CC&L Diversified Income Fund

Interim Management Report of Fund Performance

For the period ended June 30, 2026

This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or 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, or SEDAR+ at 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 Fund disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

As at June 30, 2026, the CC&L Diversified Income Fund (the "Fund") held $15.7 million in total net assets. For the period ended June 30, 2026, investors in Series A units in the Fund experienced a return of 5.15%. The blended benchmark for the Fund (25% FTSE Canada Universe Bond Index, 25% S&P/TSX Composite Index, 25% MSCI World Index Net (CAD$) and 25% FTSE Canada Short Term Overall Bond Index) returned 7.20% over that period. The performance of Series F, Series O, Arbour Series and Reserve Series units varied due to the differences in their expense structures. For specific returns by series, please refer to the "Past Performance" section of this report.

The Fund's Net Assets decreased by 1.9% or $0.3 million during the period, from $16.0 million on January 1, 2026, to $15.7 million on June 30, 2026. This change in Net Assets resulted from a decrease of $1.1 million due to net redemptions and a decrease of $0.05 million due to distributions and an increase of $0.8 million due to investment operations, including market volatility, income and expense.

The Fund remains broadly diversified across a number of asset classes. The chart below shows the asset allocation of the fund as at June 30, 2026 and December 31, 2025.

Asset Class	Fund Manager (1)	Asset Allocation (June 30, 2026)	Asset Allocation (Dec 31, 2025)	Change
Fixed income (core)	CCLIM	23.7%	23.9%	-0.2%
Fixed income (short-term)	BGA	23.4%	23.8%	-0.4%
Canadian equity (income & growth)	CCLIM	27.1%	26.8%	+0.3%
Global equity (income & growth)	NS	25.6%	25.2%	+0.4%

(1) Fund Managers

BGA: Baker, Gilmore & Associates Inc.

CCLIM: Connor, Clark & Lunn Investment Management Ltd.

NS: NS Partners Ltd.

The individual Fund managers of the different asset classes will have achieved various levels of performance throughout the period. The impact of their out or underperformance relative to their policy benchmarks will impact the Fund returns as a whole.

For the six-month period ended June 30, 2026, the Diversified Income Fund returned 5.15%. Canadian equities were the top performing component within the Fund, gaining 13.34% and global equities were up 8.02%. Within fixed income, short-term bonds returned 1.57%, while universe bonds delivered a 2.49% return.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Recent Developments

The first half of 2026 was characterized by a sharp shift in market sentiment. The year began with resilient economic growth, stable labour markets and easing inflation, but sentiment deteriorated through the first quarter as geopolitical tensions intensified, U.S. trade and immigration policy uncertainty increased, and conflict involving Iran drove a sharp spike in oil prices and renewed inflation concerns. Conditions improved markedly in the second quarter as progress toward a ceasefire in the Middle East helped stabilize markets and Brent crude retraced much of its earlier gains, allowing investor attention to return to resilient economic fundamentals. At the same time, continued strength in AI-related investment supported capital spending, corporate earnings and risk appetite, contributing to a strong recovery in global equity markets.

Equity market performance reflected these changing conditions. Canadian equities proved relatively resilient in the first quarter, benefiting from commodity exposure, before advancing a further 7.0% in the second quarter. U.S. and global equities, which declined during the first quarter, rebounded strongly in the second as technology stocks led markets higher, while emerging markets significantly outperformed over the six-month period, supported by semiconductor and information technology hardware companies. For the first half of 2026, emerging markets rose an impressive 28.4% (in C$), followed by global equities (MSCI ACWI) and Canadian equities which gained 15.1% (in C$) and 11.2%, respectively.

Fixed income markets were similarly shaped by changing macroeconomic expectations. The first quarter saw bond yields move higher as markets reassessed inflation risks following the surge in energy prices, while credit spreads widened modestly. In the second quarter, Canadian bond yields declined as domestic growth softened, whereas U.S. yields continued to rise amid stronger economic data and a more hawkish US Federal Reserve. Credit spreads tightened over the period. For the first half of the year, the FTSE Canada Universe Bond Index delivered a 2.2% return.

Commodity and currency markets were highly influenced by geopolitical developments during the first half of 2026. Energy prices surged in the first quarter following the outbreak of hostilities involving Iran, while precious metals remained higher overall despite retreating from the record levels reached in January. As geopolitical tensions eased and ceasefire negotiations progressed in the second quarter, oil prices fell sharply to below US$75 per barrel, although industrial metal prices remained resilient. In currency markets, the U.S. dollar strengthened against most major currencies, including the Canadian dollar, over both quarters, supported by relatively stronger U.S. economic growth and a more restrictive monetary policy outlook.

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 Fund manager, is also a forward-looking statement.

Such statements reflect the opinion of CFI and the Fund’s Fund manager, Connor, Clark & Lunn (One) Ltd., Connor, Clark & Lunn Investment Management Ltd., Baker Gilmore & Associates Inc., Global Alpha Capital Management Ltd., NS Partners Ltd., PCJ Investment Counsel Ltd., and Sheer, Rowlett & Associates 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, the Fund manager retained by the Fund, Connor, Clark & Lunn (One) Ltd., Connor, Clark & Lunn Investment Management Ltd., Baker Gilmore & Associates Inc., Global Alpha Capital Management Ltd., NS Partners Ltd., PCJ Investment Counsel Ltd., and Scheer, Rowlett & Associates Investment Management Ltd., is also affiliated with Connor, Clark & Lunn Financial Group Ltd. During the period ended June 30, 2026, no additions or deletions were made to the Fund managers providing services to the Fund.

As Manager, CFI receives management fees with respect to the day-to-day business and operations of the Fund as described in the section entitled “Management Fees”. These management 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 period ended June 30, 2026.

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 unaudited interim financial statements and annual audited financial statements.

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

Series A	JUN 30, 2026	DEC 31, 2025	Dec 31, 2024	DEC 31, 2023	DEC 31, 2022	DEC 31, 2021
Net Assets, beginning of Period (1)	**$13.93**	**$13.46**	**$12.43**	**$11.98**	**$13.38**	**$12.68**
Increase (decrease) from operations:						
Total revenues	0.24	0.42	0.27	0.47	0.40	0.31
Total expenses	(0.21)	(0.46)	(0.29)	(0.41)	(0.38)	(0.40)
Realized gains(losses) for the period	0.82	1.13	1.15	0.46	(0.05)	0.72
Unrealized gains (losses) for the period	(0.14)	(0.14)	0.13	0.01	(1.34)	0.33
Total increase (decrease) from operations (2)	**0.71**	**0.95**	**1.26**	**0.53**	**(1.37)**	**0.96**
Distributions:						
From net investment income (excluding dividends)	(0.04)	-	-	(0.01)	-	-
From dividends	-	-	(0.02)	(0.08)	(0.10)	-
From capital gains	-	(0.49)	(0.23)	-	-	(0.27)
Return of capital	-	-	-	-	-	-
Total distributions (2,3)	**(0.04)**	**(0.49)**	**(0.25)**	**(0.09)**	**(0.10)**	**(0.27)**
Net assets at June 30 or December 31 of the year shown (1,2)	**$14.60**	**$13.93**	**$13.46**	**$12.43**	**$11.98**	**$13.38**

Series A inception date: February 1, 2006

Series F	JUN 30, 2026	DEC 31, 2025	Dec 31, 2024	DEC 31, 2023	DEC 31, 2022	DEC 31, 2021
Net Assets, beginning of Period (1)	**$16.59**	**$15.96**	**$15.24**	**$14.68**	**$16.26**	**$14.95**
Increase (decrease) from operations:						
Total revenues	0.29	0.50	0.33	0.58	0.50	0.37
Total expenses	(0.16)	(0.31)	(0.21)	(0.34)	(0.31)	(0.31)
Realized gains(losses) for the period	0.98	1.35	1.45	0.57	(0.08)	0.87
Unrealized gains (losses) for the period	(0.17)	(0.19)	0.13	0.06	(1.47)	0.30
Total increase (decrease) from operations (2)	**0.94**	**1.35**	**1.70**	**0.87**	**(1.36)**	**1.23**
Distributions:						
From net investment income (excluding dividends)	(0.07)	-	-	(0.06)	-	-
From dividends	-	-	(0.11)	(0.22)	(0.15)	-
From capital gains	-	(0.76)	(0.87)	-	-	(0.01)
Return of capital	-	-	-	-	-	-
Total distributions (2,3)	**(0.07)**	**(0.76)**	**(0.98)**	**(0.28)**	**(0.15)**	**(0.01)**
Net assets at June 30 or December 31 of the year shown (1,2)	**$17.47**	**$16.59**	**$15.96**	**$15.24**	**$14.68**	**$16.26**

Series F inception date: February 15, 2009

(1) This information is derived from the Fund's audited annual financial statements for prior periods, and from the interim unaudited semi-annual statements for the current period ended June 30, 2026, 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 oustanding over the financial period. This table is not meant to be a reconciliation of beginning to ending net assets per unit.

(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 O	JUN 30, 2026	DEC 31, 2025	Dec 31, 2024	DEC 31, 2023	DEC 31, 2022	DEC 31, 2021
Net Assets, beginning of Period (1)	**$16.21**	**$15.74**	**$14.15**	**$13.69**	**$15.17**	**$14.28**
Increase (decrease) from operations:						
Total revenues	0.28	0.49	0.34	0.54	0.46	0.36
Total expenses	(0.16)	(0.36)	(0.17)	(0.32)	(0.29)	(0.30)
Realized gains(losses) for the period	0.95	1.35	1.26	0.52	(0.06)	0.81
Unrealized gains (losses) for the period	(0.16)	(0.19)	0.16	0.01	(1.49)	0.38
Total increase (decrease) from operations (2)	**0.91**	**1.29**	**1.59**	**0.75**	**(1.38)**	**1.25**
Distributions:						
From net investment income (excluding dividends)	(0.06)	-	-	(0.06)	-	-
From dividends	-	-	(0.07)	(0.20)	(0.14)	-
From capital gains	-	(0.84)	-	(0.06)	-	(0.36)
Return of capital	-	-	-	-	-	-
Total distributions (2,3)	**(0.06)**	**(0.84)**	**(0.07)**	**(0.32)**	**(0.14)**	**(0.36)**
Net assets at June 30 or December 31 of the year shown (1,2)	**$17.06**	**$16.21**	**$15.74**	**$14.15**	**$13.69**	**$15.17**

Series O inception date: August 30, 2007

Series Arbour	JUN 30, 2026	DEC 31, 2025	Dec 31, 2024	DEC 31, 2023	DEC 31, 2022	DEC 31, 2021
Net Assets, beginning of Period (1)	**$11.75**	**$11.79**	**$11.01**	**$10.85**	**$12.16**	**$11.34**
Increase (decrease) from operations:						
Total revenues	0.20	0.37	0.25	0.43	0.37	0.28
Total expenses	(0.35)	(0.47)	(0.33)	(0.41)	(0.39)	(0.40)
Realized gains(losses) for the period	0.69	1.00	1.01	0.41	(0.05)	0.65
Unrealized gains (losses) for the period	(0.12)	(0.14)	0.09	0.02	(1.19)	0.28
Total increase (decrease) from operations (2)	**0.42**	**0.76**	**1.02**	**0.45**	**(1.26)**	**0.81**
Distributions:						
From net investment income (excluding dividends)	(0.05)	-	-	(0.01)	-	-
From dividends	-	-	(0.01)	(0.05)	(0.08)	-
From capital gains	-	(0.75)	(0.29)	(0.23)	-	-
Return of capital	-	-	-	-	-	-
Total distributions (2,3)	**(0.05)**	**(0.75)**	**(0.30)**	**(0.29)**	**(0.08)**	**-**
Net assets at June 30 or December 31 of the year shown (1,2)	**$12.17**	**$11.75**	**$11.79**	**$11.01**	**$10.85**	**$12.16**

Series Arbour inception date: August 22, 2006

(1) This information is derived from the Fund's audited annual financial statements for prior periods, and from the interim unaudited semi-annual statements for the current period ended June 30, 2026, 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 oustanding over the financial period. This table is not meant to be a reconciliation of beginning to ending net assets per unit.

(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 Reserve	JUN 30, 2026	DEC 31, 2025	Dec 31, 2024	DEC 31, 2023	DEC 31, 2022	DEC 31, 2021
Net Assets, beginning of Period [(1)]	**$16.63**	**$16.36**	**$15.48**	**$15.26**	**$17.07**	**$15.88**
Increase (decrease) from operations:						
Total revenues	0.29	0.51	0.34	0.60	0.51	0.40
Total expenses	(0.30)	(0.84)	-	(0.54)	(0.52)	(0.52)
Realized gains(losses) for the period	0.98	1.38	1.39	0.58	(0.06)	0.93
Unrealized gains (losses) for the period	(0.17)	(0.17)	0.20	0.03	(1.75)	0.28
Total increase (decrease) from operations [(2)]	**0.80**	**0.88**	**1.93**	**0.67**	**(1.82)**	**1.09**
Distributions:						
From net investment income (excluding dividends)	(0.05)	-	-	(0.02)	-	-
From dividends	-	-	(0.02)	(0.10)	(0.12)	-
From capital gains	-	(0.66)	(1.05)	(0.33)	-	-
Return of capital	-	-	-	-	-	-
Total distributions [(2,3)]	**(0.05)**	**(0.66)**	**(1.07)**	**(0.45)**	**(0.12)**	**-**
Net assets at June 30 or December 31 of the year shown [(1,2)]	**$17.38**	**$16.63**	**$16.36**	**$15.48**	**$15.26**	**$17.07**

Series Reserve inception date: May 13, 2009

(1) This information is derived from the Fund's audited annual financial statements for prior periods, and from the interim unaudited semi-annual statements for the current period ended June 30, 2026, 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 oustanding over the financial period. This table is not meant to be a reconciliation of beginning to ending net assets per unit.

(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	JUN 30, 2026	DEC 31, 2025	Dec 31, 2024	DEC 31, 2023	DEC 31, 2022	DEC 31, 2021
Total net asset value (000s) (1)	$9,441	$10,004	$11,105	$12,715	$14,371	$18,547
Number of units outstanding (1)	646,553	718,400	825,230	1,022,762	1,199,852	1,386,042
Management expense ratio (2)	2.87%	3.24%	2.23%	3.18%	2.98%	2.86%
Management expense ratio before waivers or absorption (3)	2.87%	3.24%	2.23%	3.18%	2.98%	2.86%
Portfolio turnover rate (4)	66.12%	144.71%	119.46%	134.89%	154.70%	108.93%
Trading expense ratio (5)	0.06%	0.05%	0.00%	0.04%	0.07%	0.10%
Net asset value per unit	$14.60	$13.93	$13.46	$12.43	$11.98	$13.38

Series A inception date: February 1, 2006

Series F	JUN 30, 2026	DEC 31, 2025	Dec 31, 2024	DEC 31, 2023	DEC 31, 2022	DEC 31, 2021
Total net asset value (000s) (1)	$1,505	$1,481	$1,604	$1,362	$1,584	$1,615
Number of units outstanding (1)	86,135	89,283	100,527	89,390	107,925	99,348
Management expense ratio (2)	1.72%	1.76%	1.25%	2.11%	1.90%	1.81%
Management expense ratio before waivers or absorption (3)	1.72%	1.76%	1.25%	2.11%	1.90%	1.81%
Portfolio turnover rate (4)	66.12%	144.71%	119.46%	134.89%	154.70%	108.94%
Trading expense ratio (5)	0.06%	0.05%	0.00%	0.04%	0.07%	0.10%
Net asset value per unit	$17.47	$16.59	$15.96	$15.24	$14.68	$16.26

Series F inception date: September 14, 2009

Series O	JUN 30, 2026	DEC 31, 2025	Dec 31, 2024	DEC 31, 2023	DEC 31, 2022	DEC 31, 2021
Total net asset value (000s) (1)	$3,635	$3,423	$3,372	$4,948	$5,586	$6,679
Number of units outstanding (1)	213,020	211,171	214,193	349,795	408,082	440,416
Management expense ratio (2)	1.80%	2.12%	1.05%	2.15%	1.95%	1.86%
Management expense ratio before waivers or absorption (3)	1.80%	2.12%	1.05%	2.15%	1.95%	1.86%
Portfolio turnover rate (4)	66.12%	144.71%	119.46%	134.89%	154.70%	108.94%
Trading expense ratio (5)	0.06%	0.05%	0.00%	0.04%	0.07%	0.10%
Net asset value per unit	$17.06	$16.21	$15.74	$14.15	$13.69	$15.17

Series O inception date: August 30, 2007

(1) This information is provided as at June 30 or December 31 of the years shown.

(2) Management expense ratio is based on total expenses (excluding margin interest, 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 or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated 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.

FINANCIAL HIGHLIGHTS

Ratios & Supplemental Data:

Series Arbour	JUN 30, 2026	DEC 31, 2025	Dec 31, 2024	DEC 31, 2023	DEC 31, 2022	DEC 31, 2021
Total net asset value (000s) (1)	$99	$100	$101	$120	$123	$147
Number of units outstanding (1)	8,141	8,440	8,557	10,927	11,327	12,048
Management expense ratio (2)	4.80%	3.79%	2.79%	3.57%	3.41%	3.25%
Management expense ratio before waivers or absorption (3)	4.80%	3.79%	2.79%	3.57%	3.41%	3.25%
Portfolio turnover rate (4)	66.12%	144.71%	119.46%	134.89%	154.70%	108.93%
Trading expense ratio (5)	0.06%	0.05%	0.00%	0.04%	0.07%	0.10%
Net asset value per unit	$12.17	$11.75	$11.77	$11.01	$10.85	$12.16

Arbour Series inception date: August 22, 2006

Series Reserve	JUN 30, 2026	DEC 31, 2025	Dec 31, 2024	DEC 31, 2023	DEC 31, 2022	DEC 31, 2021
Total net asset value (000s) (1)	$1,009	$994	$1,102	$1,288	$1,301	$1,755
Number of units outstanding (1)	58,048	59,753	67,366	83,220	85,273	102,783
Management expense ratio (2)	3.53%	4.94%	0.00%	3.35%	3.15%	3.03%
Management expense ratio before waivers or absorption (3)	3.53%	4.94%	0.00%	3.52%	3.31%	3.19%
Portfolio turnover rate (4)	66.12%	144.71%	119.46%	134.89%	154.70%	108.94%
Trading expense ratio (5)	0.06%	0.05%	0.00%	0.04%	0.07%	0.10%
Net asset value per unit	$17.38	$16.63	$16.36	$15.48	$15.26	$17.07

Reserve Series inception date: May 13, 2009

(1) This information is provided as at June 30 or December 31 of the years shown.

(2) Management expense ratio is based on total expenses (excluding margin interest, 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 or absorb a portion of the operating expenses of the Fund. Waivers and absorption can be terminated 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 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 Fund to CFI. Management fees in respect of Series I units are arranged directly and charged outside the Fund. Management fees on Series I units are not expenses of the Fund. 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	1.95%	48.72%	51.28%
Series F	1.00%	0.00%	100.00%
Series I	0.00%	0.00%	0.00%
Series O	1.00%	0.00%	100.00%
Reserve Series	2.05%	48.79%	51.21%
Arbour Series	2.24%	51.34%	48.66%

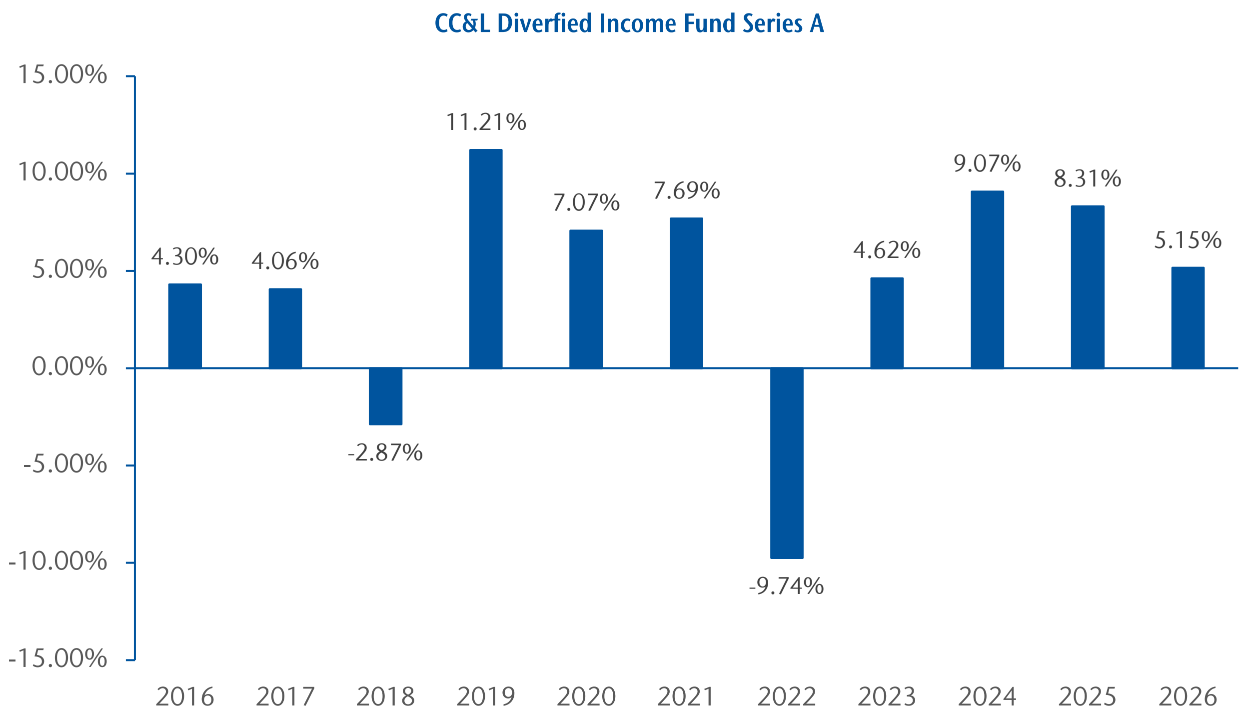
PAST PERFORMANCE

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 six-month period ended June 30, 2026 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

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.

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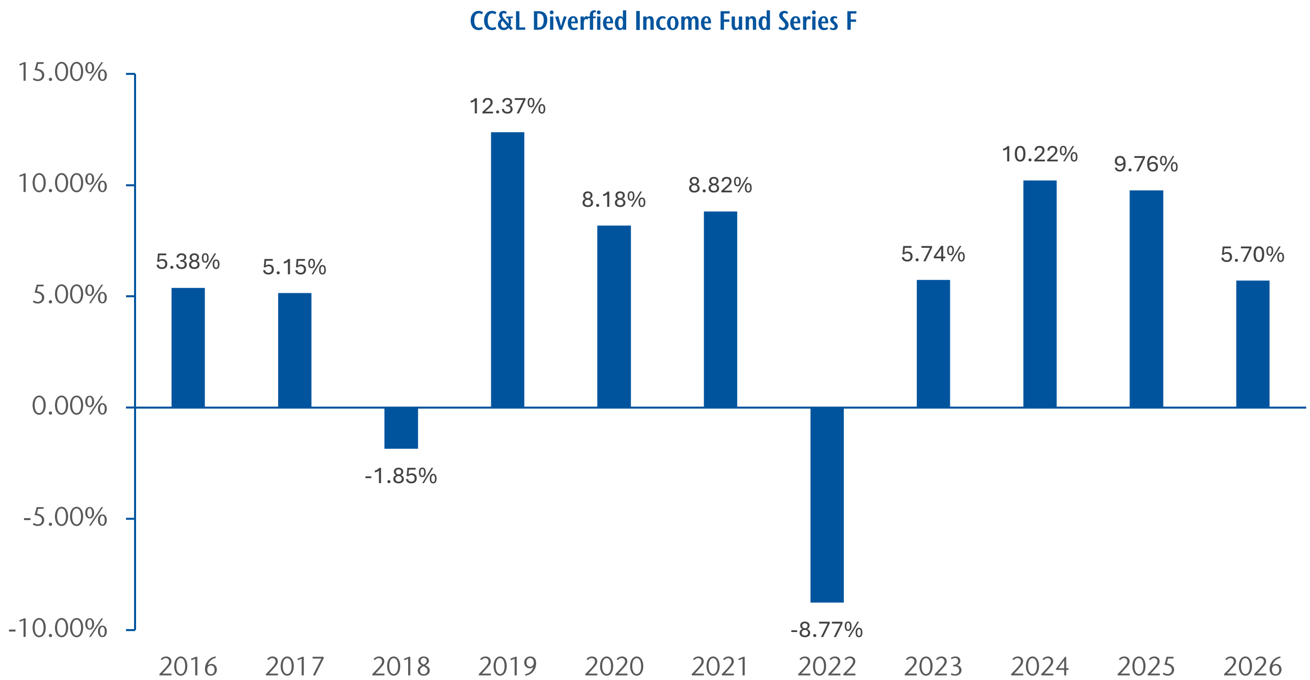

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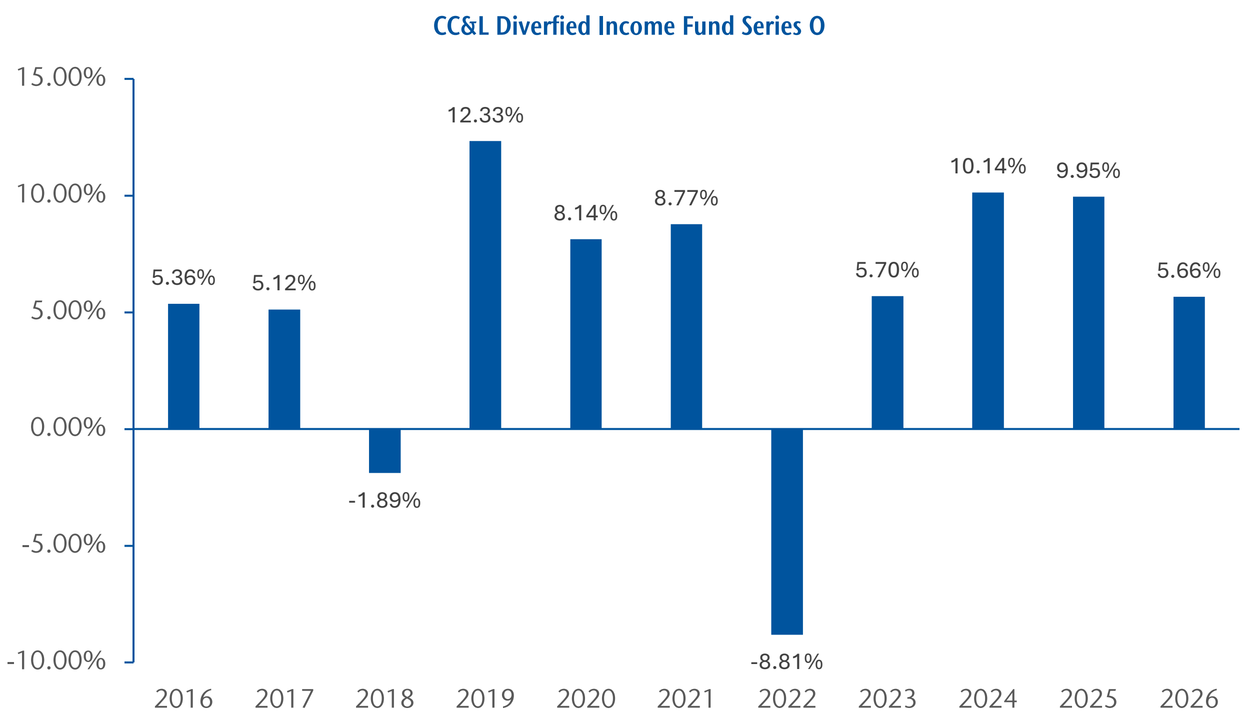

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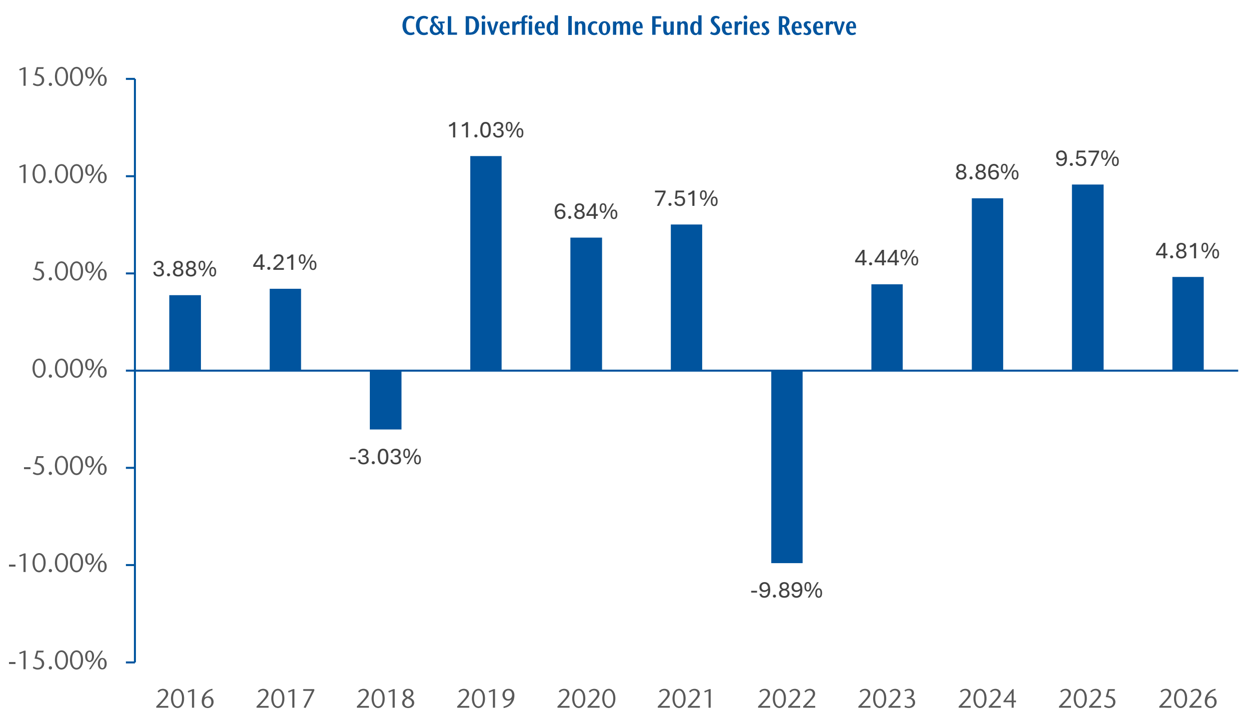

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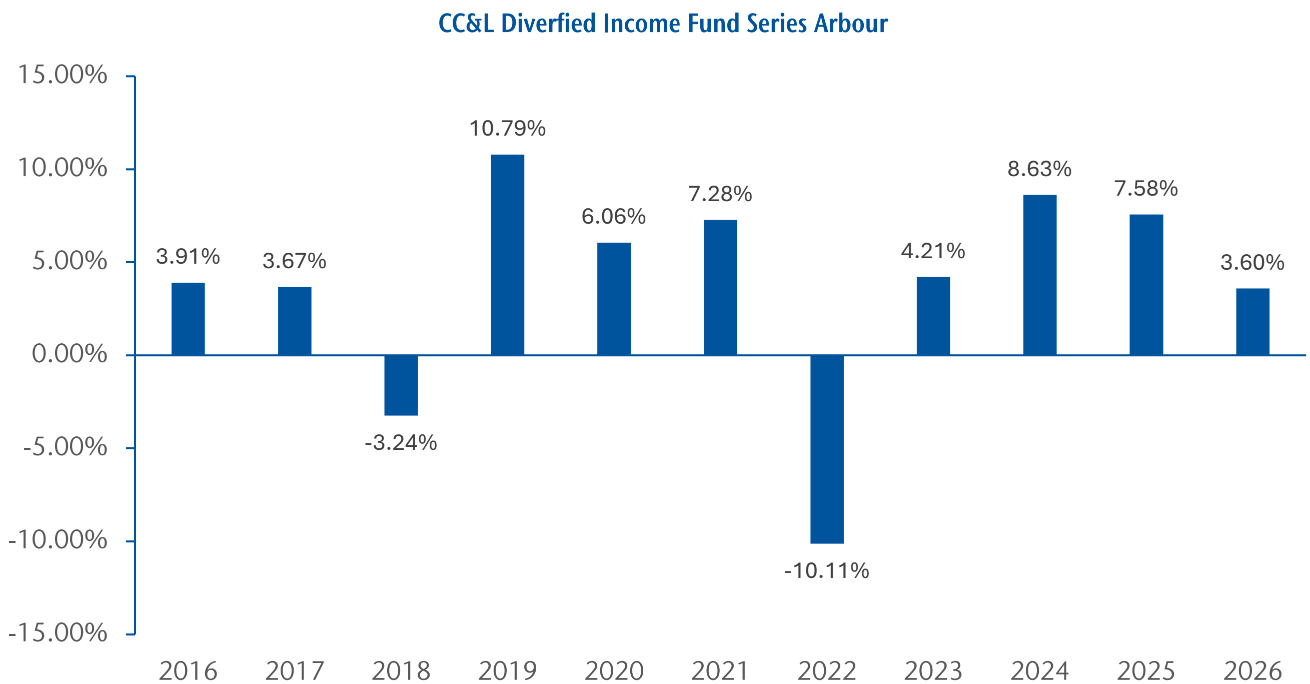

SUMMARY OF INVESTMENT FUND

Below is a breakdown of the Fund's investment holdings as at June 30, 2026. The individual holdings and their relative percentage of the overall fund will change between reporting periods as markets change and the Fund manager buys and sells individual securities.

Asset Mix	% of Net Asset Value
Canadian equities	26.8
U.S. equities	17.2
Foreign equities	9.2
Fixed income	45.4
Short-term investments	2.4
Other assets less liabilities	(1.0)
	100.0

Sector Allocation	% of Net Asset Value
Communication services	2.7
Consumer discretionary	2.5
Consumer staples	1.9
Energy	5.2
Financials	15.4
Health care	2.7
Industrials	6.4
Information technology	7.2
Materials	4.2
Real estate	1.2
Utilities	3.8
Fixed income	45.4
Short-term investments	2.4
Other assets less liabilities	(1.0)
	100.0

	Top 25 Investments	% of Net Asset Value
1	Canada 4.25% 2026.12.01	3.0
2	Royal Bank of Canada	2.7
3	Toronto-Dominion Bank	2.1
4	Alphabet Inc - Cl C	1.6
5	National Bank Canada 2.237%	1.4
6	Sun Life Financial 2.46% 2026.11.18	1.4
7	Apple Inc.	1.3
8	Royal Bank of Canada 2.14%	1.3
9	Microsoft Corp.	1.2
10	NVIDIA Corp.	1.1
11	Canadian Pacific Kansas City Ltd	1.1
12	Suncor Energy Inc.	1.0
13	Canada 3.5% 2057.12.01	1.0
14	TC Energy Corp	0.9
15	Agnico Eagle Mines Ltd	0.9
16	Canadian Imperial Bank of Commerce	0.9
17	Great West Lifeco	0.9
18	Canada 3.25% 2028.09.01	0.9
19	Canada 1.75% 2053.12.01	0.9
20	Toronto-Dominion Bank 5.423%	0.8
21	Bank of Montreal	0.8
22	Manulife Financial Corp.	0.7
23	CIBC	0.7
24	Quebec 5.0% 2041.12.01	0.7
25	Quebec 3.25% 2032.09.01	0.7
		30.0

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.