

**GLOBAL X**

by Mirae Asset

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# **GLOBAL X ACTIVE ULTRA-SHORT TERM INVESTMENT GRADE BOND ETF (HFR:TSX)**

ANNUAL REPORT | DECEMBER 31, 2025

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## A Message from the CEO

As we mark the end of 2025, I am proud to reflect on the growth we continue to achieve as a company and for our clients, through the innovative investment solutions we manage for Canadians.

In May, we marked the first anniversary of our successful rebrand from Horizons ETFs into Global X Investments Canada Inc. (“**Global X**”).

With investors like you in mind, our decision to rebrand was rooted in a desire to offer Canadians the best of both worlds: the strength, extended reach and global network of experts that come with the internationally recognized Global X brand, alongside the continued local expertise and support we offer for navigating the Canadian investment landscape.

As part of the Global X platform, we are part of something bigger: more than \$200 billion in ETF assets under management worldwide, backed by our parent company, Mirae Asset, which manages more than \$1 trillion in assets across 19 countries and global markets around the world.

Through it all, we remain committed to helping Canadians navigate and harness the emerging trends that shape markets and offering investment solutions and client experiences that are designed to be informative and relevant.

I am proud to highlight other successes that Global X has achieved so far this year, within our business and for our investors.

In June, Global X was recognized as the ETF Provider of the Year at the 2025 Wealth Professional Awards. This marks the second year in a row that we’ve earned this industry achievement. The award recognizes the outstanding asset management firm that specializes in exchange-traded funds (ETFs), which consistently delivers superior advisor service while pushing the boundaries with innovation and industry best practices over the last 12 months. This recognition reflects our commitment to delivering high-quality investment solutions and underscores Global X’s position as a Canadian ETF industry leader.

In 2025, we launched 30 ETFs that have offered Canadians new and innovative ways to access exposure to some of the most in-demand asset classes, strategies and commodities in today’s markets.

In February, we launched the Global X Artificial Intelligence Infrastructure Index ETF (“**MTRX**”) to offer Canadians a foundational way to access the broader infrastructure and service providers set to benefit from exponential AI expansion. MTRX offers foundational exposure to the commodity and energy suppliers, as well as data center operators, which are critical to support the growing demand for AI applications.

In April, we launched eleven more ETFs across multiple product lines, including thematic index ETFs, covered call ETFs, and our enhanced covered call ETF suite. Market dynamics, driven by economic and geopolitical events, have propelled popularity and inflows into many of these new ETFs, including the Global X Defence Tech Index ETF (“**SHLD**”), the Global X Bitcoin Covered Call ETF (“**BCCC**”) and the Global X Enhanced Gold Producer Equity Covered Call ETF (“**GLCL**”).

In the final months of 2025, we kept the momentum going by launching five more ETFs, including the Global X Silver Covered Call ETF (“**AGCC**”) and the Global X Copper Producer Equity Covered Call ETF (“**CPCC**”) – the world’s first copper covered call ETF. Other notable launches include our Global X China Hang Seng TECH Index ETF (“**CHQQ**”), which offers investors the potential to capture the global technology opportunity that is unfolding rapidly in China. We also expanded our fixed income lineup with the launch of the Global X 1-3 Year U.S. Treasury Bond Index ETF (“**TSTX**”) and the Global X 20+ Year U.S. Treasury Bond Index ETF (“**TLTX**”) to deliver U.S. Treasury exposure through products designed for Canadian investors.

At Global X, we embrace innovation in everything that we do. From our roots as one of Canada’s first ETF providers to our proud legacy of launching first-of-their-kind investment products, we are driven by boldness, vision, and a commitment to exceptional quality and client experience.

Under our Global X brand, our motto is “Innovation meets Investing”. We are committed to being there, alongside you, to help you explore a world of investment possibilities and global opportunities.

Thank you for your continued support.

Sincerely,



Rohit Mehta

President & CEO of Global X Investments Canada Inc.

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## MANAGEMENT REPORT OF FUND PERFORMANCE

This annual management report of fund performance for Global X Active Ultra-Short Term Investment Grade Bond ETF (“HFR” or the “ETF”) contains financial highlights and is included with the audited annual financial statements for the investment fund. You may request a copy of the ETF’s unaudited interim or audited annual financial statements, interim or annual management report of fund performance, current proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosures, at no cost, from the ETF’s manager, Global X Investments Canada Inc. (“Global X” or the “Manager”), by calling toll free 1-866-641-5739, or locally (416) 933-5745, by writing to us at: 55 University Avenue, Suite 800, Toronto ON, M5J 2H7, or by visiting our website at [www.globalx.ca](http://www.globalx.ca) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance, or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements.

Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the ETF may invest and the risks detailed from time to time in the ETF’s prospectus. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors. We caution that the foregoing list of factors is not exhaustive, and that when relying on forward-looking statements to make decisions with respect to investing in the ETF, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, the Manager does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

## Management Discussion of Fund Performance

### Investment Objective and Strategies

The investment objective of HFR is to generate income that is consistent with prevailing Canadian short-term corporate bond yields while reducing the potential effects of Canadian interest rate fluctuations on HFR. HFR invests primarily in a portfolio of Canadian debt (including debt-like securities) directly, and hedges the portfolio’s interest rate risk by maintaining a portfolio duration that is not more than one year. HFR may also invest directly in debt of U.S. companies, as well as indirectly through investments in securities of Listed Funds, as they are defined in the ETF’s prospectus. HFR uses derivatives, including interest rate swaps, to deliver a floating rate of income.

The Sub-Advisor, Fiera Capital Corporation (“Fiera” or the “Sub-Advisor”), uses fundamental credit research to select the securities of companies that, based on the Sub-Advisor’s view on the company’s industry and growth prospects, are believed to offer attractive risk adjusted returns.

The Sub-Advisor seeks diversification by industry sector and geographic region and relies on its: in-depth fundamental credit research, view of market trends, analysis of the company’s competitive position, and review of the return relative to the company’s risk and general market conditions, to select securities for HFR.

HFR enters into interest rate swaps pursuant to which the ETF pays a counterparty a fixed return based on a portfolio of fixed-income securities in exchange for a floating rate of income to maintain a portfolio duration that is not more than one year.

## Management Discussion of Fund Performance (continued)

The Sub-Advisor may, from time to time, invest in Canadian and foreign government debt, municipal bonds, Listed Funds, cash and cash equivalents which generally in the aggregate will not exceed 40% of the ETF's net assets. No less than 95%, by value, of the debt (including debt-like securities) held by HFR must be rated at or above investment grade (BBB- by S&P, BBB low by DBRS or Baa3 by Moody's). The Sub-Advisor may, from time to time, invest in non-investment grade debt and debt-like securities rated at least BB by S&P, BB by DBRS or Ba2 by Moody's. Such non-investment grade debt (including debt-like securities) will not exceed 5%, by value, of the securities held by HFR.

The Sub-Advisor may sell short debt (including debt-like securities) it believes will underperform on a relative basis or to otherwise assist the ETF in meeting its investment objectives.

The Sub-Advisor of HFR may rely on exemptions from the securities regulatory authorities allowing it to purchase securities of a related issuer of the Sub-Advisor if certain conditions are met. The investment must also be approved by the ETF's Independent Review Committee ("IRC") and is subject to certain other provisions of National Instrument 81-107 ("NI 81-107").

In lieu of specific security selections, from time to time the Sub-Advisor may purchase fixed-income related exchange traded funds including those managed by the Manager or its affiliates.

HFR may also use both long and short derivative instruments, including future contracts, to manage duration, credit exposure, portfolio yield and currency risk.

HFR may enter into securities lending transactions, repurchase and reverse repurchase transactions and interest rate derivatives, to the extent permitted by applicable securities laws, to earn additional income for HFR.

Please refer to the ETF's most recent prospectus for a complete description of HFR's investment restrictions.

### Risk

The Manager performs a review of the ETF's risk rating at least annually, as well as when there is a material change in the ETF's investment objective or investment strategies. During the period, there were no changes to the ETF that materially affected the overall risk level associated with an investment in the ETF. The current risk rating for the ETF is: low.

Risk ratings are determined based on the historical volatility of the ETF as measured by the standard deviation of its performance against its mean. The risk categorization of the ETF may change over time and historical volatility is not indicative of future volatility. Generally, a risk rating is assigned to the ETF based on a rolling 10-year standard deviation of its returns, the return of an underlying index, or of an applicable proxy. In cases where the Manager believes that this methodology produces a result that is not indicative of the ETF's future volatility, the risk rating may be determined by the ETF's category. Risk ratings are not intended for use as a substitute for undertaking a proper and complete suitability or financial assessment by an investment advisor.

The risks and the full description of each risk to which an investment in the ETF is subject are disclosed in the ETF's most recent prospectus. The most recent prospectus is available at [www.globalx.ca](http://www.globalx.ca) or from [www.sedarplus.ca](http://www.sedarplus.ca), or by contacting Global X Investments Canada Inc. directly via the contact information on the back page of this document.

**Prospective investors should read the ETF's most recent prospectus and consider the full description of the risks contained therein before purchasing units.**

## Management Discussion of Fund Performance (continued)

### Results of Operations

For the year ended December 31, 2025, units of the ETF returned 4.09% when including distributions paid to unitholders. This compares to Canadian 3-Month Treasury Bills yielding 2.74%, for the same period.

Canadian 3-Month Treasury Bills are short-term securities that the Canadian government sells as a way to help pay off its debt. They are generally considered the “risk free” rate because they are fully backed by the Canadian government.

### *General Market Review*

Financial markets in 2025 were shaped by a dynamic mix of policy uncertainty, shifting trade dynamics, and an evolving monetary policy environment. The year began with heightened volatility driven by political and trade-related developments but gradually transitioned toward a more constructive backdrop as central banks pivoted toward supporting growth. By year-end, risk assets had demonstrated resilience, supported by improving sentiment, attractive income opportunities, and a clear shift toward monetary accommodation.

The early part of the year was dominated by developments out of the U.S. following the inauguration of Donald Trump. The introduction of tariffs on key trading partners, including Canada, weighed on investor confidence and raised concerns around supply chains, inflation, and growth. In Canada, political transition added another layer of uncertainty as Mark Carney assumed leadership amid mixed economic data and renewed inflation concerns.

Market volatility intensified in the second quarter as details around reciprocal tariffs were unveiled, leading to a temporary sell-off in equities and wider credit spreads. As the quarter progressed, however, a series of extensions, walk-backs, and a moderation in trade rhetoric helped stabilize markets. By mid-year, investors had largely reassessed tariff risks as manageable, allowing markets to refocus on underlying fundamentals.

Monetary policy emerged as the dominant force influencing markets in 2025. After a cautious start to the year, central banks increasingly shifted their attention from inflation toward supporting growth and employment as labour markets softened. The Bank of Canada (the “BoC”) lowered its policy rate over the course of the year, responding to signs of economic weakness while emphasizing a data-dependent approach. Similarly, the Federal Reserve began easing policy in the second half of the year as employment conditions weakened and downside risks to growth became more pronounced, despite inflation remaining elevated.

This pivot helped anchor bond markets, improve financial conditions, and reinforce investor confidence, particularly in interest rate-sensitive and income-oriented asset classes.

Despite ongoing geopolitical tensions and fiscal uncertainty, risk sentiment improved steadily through the second half of the year. Equity markets recovered from early-year volatility, while credit markets benefited from strong demand and a favourable technical backdrop. Credit spreads tightened as investors sought to lock in attractive yields, supported by stable balance sheets and continued inflows into fixed income. Bond markets reflected these dynamics, with yield curves responding to both policy easing at the front end and fiscal considerations at longer maturities. Overall, the environment proved supportive for active credit positioning and disciplined risk-taking.

### *Portfolio Review*

The fund delivered a strong absolute return in 2025 and meaningfully outperformed the Index, driven by effective duration management, active corporate exposure and disciplined security selection. The strategy’s ability to generate consistent carry while maintaining a low-duration profile was a key differentiator throughout the year.

Performance was primarily supported by positive duration exposure early in the year and sustained corporate credit exposure as spreads narrowed over the course of 2025. While duration contributions varied as interest rates fluctuated, the portfolio consistently benefited from carry income and credit selection, which more than offset periods when rising rates weighed on returns.

## Management Discussion of Fund Performance (continued)

The fund's structure, maintaining duration between zero and one year while actively managing interest rate risk, allowed it to capture front-end rate movements and credit tightening, particularly during periods of declining yields and improving risk sentiment.

Corporate credit was a consistent contributor to performance across the year. Exposure to financial institutions, consumer, infrastructure-related issuers and securitized products generated meaningful alpha as spreads tightened and primary issuance provided attractive entry points. Security selection added value across multiple sectors, supported by disciplined profit-taking and reinvestment into higher-quality or better-valued opportunities.

The portfolio actively participated in the primary market throughout the year, selectively adding bank bail-in securities, investment-grade corporates, asset-backed securities, and hybrid structures when pricing was compelling.

The fund actively managed duration in response to changing rate conditions, increasing exposure as opportunities emerged while maintaining a low overall interest rate sensitivity. Derivatives were used to hedge interest rate risk and maintain a duration between 0 and 1 year, allowing the portfolio to focus on credit opportunities without materially increasing duration risk.

Yield levels gradually declined over the year as rates fell and spreads tightened but remained supportive of income generation and total return.

### **Outlook**

The Sub-Advisor has revised the growth forecast higher and now expects the Canadian economy to achieve modest growth of approximately 1.5% over the next 12 to 18 months, as the impacts from tariffs remain manageable. The Sub-Advisor expects headline inflation to remain near target and core inflation to slow gradually, allowing the BoC to remain on hold at 2.25%, with a slight bias toward cutting to 2% if warranted.

Significant spending on Canadian infrastructure projects should support long-term investment and sentiment, while spillover effects from high U.S. spending should be net positive. However, uncertainty surrounding the upcoming Canada-United States -Mexico Agreement renewal, growing deficits, as well as the impact of higher rates on interest-sensitive sectors (e.g. housing and mortgage refinancing) could continue to weigh on the economy. Any slowdown in U.S. growth would likely impact Canada via contagion effects. Further, there is no shortage of geopolitical risks that could impact the outlook for rates and spreads.

The Sub-Advisor is currently long duration, particularly at the front end of the curve, where the market has begun to price in hikes for 2026. Prior to the BoC cut at the end of October, the market was pricing a September 2026 implied rate of 2.1%; by the end of the quarter, this had increased to 2.42% following better-than-expected economic data and the BoC's move to the sidelines. The Sub-Advisor believes the BoC will remain on hold longer than the market expects to offset any potential weakness or reversals in economic data caused by the risks noted above.

With respect to corporate bonds, the Sub-Advisor's focus is on short-dated issues where carry and break evens are attractive, and on quality trades where relative spreads are more appealing; however, the Sub-Advisor is exercising caution as spreads have narrowed considerably and is at the low end of its range post Global Financial Crisis.

### **Other Operating Items and Changes in Net Assets Attributable to Holders of Redeemable Units**

For the year ended December 31, 2025, the ETF generated gross comprehensive income (loss) from investments and derivatives (which includes changes in the fair value of the ETF's portfolio) of \$20,895,673. This compares to \$29,652,891 for the year ended December 31, 2024. The ETF incurred management, operating and transaction expenses of \$2,331,977 (2024 – \$2,046,562) of which \$11,861 (2024 – \$4,247) was either paid or absorbed by the Manager on behalf of the ETF. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, or continued indefinitely, at the discretion of the Manager.

The ETF distributed \$17,553,425 to unitholders during the year (2024 – \$18,521,564).

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**Management Discussion of Fund Performance** (continued)**Presentation**

The attached financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”). Any mention of total net assets, net assets, net asset value or increase (decrease) in net assets in the financial statements and/or management report of fund performance is referring to net assets or increase (decrease) in net assets attributable to holders of redeemable units as reported under IFRS.

**Recent Developments**

There are no recent industry, management or ETF related developments that are pertinent to the present and future of the ETF.

**Related Party Transactions**

Certain services have been provided to the ETF by related parties and those relationships are described below.

***Manager, Trustee and Investment Manager***

The manager, trustee and investment manager of the ETF is Global X Investments Canada Inc., 55 University Avenue, Suite 800, Toronto, Ontario, M5J 2H7, a corporation incorporated under the laws of Ontario.

If the ETF invests in other Global X ETFs, Global X may receive management fees in respect of the ETF’s assets invested in such Global X ETFs. In addition, any management fees paid to the Manager (described in detail on page 14) are related party transactions, as the Manager is considered to be a related party to the ETF. Fees paid to the Independent Review Committee are also considered to be related party transactions. Both the management fees and fees paid to the Independent Review Committee are disclosed in the statement of comprehensive income in the attached financial statements of the ETF. The management fees payable by the ETF as at December 31, 2025 and 2024 are disclosed in the statement of financial position.

## Financial Highlights

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF's financial performance for the past five fiscal years. This information is derived from the ETF's audited annual financial statements. Please see the front page for information on how you may obtain the ETF's annual financial statements.

### The ETF's Net Assets per Unit

Year <sup>(1)</sup>	2025	2024	2023	2022	2021
<b>Net assets, beginning of year</b>	\$ 10.07	9.84	9.70	10.09	10.13
<b>Increase (decrease) from operations:</b>					
Total revenue	0.44	0.51	0.56	0.33	0.17
Total expenses	(0.05)	(0.05)	(0.05)	(0.04)	(0.05)
Realized gains (losses) for the year	(0.05)	–	0.07	(0.08)	0.03
Unrealized gains (losses) for the year	0.06	0.22	0.13	(0.30)	(0.07)
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>0.40</b>	<b>0.68</b>	<b>0.71</b>	<b>(0.09)</b>	<b>0.08</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.38)	(0.44)	(0.61)	(0.28)	(0.11)
From net realized capital gains	–	–	–	–	(0.02)
From return of capital	–	(0.01)	–	(0.05)	–
<b>Total distributions <sup>(3)</sup></b>	<b>(0.38)</b>	<b>(0.45)</b>	<b>(0.61)</b>	<b>(0.33)</b>	<b>(0.13)</b>
<b>Net assets, end of year <sup>(4)</sup></b>	<b>\$ 10.09</b>	<b>10.07</b>	<b>9.84</b>	<b>9.70</b>	<b>10.09</b>

1. This information is derived from the ETF's audited annual financial statements.

2. Net assets per unit 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.

3. Income, dividend and/or return of capital distributions, if any, are paid in cash, reinvested in additional units of the ETF, or both. Capital gains distributions, if any, may or may not be paid in cash. Non-cash capital gains distributions are reinvested in additional units of the ETF and subsequently consolidated. They are reported as taxable distributions and increase each unitholder's adjusted cost base for their units. Neither the number of units held by the unitholder, nor the net asset per unit of the ETF change as a result of any non-cash capital gains distributions. Distributions classified as return of capital, if any, decrease each unitholder's adjusted cost base for their units. The characteristics of distributions, if any, are determined subsequent to the end of the ETF's tax year. Until such time, distributions are classified as from net investment income (excluding dividends) for reporting purposes.

4. The Financial Highlights are not intended to act as a continuity of the opening and closing net assets per unit.

**Financial Highlights** (continued)

**Ratios and Supplemental Data**

<b>Year <sup>(1)</sup></b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Net asset value (000's)	\$ 514,004	430,930	420,971	476,973	529,684
Number of units outstanding (000's)	50,934	42,809	42,770	49,164	52,508
Management expense ratio <sup>(2)</sup>	0.49%	0.49%	0.46%	0.46%	0.47%
Management expense ratio before waivers and absorptions <sup>(3)</sup>	0.50%	0.49%	0.50%	0.49%	0.49%
Trading expense ratio <sup>(4)</sup>	0.01%	0.01%	0.00%	0.00%	0.00%
Portfolio turnover rate <sup>(5)</sup>	23.37%	30.89%	24.87%	41.22%	18.22%
Net asset value per unit, end of year	\$ 10.09	10.07	9.84	9.70	10.09
Closing market price	\$ 10.09	10.07	9.85	9.68	10.08

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

2. Management expense ratio is based on total expenses, including sales tax, (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 year. Out of its management fees, and waivers and absorptions, as applicable, the Manager pays for such services to the ETF as investment manager compensation and marketing.

3. The Manager, at its discretion, may waive and/or absorb a portion of the fees and/or expenses otherwise payable by the ETF. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, or continued indefinitely, at the discretion of the Manager.

4. 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. Transaction costs related to the purchase and/or sale of fixed income securities are typically embedded in the price of those transactions and are therefore not included in the trading expense ratio.

5. The ETF's portfolio turnover rate indicates how actively its portfolio investments are traded. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all of the securities in its portfolio once in the course of the year. Generally, the higher the ETF's portfolio turnover rate in a year, the greater the trading costs payable by the ETF 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 ETF.

**Financial Highlights** (continued)

**Management Fees**

The Manager provides, or oversees the provision of, administrative services required by the ETF including, but not limited to: negotiating contracts with certain third-party service providers, such as portfolio managers, custodians, registrars, transfer agents, auditors and printers; authorizing the payment of operating expenses incurred on behalf of the ETF; arranging for the maintenance of accounting records for the ETF; preparing reports to unitholders and to the applicable securities regulatory authorities; calculating the amount and determining the frequency of distributions by the ETF; preparing financial statements, income tax returns and financial and accounting information as required by the ETF; ensuring that unitholders are provided with financial statements and other reports as are required from time to time by applicable law; ensuring that the ETF complies with all other regulatory requirements, including the continuous disclosure obligations of the ETF under applicable securities laws; administering purchases, redemptions and other transactions in units of the ETF; and dealing and communicating with unitholders of the ETF. The Manager provides office facilities and personnel to carry out these services, if not otherwise furnished by any other service provider to the ETF. The Manager also monitors the investment strategies of the ETF to ensure that the ETF complies with its investment objectives, investment strategies and investment restrictions and practices.

In consideration for the provision of these services, the Manager receives a monthly management fee at the annual rate of 0.40%, plus applicable sales taxes, of the net asset value of the ETF's units, calculated and accrued daily and payable monthly in arrears.

The Sub-Advisor is compensated for its services out of the management fees without any further cost to the ETF. Any expenses of the ETF which are waived or absorbed by the Manager are paid out of the management fees received by the Manager.

The table below details, in percentage terms, the services received by the ETF from the Manager in consideration of the management fees paid during the year.

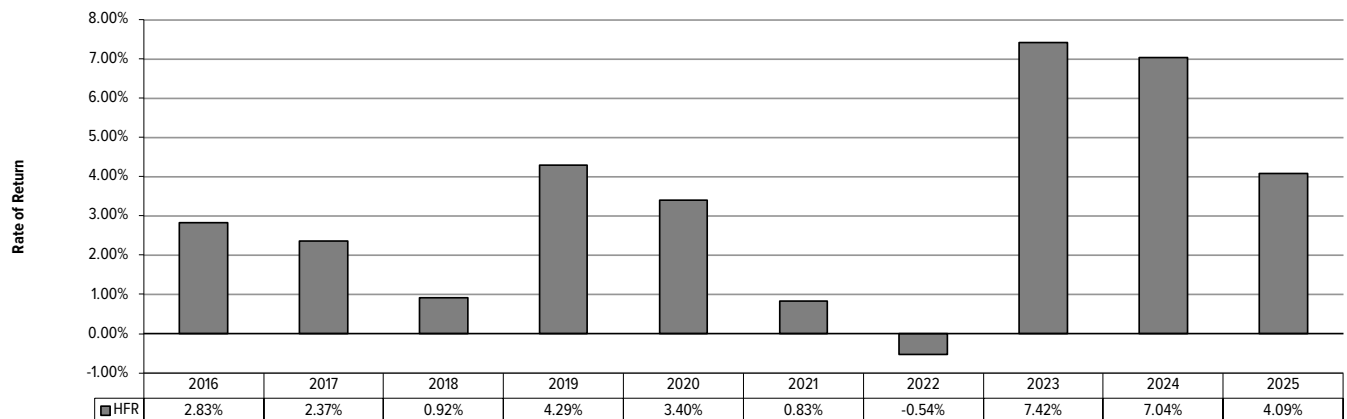
<b>Marketing</b>	<b>Portfolio management fees, general administrative costs and profit</b>	<b>Waived/absorbed expenses of the ETF</b>
9%	91%	–

## Past Performance

Commissions, management fees, expenses and applicable sales taxes all may be associated with an investment in the ETF. Please read the prospectus before investing. The indicated rates of return are the historical total returns including changes in unit value and reinvestment of all distributions, and do not take into account sales, redemptions, distributions or optional charges or income taxes payable by any investor that would have reduced returns. An investment in the ETF is not guaranteed. Its value changes frequently and past performance may not be repeated. The ETF's performance numbers assume that all distributions, if any, are reinvested in additional units of the ETF. If you hold this ETF outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional units. The amount of the reinvested taxable distributions is added to the adjusted cost base of the units that you own. This would decrease your capital gain or increase your capital loss when you later redeem from the ETF, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

### Year-by-Year Returns

The following chart presents the ETF's performance for the periods shown, and illustrates how the performance has changed from period to period. In percentage terms, the chart shows how much an investment made on the first day of the financial period would have grown or decreased by the last day of the financial period.



The ETF effectively began operations on December 10, 2010.

### Annual Compound Returns

The following table presents the ETF's annual compound total return since inception and for the periods shown ended December 31, 2025, along with a comparable market index. The table is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the ETF or future returns on investments in the ETF.

	1 Year	3 Year	5 Year	10 Year	Since Inception
Global X Active Ultra-Short Term Investment Grade Bond ETF	4.09%	6.17%	3.72%	3.24%	2.91%
Bank of Canada Treasury Bill 3 months	2.74%	4.05%	2.77%	1.84%	1.49%
ICE BofA Merrill Lynch Canada Broad Market Index	2.40%	4.28%	-0.47%	1.83%	2.97%

The ETF effectively began operations on December 10, 2010.

## Summary of Investment Portfolio

As at December 31, 2025

Asset Mix	Net Asset Value	% of ETF's Net Asset Value
<b>Long Positions</b>		
Canadian Fixed Income Securities	\$ 470,747,433	91.58%
U.S. Fixed Income Securities	32,459,298	6.32%
Interest Rate Swaps*	1,443,422	0.28%
Currency Forward Hedge*	21,737	0.00%
Cash and Cash Equivalents	10,435,307	2.03%
Margin Deposits	418,441	0.08%
Other Assets less Liabilities	(1,745,049)	-0.34%
<b>Short Positions</b>		
Futures Contracts–Interest Rate Hedge*	223,870	0.05%
	<b>\$ 514,004,459</b>	<b>100.00%</b>

Sector Mix	Net Asset Value	% of ETF's Net Asset Value
<b>Long Positions</b>		
Corporate Bonds	\$ 485,421,407	94.45%
Asset-Backed Securities	12,913,620	2.50%
Municipal Bonds	4,368,923	0.85%
Provincial Bonds	346,007	0.07%
Mortgage Backed Securities	156,774	0.03%
Interest Rate Swaps*	1,443,422	0.28%
Currency Forward Hedge*	21,737	0.00%
Cash and Cash Equivalents	10,435,307	2.03%
Margin Deposits	418,441	0.08%
Other Assets less Liabilities	(1,745,049)	-0.34%
<b>Short Positions</b>		
Futures Contracts–Interest Rate Hedge*	223,870	0.05%
	<b>\$ 514,004,459</b>	<b>100.00%</b>

\* Positions in forward, futures and interest rate swap contracts are disclosed as the gain/(loss) that would be realized if the contracts were closed out on the date of this report.

**Summary of Investment Portfolio** (continued)

As at December 31, 2025

<b>Top 25 Holdings*</b>	<b>% of ETF's Net Asset Value</b>
Canadian Imperial Bank of Commerce	7.14%
Royal Bank of Canada	6.96%
National Bank of Canada	6.39%
Bank of Montreal	5.86%
Toronto-Dominion Bank (The)	5.20%
Bank of Nova Scotia (The)	3.90%
Rogers Communications Inc.	3.25%
SmartCentres REIT	3.12%
Fédération des caisses Desjardins du Québec	3.11%
Bell Canada	2.79%
Sun Life Financial Inc.	2.75%
Crombie REIT	2.63%
Manulife Financial Corp.	2.34%
Bank of America Corp.	2.21%
RioCan REIT	2.12%
Cash and Cash Equivalents	2.03%
TransCanada PipeLines Ltd.	1.97%
AltaGas Ltd.	1.76%
Pembina Pipeline Corp.	1.63%
Choice Properties REIT	1.52%
Wells Fargo & Co.	1.50%
Enbridge Inc.	1.28%
iA Financial Corp. Inc.	1.24%
Inter Pipeline Ltd.	1.15%
IGM Financial Inc.	1.11%

\* Note all of the Top 25 Holdings, excluding cash and cash equivalents, represent the aggregate preferred securities and/or debt instruments of that issuer in the ETF's portfolio.

The summary of investment portfolio may change due to the ongoing portfolio transactions of the ETF. The most recent financial statements are available at no cost by calling 1-866-641-5739, or (416) 933-5745, by writing to us at 55 University Avenue, Suite 800, Toronto, Ontario, M5J 2H7, by visiting our website at [www.globalx.ca](http://www.globalx.ca) or through SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

**MANAGER'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The accompanying audited annual financial statements of Global X Active Ultra-Short Term Investment Grade Bond ETF (the "ETF") are the responsibility of the manager and trustee to the ETF, Global X Investments Canada Inc. (the "Manager"). They have been prepared in accordance with IFRS Accounting Standards using information available and include certain amounts that are based on the Manager's best estimates and judgements.

The Manager has developed and maintains a system of internal controls to provide reasonable assurance that all assets are safeguarded and to produce relevant, reliable and timely financial information, including the accompanying financial statements.

These financial statements have been approved by the Board of Directors of the Manager and have been audited by KPMG LLP, Chartered Professional Accountants, Licensed Public Accountants, on behalf of unitholders. The independent auditor's report outlines the scope of their audit and their opinion on the financial statements.



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Rohit Mehta  
Director  
Global X Investments Canada Inc.



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Thomas Park  
Director  
Global X Investments Canada Inc.

## INDEPENDENT AUDITOR'S REPORT

### To the Unitholders of Global X Active Ultra-Short Term Investment Grade Bond ETF

#### *Opinion*

We have audited the financial statements of Global X Active Ultra-Short Term Investment Grade Bond ETF (the ETF), which comprise:

- the statement of financial position as at December 31, 2025 and December 31, 2024
- the statement of comprehensive income for the years then ended
- the statement of changes in financial position for the years then ended
- the statement of cash flows for the years then ended
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ETF as at December 31, 2025 and December 31, 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards.

#### *Basis for Opinion*

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

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

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

#### *Other Information*

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

- the information included in the Management Report of Fund Performance.

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

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

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

We have nothing to report in this regard.

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

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

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

Those charged with governance are responsible for overseeing the ETF's financial reporting process.

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

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ETF's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ETF's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the ETF to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Chartered Professional Accountants, Licensed Public Accountants  
The engagement partner on the audit resulting in this auditor's report is Robert D'Aroffi.  
Toronto, Canada  
March 16, 2026

**Statement of Financial Position**

As at December 31,

	<b>2025</b>	<b>2024</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 10,435,307	\$ 5,746,900
Investments (note 6)	503,206,731	416,366,230
Margin deposits (note 12)	418,441	3,979,174
Amounts receivable relating to accrued income	4,700,995	4,502,656
Amounts receivable relating to portfolio assets sold	68,244	–
Amounts receivable relating to securities issued	504,581	–
Derivative assets (note 3)	1,968,510	2,910,956
<b>Total assets</b>	<b>521,302,809</b>	<b>433,505,916</b>
<b>Liabilities</b>		
Accrued management fees (note 9)	204,981	164,535
Accrued operating expenses	23,368	17,976
Amounts payable for portfolio assets purchased	5,157,138	–
Distribution payable	1,633,382	963,203
Derivative liabilities (note 3)	279,481	1,430,141
<b>Total liabilities</b>	<b>7,298,350</b>	<b>2,575,855</b>
<b>Net assets</b>	<b>\$ 514,004,459</b>	<b>\$ 430,930,061</b>
Number of redeemable units outstanding (note 8)	50,934,184	42,809,004
Net assets per unit	\$ 10.09	\$ 10.07

(See accompanying notes to financial statements)

Approved on behalf of the Board of Directors of the Manager:



Rohit Mehta  
Director



Thomas Park  
Director

**Statement of Comprehensive Income**

For the Years Ended December 31,

	<b>2025</b>	<b>2024</b>
<b>Income</b>		
Interest income for distribution purposes	\$ 20,068,847	\$ 20,771,162
Securities lending income (note 7)	15,187	16,209
Net realized gain (loss) on sale of investments and derivatives	(2,293,302)	(167,497)
Net realized gain (loss) on foreign exchange	(4,154)	3,564
Net change in unrealized appreciation (depreciation) of investments and derivatives	3,114,039	9,022,396
Net change in unrealized appreciation (depreciation) of foreign exchange	(4,944)	7,057
	<b>20,895,673</b>	<b>29,652,891</b>
<b>Expenses (note 9)</b>		
Management fees	2,055,626	1,804,478
Audit fees	8,087	8,808
Independent Review Committee fees	606	707
Custodial and fund valuation fees	167,572	129,258
Legal fees	8,261	8,924
Securityholder reporting costs	33,892	31,995
Administration fees	27,781	28,125
Interest expenses	995	–
Transaction costs	29,157	34,267
	<b>2,331,977</b>	<b>2,046,562</b>
Amounts that were payable by the investment fund that were paid or absorbed by the Manager	(11,861)	(4,247)
	<b>2,320,116</b>	<b>2,042,315</b>
<b>Increase (decrease) in net assets for the year</b>	<b>\$ 18,575,557</b>	<b>\$ 27,610,576</b>
Increase (decrease) in net assets per unit	\$ 0.40	\$ 0.68

(See accompanying notes to financial statements)

**Statement of Changes in Financial Position**

For the Years Ended December 31,

	<b>2025</b>		<b>2024</b>	
<b>Net assets at the beginning of the year</b>	\$	430,930,061	\$	420,970,530
<b>Increase (decrease) in net assets</b>		18,575,557		27,610,576
<b>Redeemable unit transactions</b>				
Proceeds from the issuance of securities of the investment fund		115,358,867		103,463,193
Aggregate amounts paid on redemption of securities of the investment fund		(33,560,689)		(102,979,537)
Securities issued on reinvestment of distributions		254,088		386,863
Distributions:				
From net investment income		(17,553,425)		(18,119,276)
Return of capital		–		(402,288)
<b>Net assets at the end of the year</b>	<b>\$</b>	<b>514,004,459</b>	<b>\$</b>	<b>430,930,061</b>

(See accompanying notes to financial statements)

**Statement of Cash Flows**

For the Years Ended December 31,

	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities:</b>		
Increase (decrease) in net assets for the year	\$ 18,575,557	\$ 27,610,576
Adjustments for:		
Net realized (gain) loss on sale of investments and derivatives	2,293,302	167,497
Net realized gain (loss) on currency forward contracts	148,061	(602,903)
Net change in unrealized (appreciation) depreciation of investments and derivatives	(3,114,039)	(9,022,396)
Net change in unrealized (appreciation) depreciation of foreign exchange	455	(1,133)
Purchase of investments	(179,124,740)	(93,848,675)
Proceeds from the sale of investments	95,680,443	95,267,601
Margin deposits	3,560,733	(2,312,026)
Amounts receivable relating to accrued income	(198,339)	1,002,153
Accrued expenses	45,838	17,155
<b>Net cash from (used in) operating activities</b>	<b>(62,132,729)</b>	<b>18,277,849</b>
<b>Cash flows from financing activities:</b>		
Amount received/(paid) from the issuance of units	110,551,834	69,310,080
Amount (paid)/received on redemptions of units	(27,101,085)	(72,828,781)
Distributions paid to unitholders	(16,629,158)	(19,197,136)
<b>Net cash from (used in) financing activities</b>	<b>66,821,591</b>	<b>(22,715,837)</b>
<b>Net increase (decrease) in cash and cash equivalents during the year</b>	<b>4,688,862</b>	<b>(4,437,988)</b>
Effect of exchange rate fluctuations on cash and cash equivalents	(455)	1,133
<b>Cash and cash equivalents at beginning of year</b>	<b>5,746,900</b>	<b>10,183,755</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 10,435,307</b>	<b>\$ 5,746,900</b>
<b>Supplemental Information:</b>		
Interest received, net of withholding taxes	\$ 19,870,508	\$ 20,675,514
Interest paid	\$ 995	\$ –

(See accompanying notes to financial statements)

**Schedule of Investments**

As at December 31, 2025

Security	Par Value/ Notional/ Contracts	Average Cost	Fair Value
<b>CANADIAN FIXED INCOME SECURITIES (91.58%)</b>			
<b>Corporate Bonds (88.13%)</b>			
Algonquin Power & Utilities Corp., Callable, 5.25%, 2082/01/18	1,329,000	\$ 1,329,000	\$ 1,329,584
Allied Properties REIT, Series 'E', Callable, 3.11%, 2027/04/08	2,206,000	2,188,256	2,200,179
AltaGas Ltd., Callable, 4.12%, 2026/04/07	345,000	363,844	345,065
AltaGas Ltd., Callable, 3.98%, 2027/10/04	1,053,000	1,061,060	1,066,516
AltaGas Ltd., 3.03%, 2027/11/10	2,978,000	2,978,000	2,971,803
AltaGas Ltd., Callable, 2.08%, 2028/05/30	2,415,000	2,398,720	2,353,063
AltaGas Ltd., Variable Rate, Callable, 5.25%, 2082/01/11	2,232,000	2,232,000	2,238,425
Bank of Montreal, Callable, 1.55%, 2026/05/28	3,003,500	2,890,340	2,992,717
Bank of Montreal, Callable, 3.65%, 2027/04/01	130,000	131,421	131,148
Bank of Montreal, Callable, 4.31%, 2027/06/01	5,025,000	5,047,736	5,115,847
Bank of Montreal, Callable, 4.71%, 2027/12/07	4,620,000	4,622,576	4,756,941
Bank of Montreal, Callable, 5.04%, 2028/05/29	354,000	370,178	368,942
Bank of Montreal, Callable, 4.54%, 2028/12/18	3,274,000	3,274,312	3,391,120
Bank of Montreal, Callable, 4.42%, 2029/07/17	2,057,000	2,057,131	2,130,003
Bank of Montreal, Variable Rate, Callable, 3.11%, 2029/10/27	595,000	595,000	593,253
Bank of Montreal, Variable Rate, Callable, 3.73%, 2031/06/03	1,867,000	1,867,000	1,877,366
Bank of Montreal, Variable Rate, Callable, 6.53%, 2032/10/27	1,083,000	1,083,000	1,145,909
Bank of Montreal, Variable Rate, Callable, 3.80%, 2032/12/15	2,490,000	3,290,229	3,378,764
Bank of Montreal, Variable Rate, Callable, 4.98%, 2034/07/03	1,545,000	1,545,000	1,609,941
Bank of Montreal, Variable Rate, Callable, 4.08%, 2035/03/05	2,356,000	2,356,000	2,375,738
Bank of Montreal, Variable Rate, Callable, 7.33%, 2082/11/26	209,000	209,215	221,087
Bank of Nova Scotia (The), 1.85%, 2026/11/02	5,005,000	4,813,077	4,973,986
Bank of Nova Scotia (The), 2.95%, 2027/03/08	1,505,000	1,502,983	1,506,357
Bank of Nova Scotia (The), Variable Rate, Callable, 3.81%, 2028/11/15	50,000	50,795	50,618
Bank of Nova Scotia (The), 4.68%, 2029/02/01	5,073,000	5,162,336	5,284,381
Bank of Nova Scotia (The), Floating Rate, Callable, 3.84%, 2030/09/26	1,401,000	1,403,898	1,419,582
Bank of Nova Scotia (The), Variable Rate, Callable, 3.73%, 2031/06/27	1,112,000	1,111,855	1,117,958
Bank of Nova Scotia (The), Variable Rate, Callable, 3.62%, 2032/01/30	2,208,000	2,208,000	2,198,400
Bank of Nova Scotia (The), Variable Rate, Callable, 3.93%, 2032/05/03	2,617,000	2,614,214	2,645,538
Bank of Nova Scotia (The), Variable Rate, Callable, 7.02%, 2082/07/27	792,000	791,875	826,113
Bell Canada, Callable, 2.90%, 2026/08/12	1,404,000	1,400,013	1,404,653
Bell Canada, Callable, 3.60%, 2027/09/29	2,614,000	2,820,403	2,634,196
Bell Canada, Callable, 3.80%, 2028/08/21	2,691,000	2,525,144	2,721,900
Bell Canada, Series 'M-64', Callable, 3.65%, 2029/08/14	1,591,000	1,590,300	1,597,921
Bell Canada, Callable, 2.90%, 2029/09/10	321,000	312,710	315,036
Bell Canada, 2.50%, 2030/05/14	2,174,000	2,027,573	2,092,153
Bell Canada, Callable, 3.00%, 2031/03/17	2,405,000	2,273,228	2,321,703

**Schedule of Investments** (continued)

As at December 31, 2025

Security	Par Value/ Notional/ Contracts	Average Cost	Fair Value
Bell Canada, Series 'M-65', Callable, 4.30%, 2033/03/14	1,263,000	1,274,291	1,268,527
Brookfield Renewable Partners ULC, Callable, 3.63%, 2027/01/15	2,549,000	2,581,102	2,563,380
Brookfield Renewable Partners ULC, Callable, 4.25%, 2029/01/15	1,316,000	1,353,283	1,346,368
Canadian Imperial Bank of Commerce, 1.70%, 2026/07/15	900,000	900,971	896,417
Canadian Imperial Bank of Commerce, 5.00%, 2026/12/07	1,699,000	1,708,935	1,734,485
Canadian Imperial Bank of Commerce, 2.25%, 2027/01/07	2,656,000	2,650,067	2,644,291
Canadian Imperial Bank of Commerce, Callable, 4.95%, 2027/06/29	3,768,000	3,789,859	3,872,610
Canadian Imperial Bank of Commerce, Callable, 5.05%, 2027/10/07	4,031,000	4,060,906	4,163,313
Canadian Imperial Bank of Commerce, Callable, 5.50%, 2028/01/14	754,000	753,615	788,490
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 3.65%, 2028/12/10	5,007,000	5,027,879	5,055,937
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 3.80%, 2030/12/10	1,024,000	1,032,796	1,035,306
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 1.96%, 2031/04/21	1,570,000	1,538,920	1,566,293
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 3.90%, 2031/06/20	2,983,000	2,980,852	3,018,275
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 4.20%, 2032/04/07	1,951,000	1,946,536	1,977,621
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 5.33%, 2033/01/20	1,261,000	1,261,161	1,310,375
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 5.30%, 2034/01/16	3,838,000	3,897,857	4,024,361
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 4.90%, 2034/06/12	1,414,000	1,411,893	1,469,128
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 4.15%, 2035/04/02	1,566,000	1,563,761	1,581,965
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 7.15%, 2082/07/28	900,000	897,504	940,933
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 6.99%, 2084/07/28	723,000	723,000	765,795
Canadian Pacific Railway Co., Callable, 2.54%, 2028/02/28	1,206,000	1,205,879	1,194,320
Canadian Pacific Railway Co., Callable, 4.00%, 2032/06/13	684,000	683,754	688,208
Canadian Western Bank, Callable, 1.93%, 2026/04/16	3,619,000	3,576,705	3,614,833
Canadian Western Bank, 4.57%, 2028/07/11	803,000	803,000	831,435
Canvas Cards Trust, Series 'A', 3.60%, 2028/06/15	1,366,000	1,366,000	1,376,915
Cenovus Energy Inc., Callable, 3.50%, 2028/02/07	1,479,000	1,462,687	1,484,030
Central 1 Credit Union, 1.32%, 2026/01/29	823,000	823,000	822,219
Chartwell Retirement Residences, 6.00%, 2026/12/08	4,648,000	4,758,525	4,776,357
CHIP Mortgage Trust, Callable, 3.87%, 2031/02/01	1,997,000	1,997,000	1,985,537
CHIP Mortgage Trust, 4.24%, 2050/01/28	1,139,000	1,139,000	1,155,291
Choice Properties REIT, Series 'Q', Callable, 2.46%, 2026/11/30	1,457,000	1,451,146	1,453,762

**Schedule of Investments** (continued)

As at December 31, 2025

Security	Par Value/ Notional/ Contracts	Average Cost	Fair Value
Choice Properties REIT, Series 'P', Callable, 2.85%, 2027/05/21	2,209,000	2,185,585	2,207,624
Choice Properties REIT, Series 'L', Callable, 4.18%, 2028/03/08	639,000	674,853	651,132
Choice Properties REIT, Series 'M', Callable, 3.53%, 2029/06/11	2,361,000	2,319,122	2,368,675
Choice Properties REIT, Callable, 5.03%, 2031/02/28	427,000	426,983	448,582
Choice Properties REIT, Callable, 5.40%, 2033/03/01	646,000	679,482	689,752
Clover L.P., Series '1A', Sinkable, 4.22%, 2034/03/31	265,114	251,280	265,782
Clover L.P., Series '1B', Sinkable, 4.22%, 2034/06/30	1,637,503	1,637,424	1,643,917
Coast Capital Savings Federal Credit Union, 7.01%, 2026/09/28	549,000	549,485	564,721
Coastal GasLink Pipeline L.P., Series 'C', 4.91%, 2031/06/30	776,000	775,977	821,723
Co-operators Financial Services Ltd., Callable, 3.33%, 2030/05/13	780,000	800,156	762,427
Crombie REIT, Series 'F', Callable, 3.68%, 2026/08/26	8,485,000	8,517,583	8,516,375
Crombie REIT, Series 'G', Callable, 3.92%, 2027/06/21	1,560,000	1,547,034	1,575,577
Crombie REIT, Series 'H', Callable, 2.69%, 2028/03/31	230,000	229,045	226,486
Crombie REIT, Callable, 5.24%, 2029/09/28	1,085,000	1,094,623	1,135,559
Crombie REIT, Callable, 5.14%, 2030/03/29	588,000	587,971	613,170
Crombie REIT, Callable, 4.73%, 2032/01/15	1,419,000	1,440,294	1,445,728
CT REIT, Series 'D', Callable, 3.29%, 2026/06/01	2,100,000	2,100,944	2,101,279
CT REIT, Series 'E', Callable, 3.47%, 2027/06/16	240,000	228,679	240,964
CT REIT, Callable, 5.83%, 2028/06/14	979,000	979,863	1,030,200
CT REIT, Callable, 3.03%, 2029/02/05	1,745,000	1,723,720	1,716,921
CU Inc., Callable, 5.56%, 2028/05/26	880,000	904,886	925,935
Daimler Truck Finance Canada Inc., 4.46%, 2027/09/27	10,000	10,264	10,230
Dollarama Inc., Callable, 3.85%, 2030/12/16	1,639,000	1,639,000	1,651,507
Dream Summit Industrial L.P., Callable, 5.11%, 2029/02/12	1,157,000	1,181,552	1,205,469
Dream Summit Industrial L.P., Callable, 4.17%, 2030/09/18	2,449,000	2,449,000	2,461,751
Dream Summit Industrial L.P., Callable, 4.51%, 2031/02/12	701,000	700,874	711,751
Enbridge Inc., Callable, 3.20%, 2027/06/08	1,663,000	1,733,229	1,666,372
Enbridge Inc., Callable, 4.90%, 2028/05/26	453,000	470,699	469,285
Enbridge Inc., Series 'C', Variable Rate, Callable, 6.63%, 2078/04/12	3,672,000	3,717,874	3,880,497
Enbridge Inc., Convertible Bonds, Variable Rate, Callable, 8.75%, 2084/01/15	494,000	494,000	591,931
Fédération des caisses Desjardins du Québec, 4.41%, 2027/05/19	1,323,000	1,324,652	1,349,777
Fédération des caisses Desjardins du Québec, 5.48%, 2028/08/16	800,000	800,000	845,596
Fédération des caisses Desjardins du Québec, Callable, 5.47%, 2028/11/17	3,249,000	3,251,990	3,440,652
Fédération des caisses Desjardins du Québec, 3.80%, 2029/09/24	2,570,000	2,570,000	2,606,362
Fédération des caisses Desjardins du Québec, Variable Rate, Callable, 1.99%, 2031/05/28	2,171,000	2,164,950	2,164,643
Fédération des caisses Desjardins du Québec, Variable Rate, Callable, 5.04%, 2032/08/23	2,591,000	2,590,850	2,667,951
Fédération des caisses Desjardins du Québec, Variable Rate, Callable, 5.28%, 2034/05/15	2,783,014	2,844,951	2,922,688

**Schedule of Investments** (continued)

As at December 31, 2025

Security	Par Value/ Notional/ Contracts	Average Cost	Fair Value
First Capital Realty Inc./ First Capital REIT / First Capital New Sub Mut, 3.46%, 2027/01/22	1,371,000	1,377,485	1,376,263
First Capital Realty Inc./ First Capital REIT / First Capital New Sub Mut, 3.75%, 2027/07/12	792,000	799,081	798,193
Ford Credit Canada Co., 7.00%, 2026/02/10	1,336,000	1,335,853	1,341,166
Ford Credit Canada Co., 5.58%, 2027/02/22	711,000	711,000	727,503
Ford Credit Canada Co. of Canada, Callable, 4.82%, 2028/09/11	727,000	727,000	737,120
General Motors Financial of Canada Ltd., Callable, 5.20%, 2028/02/09	1,147,000	1,145,639	1,188,732
General Motors Financial of Canada Ltd., Series '14', Callable, 3.80%, 2030/11/07	2,523,000	2,519,316	2,501,219
George Weston Ltd., Callable, 4.19%, 2029/09/05	993,000	993,000	1,010,610
Gibson Energy Inc., Callable, 4.45%, 2031/11/12	874,000	873,528	888,051
Gibson Energy Inc., Convertible Bonds, Series '20-A', Variable Rate, Callable, 5.25%, 2080/12/22	1,136,000	1,084,369	1,136,611
Helocs Trust, Series 'A', 3.77%, 2027/10/23	1,506,000	1,506,000	1,525,138
Husky Midstream L.P., Callable, 4.10%, 2029/12/02	966,000	964,058	983,360
Hyundai Capital Canada Inc., Series 'A', Callable, 2.01%, 2026/05/12	780,000	780,000	778,668
Hyundai Capital Canada Inc., 3.57%, 2028/09/05	1,251,000	1,251,000	1,259,189
Hyundai Capital Canada Inc., Callable, 4.90%, 2029/01/31	750,000	787,103	781,528
iA Financial Corp. Inc., Variable Rate, Callable, 3.07%, 2031/09/24	4,121,000	4,134,080	4,127,514
iA Financial Corp. Inc., Variable Rate, Callable, 3.19%, 2032/02/25	20,000	20,076	20,056
iA Financial Corp. Inc., Variable Rate, Callable, 5.69%, 2033/06/20	1,073,000	1,073,935	1,130,278
iA Financial Corp. Inc., Variable Rate, Callable, 4.13%, 2034/12/05	1,099,000	1,099,000	1,114,903
IGM Financial Inc., Callable, 3.44%, 2027/01/26	5,668,000	5,681,041	5,695,657
Independent Order of Foresters (The), Series '20-1', Variable Rate, Callable, 2.89%, 2035/10/15	236,000	196,871	223,219
Inter Pipeline Ltd., Callable, 3.48%, 2026/12/16	1,932,000	1,937,603	1,939,553
Inter Pipeline Ltd., Callable, 5.76%, 2028/02/17	1,309,000	1,309,708	1,370,392
Inter Pipeline Ltd., Callable, 5.71%, 2030/05/29	893,000	893,447	957,923
Inter Pipeline Ltd., Series '19-A', Variable Rate, Callable, 6.88%, 2079/03/26	1,538,000	1,535,281	1,618,754
Keyera Corp., Series '6', Callable, 4.20%, 2033/04/15	1,670,000	1,669,967	1,657,458
Keyera Corp., Convertible Bonds, Variable Rate, Callable, 6.88%, 2079/06/13	1,644,000	1,860,651	1,751,674
Laurentian Bank of Canada, 4.19%, 2028/01/23	1,470,000	1,470,000	1,485,650
Laurentian Bank of Canada, Variable Rate, Callable, 5.10%, 2032/06/15	2,443,000	2,438,759	2,456,146
Le Carrefour Laval Rec Inc., Callable, 4.20%, 2030/08/14	1,032,000	1,032,000	1,042,226
Loblaw Cos. Ltd., Callable, 4.49%, 2028/12/11	2,517,000	2,834,196	2,599,914
Loblaw Cos. Ltd., Callable, 6.50%, 2029/01/22	908,000	985,765	983,686
Manulife Bank of Canada, 3.99%, 2028/02/22	1,141,000	1,141,000	1,161,700
Manulife Financial Corp., Variable Rate, Callable, 4.06%, 2032/02/24	4,475,000	5,610,189	6,125,023
Manulife Financial Corp., Variable Rate, Callable, 5.41%, 2033/03/10	3,213,000	3,274,746	3,355,623

**Schedule of Investments** (continued)

As at December 31, 2025

Security	Par Value/ Notional/ Contracts	Average Cost	Fair Value
Manulife Financial Corp., Variable Rate, Callable, 4.06%, 2034/12/06	1,483,000	1,487,095	1,503,292
Manulife Financial Corp., Variable Rate, Callable, 7.12%, 2082/06/19	1,020,000	1,020,062	1,062,076
MCAP Commercial L.P., Callable, 3.38%, 2027/11/26	1,084,000	1,079,135	1,081,243
Metro Inc., Callable, 3.39%, 2027/12/06	1,279,000	1,353,667	1,286,673
Metro Inc., Callable, 4.00%, 2029/11/27	1,416,000	1,416,000	1,443,913
National Bank of Canada, 4.97%, 2026/12/07	1,608,000	1,608,890	1,641,220
National Bank of Canada, Floating Rate, Callable, 4.98%, 2027/03/18	2,605,000	2,605,492	2,617,277
National Bank of Canada, Variable Rate, Callable, 3.64%, 2027/10/07	2,451,000	2,455,486	2,466,191
National Bank of Canada, 5.22%, 2028/06/14	4,949,000	4,936,944	5,188,444
National Bank of Canada, Variable Rate, Callable, 3.31%, 2028/08/15	4,541,000	4,540,682	4,556,764
National Bank of Canada, Variable Rate, Callable, 3.52%, 2029/07/17	4,414,000	4,414,000	4,444,154
National Bank of Canada, Variable Rate, Callable, 3.44%, 2031/10/21	1,864,000	1,864,000	1,846,011
National Bank of Canada, Variable Rate, Callable, 5.28%, 2034/02/15	2,375,000	2,375,180	2,490,630
National Bank of Canada, Variable Rate, Callable, 4.26%, 2035/02/15	3,681,000	3,680,816	3,738,005
National Bank of Canada, Variable Rate, Callable, 4.33%, 2035/08/15	2,346,000	2,345,812	2,382,118
National Bank of Canada, Variable Rate, Callable, 7.50%, 2082/11/16	1,416,000	1,416,313	1,499,498
North West Redwater Partnership / NWR Financing Co. Ltd., Series 'F', Callable, 4.25%, 2029/06/01	200,000	227,486	205,466
Original Wempi Inc., 7.79%, 2027/10/04	1,092,000	1,094,342	1,161,958
Pembina Pipeline Corp., Callable, 3.71%, 2026/08/11	4,885,000	4,905,803	4,900,201
Pembina Pipeline Corp., Callable, 4.24%, 2027/06/15	1,200,000	1,204,068	1,216,472
Pembina Pipeline Corp., Series '15', Callable, 3.31%, 2030/02/01	60,000	55,284	59,491
Pembina Pipeline Corp., Callable, 5.02%, 2032/01/12	348,000	346,935	365,736
Pembina Pipeline Corp., Convertible Bonds, Series '2', Variable Rate, Callable, 5.95%, 2055/06/06	630,000	643,627	644,081
Pembina Pipeline Corp., Convertible Bonds, Variable Rate, Callable, 4.80%, 2081/01/25	1,168,000	1,151,899	1,164,992
Reliance L.P., Callable, 3.75%, 2026/03/15	1,144,000	1,140,293	1,144,813
Reliance L.P., Callable, 2.68%, 2027/12/01	1,104,000	1,108,714	1,094,392
Reliance L.P., Callable, 2.67%, 2028/08/01	1,352,000	1,352,555	1,328,051
Reliance L.P., Callable, 5.25%, 2031/05/15	746,000	745,955	786,134
Reliance L.P., Callable, 4.39%, 2032/04/16	869,000	866,436	875,680
RioCan REIT, Series 'AC', Callable, 2.36%, 2027/03/10	2,049,000	2,030,620	2,034,089
RioCan REIT, Callable, 5.61%, 2027/10/06	870,000	870,280	902,979
RioCan REIT, 4.00%, 2028/03/01	2,078,000	2,091,242	2,105,044
RioCan REIT, Series 'AE', Callable, 2.83%, 2028/11/08	1,248,000	1,248,000	1,227,530
RioCan REIT, Callable, 4.63%, 2029/05/01	63,000	61,124	64,703
RioCan REIT, Callable, 5.96%, 2029/10/01	1,042,000	1,042,761	1,115,748
RioCan REIT, Callable, 5.47%, 2030/03/01	947,000	949,858	998,734
RioCan REIT, Callable, 5.46%, 2031/03/01	1,408,000	1,407,620	1,487,224

**Schedule of Investments** (continued)

As at December 31, 2025

Security	Par Value/ Notional/ Contracts	Average Cost	Fair Value
RioCan REIT, Callable, 4.62%, 2031/10/03	903,000	903,000	915,815
Rogers Communications Inc., Callable, 3.80%, 2027/03/01	300,000	301,752	302,058
Rogers Communications Inc., Callable, 3.65%, 2027/03/31	7,212,000	7,647,449	7,257,166
Rogers Communications Inc., Callable, 5.70%, 2028/09/21	1,780,000	1,780,382	1,885,011
Rogers Communications Inc., Callable, 3.75%, 2029/04/15	1,805,000	1,802,944	1,819,908
Rogers Communications Inc., Callable, 3.25%, 2029/05/01	203,000	189,352	201,906
Rogers Communications Inc., Callable, 5.80%, 2030/09/21	350,000	368,335	379,512
Rogers Communications Inc., Callable, 4.25%, 2032/04/15	1,240,000	1,242,004	1,252,603
Rogers Communications Inc., Variable Rate, Callable, 5.00%, 2081/12/17	3,581,000	3,574,876	3,623,787
Royal Bank of Canada, 2.33%, 2027/01/28	3,636,000	3,635,707	3,623,450
Royal Bank of Canada, 4.64%, 2028/01/17	1,905,000	1,908,293	1,964,824
Royal Bank of Canada, Variable Rate, Callable, 3.63%, 2028/12/10	2,288,000	2,289,835	2,310,158
Royal Bank of Canada, Variable Rate, Callable, 3.41%, 2029/06/12	4,133,000	4,133,000	4,152,039
Royal Bank of Canada, 5.23%, 2030/06/24	871,000	871,947	934,452
Royal Bank of Canada, Variable Rate, Callable, 3.99%, 2031/07/22	2,808,000	2,808,000	2,854,369
Royal Bank of Canada, Variable Rate, Callable, 2.14%, 2031/11/03	5,202,000	5,154,710	5,169,760
Royal Bank of Canada, Variable Rate, Callable, 3.57%, 2031/12/09	2,826,000	2,826,000	2,814,252
Royal Bank of Canada, Variable Rate, Callable, 2.94%, 2032/05/03	1,959,000	1,931,222	1,956,783
Royal Bank of Canada, Variable Rate, Callable, 1.67%, 2033/01/28	2,298,000	2,291,204	2,239,565
Royal Bank of Canada, Variable Rate, Callable, 5.01%, 2033/02/01	2,247,000	2,315,892	2,324,131
Royal Bank of Canada, Convertible Bonds, Variable Rate, Callable, 5.10%, 2034/04/03	1,218,000	1,273,346	1,273,155
Royal Bank of Canada, Variable Rate, Callable, 4.83%, 2034/08/08	1,968,000	1,968,088	2,043,842
Royal Bank of Canada, Variable Rate, Callable, 4.21%, 2035/07/03	2,017,000	2,017,000	2,044,108
Sienna Senior Living Inc., Series 'C', Callable, 2.82%, 2027/03/31	659,000	656,648	656,700
Sienna Senior Living Inc., Series 'F', 3.52%, 2028/12/18	1,202,000	1,202,000	1,204,452
Sienna Senior Living Inc., Callable, 4.44%, 2029/10/17	447,000	447,000	457,980
Sienna Senior Living Inc., Series 'E', Callable, 4.11%, 2030/08/21	1,117,000	1,117,000	1,126,079
SmartCentres REIT, Series 'P', Callable, 3.44%, 2026/08/28	6,260,000	6,149,586	6,273,116
SmartCentres REIT, Series 'S', Callable, 3.83%, 2027/12/21	2,609,000	2,619,827	2,630,931
SmartCentres REIT, Callable, 5.35%, 2028/05/29	296,000	308,693	307,995
SmartCentres REIT, Series 'Y', Callable, 2.31%, 2028/12/18	2,244,000	2,147,636	2,167,959
SmartCentres REIT, Series 'AC', 3.60%, 2029/06/12	1,764,000	1,763,947	1,754,340
SmartCentres REIT, Series 'U', Callable, 3.53%, 2029/12/20	1,205,000	1,176,128	1,189,420
SmartCentres REIT, 5.16%, 2030/08/01	565,000	565,000	589,722
SmartCentres REIT, Series 'W', Callable, 3.65%, 2030/12/11	1,215,000	1,175,294	1,190,573
Sobeys Inc., 3.10%, 2028/10/30	1,881,000	1,881,000	1,871,595
Sun Life Financial Inc., Variable Rate, Callable, 2.46%, 2031/11/18	520,000	520,113	518,272
Sun Life Financial Inc., Variable Rate, Callable, 2.58%, 2032/05/10	5,766,000	5,829,698	5,731,408
Sun Life Financial Inc., Variable Rate, Callable, 2.80%, 2033/11/21	4,124,000	4,122,652	4,064,072

**Schedule of Investments** (continued)

As at December 31, 2025

Security	Par Value/ Notional/ Contracts	Average Cost	Fair Value
Sun Life Financial Inc., Variable Rate, Callable, 5.12%, 2036/05/15	1,437,000	1,437,000	1,519,248
Sun Life Financial Inc., Variable Rate, Callable, 4.14%, 2037/09/13	2,265,000	2,264,185	2,259,756
Superior Plus L.P., Callable, 4.25%, 2028/05/18	1,669,000	1,668,665	1,642,922
TELUS Corp., Callable, 3.75%, 2026/03/10	762,000	760,407	762,306
TELUS Corp., Callable, 3.63%, 2028/03/01	709,000	752,625	714,937
TELUS Corp., Callable, 4.95%, 2031/02/18	1,182,000	1,247,223	1,240,777
TELUS Corp., Callable, 2.85%, 2031/11/13	800,000	687,624	765,582
Toronto-Dominion Bank (The), 4.21%, 2027/06/01	3,673,000	3,701,842	3,738,298
Toronto-Dominion Bank (The), 5.38%, 2027/10/21	1,010,000	1,010,000	1,050,908
Toronto-Dominion Bank (The), 4.48%, 2028/01/18	80,000	82,574	82,231
Toronto-Dominion Bank (The), 4.68%, 2029/01/08	9,815,000	9,765,392	10,213,486
Toronto-Dominion Bank (The), Variable Rate, Callable, 4.86%, 2031/03/04	385,000	387,183	386,351
Toronto-Dominion Bank (The), Variable Rate, Callable, 3.84%, 2031/05/29	2,189,000	2,189,000	2,212,785
Toronto-Dominion Bank (The), Floating Rate, Callable, 3.06%, 2032/01/26	5,110,000	5,150,510	5,116,428
Toronto-Dominion Bank (The), Variable Rate, Callable, 5.18%, 2034/04/09	2,778,000	2,836,149	2,909,485
Toronto-Dominion Bank (The), Variable Rate, Callable, 7.28%, 2082/10/31	854,000	854,251	902,563
TransCanada PipeLines Ltd., Callable, 4.35%, 2026/05/12	314,000	312,755	315,372
TransCanada PipeLines Ltd., 7.31%, 2027/01/15	348,000	436,302	361,954
TransCanada PipeLines Ltd., Callable, 3.80%, 2027/04/05	7,110,000	7,835,603	7,163,653
TransCanada PipeLines Ltd., 6.28%, 2028/05/26	553,000	559,962	587,451
TransCanada PipeLines Ltd., Callable, 3.00%, 2029/09/18	250,000	242,575	247,107
TransCanada PipeLines Ltd., Callable, 5.28%, 2030/07/15	220,000	225,499	234,501
TransCanada PipeLines Ltd., Callable, 5.33%, 2032/05/12	1,173,000	1,261,714	1,255,537
Ventas Canada Finance Ltd., Series 'G', Callable, 2.45%, 2027/01/04	2,268,000	2,263,006	2,258,374
Videotron Ltd., Callable, 3.63%, 2028/06/15	1,723,000	1,715,065	1,725,257
Westcoast Energy Inc., Callable, 6.75%, 2027/12/15	497,000	530,224	526,171
		448,010,298	452,962,109
<b>Asset-Backed Securities (2.50%)</b>			
BMW Canada Auto Trust, Class 'A3', Series '23-1', Callable, 3.54%, 2028/01/20	544,000	544,000	547,116
BMW Canada Auto Trust, Class 'A3', Series '23-1', Callable, 5.43%, 2028/01/20	97,538	97,538	97,757
BMW Canada Auto Trust, Class 'A3', Series '24-1', Callable, 4.79%, 2029/01/22	750,000	753,820	761,644
CNH Capital Canada Receivables Trust, Class 'A2', Series '23-1', Variable Rate, Callable, 4.99%, 2029/10/15	333,177	333,177	338,857
CNH Capital Canada Receivables Trust, Class 'A2', Series '24-1', Callable, 5.06%, 2031/08/15	506,201	506,203	517,160
CNH Capital Canada Receivables Trust II, Class 'A2', Series '25-1', Callable, 3.49%, 2032/12/15	1,218,000	1,218,000	1,224,057
Eagle Credit Card Trust, Series 'A', 4.78%, 2027/07/17	30,000	30,910	30,788

**Schedule of Investments** (continued)

As at December 31, 2025

Security	Par Value/ Notional/ Contracts	Average Cost	Fair Value
Eagle Credit Card Trust, Series 'A', 5.13%, 2028/06/17	808,000	808,000	844,267
Eagle Credit Card Trust, Series 'A', 4.92%, 2029/06/17	1,190,000	1,190,000	1,247,611
Ford Auto Securitization Trust, Class 'A2', Series '25-A', Callable, 3.28%, 2029/11/15	1,810,000	1,810,000	1,818,916
Ford Auto Securitization Trust, Class 'A2', Series '25-B', Callable, 2.99%, 2030/03/15	579,000	579,000	577,283
Ford Auto Securitization Trust, Class 'A3', Series '24-A', Callable, 4.97%, 2030/03/15	412,000	412,004	425,548
Ford Auto Securitization Trust, Class 'A3', Series '25-B', Callable, 3.30%, 2031/08/15	625,000	625,000	620,033
Ford Auto Securitization Trust II, Class 'A3', Series '24-B', Callable, 3.84%, 2030/09/15	553,000	553,000	559,773
Ford Auto Securitization Trust II, Class 'A3', Series '25-A', Callable, 3.61%, 2031/02/15	669,000	669,000	672,013
Glacier Credit Card Trust, Series '22-1', 4.96%, 2027/09/20	20,000	20,726	20,625
Glacier Credit Card Trust, 3.91%, 2030/09/20	1,446,000	1,446,000	1,459,324
GMF Canada Leasing Trust, Class 'A3', Series '24-1', Callable, 4.83%, 2029/08/20	540,000	540,000	544,257
MBARC Credit Canada Inc., Class 'A3', Series '24-A', Callable, 5.13%, 2030/01/15	604,301	604,303	606,591
		12,740,681	12,913,620
<b>Municipal Bonds (0.85%)</b>			
Aéroports de Montréal, Callable, 6.95%, 2032/04/16	841,895	1,073,621	928,089
Edmonton Regional Airport Authority, Callable, 7.21%, 2030/11/01	165,985	199,396	178,980
Greater Toronto Airports Authority, Series '97-3', 6.45%, 2027/12/03	900,000	952,119	956,411
Greater Toronto Airports Authority, Series '00-1', Callable, 7.05%, 2030/06/12	205,000	236,525	234,009
Greater Toronto Airports Authority, 7.10%, 2031/06/04	1,155,000	1,347,066	1,342,788
Ottawa MacDonald-Cartier International Airport Authority, Sinkable, Callable, 6.97%, 2032/05/25	155,799	168,043	169,152
Vancouver Airport Authority, Series 'B', Callable, 7.43%, 2026/12/07	537,000	572,298	559,494
		4,549,068	4,368,923
<b>Provincial Bonds (0.07%)</b>			
New Brunswick F-M Project Co. Inc., Sinkable, Callable, 6.47%, 2027/11/30	333,956	393,087	346,007
<b>Mortgage Backed Securities (0.03%)</b>			
Classic RMBS Trust, Class 'A', Series '21-2', Variable Rate, Callable, 1.53%, 2052/03/15	15,269	15,267	15,234
Real Estate Asset Liquidity Trust, Class 'A2', Series '17', Callable, 3.64%, 2052/11/12	141,163	141,158	141,540
		156,425	156,774
<b>TOTAL CANADIAN FIXED INCOME SECURITIES</b>		<b>465,849,559</b>	<b>470,747,433</b>

**Schedule of Investments** (continued)

As at December 31, 2025

Security	Par Value/ Notional/ Contracts	Average Cost	Fair Value
<b>U.S. FIXED INCOME SECURITIES (6.32%)</b>			
<b>Corporate Bonds (6.32%)</b>			
Bank of America Corp., Variable Rate, Callable, 1.98%, 2027/09/15	4,713,000	4,625,527	4,686,405
Bank of America Corp., Variable Rate, Callable, 3.62%, 2028/03/16	3,937,000	3,907,217	3,964,795
Bank of America Corp., Variable Rate, Callable, 2.60%, 2029/04/04	2,746,000	2,720,401	2,710,299
Goldman Sachs Group Inc. (The), Variable Rate, Callable, 2.60%, 2027/11/30	2,187,000	2,179,308	2,183,083
Goldman Sachs Group Inc. (The), Variable Rate, Callable, 2.01%, 2029/02/28	3,117,000	3,117,000	3,042,999
JPMorgan Chase & Co., Floating Rate, Callable, 1.90%, 2028/03/05	4,139,000	4,139,998	4,089,990
Morgan Stanley, Variable Rate, Callable, 1.78%, 2027/08/04	3,367,000	3,309,936	3,348,279
Sunoco L.P., Callable, 3.88%, 2026/06/16	722,000	722,397	721,760
Wells Fargo & Co., 2.98%, 2026/05/19	2,677,000	2,869,685	2,682,014
Wells Fargo & Co., 2.49%, 2027/02/18	3,887,000	3,900,964	3,869,124
Wells Fargo & Co., Variable Rate, Callable, 5.08%, 2028/04/26	1,131,000	1,131,000	1,160,550
		32,623,433	32,459,298
<b>TOTAL U.S. FIXED INCOME SECURITIES</b>		<b>32,623,433</b>	<b>32,459,298</b>
<b>DERIVATIVES (0.33%)</b>			
<b>Interest Rate Swaps (0.28%)</b>			
Receive Floating Interest Rate, Pay Fixed Interest Rate 1.148%, 2026/02/23, C\$	5,000,000	–	10,654
Receive Floating Interest Rate, Pay Fixed Interest Rate 1.875%, 2026/11/19, C\$	14,000,000	–	92,834
Receive Floating Interest Rate, Pay Fixed Interest Rate 1.519%, 2027/05/05, C\$	18,000,000	–	281,052
Receive Floating Interest Rate, Pay Fixed Interest Rate 1.473%, 2027/05/07, C\$	16,000,000	–	260,766
Receive Floating Interest Rate, Pay Fixed Interest Rate 2.979%, 2027/05/09, US\$	3,800,000	–	46,340
Receive Floating Interest Rate, Pay Fixed Interest Rate 3.235%, 2027/08/05, C\$	15,000,000	–	(114,134)
Receive Floating Interest Rate, Pay Fixed Interest Rate 1.824%, 2027/11/30, C\$	10,000,000	–	179,714
Receive Floating Interest Rate, Pay Fixed Interest Rate 2.563%, 2028/04/09, C\$	3,500,000	–	21,722
Receive Floating Interest Rate, Pay Fixed Interest Rate 2.613%, 2028/06/20, C\$	5,000,000	–	(7,768)
Receive Floating Interest Rate, Pay Fixed Interest Rate 1.408%, 2028/07/19, C\$	10,000,000	–	361,307
Receive Floating Interest Rate, Pay Fixed Interest Rate 2.630%, 2028/08/20, C\$	5,000,000	–	(7,811)

**Schedule of Investments** (continued)

As at December 31, 2025

Security	Par Value/ Notional/ Contracts	Average Cost	Fair Value
Receive Floating Interest Rate, Pay Fixed Interest Rate 2.443%, 2028/09/09, C\$	7,000,000	–	23,963
Receive Floating Interest Rate, Pay Fixed Interest Rate 2.428%, 2028/09/29, C\$	7,000,000	–	28,266
Receive Floating Interest Rate, Pay Fixed Interest Rate 2.348%, 2028/11/04, C\$	6,000,000	–	40,183
Receive Floating Interest Rate, Pay Fixed Interest Rate 2.418%, 2028/12/04, C\$	7,000,000	–	35,914
Receive Floating Interest Rate, Pay Fixed Interest Rate 3.258%, 2029/03/14, C\$	8,000,000	–	(74,704)
Receive Floating Interest Rate, Pay Fixed Interest Rate 3.21%, 2029/08/12, C\$	10,000,000	–	(75,064)
Receive Floating Interest Rate, Pay Fixed Interest Rate 2.614%, 2030/05/29, C\$	5,000,000	–	26,520
Receive Floating Interest Rate, Pay Fixed Interest Rate 2.763%, 2030/08/29, C\$	21,000,000	–	2,675
Receive Floating Interest Rate, Pay Fixed Interest Rate 2.452%, 2030/10/30, C\$	21,000,000	–	310,993
		–	1,443,422
<b>Treasury Bond Futures (0.05%)</b>			
<b>Short Positions (0.05%)</b>			
Canadian 5-Year Treasury Bond Futures March 2026 at C\$113.29. Notional Value (C\$27,302,890)	(241)	–	214,570
Canadian 10-Year Treasury Bond Futures March 2026 at C\$120.91. Notional Value (C\$725,460)	(6)	–	9,300
		–	223,870
<b>Currency Forwards (0.00%)</b>			
Currency forward contract to buy C\$8,176,106 for US\$5,959,500 maturing March 18, 2026		–	21,737
<b>TOTAL DERIVATIVES</b>		–	<b>1,689,029</b>
Transaction Costs		(24)	
<b>TOTAL INVESTMENT PORTFOLIO (98.23%)</b>	<b>\$ 498,472,968</b>		<b>\$ 504,895,760</b>
<b>Cash and cash equivalents (2.03%)</b>			10,435,307
<b>Margin deposits (0.08%)</b>			418,441
<b>Other assets less liabilities (-0.34%)</b>			(1,745,049)
<b>NET ASSETS (100.00%)</b>			<b>\$ 514,004,459</b>

## Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

### 1. REPORTING ENTITY

Global X Active Ultra-Short Term Investment Grade Bond ETF (“HFR” or the “ETF”) is an investment trust established under the laws of the Province of Ontario by Declaration of Trust and effectively began operations on December 10, 2010. The address of the ETF’s registered office is: c/o Global X Investments Canada Inc., 55 University Avenue, Suite 800, Toronto, Ontario, M5J 2H7.

The ETF is offered for sale on a continuous basis by its prospectus in Class E units (“Class E”) which trade on the Toronto Stock Exchange (“TSX”) under the symbol HFR. An investor may buy or sell units of the ETF on the TSX only through a registered broker or dealer in the province or territory where the investor resides. Investors are able to trade units of the ETF in the same way as other securities traded on the TSX, including by using market orders and limit orders and may incur customary brokerage commissions when buying or selling units.

The investment objective of HFR is to generate income that is consistent with prevailing Canadian short-term corporate bond yields while reducing the potential effects of Canadian interest rate fluctuations on HFR. HFR invests primarily in a portfolio of Canadian debt (including debt-like securities) directly, and hedges the portfolio’s interest rate risk by maintaining a portfolio duration that is not more than one year. HFR may also invest directly in debt of U.S. companies, as well as indirectly through investments in securities of Listed Funds, as they are defined in the ETF’s prospectus. HFR uses derivatives, including interest rate swaps, to deliver a floating rate of income.

Global X Investments Canada Inc. is the manager, trustee and investment manager of the ETF (“Global X”, the “Manager” or the “Investment Manager”). The Investment Manager is responsible for implementing the ETF’s investment strategies and for engaging the services of Fiera Capital Corporation (“Fiera” or the “Sub-Advisor”), to act as the sub-advisor to the ETF.

### 2. BASIS OF PREPARATION

#### *(i) Statement of compliance*

The financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRS”). Any mention of total net assets, net assets, net asset value or increase (decrease) in net assets is referring to net assets or increase (decrease) in net assets attributable to holders of redeemable units as reported under IFRS.

These financial statements were authorized for issue on March 16, 2026, by the Board of Directors of the Manager.

#### *(ii) Basis of measurement*

The financial statements have been prepared on the historical cost basis except for financial instruments at fair value through profit or loss, which are measured at fair value.

#### *(iii) Functional and presentation currency*

The financial statements are presented in Canadian dollars, which is the ETF’s functional currency. Functional currency is the currency of the primary economic environment in which the ETF operates. If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

**3. MATERIAL ACCOUNTING POLICY INFORMATION**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

**(a) Financial instruments**

***(i) Recognition, initial measurement and classification***

The ETF is subject to IFRS 9, Financial Instruments (“IFRS 9”) for the classification and measurement requirements for financial instruments, including impairment of financial assets and hedge accounting.

IFRS 9 requires financial assets to be classified based on the ETF’s business model for managing the financial assets and contractual cash flow characteristics of the financial assets. The standard includes three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income, and fair value through profit or loss (“FVTPL”). IFRS 9 requires classification of debt instruments, if any, based solely on payments of principal and interests, and business model tests.

The ETF’s financial assets and financial liabilities are managed and its performance is evaluated on a fair value basis. The contractual cash flows of the ETF’s debt securities, if any, consist solely of principal and interest, however, these securities are neither held in held-to-collect, or held-to-collect-and-sell business models in IFRS 9.

Financial assets and financial liabilities at FVTPL are initially recognized on the trade date, at fair value (see below), with transaction costs recognized in the statement of comprehensive income. Other financial assets and financial liabilities are recognized on the date on which they are originated at fair value.

The ETF classifies financial assets and financial liabilities into the following categories:

- Financial assets classified at FVTPL: debt securities, equity investments and derivative financial instruments
- Financial assets at amortized cost: all other financial assets
- Financial liabilities classified at FVTPL: derivative financial instruments and securities sold short, if any
- Financial liabilities at amortized cost: all other financial liabilities

***(ii) Impairment***

At each reporting date, financial assets measured at amortized cost are assessed for impairment using the expected-credit-loss model, with any loss allowances recognized in profit or loss. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganization, and default in payments are all considered indicators that amounts may be credit impaired.

***(iii) Fair value measurement***

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the ETF has access at that date. The fair value of a liability reflects its non-performance risk.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

Investments are valued at fair value as of the close of business on each day upon which a session of the TSX is held (“Valuation Date”) and based on external pricing sources to the extent possible. Investments held that are traded in an active market through recognized public stock exchanges, over-the-counter markets, or through recognized investment dealers, are valued at their closing sale price. For exchange-traded securities, close prices are considered to be fair value if they fall within the bid-ask spread. In circumstances where the close price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. However, such prices may be adjusted if a more accurate value can be obtained from recent trading activity or by incorporating other relevant information that may not have been reflected in pricing obtained from external sources. Short-term investments, including notes and money market instruments, are valued at amortized cost which approximates fair value.

Investments held that are not traded in an active market, including some derivative financial instruments, are valued using observable market inputs where possible, on such basis and in such manner as established by the Manager. Derivative financial instruments are recorded in the statement of financial position according to the gain or loss that would be realized if the contracts were closed out on the Valuation Date. Margin deposits, if any, are included in the schedule of investments as margin deposits. See also, the summary of fair value measurements in note 6.

Fair value policies used for financial reporting purposes are the same as those used to measure the net asset value (“NAV”) for transactions with unitholders.

The fair value of other financial assets and liabilities approximates their carrying values due to the short-term nature of these instruments.

***(iv) Offsetting***

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at FVTPL and foreign exchange gains and losses.

***(v) Specific instruments***

**Cash and cash equivalents**

Cash and cash equivalents consist of cash on deposit and short-term, interest bearing notes with a term to maturity of less than three months from the date of purchase.

As at December 31, 2025, the ETF held cash equivalents of \$9,413,277 (2024 – \$5,602,917).

**Forward foreign exchange contracts**

Forward foreign exchange contracts, if any, are valued at the current market value thereof on the Valuation Date. The value of these forward contracts is the gain or loss that would be realized if, on the Valuation Date, the positions were to be closed out and recorded as derivative assets and/or liabilities in the statement of financial position and as a net change in unrealized appreciation (depreciation) of investments and derivatives in the statement of comprehensive income. When the forward contracts are closed out or mature, realized gains or losses on forward contracts are recognized and are included in the statement of comprehensive income in net realized gain (loss) on sale of investments and derivatives. The Canadian dollar value of forward foreign exchange contracts is determined using forward currency exchange rates supplied by an independent service provider.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

**Interest rate swaps**

Interest rate swaps, if any, are valued at the current market value thereof on the Valuation Date. The value of these interest rate swaps is the gain or loss that would be realized if, on the Valuation Date, the positions were to be closed out and recorded as derivative assets and/or liabilities, plus any amounts relating to accrued income, if applicable, in the statements of financial position, and as a net change in unrealized appreciation (depreciation) of investments and derivatives and interest income for distribution purposes, if applicable, in the statements of comprehensive income. When the interest rate swaps are closed out or mature, realized gains or losses on interest rate swaps are recognized and are included in the statements of comprehensive income.

**Redeemable units**

The redeemable units are measured at the redemption amounts and are considered a residual amount of the net assets attributable to holders of redeemable units. They are classified as financial liabilities as a result of the ETF's requirement to distribute net income and capital gains to unitholders.

**(b) Investment income**

Investment transactions are accounted for as of the trade date. Realized gains and losses from investment transactions are calculated on a weighted average cost basis. The difference between fair value and average cost, as recorded in the financial statements, is included in the statement of comprehensive income as part of the net change in unrealized appreciation (depreciation) of investments and derivatives. Interest income for distribution purposes from investments in bonds and short-term investments represents the coupon interest received by the ETF accounted for on an accrual basis. Dividend income is recognized on the ex-dividend date. Distribution income from investments in other funds or ETFs is recognized when earned.

Income from derivatives is shown in the statement of comprehensive income as net realized gain (loss) on sale of investments and derivatives; net change in unrealized appreciation (depreciation) of investments and derivatives; and, interest income for distribution purposes, in accordance with its nature.

Income from securities lending, if any, is included in "Securities lending income" on the statement of comprehensive income and is recognized when earned. Any securities on loan continue to be displayed in the schedule of investments and the market value of the securities loaned and collateral held is determined daily (see note 7).

If the ETF incurs withholding taxes imposed by certain countries on investment income and capital gains, such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the statement of comprehensive income.

**(c) Foreign currency**

Transactions in foreign currencies are translated into the ETF's reporting currency using the exchange rate prevailing on the trade date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the year-end exchange rate. Foreign exchange gains and losses are presented as "Net realized gain (loss) on foreign exchange", except for those arising from financial instruments at fair value through profit or loss, which are recognized as a component within "Net realized gain (loss) on sale of investments and derivatives" and "Net change in unrealized appreciation (depreciation) of investments and derivatives" in the statement of comprehensive income.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

**(d) Cost basis**

The cost of portfolio investments is determined on an average cost basis.

**(e) Increase (decrease) in net assets attributable to holders of redeemable units per unit**

The increase (decrease) in net assets per unit in the statement of comprehensive income represents the change in net assets attributable to holders of redeemable units from operations divided by the weighted average number of units of the ETF outstanding during the reporting year.

**(f) Unitholder transactions**

The value at which units are issued or redeemed is determined by dividing the net asset value of the ETF by the total number of units outstanding of the ETF on the applicable Valuation Date. Amounts received on the issuance of units and amounts paid on the redemption of units are included in the statement of changes in financial position. Orders for subscriptions or redemptions are only permissible on valid trading days, as defined in the ETF's prospectus.

**(g) Amounts receivable (payable) relating to portfolio assets sold (purchased)**

In accordance with the ETF's policy of trade date accounting for sale and purchase transactions, sales/purchase transactions awaiting settlement represent amounts receivable/payable for securities sold/purchased, but not yet settled as at the reporting date.

**(h) Net assets attributable to holders of redeemable units per unit**

Net assets attributable to holders of redeemable units per unit is calculated by dividing the ETF's net assets attributable to holders of redeemable units by the number of units of the ETF outstanding on the Valuation Date.

**(i) Transaction costs**

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and any applicable transfer taxes and duties. Transaction costs are expensed and are included in "Transaction costs" in the statement of comprehensive income.

**(j) Future changes in accounting policies**

IFRS 7 and IFRS 9 will have amendments that will apply for annual reporting periods beginning on or after January 1, 2026. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with Environmental, Social, and Governance linked features. There are additional amended disclosure requirements related to financial instruments with contingent features.

IFRS 18 will replace IAS 1 Presentation of Financial Statements and will apply for annual reporting periods beginning on or after January 1, 2027. IFRS 18 introduces new required categories and subtotals in the statement of comprehensive income and enhances the presentation of management-defined performance measures to be disclosed in a single note. It also requires entities to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. This change will impact the structure of the ETF's statement of comprehensive income, the statement of cash flows and additional required disclosures.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

The ETF is in the process of assessing the impact of the amended and new accounting standards to the financial statements.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

In preparing these financial statements, the Manager has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

The ETF may hold financial instruments that are not quoted in active markets, including derivatives. The determination of the fair value of these instruments is the area with the most significant accounting judgements and estimates that the ETF has made in preparing the financial statements. See note 6 for more information on the fair value measurement of the ETF's financial instruments.

**5. FINANCIAL INSTRUMENTS RISK**

In the normal course of business, the ETF's investment activities expose it to a variety of financial risks. The Manager seeks to minimize potential adverse effects of these risks for the ETF's performance by employing professional, experienced portfolio advisors, by daily monitoring of the ETF's positions and market events, and periodically may use derivatives to hedge certain risk exposures. To assist in managing risks, the Manager maintains a governance structure that oversees the ETF's investment activities and monitors compliance with the ETF's stated investment strategies, internal guidelines and securities regulations.

Significant financial instrument risks that are relevant to the ETF, and analysis thereof, are presented below.

**(a) Market risk**

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will affect the ETF's income or the fair value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**(i) Currency risk**

Currency risk is the risk that financial instruments which are denominated in currencies other than the ETF's reporting currency, the Canadian dollar, will fluctuate due to changes in exchange rates and adversely impact the ETF's income, cash flows or fair values of its investment holdings. The ETF may reduce its foreign currency exposure through the use of derivative arrangements such as foreign exchange forward contracts or futures contracts. As at December 31, 2025 and 2024, the ETF did not have any material net exposure to foreign currencies due to the ETF's hedging strategies.

**(ii) Interest rate risk**

The ETF may be exposed to the risk that the fair value of future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. In general, the value of interest-bearing financial instruments will rise if interest rates fall, and conversely, will generally fall if interest rates rise. There is minimal sensitivity to interest rate fluctuation on cash and cash equivalents invested at short-term market rates since those securities are usually held to maturity and are short term in nature.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

The following table summarizes the ETF's exposure to interest rate risk, including the ETF's assets categorized by the remaining term to maturity:

Investments	Less than 1 year	1 - 3 years	3 - 5 years	> 5 years	Non-interest bearing	Total
As at	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
<b>December 31, 2025</b>						
Investments	67,213	189,806	88,031	172,150	–	517,200
Interest Rate Swaps	368	1,259	162	–	–	1,789
<b>December 31, 2024</b>						
Investments	63,082	122,346	102,000	138,102	–	425,530
Interest Rate Swaps	(520)	2,367	663	–	–	2,510

The percentage of the ETF's net assets exposed to interest rate risk as at December 31, 2025, was 101.0% (December 31, 2024 – 99.3%). The amount by which the net assets of the ETF would have increased or decreased, as at December 31, 2025, had the prevailing interest rates been lowered or raised by 1%, assuming a parallel shift in the yield curve, with all other variables remaining constant, was \$5,086,085 (December 31, 2024 – \$2,746,947). The ETF's interest rate sensitivity was determined based on portfolio weighted duration. In practice, actual results may differ from this sensitivity analysis.

**(iii) Other market risk**

Other market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. The Manager has implemented internal risk management controls on the ETF which are intended to limit the loss on its trading activities.

The table below shows the estimated impact on the ETF of a 1% increase or decrease in a broad-based market index, based on historical correlation, with all other factors remaining constant, as at the dates shown. In practice, actual results may differ from this sensitivity analysis and the difference could be material. The historical correlation may not be representative of future correlation.

Comparative Index	December 31, 2025	December 31, 2024
ICE BofA Merrill Lynch Canada Corporate Bond Index	\$1,369,034	\$1,230,277

**(b) Credit risk**

Credit risk on financial instruments is the risk of a financial loss occurring as a result of the default of a counterparty on its obligation to the ETF. It arises principally from debt securities held, and also from derivative financial assets, cash and cash equivalents, and other receivables. The ETF's maximum credit risk exposure as at the reporting date is represented by the respective carrying amounts of the financial assets in the statement of financial position. The ETF's credit risk policy is to minimize its exposure to counterparties with perceived higher risk of default by dealing only with counterparties that meet the credit standards set out in the ETF's prospectus and, when necessary, receiving acceptable collateral.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

***Analysis of credit quality***

The ETF's credit risk exposure by designated rating of the invested portfolio as at December 31, 2025 and 2024, is listed as follows:

Debt or Derivative Securities by Credit Rating	Percentage of Net Asset Value (%)	
	December 31, 2025	December 31, 2024
AAA	5.5%	4.5%
AA	1.4%	0.6%
A	41.8%	37.8%
BBB	48.4%	51.5%
BB	3.6%	5.0%
Unrated	0.2%	0.0%
<b>Total</b>	<b>101.0%</b>	<b>99.4%</b>

Designated ratings are obtained by Standard & Poor's, Moody's and/or Dominion Bond Rating Services. Where more than one rating is obtained for a security, the lowest rating has been used. Credit risk is managed by dealing with counterparties the ETF believes to be creditworthy and by regular monitoring of credit exposures. The maximum exposure to any one debt issuer as of December 31, 2025, was 7.1% (December 31, 2024 – 6.3%) of the net assets of the ETF.

**(c) Liquidity risk**

Liquidity risk is the risk that the ETF will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The ETF's policy and the Investment Manager's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, including estimated redemptions of shares, without incurring unacceptable losses or risking damage to the ETF's reputation. Generally, liabilities of the ETF are due within 90 days except for net assets attributable to holders of redeemable units, which are due on demand. Liquidity risk is managed by investing the majority of the ETF's assets in investments that are traded in an active market and can be readily disposed. The ETF aims to retain sufficient cash and cash equivalent positions to maintain liquidity; therefore, the liquidity risk for the ETF is considered minimal.

**6. FAIR VALUE MEASUREMENT**

Below is a classification of fair value measurements of the ETF's investments based on a three level fair value hierarchy and a reconciliation of transactions and transfers within that hierarchy. The hierarchy of fair valuation inputs is summarized as follows:

- Level 1: securities that are valued based on quoted prices in active markets.
- Level 2: securities that are valued based on inputs other than quoted prices that are observable, either directly as prices, or indirectly as derived from prices.
- Level 3: securities that are valued with significant unobservable market data.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

Changes in valuation methods may result in transfers into or out of an investment's assigned level. The following is a summary of the inputs used as at December 31, 2025 and 2024, in valuing the ETF's investments and derivatives carried at fair values:

	December 31, 2025			December 31, 2024		
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)
<b>Financial Assets</b>						
Bonds	–	503,049,957	–	–	416,043,627	–
Mortgage Backed Securities	–	156,774	–	–	322,603	–
Futures	223,870	–	–	–	–	–
Currency Forward Contracts	–	21,737	–	–	–	–
Interest Rate Swaps	–	1,722,903	–	–	2,910,956	–
<b>Total Financial Assets</b>	<b>223,870</b>	<b>504,951,371</b>	<b>–</b>	<b>–</b>	<b>419,277,186</b>	<b>–</b>
<b>Financial Liabilities</b>						
Futures	–	–	–	(1,117,966)	–	–
Currency Forward Contracts	–	–	–	–	(88,941)	–
Interest Rate Swaps	–	(279,481)	–	–	(223,234)	–
<b>Total Financial Liabilities</b>	<b>–</b>	<b>(279,481)</b>	<b>–</b>	<b>(1,117,966)</b>	<b>(312,175)</b>	<b>–</b>
<b>Net Financial Assets and Liabilities</b>	<b>223,870</b>	<b>504,671,890</b>	<b>–</b>	<b>(1,117,966)</b>	<b>418,965,011</b>	<b>–</b>

There were no significant transfers made between Levels 1 and 2 as a result of changes in the availability of quoted market prices or observable market inputs during the years shown. In addition, there were no investments or transactions classified in Level 3 for the years ended December 31, 2025 and 2024.

**7. SECURITIES LENDING**

In order to generate additional returns, the ETF is authorized to enter into securities lending agreements with borrowers deemed acceptable in accordance with National Instrument 81-102 – *Investment Funds* (“NI 81-102”). Under a securities lending agreement, the borrower must pay the ETF a negotiated securities lending fee, provide compensation to the ETF equal to any distributions received by the borrower on the securities borrowed, and the ETF must receive an acceptable form of collateral in excess of the value of the securities loaned. Although such collateral is marked to market, the ETF may be exposed to the risk of loss should a borrower default on its obligations to return the borrowed securities and the collateral is insufficient to reconstitute the portfolio of loaned securities. Revenue, if any, earned on securities lending transactions during the year is disclosed in the ETF's statement of comprehensive income.

The aggregate closing market value of securities loaned and collateral received as at December 31, 2025 and 2024, was as follows:

As at	Securities Loaned	Collateral Received
December 31, 2025	\$32,893,243	\$34,587,796
December 31, 2024	\$22,201,745	\$23,341,974

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

Collateral may comprise, but is not limited to, cash and obligations of or guaranteed by the Government of Canada or a province thereof; by the United States government or its agencies; by some sovereign states; by permitted supranational agencies; and short-term debt of Canadian financial institutions, if, in each case, the evidence of indebtedness has a designated rating as defined by NI 81-102.

The table below presents a reconciliation of the securities lending income as presented in the statement of comprehensive income for the years ended December 31, 2025 and 2024. It shows the gross amount of securities lending revenues generated from the securities lending transactions of the ETF, less any taxes withheld and amounts earned by parties entitled to receive payments out of the gross amount as part of any securities lending agreements.

For the years ended	December 31, 2025	% of Gross Income	December 31, 2024	% of Gross Income
Gross securities lending income	\$25,303		\$27,258	
Withholding taxes	(2)	0.01%	(258)	0.95%
Lending Agents' fees:				
The Bank of New York Mellon	(10,114)	39.97%	(10,791)	39.58%
<b>Net securities lending income paid to the ETF</b>	<b>\$15,187</b>	<b>60.02%</b>	<b>\$16,209</b>	<b>59.47%</b>

**8. REDEEMABLE UNITS**

The ETF is authorized to issue an unlimited number of redeemable, transferable Class E units each of which represents an equal, undivided interest in the net assets of the ETF. Each unit entitles the owner to one vote at meetings of unitholders. Each unit is entitled to participate equally with all other units with respect to all payments made to unitholders, other than management fee distributions, whether by way of income or capital distributions and, on liquidation, to participate equally in the net assets of the ETF remaining after satisfaction of any outstanding liabilities that are attributable to units of that class of the ETF. All units will be fully paid and non-assessable, with no liability for future assessments, when issued and will not be transferable except by operation of law.

The redeemable units issued by the ETF provide an investor with the right to require redemption for cash at a value proportionate to the investor's share in the ETF's net assets at each redemption date. They are classified as liabilities as a result of the ETF's requirement to distribute net income and capital gains to unitholders. The ETF's objectives in managing the redeemable units are to meet the ETF's investment objective, and to manage liquidity risk arising from redemptions. The ETF's management of liquidity risk arising from redeemable units is discussed in note 5.

On any valid trading day, as defined in the ETF's prospectus, unitholders of the ETF may (i) redeem units of the ETF for cash at a redemption price per unit equal to 95% of the closing price for units of the ETF on the TSX on the effective day of the redemption, where the units being redeemed are not equal to a prescribed number of units ("PNU") or a multiple PNU; or (ii) redeem, less any applicable redemption charge as determined by the Manager in its sole discretion from time to time, a PNU or a multiple PNU of the ETF for cash equal to the net asset value of that number of units.

Units of the ETF are issued or redeemed on a daily basis at the net asset value per security that is determined as at 4:00 p.m. (Eastern Time) each business day. Purchase and redemption orders are subject to a 9:30 a.m. (Eastern Time) cut-off time.

The ETF is required to distribute any net income and capital gains that it has earned in the period. Income earned by the ETF is distributed to unitholders at least once per year, if necessary, and these distributions are either paid in cash or reinvested by unitholders into additional units of the ETF. Net realized capital gains, if any, are typically distributed in December of each year to unitholders. The annual capital gains distributions are not paid in cash but rather, are reinvested and reported as taxable distributions and used to increase each unitholder's adjusted cost base for the ETF. Distributions paid to holders of redeemable units are recognized in the statement of changes in financial position.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

For the years ended December 31, 2025 and 2024, the number of units issued by subscription and/or distribution reinvestment, the number of units redeemed, the total and average number of units outstanding was as follows:

Year	Beginning Units Outstanding	Units Issued	Units Redeemed	Ending Units Outstanding	Average Units Outstanding
2025	42,809,004	11,450,180	(3,325,000)	50,934,184	45,907,549
2024	42,770,007	10,413,997	(10,375,000)	42,809,004	40,831,040

**9. EXPENSES**

**Management fees**

The Manager provides, or oversees the provision of, administrative services required by the ETF including, but not limited to: negotiating contracts with certain third-party service providers, such as portfolio managers, custodians, registrars, transfer agents, auditors and printers; authorizing the payment of operating expenses incurred on behalf of the ETF; arranging for the maintenance of accounting records for the ETF; preparing reports to unitholders and to the applicable securities regulatory authorities; calculating the amount and determining the frequency of distributions by the ETF; preparing financial statements, income tax returns and financial and accounting information as required by the ETF; ensuring that unitholders are provided with financial statements and other reports as are required from time to time by applicable law; ensuring that the ETF complies with all other regulatory requirements, including the continuous disclosure obligations of the ETF under applicable securities laws; administering purchases, redemptions and other transactions in units of the ETF; and dealing and communicating with unitholders of the ETF. The Manager provides office facilities and personnel to carry out these services, if not otherwise furnished by any other service provider to the ETF. The Manager also monitors the investment strategies of the ETF to ensure that the ETF complies with its investment objectives, investment strategies and investment restrictions and practices.

In consideration for the provision of these services, the Manager receives a monthly management fee at the annual rate of 0.40%, plus applicable sales taxes, of the net asset value of the ETF's units, calculated and accrued daily and payable monthly in arrears. The Sub-Advisor is compensated for its services out of the management fees without any further cost to the ETF. Any expenses of the ETF which are waived or absorbed by the Manager are paid out of the management fees received by the Manager.

**Other expenses**

Unless otherwise waived or reimbursed by the Manager, the ETF pays all of its operating expenses, including but not limited to: audit fees; trustee and custodial expenses; valuation, accounting and record keeping costs; legal expenses; permitted prospectus preparation and filing expenses; costs associated with delivering documents to unitholders; listing and annual stock exchange fees; index licensing fees, if applicable; fees payable to CDS Clearing and Depository Services Inc.; bank related fees and interest charges; extraordinary expenses; unitholder reports and servicing costs; registrar and transfer agent fees; costs associated with the Independent Review Committee; income taxes; sales taxes; brokerage expenses and commissions; withholding taxes; and fees payable to service providers in connection with regulatory compliance and tax matters in foreign jurisdictions.

The Manager, at its discretion, may waive and/or absorb a portion of the fees and/or expenses otherwise payable by the ETF. The waiving and/or absorption of such fees and/or expenses by the Manager may be terminated at any time, or continued indefinitely, at the discretion of the Manager.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

**10. BROKER COMMISSIONS, SOFT DOLLARS AND RELATED PARTY TRANSACTIONS**

Brokerage commissions paid on securities transactions may include amounts paid to related parties of the Manager for brokerage services provided to the ETF.

Research and system usage related services received in return for commissions generated with specific dealers are generally referred to as soft dollars.

Brokerage commissions paid to dealers in connection with investment portfolio transactions, soft dollar transactions incurred and amounts paid to related parties of the Manager, if any, for the years ended December 31, 2025 and 2024, were as follows:

Year Ended	Brokerage Commissions Paid	Soft Dollar Transactions	Amount Paid to Related Parties
December 31, 2025	\$14,720	\$nil	\$nil
December 31, 2024	\$15,163	\$nil	\$nil

In addition to the information contained in the table above, the management fees paid to the Manager described in note 9 are related party transactions, as the Manager is considered to be a related party to the ETF. Fees paid to the Independent Review Committee are also considered to be related party transactions. Both the management fees and fees paid to the Independent Review Committee are disclosed in the statement of comprehensive income. The management fees payable by the ETF as at December 31, 2025 and 2024 are disclosed in the statement of financial position.

The ETF may invest in other ETFs managed by the Manager or its affiliates, in accordance with the ETF's investment objectives and strategies. Such investments, if any, are disclosed in the schedule of investments.

**11. COLLATERAL WITH FUTURES COMMISSION MERCHANTS**

The ETF may maintain accounts with Futures Commission Merchants ("FCMs") to conduct futures trading activities. The futures trading activities, where applicable, are typically, but not limited to, fixed income and currency futures for the purposes of hedging. The FCMs require the maintenance of minimum margin deposits. These requirements are met by the collateral from the ETF held at the FCMs. Collateral held with FCMs is included as part of "Margin deposits" in the statement of financial position. The collateral held with FCMs as at December 31, 2025 and 2024, is as follows:

As at	Collateral Held With FCMs
December 31, 2025	\$418,441
December 31, 2024	\$3,979,174

**12. INCOME TAX**

The ETF has qualified as a mutual fund trust under the *Income Tax Act* (Canada) (the "Tax Act") and accordingly, is not taxed on the portion of taxable income that is paid or allocated to unitholders. As a result, the Manager has determined that the ETF is in substance not taxable and therefore does not record income taxes in the statement of comprehensive income nor does it recognize any deferred tax assets or liabilities in the statement of financial position. As well, tax refunds (based on redemptions and realized and unrealized gains during the year) may be available that would make it possible to retain some net capital gains in the ETF without incurring any income taxes.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

The ETF may be subject to taxes levied by certain countries on foreign investment income and capital gains. These taxes may be withheld at source or estimated using the most likely method in measuring uncertain tax liabilities in respect of foreign capital gains taxes. Such income and capital gains are recorded on a gross basis with the related foreign withholding tax, or estimate of capital gains taxes, shown as expense in the statement of comprehensive income, and the tax liability amounts included in accrued liabilities in the statement of financial position. The estimate could materially differ from the actual tax payable to the foreign jurisdiction.

As at December 31, 2025 and 2024, the ETF did not have any tax liabilities.

**13. TAX LOSSES CARRIED FORWARD**

Capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years. Non-capital losses carried forward may be applied against future years' taxable income. Non-capital losses that are realized in the current taxation year may be carried forward for 20 years. As at December 31, 2025, the ETF had capital losses and/or non-capital losses, with the year of expiry of the non-capital losses as follows:

Capital Losses	Non-Capital Losses	Year of Expiry of the Non-Capital Losses
\$15,035,745	–	–

**14. OFFSETTING OF FINANCIAL INSTRUMENTS**

In the normal course of business, the ETF may enter into various master netting arrangements or other similar agreements that do not meet the criteria for offsetting in the statement of financial position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. The following table shows financial instruments that may be eligible for offset, if such conditions were to arise, as at December 31, 2025 and 2024. The "Net" column displays what the net impact would be on the ETF's statements of financial position if all amounts were set-off.

Financial Assets and Liabilities as at December 31, 2025	Amounts Offset (\$)			Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	Cash Collateral Pledged	
Derivative assets - currency forwards	21,737	–	21,737	–	–	21,737
Derivative assets - interest rate swaps	1,722,903	–	1,722,903	(279,481)	–	1,443,422
<b>Total derivative assets</b>	<b>1,744,640</b>	<b>–</b>	<b>1,744,640</b>	<b>(279,481)</b>	<b>–</b>	<b>1,465,159</b>
Derivative liabilities - interest rate swaps	(279,481)	–	(279,481)	279,481	–	–
<b>Total derivative liabilities</b>	<b>(279,481)</b>	<b>–</b>	<b>(279,481)</b>	<b>279,481</b>	<b>–</b>	<b>–</b>

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2025 and 2024

Financial Assets and Liabilities as at December 31, 2024	Amounts Offset (\$)			Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	Cash Collateral Pledged	
Derivative assets - currency forwards	–	–	–	–	–	–
Derivative assets - interest rate swaps	2,910,956	–	2,910,956	(223,234)	–	2,687,722
<b>Total derivative assets</b>	<b>2,910,956</b>	<b>–</b>	<b>2,910,956</b>	<b>(223,234)</b>	<b>–</b>	<b>2,687,722</b>
Derivative liabilities - currency forwards	(88,941)	–	(88,941)	–	–	(88,941)
Derivative liabilities - interest rate swaps	(223,234)	–	(223,234)	223,234	–	–
<b>Total derivative liabilities</b>	<b>(312,175)</b>	<b>–</b>	<b>(312,175)</b>	<b>223,234</b>	<b>–</b>	<b>(88,941)</b>

**15. INTERESTS IN SUBSIDIARIES, ASSOCIATES AND UNCONSOLIDATED STRUCTURED ENTITIES**

The ETF may invest in units of other ETFs as part of its investment strategies (“Investee ETF(s)”). The nature and purpose of these Investee ETFs generally, is to manage assets on behalf of third party investors in accordance with their investment objectives, and are financed through the issue of units to investors.

In determining whether the ETF has control or significant influence over an Investee ETF, the ETF assesses voting rights, the exposure to variable returns, and its ability to use the voting rights to affect the amount of the returns. In instances where the ETF has control or has significant influence over an Investee ETF, the ETF qualifies as an investment entity under IFRS 10 - *Consolidated Financial Statements*, and therefore accounts for investments it controls or has significant influence at fair value through profit and loss. The ETF’s primary purpose is defined by its investment objectives and uses the investment strategies available to it as defined in the ETF’s prospectus to meet those objectives. The ETF also measures and evaluates the performance of any Investee ETFs on a fair value basis.

Investee ETFs over which the ETF has control or significant influence are categorized as subsidiaries and associates, respectively. All other Investee ETFs are categorized as unconsolidated structured entities. Investee ETFs may be managed by the Manager, its affiliates, or by third-party managers. The ETF does not provide financial support to its unconsolidated structured entities or subsidiaries and has no intention of providing financial or other support.

Investments in Investee ETFs are susceptible to market price risk arising from uncertainty about future values of those Investee ETFs. The maximum exposure to loss from interests in Investee ETFs is equal to the total fair value of the investment in those respective Investee ETFs at any given point in time. The fair value of Investee ETFs, if any, are disclosed in investments in the statement of financial position and listed in the schedule of investments. As at December 31, 2025 and 2024, the ETF had no exposure to subsidiaries, associates or unconsolidated structured entities.

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