



# CC&L Absolute Return Bond Fund

## Management Report of Fund Performance

For the year ended December 31, 2025

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling us directly at 1.800.939.9674, by writing to us at 1400 - 130 King St. W., P.O. Box 240, Toronto, ON, M5X 1C8 or by visiting our website at [www.cclfundsinc.com](http://www.cclfundsinc.com), or SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca)

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

## **MANAGEMENT DISCUSSION OF FUND PERFORMANCE**

### **Investment Objective and Strategies**

**Investment Objectives** — The CC&L Absolute Return Bond Fund seeks to provide unitholders with long-term returns. The portfolio manager will actively manage a diversified portfolio of primarily global fixed income securities by opportunistically utilizing both long and short positions.

The Fund will engage in short selling, cash borrowing and use derivatives in order to meet its investment objective. The amount of leverage used by the Fund is described in the Investment Strategies section below.

The fundamental investment objective of the Fund cannot be changed without the approval of a majority of the unitholders at a meeting called to consider the change.

**Investment Strategies** — To achieve the Fund's investment objectives, the manager, Connor, Clark & Lunn Funds Inc. ("CFI" or the "Manager") has retained Connor, Clark & Lunn Investment Management Ltd., as portfolio manager, to invest the assets of the Fund with full authority and responsibility for security selection.

To achieve the Fund's investment objective, the portfolio manager will actively manage a diversified portfolio of primarily global fixed income securities by opportunistically utilizing both long and short positions. The portfolio manager assesses specific investment opportunities based on both top-down and bottom-up analysis. The Fund, will engage in short selling, cash borrowing and use derivatives as described below. The Fund's use of leverage will at all times be in accordance with the prescribed rules set out in NI 81-102.

The Fund will primarily invest, directly or indirectly through the use of derivatives, in global developed markets fixed income securities including, but not limited to, government bonds, corporate bonds, bank loans, high yield bonds, securitized credit tranches, convertible bonds, preferred shares, common equity and cash and/or cash equivalents. The Fund has a flexible mandate to invest in both investment grade and non-investment grade securities.

## ***MANAGEMENT DISCUSSION OF FUND PERFORMANCE***

### **Risk**

During the year from January 1, 2025 to December 31, 2025, the risk profile of the Fund was managed in accordance with the goals set out in the simplified prospectus. In the view of the Manager, the risks associated with an investment in the portfolio are adequately described in the simplified prospectus and have not altered as result of subsequent changes in the underlying investments.

## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

### Results of Operations

As at December 31, 2025, CC&L Absolute Return Bond Fund (formerly the CC&L Alternative Income Fund or the "Fund") held \$45.3 million in total net assets. During the year ended December 31, 2025, investors in Series A units in the Fund experienced a return of 2.16%. The benchmark for the Fund (FTSE Canada 91 Day T-bill Index) returned 2.84% over the year. The performance of the different series within the funds will vary due to the differences in their expense structures. For specific returns by series, please refer to the "Past Performance" section of this report.

The macroeconomic environment in 2025 was defined by evolving stressors that shaped asset prices, policy expectations, and risk sentiment over the course of the year. Early on, financial markets grappled with a surge in geopolitical uncertainty as the Trump administration reignited global trade tensions. While many tariff threats were delayed or dialed back, the posturing weighed on business confidence, consumer sentiment, and risk appetite, contributing to softer economic momentum. These headwinds were compounded by stubborn inflation pressures, particularly in the wake of tariffs, complicating the policy outlook for central banks.

As the year progressed, market focus shifted from episodic volatility to signs of a more entrenched economic slowdown. Data releases increasingly confirmed softening momentum across North America. US retail sales and jobless claims weakened, Canadian GDP contracted, and housing emerged as a clear area of vulnerability in both economies. Labour markets showed growing signs of strain, softening slowly but not collapsing. Consumer demand remained relatively resilient, helping to temper downside growth risks. By year-end, the dominant narrative was one of gradual cooling rather than contraction, reinforcing a "soft-landing" theme.

Inflation dynamics remained uneven throughout the year. In the US, headline inflation periodically reaccelerated on tariff-sensitive goods, while core services measures remained sticky. In Canada, headline inflation reaccelerated earlier in the year but three-month trends in core goods and services later pointed to disinflation as earlier tariff effects faded. This mix of softer growth and uneven inflation left central banks balancing competing risks and responding cautiously.

Central bank policy reflected a careful, data-dependent approach. The Bank of Canada moved earlier and more decisively, cutting rates multiple times as growth weakened and inflation risks diminished, ultimately bringing the policy rate to 2.25%, its lowest level since mid-2022, and reflecting 100 bps of interest rate cuts in 2025. The Federal Reserve held steady for much of the year before initiating rate cuts later on, framing some of the moves as insurance against labour market fragility rather than a decisive shift toward easing. There were three interest rate cuts near the end of the year, which took the fed funds rate to a range of 3.5% to 3.75% (from 4.25-4.5% at the start of the year).

Bond markets responded dynamically to evolving macro conditions. For the year as a whole, short-term yields declined, while longer-term yields were more volatile, resulting in a notable steepening of yield curves, particularly in Canada. All in for the year, 2-year yields fell 28 bps in Canada, and 77 bps in the US, while 10-year yields rose 18 bps in Canada, and fell 40 bps in the US.

## ***MANAGEMENT DISCUSSION OF FUND PERFORMANCE***

The Fund's performance was positive for the year yet underperformed the benchmark. Interest rate positioning contributed to performance, driven by duration positioning and the yield curve strategy that was positioned with a steepening bias. Quantitative factors also benefited from low credit market volatility. Security selection was rewarded driven by positioning across the automotive, media, and retail industries. Sector allocation was modestly positive due to the tilt toward Canadian credit.

## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

### Leverage

Leverage occurs when the Fund borrows money or securities, or uses derivatives, to generate investment exposure that is greater than the amount invested.

The Fund's leverage is determined by calculating the aggregate exposure through the sum of following: (i) the market value of the Fund's short positions; (ii) the amount of cash borrowed for investment purposes; and (iii) the notional value of the Fund's specified derivatives positions excluding any specified derivatives used for hedging purposes. The Fund's exposure to leverage must not exceed 300% of the Fund's Net Asset Value ("NAV").

During the period ended December 31, 2025, the Fund's aggregate exposure to leverage ranged from 138.6% to 268.0% of the Fund's NAV. The aggregate exposure range to leverage was within the expected range as outlined in the simplified prospectus. As at December 31, 2025, the Fund's aggregate exposure was 143.2% of the Fund's NAV. The primary sources of leverage were short positions in fixed income securities, short positions in short-term investments, bond forwards, futures and cash borrowing.

A component of the Fund's leverage is cash borrowing. Such facilities are repayable on demand. During the period ended December 31, 2025, the Fund's range of cash borrowing was \$Nil to \$4,267,186. As December 31, 2025, cash borrowing represented 1.1% of the Fund's NAV.

## **MANAGEMENT DISCUSSION OF FUND PERFORMANCE**

### **Recent Developments**

The economic environment heading into 2026 reflects a late-cycle phase marked by slowing but still stable growth, easing inflation, and relatively subdued market volatility. While inflation has moderated, underlying pressures remain persistent, leaving central banks operating close to a neutral stance. This backdrop does not point to an imminent recession, but it also falls short of a sustained soft-landing scenario. Over the medium term, the balance of risk is shifting away from growth and toward the durability of inflation progress. Economic activity remains uneven across regions. In the US, growth softened toward the end of 2025, influenced in part by government layoffs and uneven hiring, though consumer spending, corporate profitability, and credit availability remain supportive. In Canada, growth has been weaker but broadly stable, with headline data, notably stronger employment numbers, masking flat underlying demand. Looking ahead, fiscal stimulus and investment in infrastructure and technology may provide some support, though growth is unlikely to re-accelerate meaningfully in the near term. As a result, central banks are expected to proceed cautiously, balancing near-term flexibility against the risk of undermining inflation credibility.

## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

### Caution regarding forward-looking statements

Certain portions of this report, including, but not limited to, "Results of Operations" and "Recent Developments", may contain forward looking statements including, but not limited to, statements relating to the Fund, its strategy, risks, expected performance and condition. The use of any of the words "anticipate", "may", "will", "expect", "estimate", "should", "believe" and similar expressions are intended to identify forward-looking statements. In addition, any statement that is predictive in nature, that depends upon or refers to future events or conditions, or that may be made concerning future performance, strategies or prospects, and possible future action to be made by the Fund, the Manager and the Fund's portfolio manager, is also a forward-looking statement.

Such statements reflect the opinion of CFI and the Fund's portfolio manager, Connor, Clark & Lunn Investment Management Ltd., regarding factors that might be reasonably expected to affect the performance and the distributions on units of the Fund, and are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, regulatory framework and the general business environment and other relevant information available at the time of this report. Changes in these factors may cause actual results to differ materially from the forward-looking information.

CFI believes that the expectations reflected in these forward-looking statements and in the analysis are reasonable, but no assurance can be given that these expectations or the analysis will prove to be correct and accordingly they should not be unduly relied on. These statements speak only as of the date of this report. Actual events and outcomes may differ materially from those described in these forward-looking statements.

We stress that the above mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing any undue reliance on forward-looking statements. Further, you should know there is no specific intention of updating any forward-looking statements contained therein whether as a result of new information, future events or otherwise.

## **MANAGEMENT DISCUSSION OF FUND PERFORMANCE**

### **Related Party Transactions**

CFI is affiliated with Connor, Clark & Lunn Financial Group Ltd. As disclosed in the prospectus and annual information form, the portfolio manager retained by the Fund, Connor, Clark & Lunn Investment Management Ltd., is also affiliated with Connor, Clark & Lunn Financial Group Ltd. During the year ended December 31, 2025, no additions or deletions were made to the portfolio managers providing services to the Fund.

As Manager, CFI receives management and performance fees with respect to the day-to-day business and operations of the Fund as described in the section entitled “Management and Performance Fees”. These management and performance fees are charged in the normal course of business and are measured at their exchange amount, which approximates that of an arm’s length transaction.

### **Recommendations or reports by the Independent Review Committee**

The Independent Review Committee tabled no special reports and made no reportable material recommendations to the manager of the Fund during the year ended December 31, 2025.

## FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance since inception. This information is derived from the Fund's audited annual financial statements and previous audited financial statements.

### The Fund's Net Assets Attributable to Holders of Redeemable Units per Unit

Series A	DEC 31, 25	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21
Net Assets, beginning of period <sup>(1)</sup>	\$8.21	\$7.96	\$7.92	\$9.32	\$9.68
Increase (decrease) from operations:					
Total revenues	0.34	0.35	0.31	0.33	0.52
Total expenses	(0.19)	(0.21)	(0.22)	(0.23)	(0.34)
Realized gains (losses) for the period	0.07	0.37	(0.07)	(0.62)	0.28
Unrealized gains (losses) for the period	(0.01)	(0.02)	0.24	(0.10)	(0.15)
Total increase (decrease) from operations <sup>(2)</sup>	0.21	0.49	0.26	(0.62)	0.31
Distributions:					
From net investment income (excluding dividends)	-	(0.16)	(0.22)	(0.72)	(0.66)
From dividends	(0.09)	-	-	-	-
From capital gains	(0.04)	-	-	-	(0.01)
Return of capital	(0.12)	(0.09)	(0.02)	-	-
Total distributions <sup>(2,3)</sup>	(0.25)	(0.25)	(0.24)	(0.72)	(0.67)
Net assets at December 31 of year shown <sup>(1,2)</sup>	\$8.14	\$8.21	\$7.96	\$7.92	\$9.32

Series A inception date: February 15, 2019

Series F	DEC 31, 25	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21
Net Assets, beginning of period <sup>(1)</sup>	\$8.67	\$8.32	\$8.19	\$9.54	\$9.78
Increase (decrease) from operations:					
Total revenues	0.36	0.36	0.32	0.35	0.45
Total expenses	(0.13)	(0.13)	(0.12)	(0.13)	(0.19)
Realized gains (losses) for the period	0.14	0.40	(0.14)	(0.76)	0.26
Unrealized gains (losses) for the period	(0.01)	(0.04)	0.33	(0.23)	(0.04)
Total increase (decrease) from operations <sup>(2)</sup>	0.36	0.59	0.39	(0.77)	0.48
Distributions:					
From net investment income (excluding dividends)	-	(0.16)	(0.23)	(0.76)	(0.71)
From dividends	(0.10)	-	-	-	-
From capital gains	(0.04)	-	-	-	(0.01)
Return of capital	(0.12)	(0.09)	(0.02)	-	-
Total distributions <sup>(2,3)</sup>	(0.26)	(0.25)	(0.25)	(0.76)	(0.72)
Net assets at December 31 of year shown <sup>(1,2)</sup>	\$8.69	\$8.67	\$8.32	\$8.19	\$9.54

Series F inception date: February 15, 2019

(1) This information is derived from the Fund's audited annual financial statements prepared in accordance with IFRS Accounting Standards.

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

(3) Distributions were paid to unitholders by way of a combination of both cash payments and reinvestments in additional units of the Fund.

## FINANCIAL HIGHLIGHTS

### The Fund's Net Assets Attributable to Holders of Redeemable Units per Unit

Series I	DEC 31, 25	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21
<b>Net Assets, beginning of period <sup>(1)</sup></b>	<b>\$9.16</b>	<b>\$8.75</b>	<b>\$8.55</b>	<b>\$9.92</b>	<b>\$10.04</b>
<b>Increase (decrease) from operations:</b>					
Total revenues	0.39	0.39	0.34	0.36	0.47
Total expenses	(0.06)	(0.09)	(0.08)	(0.09)	(0.06)
Realized gains (losses) for the period	0.01	0.40	(0.13)	(0.74)	0.30
Unrealized gains (losses) for the period	0.02	(0.01)	0.33	(0.22)	(0.08)
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>0.36</b>	<b>0.69</b>	<b>0.46</b>	<b>(0.69)</b>	<b>0.63</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	(0.17)	(0.24)	(0.80)	(0.74)
From dividends	(0.11)	-	-	-	-
From capital gains	(0.04)	-	-	-	(0.01)
Return of capital	(0.13)	(0.10)	(0.02)	-	-
<b>Total distributions <sup>(2,3)</sup></b>	<b>(0.28)</b>	<b>(0.27)</b>	<b>(0.26)</b>	<b>(0.80)</b>	<b>(0.75)</b>
<b>Net assets at December 31 of year shown <sup>(1,2)</sup></b>	<b>\$9.23</b>	<b>\$9.16</b>	<b>\$8.75</b>	<b>\$8.55</b>	<b>\$9.92</b>

Series I inception date: February 15, 2019

(1) This information is derived from the Fund's audited annual financial statements prepared in accordance with IFRS Accounting Standards.

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

(3) Distributions were paid to unitholders by way of a combination of both cash payments and reinvestments in additional units of the Fund.

## FINANCIAL HIGHLIGHTS

### Ratios & Supplemental Data:

Series A	DEC 31, 25	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21
Total net asset value (000s) <sup>(1)</sup>	\$1,547	\$17	\$267	\$105	\$99
Number of units outstanding <sup>(1)</sup>	190,071	33,874	33,497	13,264	10,663
Management expense ratio <sup>(2)</sup>	1.80%	2.14%	2.27%	2.15%	3.32%
Management expense ratio before waivers or absorption <sup>(3)</sup>	1.80%	2.14%	2.27%	2.15%	3.32%
Portfolio turnover rate <sup>(4)</sup>	777.29%	501.48%	508.71%	480.87%	451.19%
Trading expense ratio <sup>(5)</sup>	0.44%	0.48%	0.44%	0.50%	0.21%
Net asset value per unit	\$8.14	\$8.21	\$7.96	\$7.92	\$9.32

Series A inception date: February 15, 2019

Series F	DEC 31, 25	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21
Total net asset value (000s) <sup>(1)</sup>	\$20,775	\$683	\$925	\$1,630	\$2,782
Number of units outstanding <sup>(1)</sup>	2,391,156	78,797	111,213	199,147	291,593
Management expense ratio <sup>(2)</sup>	0.71%	1.11%	1.08%	0.99%	1.76%
Management expense ratio before waivers or absorption <sup>(3)</sup>	0.71%	1.11%	1.08%	0.99%	1.76%
Portfolio turnover rate <sup>(4)</sup>	777.29%	501.48%	508.71%	480.87%	451.19%
Trading expense ratio <sup>(5)</sup>	0.44%	0.48%	0.44%	0.50%	0.21%
Net asset value per unit	\$8.69	\$8.67	\$8.32	\$8.19	\$9.54

Series F inception date: February 15, 2019

Series I	DEC 31, 25	DEC 31, 24	DEC 31, 23	DEC 31, 22	DEC 31, 21
Total net asset value (000s) <sup>(1)</sup>	\$22,966	\$29,477	\$25,896	\$25,295	\$33,901
Number of units outstanding <sup>(1)</sup>	2,487,821	3,216,914	2,961,119	2,959,236	3,416,269
Management expense ratio <sup>(2)</sup>	0.38%	0.54%	0.49%	0.52%	0.40%
Management expense ratio before waivers or absorption <sup>(3)</sup>	0.38%	0.54%	0.49%	0.52%	0.40%
Portfolio turnover rate <sup>(4)</sup>	777.29%	501.48%	508.71%	480.87%	451.19%
Trading expense ratio <sup>(5)</sup>	0.44%	0.48%	0.44%	0.50%	0.21%
Net asset value per unit	\$9.23	\$9.16	\$8.75	\$8.55	\$9.92

Series I inception date: February 15, 2019

(1) This information is provided as at December 31 of the years shown.

(2) Management expense ratio ("MER") is based on total expenses (including incentive fees, if any; excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(3) The Manager of the Fund, CC&L Funds Inc., may waive certain fees or absorb certain expenses otherwise payable by the Fund. The amount of expenses waived or absorbed is determined periodically on a series by series basis at the discretion of the manager and the manager can terminate the waiver or absorption at any time.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor trades its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a Fund's portfolio turnover in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

(5) The trading expense ratio represents margin interest, borrow fees on investments sold short, total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

## MANAGEMENT AND PERFORMANCE FEES

### Management Fees

The Fund is managed by CFI. As consideration for providing investment advisory and management services, CFI receives a management fee from the Fund, based on the net asset value of the respective series, calculated daily and payable monthly in arrears. In respect of units of all series of the Fund other than Series I, the management fee is paid by the Portfolio to CFI. Management fees in respect of Series I units are arranged directly and charged outside the Portfolio. Management fees on Series I units are not expenses of the Portfolio. CFI uses a portion of management fees to pay for trailing commissions to registered dealers (if applicable) based on amounts invested in the Fund. CFI uses the remaining portion of the management fees to pay for investment advice, including fees charged by the Fund's portfolio manager, and general administration expenses and retains the balance for profit. The following table summarizes the annual management fee rates (excluding GST and HST) of each series of the Fund, expressed as a percentage of the Fund's value, and the portion used for dealer compensation and the portion used for or attributed to investment advice, general administration and profit.

	As a percentage of management fees		
	Annual Rates	Dealer Compensation	Investment advice, administration and profit
Series A	1.45%	68.97%	31.03%
Series F	0.45%	0.00%	100.00%
Series I	0.00%	0.00%	0.00%

### Performance Fees

The Fund pays a quarterly performance fee to the Manager, calculated and accrued daily. The performance fee is based on the performance of a Series of the Fund relative to the performance of the Fund's hurdle and is equal to 15% of the amount by which the Fund outperforms the hurdle. The performance fee is applicable to Series A and Series F units. Unitholders of Series I units may negotiate a performance fee to be paid by the investor directly to the Manager. The FTSE Canada 91 Day T-bill Index return is the hurdle for the Fund.

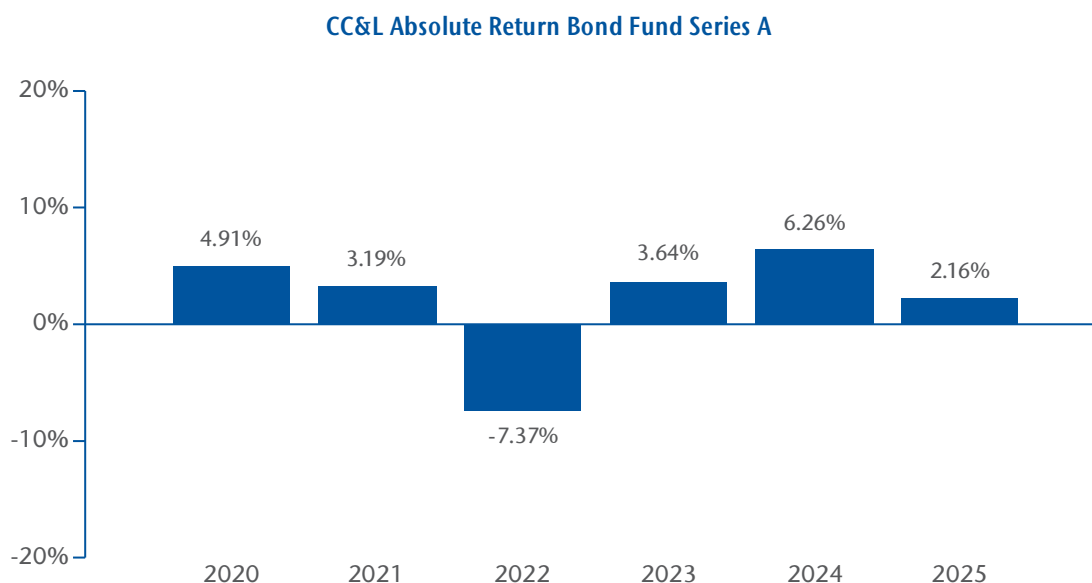
## PAST PERFORMANCE - CC&L ABSOLUTE RETURN BOND FUND SERIES A

### Past Performance

The performance information shown below assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

### Year-by-year Returns

The following bar charts show the Fund's annual performance for each of the years shown and for the twelve-month period ended December 31, 2025 and illustrate how the Fund's performance has changed from period to period. The charts show, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.



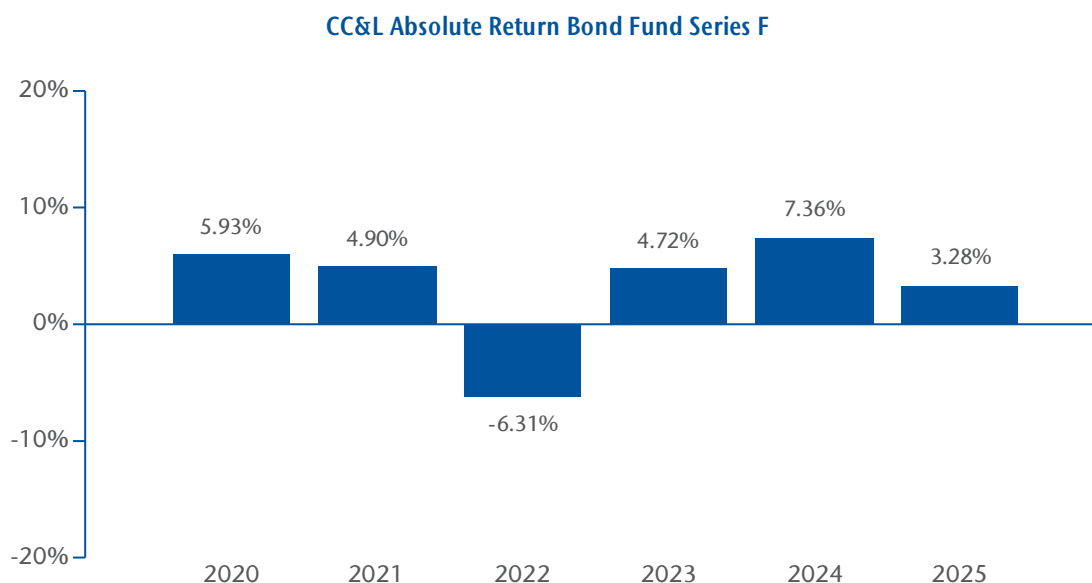
## PAST PERFORMANCE - CC&L ABSOLUTE RETURN BOND FUND SERIES F

### Past Performance

The performance information shown below assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

### Year-by-year Returns

The following bar charts show the Fund's annual performance for each of the years shown and for the twelve-month period ended December 31, 2025 and illustrate how the Fund's performance has changed from period to period. The charts show, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.



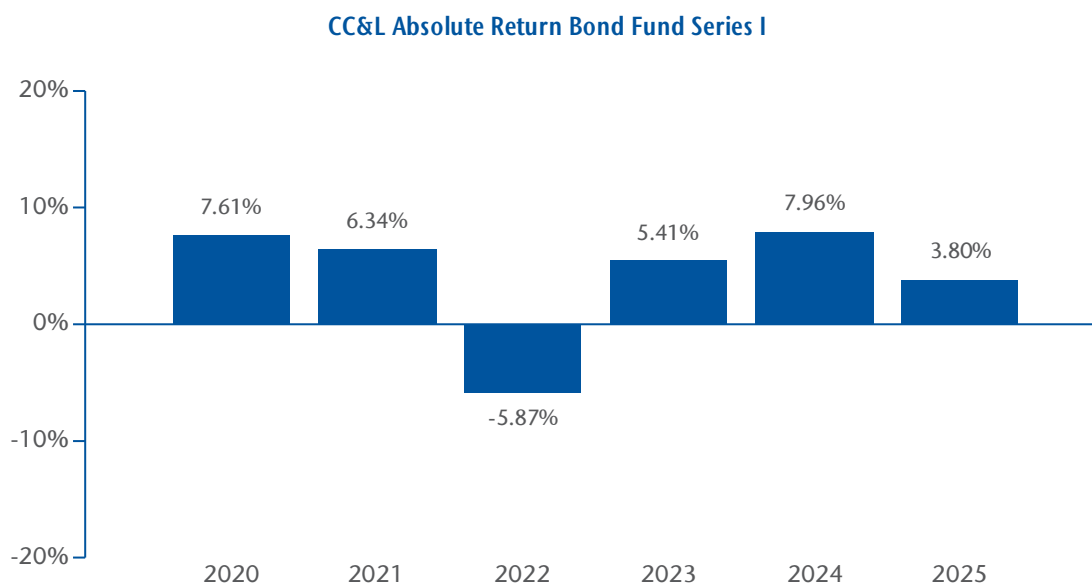
## PAST PERFORMANCE - CC&L ABSOLUTE RETURN BOND FUND SERIES I

### Past Performance

The performance information shown below assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. Note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the Fund has performed in the past does not necessarily indicate how it will perform in the future.

### Year-by-year Returns

The following bar charts show the Fund's annual performance for each of the years shown and for the twelve-month period ended December 31, 2025 and illustrate how the Fund's performance has changed from period to period. The charts show, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.



## PAST PERFORMANCE

### Annual Compound Returns

The table below shows past performance for the last one, three, five and ten year financial periods, as applicable, for each series of the Fund, relative to the performance of relevant broad-based securities market index during the same periods.

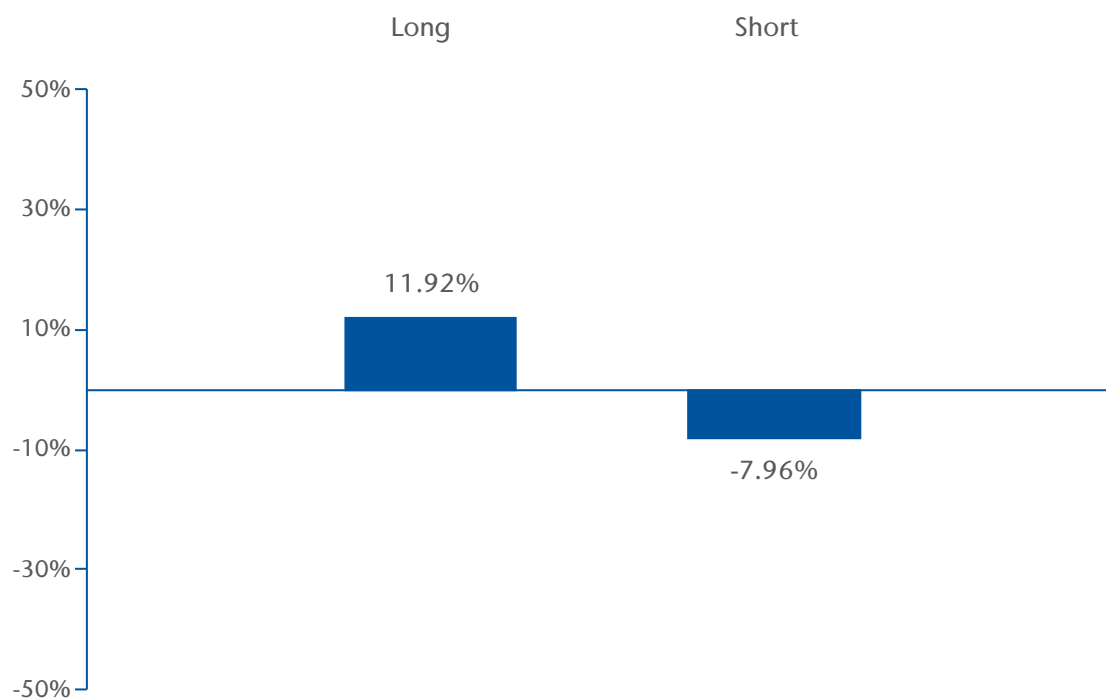
CC&L Absolute Return Bond Fund	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
<b>CC&amp;L Absolute Return Bond Fund Series A</b>	2.16%	4.01%	1.46%	-	1.84%	May-31-19
<b>Benchmark *</b>	2.84%	4.15%	2.88%	-	2.46%	May-31-19
<b>CC&amp;L Absolute Return Bond Fund Series F</b>	3.28%	5.10%	2.67%	-	2.96%	May-31-19
<b>Benchmark *</b>	2.84%	4.15%	2.88%	-	2.46%	May-31-19
<b>CC&amp;L Absolute Return Bond Fund Series I</b>	3.80%	5.71%	3.41%	-	3.87%	May-31-19
<b>Benchmark *</b>	2.84%	4.15%	2.88%	-	2.46%	May-31-19

\* The benchmark is FTSE Canada 91 Day TBill Index in Canadian Dollars. Index from May 2019.

On March 31, 2025, the CC&L Absolute Return Bond Fund changed its name, the previous name was the CC&L Alternative Income Fund. Inception date is the inception date of CC&L Alternative Income Fund of May 2019.

## PAST PERFORMANCE

The following bar chart shows the performance of the Fund's long and short portfolio positions for the period from January 1, 2025 to December 31, 2025 before deducting fees and expenses and before the impact of other assets less liabilities.



## SUMMARY OF INVESTMENT PORTFOLIO

Below is a breakdown of the Fund's investment holdings as at December 31, 2025. The individual holdings and their relative percentage of the overall fund will change between reporting periods as markets change and the portfolio manager buys and sells individual securities.

Top 25 Investments - Long		% of Net Asset Value	Top 25 Investments - Short		% of Net Asset Value
1	Canada 2.75% 2055.12.01	10.2	1	Ontario 4.60% 2055.12.02	(14.4)
2	Ontario 2.05% 2030.06.02	8.3	2	Canada 3.25% 2035.06.01	(11.6)
3	Ontario 1.35% 2030.12.02	7.2	3	Concentra Escrow Issuer 6.88% 2032.07.15	(3.9)
4	Canada 2.75% 2030.09.01	5.6	4	Dell Int Llc / Emc Corp 5.50% 2035.04.01	(2.9)
5	Avolon Holdings Fndg Ltd 5.75% 2029.11.15	4.3	5	Sirius Xm Radio Inc 5.50% 2029.07.01	(2.4)
6	Granite Reit Holdings Lp 4.35% 2031.10.04	4.0	6	Sonic Automotive Inc 4.88% 2031.11.15	(2.1)
7	Dream Summit Industrial 5.11% 2029.02.12	3.4	7	Asbury Automotive Group 4.63% 2029.11.15	(1.9)
8	Sunoco Lp 4.50% 2029.10.01	3.0	8	Verizon Communications (Green Bond) 5.05% 2033.05.09	(1.8)
9	ARC RESOURCES LTD 4.41% 2032.06.17	3.0	9	Adapthealth Llc 4.63% 2029.08.01	(1.8)
10	Albertsons Cos/Safeway 3.50% 2029.03.15	2.9	10	Encompass Health Corp 4.75% 2030.02.01	(1.7)
11	Ford Credit Canada Co 5.67% 2030.02.20	2.7	11	Performance Food Group I 6.13% 2032.09.15	(1.6)
12	Ford Credit Canada Co 5.24% 2028.05.23	2.5	12	Wolverine World Wide 4.00% 2029.08.15	(1.5)
13	Lifepoint Health Inc 10.00% 2032.06.01	2.3	13	Loblaw Cos Ltd 5.34% 2052.09.13	(1.5)
14	Brookfield Renewable Par (Green Bond) 5.88% 2032.11.09	2.3	14	Hydro One Inc 4.85% 2054.11.30	(1.5)
15	Cogeco Communications 6.13% 2029.02.27	2.2	15	Calgary Airport Authorit 3.55% 2053.10.07	(1.4)
16	Goeasy Ltd 7.38% 2030.10.01	2.1	16	T-Mobile Usa Inc 5.05% 2033.07.15	(1.3)
17	Telus Corp 5.00% 2029.09.13	2.0	17	Nordstrom Inc 4.38% 2030.04.01	(1.3)
18	Ardagh Metal Packaging 3.25% 2028.09.01	2.0	18	United Rentals North Am 6.13% 2034.03.15	(1.3)
19	Canada 3.50% 2057.12.01	2.0	19	Buy Protection on MARKIT CDX.NA.HY.45.5Y.V1 12/30	(1.3)
20	Allied Properties Reit 3.39% 2029.08.15	1.9	20	Us Treasury N/B 4.25% 2035.08.15	(1.2)
21	SNC-Lavalin Group Inc. 5.70% 2029.03.26	1.9	21	Lithia Motors Inc 4.38% 2031.01.15	(1.2)
22	Inter Pipeline Ltd 6.38% 2033.02.17	1.8	22	Verizon Communications 3.55% 2051.03.22	(1.2)
23	Rogers Communications In 5.70% 2028.09.21	1.8	23	Davita Inc 3.75% 2031.02.15	(1.2)
24	Royal Bank Of Canada 4.21% 2030.07.03	1.7	24	Nordstrom Inc 4.25% 2031.08.01	(1.1)
25	Bell Canada 5.15% 2028.11.14	1.7	25	American Airlines/Aadvan 5.75% 2029.04.20	(1.1)
Top long positions as a percentage of total net asset value		82.9	Top short positions as a percentage of total net asset value		(64.4)

Portfolio Allocation	% of Net Asset Value		
	Long	Short	Net
Short-term investments	5.4	-	5.4
Bonds	183.4	(90.9)	92.5
Futures contracts*	0.1	(0.2)	(0.1)
Currency forward contracts	0.2	(0.1)	0.1
Credit default swaps	-	-	-
Other assets less liabilities	2.1	-	2.1
	191.2	(91.2)	100.0

Sector Allocation	% of Net Asset Value		
	Long	Short	Net
Corporate bonds	149.1	(63.6)	85.5
Canadian government bonds	34.3	(27.3)	7.0
Short-term investments	5.4	-	5.4
Futures contracts*	0.1	(0.2)	(0.1)
Currency forward contracts	0.2	(0.1)	0.1
Credit default swaps	-	-	-
Other assets less liabilities	2.1	-	2.1
	191.2	(91.2)	100.0

Note: The investments and percentages may have changed by the time you purchase units of this Fund. The top 25 investment holdings are made available quarterly, 60 days after quarter end.

\* - Notional principal values represent of total net assets (7.7%) for OSE Japanese 10 Year Bond Futures, 35.9% for Canadian 2 Year Bond Futures, 6.4% for Euro French Government Bond (OAT) Futures, (1.7%) for US 5 Year T-Note Futures, 0.3% for Canadian 10 Year Bond Futures, 13.6% for US 10 Year T-Note Futures and (41.8%) for Canadian 5-Year Bond Futures.

## SUMMARY OF INVESTMENT PORTFOLIO

Net Currency Exposure	% of Net Asset Value
Canadian dollar	99.8
U.S. Dollar	0.1
Japanese Yen	0.1
	<u>100.0</u>

Bonds by Credit Rating*	% of Net Asset Value
AAA	25.0
AA	16.6
A	3.7
BBB	87.7
BB	40.4
B	10.6
CCC	4.0
NR	1.0
	<u>189.0</u>

Regional Allocation	% of Net Asset Value		
	Long	Short	Net
United States	37.5	(45.5)	(8.0)
Canada	135.9	(44.9)	91.0
Foreign	10.0	(0.5)	9.5
Short-term investments	5.4	-	5.4
Futures contracts*	0.1	(0.2)	(0.1)
Currency forward contracts	0.2	(0.1)	0.1
Credit default swaps	-	-	-
Other assets less liabilities	2.1	-	2.1
	<u>191.2</u>	<u>(91.2)</u>	<u>100.0</u>

Note: The investments and percentages may have changed by the time you purchase units of this Fund. The top 25 investment holdings are made available quarterly, 60 days after quarter end.

\* - Credit ratings are determined from a composite of bond rating services such as Standard & Poor's, Moody's and Dominion Bond Rating Services.

\* - Notional principal values represent of total net assets (7.7%) for OSE Japanese 10 Year Bond Futures, 35.9% for Canadian 2 Year Bond Futures, 6.4% for Euro French Government Bond (OAT) Futures, (1.7%) for US 5 Year T-Note Futures, 0.3% for Canadian 10 Year Bond Futures, 13.6% for US 10 Year T-Note Futures and (41.8%) for Canadian 5-Year Bond Futures.