

2022

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2022

Offered by Educators Financial Group
Portfolio Manager: Fiera Capital Inc., Toronto, Ontario

Educators Growth Fund





This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, by calling 1.800.263.9541, by writing to us at Educators Financial Group, 2225 Sheppard Ave. East, Suite 1105, Toronto, Ontario, M2J 5C2, or by visiting our website at www.educatorsfinancialgroup.ca or SEDAR at www.sedar.com.

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

Caution Regarding Forward-looking Statements

This report may contain forward-looking statements about the Fund, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or negative versions thereof and similar forward-looking expressions.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements 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, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks, and uncertainties, some of which may be unforeseeable. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events, including the potential impact of the COVID-19 pandemic on the Fund and/or its operations.

It should be stressed that the above-mentioned list of factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements, whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance unless required by applicable law.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Risk

The impact of the coronavirus (*COVID-19*) pandemic on the financial performance of the Fund's investments will depend on future developments, including the duration and spread of the outbreak and related advisories and restrictions. This public health crisis and the impact of *COVID-19* on the financial markets and the overall economy are highly uncertain and cannot be predicted. If the financial markets and/or the overall economy are impacted for an extended period, the Fund's future investment results may be materially affected.

Results of Operations

The Fund's net assets decreased by 6.4% to \$106.1 million at the end of June 2022, down from \$113.3 million at the end of December 2021.

Investment Performance

For the year/period ending June 30, 2022 (the 'period'), the Educators Growth Fund – Class A Series provided a negative return of 6.23% versus the S&P/TSX Composite Total Return Index (the 'Benchmark') return of negative 9.87%.

The Fund outperformed its Benchmark over the period. Unlike the Benchmark, the Fund's return is net of fees and expenses paid by the Fund. Detailed performance is provided under the heading "Past Performance" in this report. Investors cannot invest in the Benchmark without incurring fees, expenses and commissions which are not reflected in Benchmark returns.

In the Canadian equity market, the year began with continued uncertainty as investor fears shifted from *COVID-19* variants towards socio-political crises and the war between Russia and the Ukraine. Coupled with rising energy prices and inflation concerns, the first quarter was one of significant volatility across markets and sectors. In this environment, the S&P/TSX Composite posted a positive return, benefitting from strong performance in the Energy and Materials sectors. The volatility continued in the second quarter, as investors adjusted to a more persistent inflationary environment and socio-political turmoil in Europe showed no signs of ending.

Despite aggressive central bank action, recession fears increased and fueled negative sentiment in all areas of the market. After eight consecutive quarters of positive returns, the S&P/TSX Composite shifted into negative territory in April, with a broad-based downturn affecting all sectors. Market performance is negative on a year-to-date basis.

During the period, the Fund outperformed its Benchmark, benefitting from positive relative contributions in most sectors. The portfolio is positioned with strong capital preservation attributes, which provide protection in down markets, while also providing growth in up markets.

This positioning was beneficial during the period and particularly during the second quarter.

The Information Technology sector contributed significantly, as the Fund's holdings outperformed the sector overall. The sector's returns were negatively impacted by the steep share price decline of Shopify Inc., a stock which is not held in the Fund. Additional positive relative contributions came from the Financials sector, where the Fund benefitted from its underweight position in banks relative to the Benchmark and its holdings in a property and casualty insurance provider. The Consumer Discretionary and Consumer Staples sectors contributed due to good security selection, which led to positive absolute returns. This contrasted with negative returns in these sectors within the Benchmark. The principal detractor to relative performance during the period was the Energy sector, where the Fund has no exposure. The sector performed positively as energy prices rose, fueled by geopolitical concerns.

During the first quarter, the portfolio manager eliminated the Fund's holdings of CAE Inc. This durable company is a world leader and provides an essential service to the aviation and defense industries. However, the portfolio manager chose to sell out of this investment and deploy the proceeds in existing positions where they have higher conviction in quality and/or valuation. The Fund did not enter or exit any positions during the second quarter.

Recent Developments

The Fund continues to be composed of high-quality businesses that can withstand tough times. For this reason, the portfolio manager believes the portfolio is well positioned for the long-term compounding of returns.

Related Party Transactions

In the first six months of 2022 Educators Financial Group did not refer any conflict of interest matters to the Fund's Independent Review Committee (IRC) and accordingly did not rely upon any recommendation of the IRC in respect of any related party transactions.

Educators Financial Group is the Manager and Trustee of the Fund. Educators Financial Group is a wholly-owned subsidiary of the Ontario Secondary School Teachers' Federation ("OSSTF"). OSSTF may from time to time invest in units of the Fund.



FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the six-month period and the past five years. Currently Class I units of the Fund are not being offered to purchase by retail investors.

Educators Growth Fund – Class A Series – Net Assets per Unit ⁽¹⁾

| | Six months ended June 30 | Year ended December 31 | | | | |
|---|--------------------------|------------------------|-----------------|----------------|-----------------|----------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| Net Assets, beginning of year/period | \$25.89 | \$24.04 | \$24.11 | \$20.22 | \$23.97 | \$23.71 |
| Increase (decrease) from operations: | | | | | | |
| Total revenue | \$0.24 | \$0.55 | \$0.66 | \$0.59 | \$0.55 | \$0.56 |
| Total expenses, including transaction costs [excluding distributions] | (\$0.25) | (\$0.51) | (\$0.45) | (\$0.46) | (\$0.46) | (\$0.47) |
| Realized gains (losses) for the period | \$0.08 | \$3.90 | \$0.33 | \$0.63 | \$1.03 | \$2.28 |
| Unrealized gains (losses) for the period | (\$1.68) | \$1.20 | (\$0.68) | \$3.37 | (\$3.80) | (\$0.37) |
| Total increase (decrease) from operations ⁽²⁾ | (\$1.61) | \$5.14 | (\$0.14) | \$4.13 | (\$2.68) | \$2.00 |
| Distributions: | | | | | | |
| From net investment income (excluding dividends) | \$-- | \$-- | \$-- | \$-- | \$-- | \$-- |
| From dividends | \$-- | \$0.06 | \$0.11 | \$0.05 | \$-- | \$-- |
| From capital gains | \$-- | \$3.34 | \$-- | \$0.09 | \$1.00 | \$1.69 |
| Return of capital | \$-- | \$-- | \$-- | \$-- | \$-- | \$-- |
| Total Annual Distributions ⁽³⁾ | \$-- | \$3.40 | \$0.11 | \$0.14 | \$1.00 | \$1.69 |
| Net Assets, end of year/period | \$24.27 | \$25.89 | \$24.04 | \$24.11 | \$20.22 | \$23.97 |

Ratios and Supplemental Data (based on Net Asset Value)

| | Six months ended June 30 | Year ended December 31 | | | | |
|---|--------------------------|------------------------|-----------|-----------|-----------|-----------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| Total Net Asset Value (000's) ⁽⁴⁾ | \$79,308 | \$85,542 | \$76,661 | \$83,979 | \$78,907 | \$95,447 |
| Number of units outstanding ⁽⁴⁾ | 3,267,364 | 3,304,674 | 3,188,777 | 3,482,624 | 3,901,914 | 3,981,738 |
| Management expense ratio ⁽⁵⁾ | 1.98% | 1.98% | 1.98% | 1.97% | 1.93% | 1.93% |
| Management expense ratio before waivers or absorptions ⁽⁶⁾ | 1.98% | 1.98% | 1.98% | 1.98% | 1.98% | 1.98% |
| Trading expense ratio ⁽⁷⁾ | 0.01% | 0.04% | 0.03% | 0.03% | 0.03% | 0.04% |
| Portfolio turnover rate ⁽⁸⁾ | 5.36% | 84.40% | 44.47% | 53.47% | 44.76% | 65.54% |
| Net Asset Value per unit | \$24.27 | \$25.89 | \$24.04 | \$24.11 | \$20.22 | \$23.97 |



EDUCATORS GROWTH FUND

Educators Growth Fund – Class I Series – Net Assets per Unit ⁽¹⁾

| | Six months ended June 30 | Year ended December 31 | | | |
|---|--------------------------|------------------------|----------------|----------------|-----------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Net Assets, beginning of year/period | \$11.13 | \$10.18 | \$10.21 | \$8.50 | \$10.00 |
| Increase (decrease) from operations: | | | | | |
| Total revenue | \$0.10 | \$0.24 | \$0.29 | \$0.25 | \$0.24 |
| Total expenses, including transaction costs [excluding distributions] | \$-- | (\$0.01) | \$-- | \$-- | \$-- |
| Realized gains (losses) for the period | \$0.04 | \$1.64 | \$0.16 | \$0.29 | \$0.31 |
| Unrealized gains (losses) for the period | (\$0.74) | \$0.51 | \$0.09 | \$1.14 | (\$2.21) |
| Total increase (decrease) from operations ⁽²⁾ | (\$0.60) | \$2.38 | \$0.54 | \$1.68 | (\$1.66) |
| Distributions: | | | | | |
| From net investment income (excluding dividends) | \$-- | \$-- | \$-- | \$-- | \$-- |
| From dividends | \$0.01 | \$0.06 | \$0.24 | \$0.14 | \$-- |
| From capital gains | \$-- | \$1.43 | \$-- | \$0.04 | \$0.53 |
| Return of capital | \$-- | \$-- | \$-- | \$-- | \$-- |
| Total Annual Distributions ⁽³⁾ | \$0.01 | \$1.49 | \$0.24 | \$0.18 | \$0.53 |
| Net Assets, end of year/period | \$10.53 | \$11.13 | \$10.18 | \$10.21 | \$8.50 |

Ratios and Supplemental Data (based on Net Asset Value)

| | Six months ended June 30 | Year ended December 31 | | | |
|---|--------------------------|------------------------|-----------|-----------|---------|
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Total Net Asset Value (000's) ⁽⁴⁾ | \$23,150 | \$24,384 | \$18,110 | \$13,466 | \$5,598 |
| Number of units outstanding ⁽⁴⁾ | 2,197,598 | 2,190,643 | 1,778,907 | 1,318,514 | 658,596 |
| Management expense ratio ⁽⁵⁾ | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% |
| Management expense ratio before waivers or absorptions ⁽⁶⁾ | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% |
| Trading expense ratio ⁽⁷⁾ | 0.01% | 0.04% | 0.03% | 0.03% | 0.03% |
| Portfolio turnover rate ⁽⁸⁾ | 5.36% | 84.40% | 44.47% | 53.47% | 44.76% |
| Net Asset Value per unit | \$10.53 | \$11.13 | \$10.18 | \$10.21 | \$8.50 |



EDUCATORS GROWTH FUND

Educators Growth Fund – Class F Series – Net Assets per Unit ⁽¹⁾

| | Six months ended June 30 2022 | Year ended December 31 2021 |
|---|----------------------------------|--------------------------------|
| Net Assets, beginning of year/period | \$10.60 | \$10.00 |
| Increase (decrease) from operations: | | |
| Total revenue | \$0.10 | \$0.09 |
| Total expenses, including transaction costs [excluding distributions] | (\$0.04) | (\$0.04) |
| Realized gains (losses) for the period | \$0.03 | \$0.13 |
| Unrealized gains (losses) for the period | (\$0.70) | \$0.24 |
| Total increase (decrease) from operations ⁽²⁾ | (\$0.61) | \$0.42 |
| Distributions: | | |
| From net investment income (excluding dividends) | \$-- | \$-- |
| From dividends | \$-- | \$-- |
| From capital gains | \$-- | \$0.20 |
| Return of capital | \$-- | \$-- |
| Total Annual Distributions ⁽³⁾ | \$-- | \$0.20 |
| Net Assets, end of year/period | \$9.98 | \$10.60 |

Ratios and Supplemental Data (based on Net Asset Value)

| | Six months ended June 30 2022 | Year ended December 31 2021 |
|---|----------------------------------|--------------------------------|
| Total Net Asset Value (000's) ⁽⁴⁾ | \$3,615 | \$3,332 |
| Number of units outstanding ⁽⁴⁾ | 362,130 | 314,416 |
| Management expense ratio ⁽⁵⁾ | 0.85% | 0.84% |
| Management expense ratio before waivers or absorptions ⁽⁶⁾ | 0.85% | 0.84% |
| Trading expense ratio ⁽⁷⁾ | 0.01% | 0.04% |
| Portfolio turnover rate ⁽⁸⁾ | 5.36% | 84.40% |
| Net Asset Value per unit | \$9.98 | \$10.60 |

⁽¹⁾ This information is derived from the Fund's interim financial report and audited annual financial statements. For financial years beginning after January 1, 2014, the financial highlights were derived from the Fund's financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). All references to "Net Assets" or "Net Assets per Unit" in these financial highlights are references to net assets attributable to holders of redeemable units determined in accordance with IFRS as presented in the financial statements of the Fund.

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

⁽³⁾ Distributions were either paid in cash or reinvested in additional units of the Fund.

⁽⁴⁾ This information is provided as at June 30 and December 31 of the year shown.

⁽⁵⁾ Management expense ratio is based on total expenses (excluding [distributions], 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.

⁽⁶⁾ The management expense ratio before waivers or absorptions shows what the management expense ratio of the Fund would have been if Educators Financial Group had not charged a lesser amount for its management fee.

⁽⁷⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

⁽⁸⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages 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 rate 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 a fund.

Management Fees

Educators Financial Group is the Manager-Trustee, promoter, and principal distributor of the Fund, and is responsible for the day-to-day management and administration of the Fund.

The Manager-Trustee monitors and evaluates the performance of the Fund and pays for the investment management services of the portfolio manager, as well as all administrative services required by the Fund. As compensation for these services, Educators Financial Group is entitled to receive a fee, payable monthly and calculated daily, based on the Net Asset Value of the Fund, at the annual rate of 1.75% for the Class A Series and 0.75% for the Class F Series. The Class I Series is identical in all aspects to the Class A Series, except that there is no management fee payable by the Fund in respect of the Class I units.

The Fund is responsible for paying any applicable tax owing on its management fee.

Approximately 19.9% of the total management fees collected from all Series were used to pay for portfolio management services, with the remainder of the fees being allocated to custodial services, marketing, technology, and Manager-Trustee operating expenses.

PAST PERFORMANCE

General

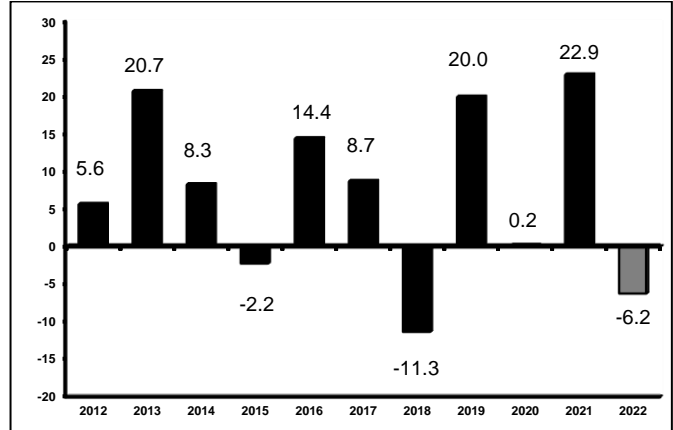
The Fund's performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund.

The performance information does not take into account sales, redemption, distribution, or other optional charges that would have reduced returns or performance. The performance of different fund series may vary for a number of reasons, including differences in management fees and expenses. Please remember that how the Fund has performed in the past does not necessarily indicate how it will perform in the future.

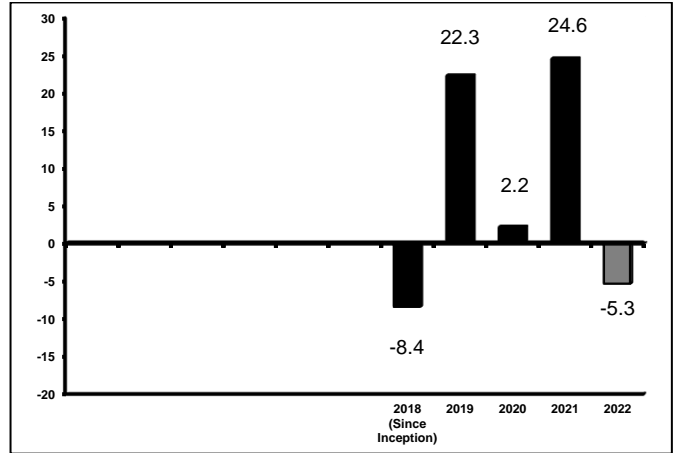
Year-by-Year Returns

The bar chart shows the Fund's annual performance for each of the years shown and for the six-month period, and illustrates how the Fund's performance has changed from year to year. The bar chart shows, 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.

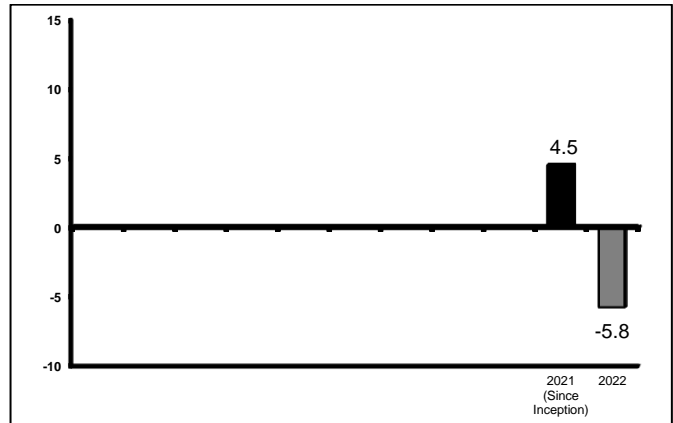
Annual Returns – Class A Series



Annual Returns – Class I Series ⁽¹⁾



Annual Returns – Class F Series ⁽²⁾



(1) The Class I Series commenced operations January 4, 2018

(2) The Class F Series commenced operation May 14, 2021

■ % Increase/decrease ■ For the six-month period ended June 30, 2022

SUMMARY OF INVESTMENT PORTFOLIO

(Based on Net Asset Value)

As at June 30, 2022

| Sector Mix | Percentage of Net Asset Value |
|---------------------------|-------------------------------------|
| Financials | 27.07 % |
| Industrials | 25.94 % |
| Information Technology | 15.24 % |
| Consumer Staples | 13.00 % |
| Consumer Discretionary | 7.06 % |
| Communication Services | 5.79 % |
| Materials | 5.23 % |
| Short-term investments | 0.53 % |
| Cash and Cash Equivalents | 0.12 % |
| Net Other Assets | 0.02 % |

Top 25 Holdings

| Security Name | Percentage of Net Asset Value |
|--------------------------------------|-------------------------------------|
| Canadian Pacific Railway Ltd. | 5.06 % |
| Constellation Software Inc. | 4.80 % |
| Intact Financial Corp. | 4.71 % |
| Metro Inc. | 4.63 % |
| Dollarama Inc. | 4.63 % |
| Royal Bank of Canada | 4.57 % |
| Thomson Reuters Corp. | 4.55 % |
| Canadian National Railway Co. | 4.49 % |
| CGI Inc. | 4.42 % |
| Toromont Industries Ltd. | 4.18 % |
| TMX Group Ltd. | 3.77 % |
| TELUS Corp. | 3.76 % |
| Toronto-Dominion Bank | 3.68 % |
| Bank of Montreal | 3.67 % |
| Open Text Corp. | 3.48 % |
| National Bank of Canada | 3.44 % |
| Waste Connections Inc. | 3.37 % |
| Brookfield Asset Management Inc. | 3.22 % |
| Alimentation Couche Tard Inc. | 3.20 % |
| CCL Industries Inc. | 3.08 % |
| Empire Co., Ltd. | 2.84 % |
| Restaurant Brands International Inc. | 2.43 % |
| Loblaw Cos Ltd. | 2.32 % |
| Winpak Ltd. | 2.15 % |
| Quebecor Inc. | 2.04 % |
| Total Net Assets (000's) | \$106,074 |

The top 25 holdings represent approximately 92.49% of the total net assets of the Fund.

The summary of investment portfolio of the Fund is as at June 30, 2022 and may change due to the Fund's ongoing portfolio transactions. Updates are available quarterly.

EDUCATORS FINANCIAL GROUP

2225 Sheppard Ave. East
Suite 1105
Toronto, Ontario M2J 5C2

Telephone: 416.752.6843
1.800.263.9541

Fax: 416.752.6649
1.888.662.2209

E-Mail: info@educatorsfinancialgroup.ca

Web: www.educatorsfinancialgroup.ca

