

# 2025

## ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

December 31, 2025

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

**Educators Growth Fund**





This annual management report of fund performance contains financial highlights but does not contain the 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 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](http://www.educatorsfinancialgroup.ca) or SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).

Securityholders 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.

### **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, including international conflicts, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, global trade restrictions and tariffs, unexpected judicial or regulatory proceedings, and catastrophic events.

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

### Investment Objectives and Strategies

The investment objective of the Educators Growth Fund (*the "Fund"*) is to provide above-average capital growth over the long-term by investing in growth-oriented Canadian companies. The Fund invests primarily in common shares of established Canadian corporations and other equity securities. Non-Canadian securities are generally limited to no more than 15% of the Fund's net assets. Foreign currency exposure may or may not be hedged. The fundamental investment objective of the Fund may not be changed without the prior approval of the unitholders.

### Risk

The risks of investing in the Fund remain as discussed in the Simplified Prospectus. No changes affecting the overall level of risk of investing in the Fund were made to the Fund in the one-year period ending December 31, 2025.

### Results of Operations

The Fund's net assets increased by 8.1% to \$151.7 million at the end of December 2025, up from \$140.3 million at the end of December 2024.

#### Investment Performance

For the year/period ending December 31, 2025 (*the period*), the Educators Growth Fund – Class A Series provided a return of 10.43% versus the S&P/TSX Composite Total Return Index (*the Benchmark*) return of 31.68%.

The Fund underperformed 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.

The Canadian market experienced a strong first quarter as the new U.S. administration was inaugurated for the second time with promises of prosperity and growth. As the administration began to expand on their proposed trade protectionism strategy, volatility increased in equity markets due to aggressive tone, constant changes, and uncertainty regarding implementation timing, hitting a peak in early April. This turbulence was felt globally as investors struggled to keep up with the daily headlines and its potential impact on their portfolios. Following the U.S. President's decision to delay and/or reduce certain tariffs, May and June saw strong equity performance across sectors, as the market was boosted by perceived—though potentially temporary—stability. Following this volatility, the third quarter saw sustained positive performance, with no days in which the market declined by more than 1%. The final quarter of 2025 saw volatility reemerge as concerns around the sustainability of the rally came into focus, leading to six trading sessions where the market declined by more than 1% as investors struggled to find direction. December marked the TSX's 8th

consecutive month of positive returns, the longest such streak in over nine years.

The performance of Canadian equities was very strong throughout 2025, with the S&P/TSX Composite returning 31.7%. Market performance was volatile earlier in the year, with negative returns between February and the end of April, followed by a sustained rally between May and September and heightened volatility in the fourth quarter. The Materials sector was a significant contributor, with the gold sub-sector alone rising 130% and contributing almost one third of the total market return. Other notable contributors included Shopify (+45%) and Celestica (+200%) within the Information Technology sector. However, this sector experienced significant disparity, as the remaining seven companies within the sector generated returns below -10%.

The Fund recorded a return of 10.4% during the period, underperforming its Benchmark. This underperformance was largely due to low exposure in the Materials sector—specifically to the more volatile gold producers—as well as to security selection within the Information Technology and Industrials sectors.

Gold companies are not currently held in the Fund as they have historically been poor capital allocators and have lacked attractive fundamental business results. Although these companies have had periods outsized returns, historically they have underperformed, with the 30-year annualized return for the gold sector below the overall market. The Fund holds securities expected to outperform the Benchmark over a market cycle with lower volatility. Given the performance of gold over 2025, this has been a significant detractor to relative performance for the Fund.

Within the Information Technology sector, the Fund's holdings in Constellation Software, CGI, and Descartes underperformed the overall sector, following several years of strong returns. Returns within the sector were led by the performance of Celestica and Shopify, neither of which is held in the Fund. Constellation Software, a long-term high conviction holding within the Fund, is a Canadian diversified software company. Founded in 1995 and public since 2006, the company offers software and systems that are narrowly focused on solving a problem for a specific market or industry and are typically core to an end customer's operations, making them utility-like and difficult to displace. The portfolio adviser maintains high conviction in the stock as the company continues to display their commitment to a culture of shrewd capital deployment, while also exploring AI integration opportunities across their operating groups with the focus on continuing to deliver on their value proposition for clients.

Within Industrials, Thomson Reuters underperformed due to concerns regarding the company's adoption of AI solutions. Thomson Reuters is a leading provider of information-enabled software solutions. They have industry-leading digital tools to help

professionals in the legal, tax, accounting, and compliance fields. The company has been proactive in evolving to meet the demands of the changing market and has invested significantly in its generative AI capabilities. The portfolio adviser continues to have high conviction in their strategy.

The Fund remains focused on high-quality companies which are held for the long term. The Fund's holdings protected capital more effectively during periods of market weakness between February and April, and during negative market performance in the fourth quarter when the Fund did not lose as much value as its Benchmark. This downside protection mitigated the Fund's overall outperformance for the period. Additionally, holdings of high conviction positions including Quebecor, Dollarama and Toromont also contributed positively to relative performance.

There were no additions or full sales of companies during the first three quarters. During the fourth quarter, three new names were added to the Fund: Rogers Communications, Definity Financial, and CAE Inc. These additions had been on the watch list for some time and were added due to a combination of quality and valuation opportunities. Holdings in Toronto Dominion Bank were reduced throughout the year, with the remaining position sold during the fourth quarter.

#### **Recent Developments**

As we enter 2026, markets continue to be affected by geopolitical risks and trade-related tensions. The portfolio adviser continues to monitor these developments and their impact on the Fund, particularly those which will directly affect companies within our portfolio and their ability to execute their business plan. The effect of inflation also remains a priority. In analyzing current holdings and potential additions, heightened importance is being placed on the location of product and service delivery and company pricing power. The focus remains on identifying high quality, attractively valued businesses to be held for the long term.

#### **Related Party Transactions**

In 2025 Educators Financial Group did not refer any conflict of interest matters to the Fund's Independent Review Committee (*the 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.



EDUCATORS GROWTH 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 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 <sup>(1)</sup>**

	Year ended December 31				
	2025	2024	2023	2022	2021
Net Assets, beginning of year/period	\$34.03	\$28.83	\$25.43	\$25.89	\$24.04
<b>Increase (decrease) from operations:</b>					
Total revenue	\$0.68	\$0.61	\$0.58	\$0.48	\$0.55
Total expenses, including transaction costs [excluding distributions]	(\$0.72)	(\$0.64)	(\$0.54)	(\$0.50)	(\$0.51)
Realized gains (losses) for the period	\$2.78	\$0.67	\$0.42	(\$0.25)	\$3.90
Unrealized gains (losses) for the period	\$0.83	\$4.56	\$2.93	(\$0.17)	\$1.20
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>\$3.57</b>	<b>\$5.20</b>	<b>\$3.39</b>	<b>(\$0.44)</b>	<b>\$5.14</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	\$--	\$--	\$--	\$--	\$--
From dividends	\$--	\$--	\$--	\$--	\$0.06
From capital gains	\$--	\$--	\$--	\$--	\$3.34
Return of capital	\$--	\$--	\$--	\$--	\$--
<b>Total Annual Distributions <sup>(3)</sup></b>	<b>\$--</b>	<b>\$--</b>	<b>\$--</b>	<b>\$--</b>	<b>\$3.40</b>
<b>Net Assets, end of year/period</b>	<b>\$37.58</b>	<b>\$34.03</b>	<b>\$28.83</b>	<b>\$25.43</b>	<b>\$25.89</b>

**Ratios and Supplemental Data (based on Net Asset Value)**

	Year ended December 31				
	2025	2024	2023	2022	2021
Total Net Asset Value (000's) <sup>(4)</sup>	\$113,294	\$106,063	\$90,469	\$81,597	\$85,542
Number of units outstanding <sup>(4)</sup>	3,014,751	3,116,706	3,137,995	3,208,105	3,304,674
Management expense ratio <sup>(5)</sup>	1.98%	1.98%	1.98%	1.98%	1.98%
Management expense ratio before waivers or absorptions <sup>(6)</sup>	1.98%	1.98%	1.98%	1.98%	1.98%
Trading expense ratio <sup>(7)</sup>	0.01%	--%	--%	0.01%	0.04%
Portfolio turnover rate <sup>(8)</sup>	14.60%	5.69%	5.08%	9.24%	84.40%
Net Asset Value per unit	\$37.58	\$34.03	\$28.83	\$25.43	\$25.89



EDUCATORS GROWTH FUND

**Educators Growth Fund – Class I Series – Net Assets per Unit <sup>(1)</sup>**

	Year ended December 31				
	2025	2024	2023	2022	2021
Net Assets, beginning of year/period	\$15.34	\$12.77	\$11.15	\$11.13	\$10.18
<b>Increase (decrease) from operations:</b>					
Total revenue	\$0.31	\$0.27	\$0.25	\$0.21	\$0.24
Total expenses, including transaction costs [excluding distributions]	\$--	\$--	\$--	\$--	(\$0.01)
Realized gains (losses) for the period	\$1.26	\$0.30	\$0.18	(\$0.11)	\$1.64
Unrealized gains (losses) for the period	\$0.38	\$2.07	\$1.30	(\$0.08)	\$0.51
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>\$1.95</b>	<b>\$2.64</b>	<b>\$1.73</b>	<b>\$0.02</b>	<b>\$2.38</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	\$--	\$--	\$--	\$--	\$--
From dividends	\$0.02	\$0.03	\$0.12	\$--	\$0.06
From capital gains	\$--	\$--	\$--	\$--	\$1.43
Return of capital	\$--	\$--	\$--	\$0.01	\$--
<b>Total Annual Distributions <sup>(3)</sup></b>	<b>\$0.02</b>	<b>\$0.03</b>	<b>\$0.12</b>	<b>\$0.01</b>	<b>\$1.49</b>
<b>Net Assets, end of year/period</b>	<b>\$17.26</b>	<b>\$15.34</b>	<b>\$12.77</b>	<b>\$11.15</b>	<b>\$11.13</b>

**Ratios and Supplemental Data (based on Net Asset Value)**

	Year ended December 31				
	2025	2024	2023	2022	2021
Total Net Asset Value (000's) <sup>(4)</sup>	\$29,147	\$26,005	\$22,927	\$22,911	\$24,384
Number of units outstanding <sup>(4)</sup>	1,688,451	1,694,978	1,796,027	2,055,050	2,190,643
Management expense ratio <sup>(5)</sup>	0.01%	0.01%	0.01%	0.01%	0.01%
Management expense ratio before waivers or absorptions <sup>(6)</sup>	0.01%	0.01%	0.01%	0.01%	0.01%
Trading expense ratio <sup>(7)</sup>	0.01%	--%	--%	0.01%	0.04%
Portfolio turnover rate <sup>(8)</sup>	14.60%	5.69%	5.08%	9.24%	84.40%
Net Asset Value per unit	\$17.26	\$15.34	\$12.77	\$11.15	\$11.13



EDUCATORS GROWTH FUND

**Educators Growth Fund – Class F Series – Net Assets per Unit <sup>(1)</sup>**

	Year ended December 31				
	2025	2024	2023	2022	2021
Net Assets, beginning of year/period	\$14.30	\$11.99	\$10.52	\$10.60	\$10.00
<b>Increase (decrease) from operations:</b>					
Total revenue	\$0.29	\$0.26	\$0.24	\$0.20	\$0.09
Total expenses, including transaction costs [excluding distributions]	(\$0.13)	(\$0.11)	(\$0.10)	(\$0.09)	(\$0.04)
Realized gains (losses) for the period	\$1.17	\$0.28	\$0.18	(\$0.11)	\$0.13
Unrealized gains (losses) for the period	\$0.34	\$1.85	\$1.21	(\$0.05)	\$0.24
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>\$1.67</b>	<b>\$2.28</b>	<b>\$1.53</b>	<b>(\$0.05)</b>	<b>\$0.42</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	\$--	\$--	\$--	\$--	\$--
From dividends	\$0.01	\$0.01	\$0.07	\$--	\$--
From capital gains	\$--	\$--	\$--	\$--	\$0.20
Return of capital	\$--	\$--	\$--	\$--	\$--
<b>Total Annual Distributions <sup>(3)</sup></b>	<b>\$0.01</b>	<b>\$0.01</b>	<b>\$0.07</b>	<b>\$--</b>	<b>\$0.20</b>
<b>Net Assets, end of year/period</b>	<b>\$15.96</b>	<b>\$14.30</b>	<b>\$11.99</b>	<b>\$10.52</b>	<b>\$10.60</b>

**Ratios and Supplemental Data (based on Net Asset Value)**

	Year ended December 31				
	2025	2024	2023	2022	2021
Total Net Asset Value (000's) <sup>(4)</sup>	\$9,233	\$8,193	\$5,604	\$3,976	\$3,332
Number of units outstanding <sup>(4)</sup>	578,360	572,870	467,349	377,864	314,416
Management expense ratio <sup>(5)</sup>	0.85%	0.85%	0.85%	0.85%	0.84%
Management expense ratio before waivers or absorptions <sup>(6)</sup>	0.85%	0.85%	0.85%	0.85%	0.84%
Trading expense ratio <sup>(7)</sup>	0.01%	--%	--%	0.01%	0.04%
Portfolio turnover rate <sup>(8)</sup>	14.60%	5.69%	5.08%	9.24%	84.40%
Net Asset Value per unit	\$15.96	\$14.30	\$11.99	\$10.52	\$10.60

<sup>(1)</sup> This information is derived from the Fund's 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.

<sup>(2)</sup> 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.

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

<sup>(4)</sup> This information is provided as at December 31 of the year shown.

<sup>(5)</sup> 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.

<sup>(6)</sup> 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.

<sup>(7)</sup> 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.

<sup>(8)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser 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 adviser, 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 19.2% of the total management fees collected from all Series (excluding Class I Series approximately 15.5% of the total management fees collected), 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**

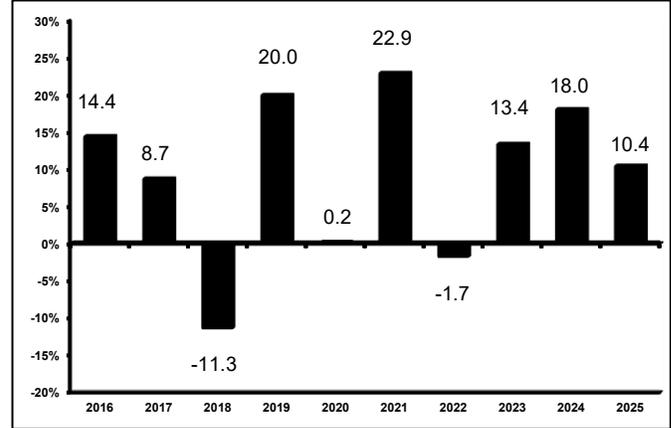
The Fund's performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund.

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.

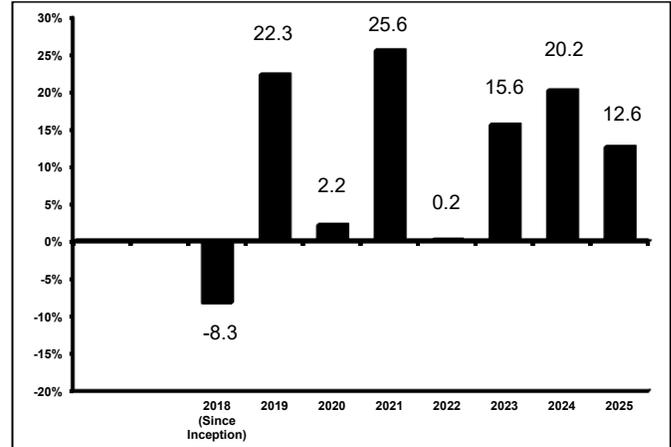
**Year-by-Year Returns**

The bar chart shows the Fund's annual performance for each of the years shown and 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.

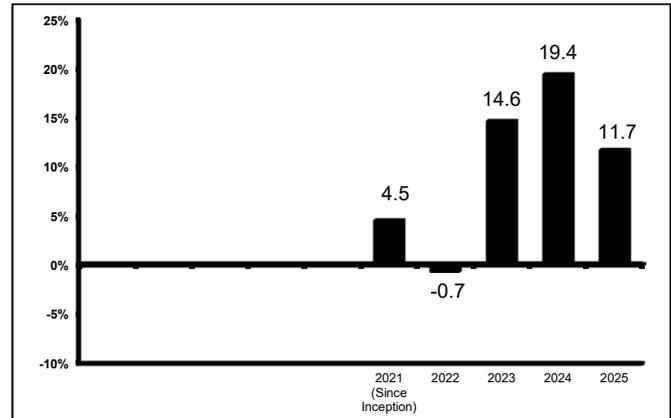
Annual Returns – Class A Series



Annual Returns – Class I Series <sup>(1)</sup>



Annual Returns – Class F Series <sup>(2)</sup>



<sup>(1)</sup> The Class I Series commenced operations January 4, 2018

<sup>(2)</sup> The Class F Series commenced operation May 14, 2021

### Annual Compound Returns

The following table compares the historical annual compound returns of the Fund with the performance of the Benchmark index, S&P/TSX Composite Total Return Index (S&P/TSX Index), a capitalization-weighted index designed to measure the market activity of some of the largest float adjusted stocks listed on the Toronto Stock Exchange.

Educators Growth Fund	1 Year	3 Year	5 Year	10 Year
Class A Series	10.43%	13.90%	12.28%	8.98%
Class F Series <sup>1</sup>	11.68%	15.19%	NA	NA
Class I Series <sup>2</sup>	12.63%	16.11%	14.52%	NA
S&P/TSX Composite Index	31.68%	21.42%	16.09%	12.66%

<sup>1</sup> Since Inception (May 14, 2021)

<sup>2</sup> Since Inception (January 4, 2018)

The Benchmark returns do not include any costs of investing. See Management Discussion of Fund Performance for a discussion of performance relative to the Benchmark.

### SUMMARY OF INVESTMENT PORTFOLIO

(Based on Net Asset Value)

As at December 31, 2025

Sector Mix	Percentage of Net Asset Value
Financials	26.76 %
Industrials	26.26 %
Consumer Staples	15.47 %
Information Technology	10.24 %
Communication Services	10.18 %
Consumer Discretionary	7.13 %
Materials	3.53 %
Short-term investments	0.51 %
Cash and Cash Equivalents	0.01 %
Net Other Assets (Liabilities)	(0.09) %

### Top 25 Holdings

Security Name	Percentage of Net Asset Value
Royal Bank of Canada	6.15 %
Quebecor Inc.	5.25 %
Metro Inc.	5.09 %
Intact Financial Corp.	4.99 %
Toromont Industries Ltd.	4.79 %
CGI Inc.	4.72 %
Canadian National Railway Co.	4.59 %
National Bank of Canada	4.59 %
Restaurant Brands International Inc.	4.46 %
Loblaw Cos Ltd.	4.45 %
Bank of Montreal	4.40 %
Waste Connections Inc.	4.40 %
RB Global Inc.	4.00 %
Constellation Software Inc.	3.97 %
Canadian Pacific Kansas City Ltd.	3.97 %
CCL Industries Inc.	3.53 %
Empire Co., Ltd.	3.35 %
TMX Group Ltd.	2.93 %
iA Financial Corp Inc.	2.92 %
Rogers Communications Inc.	2.70 %
Dollarama Inc.	2.67 %
Alimentation Couche-Tard Inc.	2.58 %
TELUS Corp.	2.24 %
Thomson Reuters Corp.	2.06 %
Stantec Inc.	1.91 %
<b>Total Net Assets (000's)</b>	<b>\$151,675</b>

The top 25 holdings represent approximately 96.71% of the total net assets of the Fund.

The summary of investment portfolio of the Fund is as at December 31, 2025 and may change due to the Fund's ongoing portfolio transactions. Updates are available quarterly.

**EDUCATORS FINANCIAL GROUP**

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