces IAS 1, *Presentation of financial statements*, introduces new requirements to present specified categories and defined subtotals in the statement of comprehensive income, new disclosure for management-defined performance measures, and additional requirements for aggregation and disaggregation of information.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Manager is assessing the impact of the adoption of this standard.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2025

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## NOTES TO FINANCIAL STATEMENTS

### 4. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

The following discusses the most significant accounting judgments and estimates made in preparing the financial statements:

#### Use of Estimates

##### *Fair value of securities not quoted in an active market*

The Fund may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the Fund.

#### Use of Judgments

##### *Classification and measurement of investments*

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Fund's business model, the manner in which all financial instruments are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the Fund's financial instruments.

##### *Functional currency*

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

##### *Interest in unconsolidated structured entities*

In determining whether an Underlying Fund or an ETF in which the Fund invests, but that it does not consolidate, meets the definition of a structured entity, the Manager is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity. These Underlying Funds do meet the definition of a structured entity because:

- I. The voting rights in the Underlying Funds are not dominant factors in deciding who controls them;
- II. the activities of the Underlying Funds are restricted by their offering documents; and
- III. the Underlying Funds have narrow and well-defined investment objectives to provide investment opportunities for investors while passing on the associated risks and rewards.

As a result, such investments are accounted for at FVTPL. Note 10 summarizes the details of the Fund's interest in these Underlying Funds, if applicable.

### 5. Income Taxes

The Fund qualifies as a unit trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its securityholders as at the end of the taxation year. The Fund maintains a December year-end for tax purposes. The Fund may be subject to withholding taxes on foreign income. In general, the Fund treats withholding tax as a charge against income for tax purposes. The Fund will distribute sufficient amounts from net income for tax purposes, as required, so that the Fund will not pay income taxes other than alternative minimum tax, if applicable.

Losses of the Fund cannot be allocated to investors and are retained in the Fund for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 10 for the Fund's loss carryforwards.

### 6. Management Fees and Operating Expenses

No management fee or administration fee is charged to investors in the Fund by Counsel.

Fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Counsel Funds' Independent Review Committee ("IRC"), fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, and any new fees related to external services that were not commonly charged in the Canadian mutual fund industry after the date of the Counsel Funds' most recently filed simplified prospectus. Refer to Note 10 for the series information.

### 7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at March 31, 2025 and 2024 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. The Manager manages the capital of the Fund in accordance with the investment objectives as discussed in Note 10.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2025

## NOTES TO FINANCIAL STATEMENTS

### 8. Financial Instruments Risk

#### (a) Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7, *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at March 31, 2025, grouped by asset type, with geographic and sector information.

The Manager seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund's investment objectives, and where applicable, by using derivatives to hedge certain risk exposures. To assist in managing risks, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

#### (b) Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they become due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund's liquidity against predetermined minimum liquidity percentages established for different time periods and is monitored quarterly. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

If applicable, other investment funds managed by CLIML ("Top Funds") may 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 may also be issued on a prospectus-exempt basis to investors in the IPC Private Wealth program offered by IPC Securities Corporation, an affiliate of CLIML. From time to time, these holdings may be rebalanced by either reducing an allocation to the Fund or eliminating such investments in the Fund entirely. In either case, depending on the size of the investment by a large investor, this could cause a significant redemption from the Fund. Meeting such a redemption may require the Fund to sell portfolio holdings. This could result in the Fund selling a particular holding before it has achieved the valuation sought by the Manager thus affecting Fund returns. This could also result in the Fund realizing capital gains on its holdings earlier than planned, which could result in capital gains distributed to investors in the Fund (which could result in income tax payable by the investor) that might not have occurred or might have occurred at a later date. For the amounts held by and the changes thereto during the period pertaining to Series O and/or Series Private Wealth, please refer to the amounts disclosed in the Statements of Financial Position and Statements of Changes in Financial Position.

In order to comply with securities regulations, the Fund must maintain at least 85% of its assets in liquid investments (i.e. investments that can be readily sold).

#### (c) Currency risk

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's functional currency, will fluctuate due to changes in exchange rates. Generally, foreign denominated investments increase in value when the value of the Canadian dollar (relative to foreign currencies) falls. Conversely, when the value of the Canadian dollar rises relative to foreign currencies, the values of foreign denominated investments fall.

Note 10 indicates the foreign currencies, if applicable, to which the Fund had significant exposure, including both monetary and non-monetary financial instruments, and illustrates the potential impact, in Canadian dollar terms, to the Fund's net assets had the Canadian dollar strengthened or weakened by 5% relative to all foreign currencies, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The Fund's sensitivity to currency risk illustrated in Note 10 includes potential indirect impacts from Underlying Funds and ETFs in which the Fund invests, and/or derivative contracts including forward currency contracts. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

#### (d) Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Generally, these securities increase in value when interest rates fall and decrease in value when interest rates rise.

If significant, Note 10 summarizes the Fund's interest-bearing financial instruments by remaining term to maturity and illustrates the potential impact to the Fund's net assets had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, all other variables held constant. The Fund's sensitivity to interest rate changes was estimated using weighted average duration. In practice, the actual trading results may differ and the difference could be material.

The Fund's sensitivity to interest rate risk illustrated in Note 10 includes potential indirect impacts from underlying funds and ETFs in which the Fund invests, and/or derivative contracts. Cash and cash equivalents and other money market instruments are short term in nature and are not generally subject to significant amounts of interest rate risk.

#### (e) Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the Fund continues to increase, theoretically without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Fund. This risk is mitigated by ensuring that the Fund holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2025

## NOTES TO FINANCIAL STATEMENTS

### 8. Financial Instruments Risk (cont'd)

#### (e) Other price risk (cont'd)

Other price risk typically arises from exposure to equity and commodity securities. If significant, Note 10 illustrates the potential increase or decrease in the Fund's net assets, had the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The Fund's sensitivity to other price risk illustrated in Note 10 includes potential indirect impacts from underlying funds and ETFs in which the Fund invests, and/or derivative contracts.

#### (f) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Note 10 summarizes the Fund's exposure, if applicable and significant, to credit risk.

If presented, credit ratings and rating categories are based on ratings issued by a designated rating organization. Indirect exposure to credit risk may arise from fixed-income securities, such as bonds, held by underlying funds and ETFs, if any. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position. The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

#### (g) Underlying funds

The Fund may invest in underlying funds and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying funds. Note 10 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.

### 9. Other Information

#### Abbreviations

Foreign currencies, if any, are presented in these financial statements using the following abbreviated currency codes:

Currency Code	Description	Currency Code	Description	Currency Code	Description
AUD	Australian dollars	HUF	Hungarian forint	PLN	Polish zloty
AED	United Arab Emirates Dirham	IDR	Indonesian rupiah	QAR	Qatar Rial
BRL	Brazilian real	ILS	Israeli shekel	RON	Romanian leu
CAD	Canadian dollars	INR	Indian rupee	RUB	Russian ruble
CHF	Swiss franc	JPY	Japanese yen	SAR	Saudi riyal
CLP	Chilean peso	KOR	South Korean won	SEK	Swedish krona
CNY	Chinese yuan	MXN	Mexican peso	SGD	Singapore dollars
COP	Colombian peso	MYR	Malaysian ringgit	THB	Thailand baht
CZK	Czech koruna	NGN	Nigerian naira	TRL	Turkish lira
DKK	Danish krone	NOK	Norwegian krona	USD	United States dollars
EGP	Egyptian pound	NTD	New Taiwan dollar	VND	Vietnamese dong
EUR	Euro	NZD	New Zealand dollars	ZAR	South African rand
GBP	United Kingdom pounds	PEN	Peruvian nuevo sol	ZMW	Zambian kwacha
GHS	Ghana Cedi	PHP	Philippine peso		
HKD	Hong Kong dollars	PKR	Pakistani rupee		

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2025

## NOTES TO FINANCIAL STATEMENTS

### 10. Fund Specific Information *(in '000, except for (a))*

#### (a) Fund Formation and Series Information

Series	Inception/ Reinstatement Date	Minimum Investment (\$)	Management fee (%)	Administration fee (%) <sup>3</sup>
Series O <sup>1</sup>	October 29, 2015	—	—	—
Series Private Wealth <sup>2</sup>	October 19, 2020	—	—	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) The Manager may, at its discretion, waive or lower the administration fee payable by investors.

#### (b) Tax Loss Carryforwards

		Expiration Date of Non-Capital Losses													
Total Capital Loss \$	Total Non-Capital Loss \$	2031 \$	2032 \$	2033 \$	2034 \$	2035 \$	2036 \$	2037 \$	2038 \$	2039 \$	2040 \$	2041 \$	2042 \$	2043 \$	2044 \$
10,086	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

#### (c) Securities Lending

	March 31, 2025	March 31, 2024
	(\$)	(\$)
Value of securities loaned	1,903	801
Value of collateral received	2,004	840

	March 31, 2025		March 31, 2024	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	5	100.0	2	100.0
Tax withheld	—	—	—	—
	5	100.0	2	100.0
Payments to securities lending agent	(1)	(20.0)	—	—
Securities lending income	4	80.0	2	100.0

#### (d) Commissions

For the periods ended March 31, 2025 and 2024, commissions paid by the Fund did not generate any third-party services that were provided or paid for by brokers.

#### (e) Risks Associated with Financial Instruments

##### i. Risk exposure and management

The Fund seeks a high level of income with the potential for long-term growth by investing, either directly or through securities of other mutual funds, primarily in Canadian and U.S. fixed income securities, as well as mortgage-backed securities, equities and equity-like securities that are expected to produce income.

The Fund is not available to retail investors and is only available to other Counsel Funds.

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2025

## NOTES TO FINANCIAL STATEMENTS

### 10. Fund Specific Information *(in '000, except for (a)) (cont'd)*

#### (e) Risks Associated with Financial Instruments (cont'd)

##### ii. Currency risk

The tables below summarize the Fund's exposure to currency risk.

March 31, 2025					Impact on net assets			
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure*	Strengthened by 5%		Weakened by 5%	
					(\$)	(%)	(\$)	(%)
USD	106,900	5,970	3,175	116,045				
GBP	403	–	(294)	109				
EUR	1,299	–	(1,372)	(73)				
Total	108,602	5,970	1,509	116,081				
% of Net Assets	93.4	5.1	1.3	99.8				
Total currency rate sensitivity					(5,804)	(5.0)	5,804	5.0

March 31, 2024					Impact on net assets			
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure*	Strengthened by 5%		Weakened by 5%	
					(\$)	(%)	(\$)	(%)
USD	71,964	1,554	6,490	80,008				
EUR	1,444	–	(1,146)	298				
GBP	171	–	–	171				
Total	73,579	1,554	5,344	80,477				
% of Net Assets	92.5	2.0	6.7	101.2				
Total currency rate sensitivity					(4,024)	(5.1)	4,024	5.1

\* Includes both monetary and non-monetary financial instruments

The Fund follows a dynamic hedging strategy where it targets a hedge against foreign currencies, based on Counsel's expectation of future exchange rates at that time. As of March 31, 2025, the Fund had target hedges of 0.0% (2024 – 0.0%) against the USD.

##### iii. Interest rate risk

The tables below summarize the Fund's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

March 31, 2025	Bonds (\$)	Derivative Instruments (\$)	Impact on net assets			
			Increase by 1%		Decrease by 1%	
			(\$)	(%)	(\$)	(%)
Less than 1 year	231	–				
1-5 years	54,548	–				
5-10 years	49,819	–				
Greater than 10 years	2,718	–				
Total	107,316	–				
Total sensitivity to interest rate changes			(4,166)	(3.6)	4,166	3.6

# COUNSEL NORTH AMERICAN HIGH YIELD BOND

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## NOTES TO FINANCIAL STATEMENTS

### 10. Fund Specific Information (in '000, except for (a)) (cont'd)

#### (e) Risks Associated with Financial Instruments (cont'd)

##### iii. Interest rate risk (cont'd)

	Bonds (\$)	Derivative Instruments (\$)	Impact on net assets			
			Increase by 1%		Decrease by 1%	
March 31, 2024			(\$)	(%)	(\$)	(%)
Less than 1 year	–	–				
1-5 years	34,435	–				
5-10 years	37,512	–				
Greater than 10 years	1,042	–				
Total	72,989	–				
Total sensitivity to interest rate changes			(2,794)	(3.5)	2,794	3.5

##### iv. Other price risk

As at March 31, 2025 and 2024, the Fund did not have a significant exposure to other price risk.

##### v. Credit risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at March 31, 2025, was 1.9% of the net assets of the Fund (2024 – 1.7%).

As at March 31, 2025 and 2024, debt securities by credit rating are as follows:

Bond Rating*	March 31, 2025	March 31, 2024
	% of Net Assets	% of Net Assets
A	0.3	0.2
BBB	5.1	2.6
Less than BBB	83.1	84.7
Unrated	3.8	4.3
Total	92.3	91.8

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

The Fund uses credit default index swaps and/or options on credit default index swaps to obtain credit risk protection in the event of corporate defaults. The notional value of such contracts is shown in the Schedule of Derivative Investments which indicate whether the contracts provide protection from or exposure to losses on defaults of high yield instruments.

#### (f) Fair Value Classification

The table below summarizes the fair value of the Fund's financial instruments using the fair value hierarchy described in note 3.

	March 31, 2025				March 31, 2024			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	107,316	–	107,316	–	72,989	–	72,989
Equities	1,286	–	–	1,286	590	–	–	590
Derivative assets	–	106	–	106	–	85	–	85
Derivative liabilities	–	(2)	–	(2)	–	(188)	–	(188)
Total	1,286	107,420	–	108,706	590	72,886	–	73,476

The Fund's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

During the periods, there were no transfers between Level 1 and Level 2.

#### (g) Investments by the other funds managed by the Manager

The investments held by the Manager and other funds managed by the Manager, investing in series O of the Fund, as applicable (as described in *Fund Formation and Series Information* in note 10), were as follows:

	March 31, 2025	March 31, 2024
	(\$)	(\$)
Other funds managed by the Manager	116,310	79,522

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## NOTES TO FINANCIAL STATEMENTS

**10. Fund Specific Information** *(in '000, except for (a)) (cont'd)*

(h) Offsetting of Financial Assets and Liabilities

The tables below present financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

March 31, 2025				
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	106	(1)	–	105
Unrealized losses on derivative contracts	(2)	1	220	219
Liability for options written	–	–	–	–
Total	104	–	220	324

  

March 31, 2024				
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	85	(15)	–	70
Unrealized losses on derivative contracts	(188)	15	81	(92)
Liability for options written	–	–	–	–
Total	(103)	–	81	(22)

(i) Interest in Unconsolidated Structured Entities

As at March 31, 2025 and 2024, the Fund had no investments in Underlying Funds.