

**GLOBAL X**

by Mirae Asset

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# GLOBAL X ACTIVE CORPORATE BOND ETF

(FORMERLY HORIZONS ACTIVE CORPORATE BOND ETF)

## (HAB:TSX)

ANNUAL REPORT | DECEMBER 31, 2024

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## A Message from the CEO

As we close 2024, I believe that this year has proven to be one of the most important and monumental in our company's history.

After publicly announcing our intention earlier in March, we successfully completed our rebrand from Horizons ETFs to Global X Investments Canada Inc. ("**Global X**") on May 1<sup>st</sup>, 2024.

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 a part of something bigger: more than \$100 billion of ETF assets under management worldwide, backed by our parent company, Mirae Asset, which has more than \$800 billion in assets across 19 countries and global markets around the world.

Meanwhile, many of our suite of ETFs – one of Canada's largest and longest-running – continue to trade under their original ticker symbols and mandates, while the Horizons branded fund names were updated to the Global X brand. Another decision made with our investors' interests at heart.

Through next year and beyond, we remain committed to helping Canadians navigate and harness the emerging trends shaping markets while delivering exceptional investment solutions and client experiences.

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 2024 Wealth Professional Awards. 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.

This year, we launched 27 ETFs – the largest number of funds launched in a single year in our company's history.

In partnership with the world's leading index providers, including Nasdaq, S&P, FTSE Russell and MSCI, we expanded our Equity Essentials suite – strategies that offer low-cost, benchmark exposure – with 17 new ETFs, including innovative covered call and light leverage overlays. Our expanded Equity Essentials suite is designed to empower Canadians to invest the way they want, whether they're looking for greater income potential, amplified growth potential, or both.

We also introduced our "Best of Canada" ETF suite, which offers exposure to major Canadian sectors, including Telecommunications, Insurance, as well as Groceries and Staples, and the largest companies that lead them.

On the thematic side, new launches included mandates focused on the emerging AI revolution, through Global X Artificial Intelligence & Technology Index ETF ("**AIGO**") and to today's top global giants, through the Global X Innovative Bluechip Top 10 Index ETF ("**TTTX**").

There are many more exciting launches in store for 2025 and I am excited to share additional details with you soon.

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 new brand, our new motto is "Innovation meets Investing". We are committed to being there, alongside you, to help you explore a world of investment possibility and global opportunity.

Thank you for your continued support.

Sincerely,



Rohit Mehta  
President & CEO of Global X Investments Canada Inc.

## MANAGEMENT REPORT OF FUND PERFORMANCE

This annual management report of fund performance for Global X Active Corporate Bond ETF (*formerly Horizons Active Corporate Bond ETF*) (“HAB” 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 HAB is to seek long-term capital growth and generate high income. HAB invests primarily in a portfolio of debt (including debt-like securities) of Canadian and U.S. companies, directly, or indirectly through investments in securities of other investment funds, including Listed Funds, as they are defined in the ETF’s prospectus.

The ETF’s 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 superior risk adjusted returns relative to passively managed corporate bond indexes. When the Sub-Advisor believes that interest rates will increase, the Sub-Advisor may choose securities with shorter terms and when the Sub-Advisor believes that interest rates will decrease, the Sub-Advisor may choose securities with longer terms.

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 the ETF.

In order to manage the liquidity of the portfolio, the Sub-Advisor may, from time to time, invest in debt securities or money market instruments issued or guaranteed by the Government of Canada or the Government of a jurisdiction in Canada, or issued or guaranteed by the U.S. Government.

## Management Discussion of Fund Performance (continued)

HAB may from time to time use derivative instruments, including futures contracts and credit default swaps, to manage duration, credit exposure, portfolio yield, and market risk. HAB may also use derivatives to manage currency risk.

HAB 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. In particular, the investment must be consistent with, or necessary to meet, the investment objective of HAB. 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").

HAB may enter into securities lending transactions to the extent permitted by applicable securities laws.

Please refer to the ETF's most recent prospectus for a complete description of HAB'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.**

### Results of Operations

For the year ended December 31, 2024, units of the ETF returned 7.24% when including distributions paid to unitholders. This compares to a return of 7.11% for the ICE Bank of America Merrill Lynch Canada Corporate Bond Index for the same period.

The Index tracks the performance of Canadian dollar-denominated, investment-grade corporate, securitized and collateralized debt publicly issued in the Canadian domestic market.

### General Market Review

North American bond yields adjusted higher, and the yield curve steepened over the first three months of the year. In the first quarter, the theme in the U.S. was a resilient economy and continued elevated inflation. Softening global growth and inflation added to the view that financial conditions were tight and were working their way through the global economy. The economy was operating in excess supply and inflation continued to move lower giving the Bank of Canada ("the Bank") more confidence they would be able to achieve their two percent inflation target over time. As a result, the Governing Council said monetary policy no longer needed to be as restrictive. Inflation came down from the highs in 2022 and the breadth of price increases narrowed. Economic data had finally started to fade showing signs that restrictive monetary policy was working to cool the economy.

## Management Discussion of Fund Performance (continued)

Later in the second quarter the probability of a soft landing increased, requiring interest rate cuts before the end of the year. North American bond yields declined significantly over the third quarter, and yield curves adjusted from being inverted to positively sloped, an environment which we had not seen in over two years. The Federal Reserve came out with a bang to start their interest rate cutting cycle in September by lowering rates 50-basis points which surprised some investors looking for a smaller 25-basis point reduction. The unemployment rate continued to nudge higher, and inflation made further progress towards the Fed's inflation target. The Bank of Canada continued to reduce its target for the overnight rate during the quarter to 4.25%. Although the quarter saw some turmoil related to fears of a recession, the risk-off tone was brief due to the dovish pivot from central banks.

North American bond yields moved higher over the last quarter of the year especially in the U.S. as the incoming administration had promised lower taxes and fiscal spending to boost economic growth. At the end of September, the market was looking for the Fed to lower rates to 3% in 2025 but since the election investors are expecting them to stop in the area of 4%. Higher spending would increase the deficit along with the supply of bonds, and with the U.S. economy already operating above capacity, further stimulus could spark inflation again. Investors are also trying to deal with potential U.S. trade policy where if tariffs are enforced, they could be both inflationary and hurt economic growth. After the Fed lowered rates in December by 25 basis points to 4.50%, they sounded much more cautious on the pace of further cuts in 2025.

### **Portfolio Review**

On a net of fees basis, the ETF outperformed the benchmark by 29 basis points over the year. Our performance came largely from yield carry in the portfolio and sector allocation to the Communication, Financial, and Real Estate sectors. Security selection within these sectors also contributed positively, particularly names in the Telecommunications, Bank, Insurance, and REIT sub-sectors.

### **Outlook**

The Bank of Canada was very aggressive in 2024 by cutting rates 175 basis point to 3.25%. Now that they have reached the top end of their neutral range the Bank is in a much better position and will likely slow the pace of rate cuts in 2025. We expect the Bank will move down to approximately 2.75%. The economy continues to be soft, and inflation has moved lower, but we are not falling off a cliff. Lower rates should start feeding through the economy which should stimulate growth as we go through the year. Tariffs would be negative for the Canadian economy, but this may be offset with fiscal stimulus, currency devaluation and further interest rate cuts. Until the details are known we are cautious and with the recent backup in rates we increased the duration of the portfolio back above its benchmark. Our base case is for the Bank to achieve a soft-landing, but we are anticipating volatility and opportunities as we go through this easing cycle. A new government in Canada will add another layer of uncertainty and a flair up in geopolitical risks could put pressure on risk assets.

Investment grade credit spreads are reflective of a soft-landing scenario, where Canadian growth operates below potential for a period but does not fall into a recession, inflation trends towards target and the Bank cuts to neutral and then growth eventually trends higher. We have a modest overweight and will look for attractive opportunities to add to this position, but at the same time if spreads tighten significantly, we will look to take profits. Our focus will remain on the short end of the curve and in high-quality sectors or in names where we believe there is value.

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

For the year ended December 31, 2024, the ETF generated gross comprehensive income (loss) from investments and derivatives (which includes changes in the fair value of the ETF's portfolio) of \$26,444,005. This compares to \$27,790,130 for the year ended December 31, 2023. The ETF incurred management, operating and transaction expenses of \$2,109,512 (2023 – \$2,145,277) of which \$34,337 (2023 – \$79,660) 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 \$12,967,868 to unitholders during the year (2023 – \$14,064,450).

## 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

Other than indicated below, there are no recent industry, management or ETF related developments that are pertinent to the present and future of the ETF.

#### ***Name Change***

On May 1, 2024, Horizons ETFs Management (Canada) Inc., the Manager of the ETF, effectively rebranded to Global X Investments Canada Inc. The name change did not change any of the day-to-day operations of the ETF. The operations, personnel and responsibilities of the Manager remain unchanged.

#### ***ETF Name Change***

Effective May 1, 2024, the name of the ETF changed from Horizons Active Corporate Bond ETF to Global X Active Corporate Bond ETF. The name of the ETF was changed to reflect the Global X brand.

### 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 11) 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 statements of comprehensive income in the attached financial statements of the ETF. The management fees payable by the ETF as at December 31, 2024 and 2023, are disclosed in the statements 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 or interim financial statements.

### The ETF's Net Assets per Unit

Year <sup>(1)</sup>		2024	2023	2022	2021	2020
<b>Net assets, beginning of year</b>	\$	9.93	9.55	11.03	11.50	10.96
<b>Increase (decrease) from operations:</b>						
Total revenue		0.44	0.42	0.39	0.38	0.38
Total expenses		(0.06)	(0.06)	(0.06)	(0.07)	(0.07)
Realized gains (losses) for the year		0.01	(0.22)	(0.21)	0.17	0.05
Unrealized gains (losses) for the year		0.33	0.57	(1.28)	(0.71)	0.51
<b>Total increase (decrease) from operations <sup>(2)</sup></b>		0.72	0.71	(1.16)	(0.23)	0.87
<b>Distributions:</b>						
From net investment income (excluding dividends)		(0.38)	(0.36)	(0.34)	(0.31)	(0.32)
From net realized capital gains		–	–	–	(0.01)	–
From return of capital		–	(0.03)	(0.04)	–	(0.02)
<b>Total distributions <sup>(3)</sup></b>		(0.38)	(0.39)	(0.38)	(0.32)	(0.34)
<b>Net assets, end of year <sup>(4)</sup></b>	\$	10.25	9.93	9.55	11.03	11.50

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</b> <sup>(1)</sup>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Net asset value (000's)	\$ 354,639	324,613	328,577	460,399	611,305
Number of units outstanding (000's)	34,592	32,688	34,408	41,751	53,144
Management expense ratio <sup>(2)</sup>	0.61%	0.59%	0.60%	0.59%	0.59%
Management expense ratio before waivers and absorptions <sup>(3)</sup>	0.62%	0.62%	0.61%	0.61%	0.61%
Trading expense ratio <sup>(4)</sup>	0.00%	0.00%	0.00%	0.00%	0.00%
Portfolio turnover rate <sup>(5)</sup>	55.08%	73.06%	40.62%	36.98%	27.58%
Net asset value per unit, end of year	\$ 10.25	9.93	9.55	11.03	11.50
Closing market price	\$ 10.26	9.90	9.61	11.04	11.51

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 year. 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 0.50%, 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.

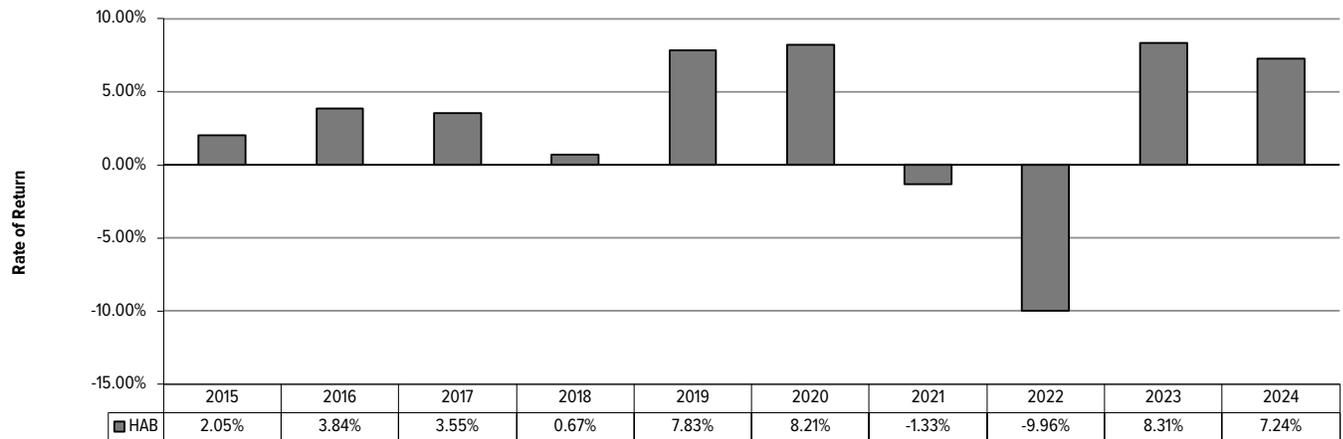
<b>Marketing</b>	<b>Portfolio management fees, general administrative costs and profit</b>	<b>Waived/absorbed expenses of the ETF</b>
10%	88%	2%

## 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 July 14, 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, 2024, 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
Global X Active Corporate Bond ETF	7.24%	1.50%	2.23%	2.89%
ICE BofA Merrill Lynch Canada Corporate Bond Index	7.11%	1.41%	2.24%	2.99%
ICE BofA Merrill Lynch Canada Broad Market Index	4.12%	-0.66%	0.71%	1.95%

The ETF effectively began operations on July 14, 2010.

## Summary of Investment Portfolio

As at December 31, 2024

<b>Asset Mix</b>	<b>Net Asset Value</b>	<b>% of ETF's Net Asset Value</b>
Canadian Fixed Income Securities	\$ 338,589,235	95.47%
U.S. Fixed Income Securities	11,485,550	3.24%
Global Fixed Income Securities	1,812,864	0.51%
Cash and Cash Equivalents	711,980	0.20%
Margin Deposits	1,661	0.00%
Other Assets less Liabilities	2,037,957	0.58%
	<b>\$ 354,639,247</b>	<b>100.00%</b>

<b>Sector Mix</b>	<b>Net Asset Value</b>	<b>% of ETF's Net Asset Value</b>
Corporate Bonds	\$ 329,985,387	93.04%
Municipal Bonds	7,314,000	2.06%
Government Bonds	7,180,205	2.02%
Asset-Backed Securities	5,467,153	1.55%
Convertible Bonds	1,633,938	0.46%
Mortgage Backed Securities	306,966	0.09%
Cash and Cash Equivalents	711,980	0.20%
Margin Deposits	1,661	0.00%
Other Assets less Liabilities	2,037,957	0.58%
	<b>\$ 354,639,247</b>	<b>100.00%</b>

**Summary of Investment Portfolio** (continued)

As at December 31, 2024

<b>Top 25 Holdings*</b>	<b>% of ETF's Net Asset Value</b>
Toronto-Dominion Bank (The)	5.81%
Bank of Montreal	5.29%
Canadian Imperial Bank of Commerce	4.23%
Rogers Communications Inc.	4.17%
Bell Canada	3.94%
Royal Bank of Canada	2.99%
Fédération des caisses Desjardins du Québec	2.96%
Enbridge Inc.	2.76%
TransCanada PipeLines Ltd.	2.49%
TELUS Corp.	2.46%
Sun Life Financial Inc.	2.37%
Inter Pipeline Ltd.	2.08%
Bank of Nova Scotia (The)	2.05%
Government of Canada	2.02%
National Bank of Canada	1.99%
Hydro One Inc.	1.90%
Pembina Pipeline Corp.	1.78%
Crombie REIT	1.77%
RioCan REIT	1.72%
Choice Properties REIT	1.44%
Bank of America Corp.	1.44%
Loblaw Cos. Ltd.	1.37%
SmartCentres REIT	1.25%
CU Inc.	1.13%
CT REIT	0.97%

\* Note all of the Top 25 Holdings represent the aggregate 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 Corporate Bond ETF (*formerly Horizons Active Corporate 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.



Rohit Mehta  
Director  
Global X Investments Canada Inc.



Thomas Park  
Director  
Global X Investments Canada Inc.

## INDEPENDENT AUDITOR'S REPORT

### To the Unitholders of Global X Active Corporate Bond ETF (the "ETF")

#### *Opinion*

We have audited the financial statements of the ETF, which comprise the statements of financial position as at December 31, 2024, and December 31, 2023, the statements of comprehensive income, changes in financial position and 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, 2024, and December 31, 2023, 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 filed with the relevant Canadian Securities Commissions.

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 filed with the relevant Canadian Securities Commissions 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 Paula M. Foster.  
Toronto, Canada  
March 14, 2025

**Statements of Financial Position**

As at December 31,

	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 711,980	\$ 1,333,451
Investments (note 6)	351,887,649	322,129,275
Margin deposits (note 11)	1,661	1,592
Amounts receivable relating to accrued income	3,349,906	2,909,133
Amounts receivable relating to portfolio assets sold	–	2,022
Derivative assets (note 3)	–	10,780
<b>Total assets</b>	<b>355,951,196</b>	<b>326,386,253</b>
<b>Liabilities</b>		
Accrued management fees (note 9)	175,661	154,078
Accrued operating expenses	12,047	9,016
Amounts payable for portfolio assets purchased	–	564,006
Distribution payable	1,124,241	1,046,001
<b>Total liabilities</b>	<b>1,311,949</b>	<b>1,773,101</b>
<b>Net assets</b>	<b>\$ 354,639,247</b>	<b>\$ 324,613,152</b>
Number of redeemable units outstanding (note 8)	34,592,041	32,687,524
Net assets per unit	\$ 10.25	\$ 9.93

(See accompanying notes to financial statements)

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



Rohit Mehta  
Director



Thomas Park  
Director

## Statements of Comprehensive Income

For the Years Ended December 31,

	<b>2024</b>	<b>2023</b>
<b>Income</b>		
Interest income for distribution purposes	\$ 15,041,648	\$ 15,035,583
Securities lending income (note 7)	12,809	21,929
Net realized gain (loss) on sale of investments and derivatives	440,036	(7,908,496)
Net realized gain (loss) on foreign exchange	(708)	664
Net change in unrealized appreciation (depreciation) of investments and derivatives	10,949,938	20,640,609
Net change in unrealized appreciation (depreciation) of foreign exchange	282	(159)
	<b>26,444,005</b>	<b>27,790,130</b>
<b>Expenses (note 9)</b>		
Management fees	1,919,825	1,958,760
Audit fees	8,808	10,991
Independent Review Committee fees	708	596
Custodial and fund valuation fees	96,944	103,705
Legal fees	7,752	10,630
Securityholder reporting costs	32,945	33,681
Administration fees	26,905	26,914
Transaction costs	15,625	–
	<b>2,109,512</b>	<b>2,145,277</b>
Amounts that were payable by the investment fund that were paid or absorbed by the Manager	(34,337)	(79,660)
	<b>2,075,175</b>	<b>2,065,617</b>
<b>Increase (decrease) in net assets for the year</b>	<b>\$ 24,368,830</b>	<b>\$ 25,724,513</b>
Increase (decrease) in net assets per unit	\$ 0.72	\$ 0.71

(See accompanying notes to financial statements)

## Statements of Changes in Financial Position

For the Years Ended December 31,

	<b>2024</b>	<b>2023</b>
<b>Net assets at the beginning of the year</b>	\$ 324,613,152	\$ 328,577,475
<b>Increase (decrease) in net assets</b>	24,368,830	25,724,513
<b>Redeemable unit transactions</b>		
Proceeds from the issuance of securities of the investment fund	51,890,460	98,883,330
Aggregate amounts paid on redemption of securities of the investment fund	(33,310,453)	(114,555,122)
Securities issued on reinvestment of distributions	45,126	47,406
Distributions:		
From net investment income	(12,919,461)	(13,005,430)
From net realized capital gains	(48,407)	–
Return of capital	–	(1,059,020)
<b>Net assets at the end of the year</b>	<b>\$ 354,639,247</b>	<b>\$ 324,613,152</b>

(See accompanying notes to financial statements)

## Statements of Cash Flows

For the Years Ended December 31,

	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
Increase (decrease) in net assets for the year	\$ 24,368,830	\$ 25,724,513
Adjustments for:		
Net realized (gain) loss on sale of investments and derivatives	(440,036)	7,908,496
Net realized gain (loss) on currency forward contracts	(5,365)	6,028
Net change in unrealized (appreciation) depreciation of investments and derivatives	(10,949,938)	(20,640,609)
Net change in unrealized (appreciation) depreciation of foreign exchange	(275)	160
Purchase of investments	(197,883,063)	(235,905,272)
Proceeds from the sale of investments	173,981,341	255,510,167
Margin deposits	(69)	417,047
Amounts receivable relating to accrued income	(440,773)	(116,183)
Accrued expenses	24,614	(4,545)
<b>Net cash from (used in) operating activities</b>	<b>(11,344,734)</b>	<b>32,899,802</b>
<b>Cash flows from financing activities:</b>		
Amount received from the issuance of units	45,621,022	84,124,610
Amount paid on redemptions of units	(22,053,532)	(103,396,407)
Distributions paid to unitholders	(12,844,502)	(14,258,172)
<b>Net cash from (used in) financing activities</b>	<b>10,722,988</b>	<b>(33,529,969)</b>
<b>Net increase (decrease) in cash and cash equivalents during the year</b>	<b>(621,746)</b>	<b>(630,167)</b>
Effect of exchange rate fluctuations on cash and cash equivalents	275	(160)
<b>Cash and cash equivalents at beginning of year</b>	<b>1,333,451</b>	<b>1,963,778</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 711,980</b>	<b>\$ 1,333,451</b>
Interest received, net of withholding taxes	\$ 14,601,847	\$ 14,876,831

(See accompanying notes to financial statements)

## Schedule of Investments

As at December 31, 2024

Security	Par Value	Average Cost	Fair Value
<b>CANADIAN FIXED INCOME SECURITIES (95.47%)</b>			
<b>Corporate Bonds (89.29%)</b>			
407 International Inc., Callable, 4.45%, 2041/11/15	2,325,000 \$	2,558,385 \$	2,294,397
407 International Inc., Callable, 3.83%, 2046/05/11	566,000	518,461	511,188
407 International Inc., Series '23A1', Callable, 4.86%, 2053/07/31	612,000	611,229	641,906
Algonquin Power & Utilities Corp., Callable, 5.25%, 2082/01/18	1,149,000	1,147,091	1,103,226
Allied Properties REIT, Series 'E', Callable, 3.11%, 2027/04/08	2,067,000	1,934,978	2,006,084
Allied Properties REIT, Series 'D', Callable, 3.39%, 2029/08/15	689,000	670,502	638,583
AltaGas Ltd., Callable, 4.12%, 2026/04/07	33,000	32,406	33,187
AltaGas Ltd., Callable, 2.48%, 2030/11/30	482,000	482,000	442,877
AltaGas Ltd., Variable Rate, Callable, 5.25%, 2082/01/11	1,948,000	1,944,722	1,884,848
AltaLink L.P., Callable, 3.99%, 2042/06/30	1,165,000	1,233,129	1,087,855
AltaLink L.P., Callable, 3.72%, 2046/12/03	510,000	446,561	453,138
Bank of Montreal, Callable, 3.65%, 2027/04/01	1,000,000	974,810	1,003,479
Bank of Montreal, Callable, 4.31%, 2027/06/01	4,008,000	3,949,189	4,079,626
Bank of Montreal, Callable, 4.71%, 2027/12/07	6,477,000	6,421,005	6,675,958
Bank of Montreal, Callable, 4.54%, 2028/12/18	915,000	917,763	943,162
Bank of Montreal, Callable, 4.42%, 2029/07/17	3,563,000	3,563,000	3,661,764
Bank of Montreal, Variable Rate, Callable, 6.53%, 2032/10/27	838,000	838,000	896,455
Bank of Montreal, Variable Rate, Callable, 4.98%, 2034/07/03	1,334,000	1,334,000	1,378,691
Bank of Montreal, Variable Rate, Callable, 7.33%, 2082/11/26	146,000	146,000	154,373
Bank of Nova Scotia (The), 2.95%, 2027/03/08	1,963,000	1,940,542	1,940,936
Bank of Nova Scotia (The), 4.68%, 2029/02/01	1,566,000	1,565,599	1,623,788
Bank of Nova Scotia (The), Floating Rate, Callable, 3.84%, 2030/09/26	924,000	924,000	925,459
Bank of Nova Scotia (The), Variable Rate, Callable, 3.93%, 2032/05/03	2,096,000	2,090,264	2,102,102
Bank of Nova Scotia (The), Variable Rate, Callable, 4.44%, 2035/11/15	371,000	370,985	375,209
Bank of Nova Scotia (The), Variable Rate, Callable, 7.02%, 2082/07/27	285,000	285,000	296,932
Bell Canada, Series 'EZ', Callable, 7.00%, 2027/09/24	1,675,000	1,861,860	1,802,458
Bell Canada, Callable, 2.90%, 2029/09/10	354,000	323,701	339,345
Bell Canada, 2.50%, 2030/05/14	2,385,000	2,180,646	2,216,309
Bell Canada, Callable, 3.00%, 2031/03/17	3,144,000	2,798,652	2,952,012
Bell Canada, Callable, 7.30%, 2032/02/23	140,000	163,593	161,597
Bell Canada, 5.15%, 2034/08/24	1,853,000	1,846,440	1,929,763
Bell Canada, Series 'M-17', Callable, 6.10%, 2035/03/16	655,000	774,125	728,289
Bell Canada, Callable, 4.75%, 2044/09/29	1,172,000	1,196,371	1,106,807
Bell Canada, Callable, 4.35%, 2045/12/18	476,000	488,272	424,561
Bell Canada, Callable, 4.45%, 2047/02/27	2,050,000	1,829,893	1,848,232
Bell Canada, Callable, 3.50%, 2050/09/30	603,000	429,729	458,839
Bridging North America G.P., Series 'B', Sinkable, 4.34%, 2053/08/31	552,000	571,458	487,219
Brookfield Renewable Partners ULC, Callable, 3.63%, 2027/01/15	54,000	52,100	54,154

**Schedule of Investments** (continued)

As at December 31, 2024

Security	Par Value	Average Cost	Fair Value
Brookfield Renewable Partners ULC, Callable, 3.33%, 2050/08/13	197,000	196,852	147,853
BRP Finance ULC, Series '4', Callable, 5.84%, 2036/11/05	1,108,000	1,202,634	1,216,847
Canada Life Assurance Co., Series 'B', Callable, 6.40%, 2028/12/11	100,000	128,924	109,643
Canadian Imperial Bank of Commerce, 2.25%, 2027/01/07	933,000	930,985	911,348
Canadian Imperial Bank of Commerce, Callable, 4.95%, 2027/06/29	2,783,000	2,802,014	2,874,957
Canadian Imperial Bank of Commerce, Callable, 5.05%, 2027/10/07	510,000	509,220	529,514
Canadian Imperial Bank of Commerce, Callable, 5.50%, 2028/01/14	1,485,000	1,484,243	1,564,750
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 3.80%, 2030/12/10	2,885,000	2,880,182	2,881,323
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 4.20%, 2032/04/07	658,000	658,000	664,010
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 5.33%, 2033/01/20	902,000	901,919	937,552
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 5.30%, 2034/01/16	1,363,000	1,363,955	1,423,239
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 4.90%, 2034/06/12	1,803,000	1,800,314	1,857,008
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 7.15%, 2082/07/28	686,000	684,039	715,390
Canadian Imperial Bank of Commerce, Variable Rate, Callable, 6.99%, 2084/07/28	624,000	624,000	658,415
Canadian National Railway Co., Callable, 3.60%, 2047/08/01	1,012,000	974,967	874,569
Canadian Western Bank, 4.57%, 2028/07/11	693,000	693,000	715,333
Capital City Link G.P., Series 'A', Sinkable, Callable, 4.39%, 2046/03/31	2,243,593	2,265,642	2,131,110
Cenovus Energy Inc., Callable, 3.50%, 2028/02/07	2,922,000	2,876,305	2,906,343
Chartwell Retirement Residences, 6.00%, 2026/12/08	643,000	642,541	668,428
CHIP Mortgage Trust, 4.24%, 2050/01/28	978,000	978,000	978,069
Choice Properties REIT, Series 'L', Callable, 4.18%, 2028/03/08	151,000	153,514	153,048
Choice Properties REIT, Series 'M', Callable, 3.53%, 2029/06/11	986,000	914,761	970,702
Choice Properties REIT, Series 'N', Callable, 2.98%, 2030/03/04	56,000	56,000	53,241
Choice Properties REIT, Callable, 5.03%, 2031/02/28	711,000	710,972	741,149
Choice Properties REIT, Series 'R', Callable, 6.00%, 2032/06/24	1,826,000	1,828,382	2,002,859
Choice Properties REIT, Callable, 5.40%, 2033/03/01	100,000	102,407	105,775
Choice Properties REIT, Callable, 5.70%, 2034/02/28	1,023,000	1,023,201	1,103,097
Clover L.P., Series '1A', Sinkable, 4.22%, 2034/03/31	1,514,369	1,514,369	1,496,688
Coast Capital Savings Federal Credit Union, 7.01%, 2026/09/28	429,000	429,129	449,052
Coast Capital Savings Federal Credit Union, Variable Rate, Callable, 5.25%, 2030/10/29	480,000	480,000	480,978
Coastal Gaslink Pipeline L.P., Series 'J', Sinkable, 5.86%, 2049/03/30	908,000	908,000	1,052,032
Coastal GasLink Pipeline L.P., Series 'E', 5.40%, 2036/09/30	101,000	101,000	110,304
Coastal GasLink Pipeline L.P., Series 'F', 5.54%, 2039/06/30	1,088,000	1,087,956	1,202,914
Coastal GasLink Pipeline L.P., Series 'K', Sinkable, 5.86%, 2049/06/30	851,000	851,000	985,486

**Schedule of Investments** (continued)

As at December 31, 2024

Security	Par Value	Average Cost	Fair Value
Comber Wind L.P., Sinkable, Callable, 5.13%, 2030/11/15	1,705,914	1,719,812	1,732,052
Connect 6ix G.P., Sinkable, 6.11%, 2046/11/30	471,000	471,469	530,389
Connect 6ix G.P., Sinkable, 6.21%, 2060/11/30	562,000	562,408	651,494
Co-operators Financial Services Ltd., Callable, 3.33%, 2030/05/13	1,893,000	1,835,927	1,797,236
Crombie REIT, Series 'F', Callable, 3.68%, 2026/08/26	1,608,000	1,605,602	1,610,045
Crombie REIT, Series 'G', Callable, 3.92%, 2027/06/21	2,279,000	2,265,587	2,287,410
Crombie REIT, Series 'H', Callable, 2.69%, 2028/03/31	377,000	377,000	363,151
Crombie REIT, Callable, 5.24%, 2029/09/28	785,000	785,000	822,772
Crombie REIT, Callable, 5.14%, 2030/03/29	652,000	651,967	678,986
Crombie REIT, Callable, 4.73%, 2032/01/15	548,000	547,885	554,103
CT REIT, Series 'D', Callable, 3.29%, 2026/06/01	717,000	704,481	714,225
CT REIT, Series 'F', Callable, 3.87%, 2027/12/07	1,245,000	1,244,950	1,244,797
CT REIT, Callable, 3.03%, 2029/02/05	970,000	970,000	932,063
CT REIT, Series 'G', Callable, 2.37%, 2031/01/06	647,000	647,000	578,325
CU Inc., 4.54%, 2041/10/24	3,910,000	4,337,601	3,909,711
CU Inc., Callable, 4.66%, 2054/09/11	121,000	121,000	123,419
Dream Summit Industrial L.P., Callable, 5.11%, 2029/02/12	1,021,000	1,044,879	1,061,131
Dream Summit Industrial L.P., Callable, 4.51%, 2031/02/12	601,000	600,892	604,863
Enbridge Gas Inc., Callable, 3.51%, 2047/11/29	1,000,000	815,650	841,597
Enbridge Gas Inc., Callable, 3.01%, 2049/02/09	1,000,000	708,000	762,275
Enbridge Gas Inc., Callable, 3.65%, 2050/04/01	316,000	305,793	269,866
Enbridge Inc., Callable, 2.99%, 2029/10/03	930,000	905,618	900,105
Enbridge Inc., Callable, 7.20%, 2032/06/18	1,774,000	2,262,644	2,061,288
Enbridge Inc., Callable, 6.10%, 2032/11/09	956,000	981,395	1,071,541
Enbridge Inc., Callable, 3.10%, 2033/09/21	2,014,000	1,771,976	1,849,315
Enbridge Inc., Callable, 5.57%, 2035/11/14	129,000	149,711	138,375
Enbridge Inc., Callable, 5.75%, 2039/09/02	253,000	256,254	270,014
Enbridge Inc., Callable, 5.12%, 2040/09/28	590,000	555,573	593,998
Enbridge Inc., Callable, 4.57%, 2044/03/11	1,868,000	1,794,424	1,755,864
Enbridge Inc., Callable, 4.87%, 2044/11/21	400,000	367,352	389,971
Enbridge Pipelines Inc., Callable, 4.33%, 2049/02/22	284,000	296,054	255,578
Enbridge Pipelines Inc., Callable, 4.20%, 2051/05/12	613,000	612,792	537,476
ENMAX Corp., Series '7', Callable, 3.88%, 2029/10/18	1,377,000	1,366,780	1,371,851
ENMAX Corp., Series '8', Callable, 4.70%, 2034/10/09	913,000	913,000	920,998
EPCOR Utilities Inc., Callable, 3.55%, 2047/11/27	300,000	253,722	257,067
EPCOR Utilities Inc., Callable, 3.95%, 2048/11/26	620,000	590,551	566,200
EPCOR Utilities Inc., Callable, 4.99%, 2054/05/31	618,000	681,283	660,784
Fédération des caisses Desjardins du Québec, 4.41%, 2027/05/19	2,497,000	2,492,715	2,547,252
Fédération des caisses Desjardins du Québec, Callable, 5.47%, 2028/11/17	1,582,000	1,582,000	1,680,913
Fédération des caisses Desjardins du Québec, 3.80%, 2029/09/24	1,656,000	1,656,000	1,657,549

**Schedule of Investments** (continued)

As at December 31, 2024

Security	Par Value	Average Cost	Fair Value
Fédération des caisses Desjardins du Québec, Variable Rate, Callable, 5.04%, 2032/08/23	2,281,000	2,281,000	2,349,486
Fédération des caisses Desjardins du Québec, Variable Rate, Callable, 5.28%, 2034/05/15	2,164,000	2,164,000	2,259,542
First Capital REIT, Series 'V', Callable, 3.46%, 2027/01/22	819,000	819,000	815,108
First Nations ETF L.P., Series '1A', Sinkable, 4.14%, 2041/12/31	1,531,099	1,529,415	1,433,072
Ford Credit Canada Co., 7.00%, 2026/02/10	1,048,000	1,047,885	1,082,667
Ford Credit Canada Co., 5.58%, 2027/02/22	703,000	703,000	725,121
FortisAlberta Inc., Callable, 4.11%, 2044/09/29	1,189,000	1,191,611	1,117,293
FortisBC Energy Inc., Callable, 3.67%, 2046/04/09	953,000	824,492	837,749
FortisBC Energy Inc., Callable, 3.85%, 2048/12/07	695,000	610,398	623,017
General Motors Financial of Canada Ltd., Callable, 5.20%, 2028/02/09	933,000	931,582	968,142
George Weston Ltd., Callable, 4.19%, 2029/09/05	876,000	876,000	886,781
Gibson Energy Inc., Callable, 2.85%, 2027/07/14	931,000	883,793	912,593
Gibson Energy Inc., Callable, 3.60%, 2029/09/17	1,561,000	1,560,039	1,540,411
Gibson Energy Inc., Callable, 4.45%, 2031/11/12	735,000	734,603	743,585
Grand Renewable Solar L.P., Series '1A', Sinkable, Callable, 3.93%, 2035/01/31	757,089	757,089	732,248
Great-West Lifeco Inc., 6.00%, 2039/11/16	1,106,000	1,389,424	1,269,094
Great-West Lifeco Inc., Callable, 2.98%, 2050/07/08	163,000	162,313	123,324
H&R REIT, Series 'S', Callable, 2.63%, 2027/02/19	814,000	814,000	792,126
Health Montreal Collective L.P., Sinkable, 6.72%, 2049/09/30	2,698,043	3,497,214	3,155,888
Helocs Trust, Series 'A', 3.77%, 2027/10/23	1,297,000	1,297,000	1,304,649
Hospital Infrastructure Partners (NOH) Partnership, Series 'A', Sinkable, Callable, 5.44%, 2045/01/31	664,883	762,395	692,384
Husky Midstream L.P., Callable, 4.10%, 2029/12/02	806,000	804,380	810,627
Hydro One Inc., Series '17', Callable, 6.03%, 2039/03/03	100,000	113,252	115,566
Hydro One Inc., 4.39%, 2041/09/26	950,000	1,072,895	933,198
Hydro One Inc., Callable, 4.59%, 2043/10/09	2,204,000	2,625,947	2,216,434
Hydro One Inc., Callable, 4.17%, 2044/06/06	2,463,000	2,544,989	2,346,602
Hydro One Inc., Callable, 4.46%, 2053/01/27	314,000	318,898	311,379
Hydro One Inc., Callable, 4.85%, 2054/11/30	817,000	844,084	861,235
iA Financial Corp. Inc., Variable Rate, Callable, 3.07%, 2031/09/24	1,325,000	1,277,458	1,313,729
iA Financial Corp. Inc., Variable Rate, Callable, 5.69%, 2033/06/20	993,000	993,000	1,049,558
iA Financial Corp. Inc., Variable Rate, Callable, 4.13%, 2034/12/05	922,000	922,000	923,746
IGM Financial Inc., Callable, 3.44%, 2027/01/26	361,000	351,670	360,559
IGM Financial Inc., Series '1997', 6.65%, 2027/12/13	300,000	323,115	323,808
Independent Order of Foresters (The), Series '20-1', Variable Rate, Callable, 2.89%, 2035/10/15	1,636,000	1,636,000	1,480,455
Integrated Team Solutions PCH Partnership, Sinkable, Callable, 4.88%, 2046/05/31	194,193	233,051	190,075

**Schedule of Investments** (continued)

As at December 31, 2024

Security	Par Value	Average Cost	Fair Value
Integrated Team Solutions SJHC Partnership, Sinkable, 5.95%, 2042/11/30	202,264	269,607	217,216
Inter Pipeline Ltd., Callable, 4.23%, 2027/06/01	2,194,000	2,194,000	2,213,149
Inter Pipeline Ltd., Callable, 5.76%, 2028/02/17	76,000	75,994	79,905
Inter Pipeline Ltd., Callable, 5.71%, 2030/05/29	515,000	515,000	545,912
Inter Pipeline Ltd., Series '12', Callable, 3.98%, 2031/11/25	766,000	766,000	736,414
Inter Pipeline Ltd., Series '14', Callable, 5.85%, 2032/05/18	15,000	15,095	15,964
Inter Pipeline Ltd., Callable, 6.38%, 2033/02/17	671,000	670,933	734,934
Inter Pipeline Ltd., Callable, 4.64%, 2044/05/30	953,000	974,147	851,908
Inter Pipeline Ltd., Series '13', Callable, 5.09%, 2051/11/27	802,000	766,833	750,245
Inter Pipeline Ltd., Variable Rate, Callable, 6.75%, 2054/12/12	687,000	687,000	688,322
Inter Pipeline Ltd., Series '19-A', Variable Rate, Callable, 6.88%, 2079/03/26	805,000	805,000	826,410
Kingston Solar L.P., Series '1A', Sinkable, 3.57%, 2035/07/31	780,081	780,081	737,801
Laurentian Bank of Canada, Variable Rate, Callable, 5.10%, 2032/06/15	1,791,000	1,786,336	1,761,491
Loblaw Cos. Ltd., Callable, 6.50%, 2029/01/22	1,000,000	1,068,460	1,091,222
Loblaw Cos. Ltd., Callable, 6.15%, 2035/01/29	1,854,000	2,206,674	2,076,853
Loblaw Cos. Ltd., Callable, 5.90%, 2036/01/18	208,000	264,793	229,399
Loblaw Cos. Ltd., Callable, 6.45%, 2039/03/01	368,000	418,077	422,513
Loblaw Cos. Ltd., Callable, 5.34%, 2052/09/13	954,000	961,156	1,015,784
Manulife Bank of Canada, 3.99%, 2028/02/22	2,019,000	2,019,000	2,045,279
Manulife Financial Corp., Variable Rate, Callable, 5.41%, 2033/03/10	1,816,000	1,816,000	1,904,589
Manulife Financial Corp., Variable Rate, Callable, 7.12%, 2082/06/19	759,000	759,000	791,335
MCAP Commercial L.P., 3.74%, 2025/08/25	716,000	716,000	716,174
MCAP Commercial L.P., Callable, 3.38%, 2027/11/26	1,403,000	1,403,000	1,363,248
Metro Inc., Callable, 4.00%, 2029/11/27	1,178,000	1,178,000	1,194,210
Metro Inc., Callable, 4.27%, 2047/12/04	732,000	709,905	667,540
Metro Inc., Callable, 3.41%, 2050/02/28	613,000	613,000	482,288
National Bank of Canada, 4.97%, 2026/12/07	128,000	128,002	131,580
National Bank of Canada, 5.22%, 2028/06/14	3,843,000	3,837,346	4,040,425
National Bank of Canada, Variable Rate, Callable, 5.28%, 2034/02/15	1,833,000	1,832,963	1,910,986
National Bank of Canada, Variable Rate, Callable, 7.50%, 2082/11/16	906,000	906,000	959,696
North West Redwater Partnership / NWR Financing Co. Ltd., Series 'D', Callable, 3.70%, 2043/02/23	900,000	729,828	791,960
North West Redwater Partnership / NWR Financing Co. Ltd., Callable, 4.05%, 2044/07/22	1,331,000	1,320,267	1,223,226
Northern Courier Pipeline L.P., Sinkable, 3.37%, 2042/06/30	1,333,534	1,333,534	1,230,095
Northwestern Hydro Acquisition Co. II L.P., Series '1', 3.88%, 2036/12/31	1,793,000	1,793,000	1,598,869
Nova Scotia Power Inc., Callable, 4.95%, 2032/11/15	860,000	859,751	890,584
Nova Scotia Power Inc., Callable, 4.15%, 2042/03/06	1,397,000	1,349,015	1,265,996
Nova Scotia Power Inc., Callable, 4.50%, 2043/07/20	400,000	360,372	377,494
Nova Scotia Power Inc., Callable, 3.57%, 2049/04/05	94,000	71,227	75,708

**Schedule of Investments** (continued)

As at December 31, 2024

Security	Par Value	Average Cost	Fair Value
Original Wempi Inc., 7.79%, 2027/10/04	1,266,000	1,266,000	1,371,748
Parkland Corp., Callable, 3.88%, 2026/06/16	575,000	575,000	569,505
Pembina Pipeline Corp., Series '15', Callable, 3.31%, 2030/02/01	239,000	223,877	232,685
Pembina Pipeline Corp., Callable, 5.02%, 2032/01/12	476,000	477,618	498,232
Pembina Pipeline Corp., Callable, 5.22%, 2033/06/28	851,000	850,634	899,002
Pembina Pipeline Corp., Series '4', Callable, 4.81%, 2044/03/25	3,168,000	3,126,883	3,020,174
Pembina Pipeline Corp., Series '11', Callable, 4.75%, 2048/03/26	358,000	393,152	336,431
Pembina Pipeline Corp., Callable, 4.54%, 2049/04/03	190,000	191,431	172,789
Pembina Pipeline Corp., Callable, 4.67%, 2050/05/28	686,000	696,325	637,564
Pembina Pipeline Corp., Variable Rate, Callable, 4.80%, 2081/01/25	545,000	545,000	523,345
Plenary Health Bridgepoint L.P., Sinkable, Callable, 7.25%, 2042/08/31	165,461	188,609	198,149
Plenary Health Hamilton L.P., Sinkable, 5.80%, 2043/05/31	201,383	211,781	216,765
Plenary Properties LTAP L.P., Sinkable, Callable, 6.29%, 2044/01/31	159,683	214,790	178,993
Power Corp. of Canada, Callable, 4.81%, 2047/01/31	912,000	902,382	924,221
Power Financial Corp., 6.90%, 2033/03/11	384,000	521,971	444,504
Reliance L.P., Callable, 3.75%, 2026/03/15	271,000	270,122	271,416
Reliance L.P., Callable, 2.68%, 2027/12/01	570,000	569,897	552,985
Reliance L.P., Callable, 2.67%, 2028/08/01	890,000	889,315	851,116
Reliance L.P., Callable, 5.25%, 2031/05/15	613,000	612,963	639,303
RioCan REIT, Callable, 5.61%, 2027/10/06	711,000	710,943	742,598
RioCan REIT, 4.00%, 2028/03/01	240,000	240,000	240,692
RioCan REIT, Series 'AE', Callable, 2.83%, 2028/11/08	1,348,000	1,198,608	1,290,143
RioCan REIT, Callable, 5.96%, 2029/10/01	830,000	829,659	888,706
RioCan REIT, Callable, 5.47%, 2030/03/01	546,000	547,261	572,891
RioCan REIT, Callable, 5.46%, 2031/03/01	1,175,000	1,174,683	1,233,556
RioCan REIT, Callable, 4.62%, 2031/10/03	1,125,000	1,125,000	1,128,202
Rogers Communications Inc., Callable, 3.65%, 2027/03/31	2,000,000	1,906,800	2,002,560
Rogers Communications Inc., Callable, 3.75%, 2029/04/15	298,000	284,560	296,392
Rogers Communications Inc., Callable, 3.25%, 2029/05/01	730,000	707,188	712,128
Rogers Communications Inc., Callable, 3.30%, 2029/12/10	474,000	417,675	459,784
Rogers Communications Inc., Callable, 4.25%, 2032/04/15	1,348,000	1,348,233	1,341,439
Rogers Communications Inc., Callable, 5.90%, 2033/09/21	1,271,000	1,267,770	1,396,240
Rogers Communications Inc., Callable, 6.68%, 2039/11/04	1,025,000	1,359,026	1,183,843
Rogers Communications Inc., Callable, 6.75%, 2039/11/09	1,360,000	1,792,135	1,579,687
Rogers Communications Inc., 6.11%, 2040/08/25	1,837,000	2,200,526	2,013,368
Rogers Communications Inc., Callable, 6.56%, 2041/03/22	178,000	235,697	204,531
Rogers Communications Inc., Callable, 5.25%, 2052/04/15	906,000	878,205	916,400
Rogers Communications Inc., Variable Rate, Callable, 5.00%, 2081/12/17	2,674,000	2,672,354	2,679,520
Royal Bank of Canada, 2.33%, 2027/01/28	53,000	54,010	51,853
Royal Bank of Canada, 4.64%, 2028/01/17	4,263,000	4,191,855	4,397,882

**Schedule of Investments** (continued)

As at December 31, 2024

Security	Par Value	Average Cost	Fair Value
Royal Bank of Canada, 5.23%, 2030/06/24	728,000	738,934	777,653
Royal Bank of Canada, Variable Rate, Callable, 2.14%, 2031/11/03	100,000	93,962	97,392
Royal Bank of Canada, Variable Rate, Callable, 2.94%, 2032/05/03	1,309,000	1,303,713	1,287,898
Royal Bank of Canada, Variable Rate, Callable, 1.67%, 2033/01/28	1,147,000	1,147,000	1,081,870
Royal Bank of Canada, Variable Rate, Callable, 4.83%, 2034/08/08	2,056,000	2,055,959	2,116,386
Royal Bank of Canada, Variable Rate, Callable, 4.46%, 2035/10/17	774,000	774,000	786,858
Scotiabank Capital Trust, Series '06-1', Variable Rate, Callable, 5.65%, 2056/12/31	220,000	262,290	237,492
SEC L.P. and Arci Ltd., Sinkable, Callable, 5.19%, 2033/08/29	1,446,648	1,467,203	1,422,849
SGTP Highway Bypass L.P., Series 'A', Sinkable, Callable, 4.11%, 2045/01/31	2,101,792	2,101,792	1,962,678
Shaw Communications Inc., Callable, 4.25%, 2049/12/09	92,000	91,521	80,280
Sienna Senior Living Inc., Series 'B', Callable, 3.45%, 2026/02/27	610,000	609,927	608,155
Sienna Senior Living Inc., Series 'C', Callable, 2.82%, 2027/03/31	504,000	503,768	492,520
Sienna Senior Living Inc., Callable, 4.44%, 2029/10/17	403,000	403,000	406,977
SmartCentres REIT, Series 'P', Callable, 3.44%, 2026/08/28	1,011,000	1,007,628	1,007,786
SmartCentres REIT, Series 'V', Callable, 3.19%, 2027/06/11	635,000	623,325	625,165
SmartCentres REIT, Series 'S', Callable, 3.83%, 2027/12/21	777,000	762,725	773,539
SmartCentres REIT, Series 'U', Callable, 3.53%, 2029/12/20	1,268,000	1,145,130	1,222,509
SmartCentres REIT, 5.16%, 2030/08/01	782,000	782,000	809,061
SNC-Lavalin Innisfree McGill Finance Inc., Callable, 6.63%, 2044/06/30	2,208,441	2,819,221	2,544,054
SSL Finance Inc. / SSL Financement Inc., Series 'A', Sinkable, Callable, 4.10%, 2045/10/31	709,418	785,063	659,235
Sun Life Financial Inc., Variable Rate, Callable, 2.58%, 2032/05/10	1,392,000	1,368,760	1,361,811
Sun Life Financial Inc., Variable Rate, Callable, 2.80%, 2033/11/21	2,942,000	2,868,081	2,842,814
Sun Life Financial Inc., Variable Rate, Callable, 4.78%, 2034/08/10	1,505,000	1,504,639	1,561,682
Sun Life Financial Inc., Variable Rate, Callable, 5.12%, 2036/05/15	1,193,000	1,193,000	1,258,663
Sun Life Financial Inc., Variable Rate, Callable, 5.40%, 2042/05/29	1,323,000	1,498,606	1,421,363
Suncor Energy Inc., Callable, 5.39%, 2037/03/26	945,000	1,006,942	994,037
Superior Plus L.P., Callable, 4.25%, 2028/05/18	1,147,000	1,147,000	1,088,502
TELUS Corp., Series 'CAA', Callable, 3.15%, 2030/02/19	1,456,000	1,294,940	1,401,984
TELUS Corp., Callable, 4.65%, 2031/08/13	606,000	605,461	619,976
TELUS Corp., Callable, 5.10%, 2034/02/15	1,003,000	999,429	1,045,247
TELUS Corp., Callable, 5.15%, 2043/11/26	2,797,000	2,946,483	2,783,987
TELUS Corp., Series 'CP', Callable, 4.85%, 2044/04/05	1,540,000	1,629,096	1,476,864
TELUS Corp., Callable, 4.40%, 2046/01/29	311,000	299,760	279,890
TELUS Corp., Series 'CW', Callable, 4.70%, 2048/03/06	1,087,000	1,029,536	1,015,621
TELUS Corp., Series 'CAE', Callable, 4.10%, 2051/04/05	89,000	88,528	75,172
Teranet Holdings L.P., Series '20', Callable, 3.54%, 2025/06/11	1,073,000	1,073,000	1,071,974
Teranet Holdings L.P., Callable, 6.10%, 2041/06/17	614,000	657,747	630,632
Toronto-Dominion Bank (The), 2.26%, 2027/01/07	4,903,000	4,538,480	4,789,717

**Schedule of Investments** (continued)

As at December 31, 2024

Security	Par Value	Average Cost	Fair Value
Toronto-Dominion Bank (The), 4.21%, 2027/06/01	4,296,000	4,208,730	4,364,456
Toronto-Dominion Bank (The), 5.38%, 2027/10/21	1,518,000	1,559,581	1,590,696
Toronto-Dominion Bank (The), 4.68%, 2029/08/01	4,102,000	4,089,908	4,249,807
Toronto-Dominion Bank (The), Variable Rate, Callable, 4.00%, 2030/10/31	992,000	992,000	999,830
Toronto-Dominion Bank (The), Floating Rate, Callable, 3.06%, 2032/01/26	2,722,000	2,565,332	2,688,045
Toronto-Dominion Bank (The), Variable Rate, Callable, 5.18%, 2034/04/09	1,249,000	1,249,000	1,300,406
Toronto-Dominion Bank (The), Variable Rate, Callable, 7.28%, 2082/10/31	584,000	584,000	615,683
TransCanada PipeLines Ltd., 5.65%, 2029/06/20	680,000	830,640	717,366
TransCanada PipeLines Ltd., Callable, 6.50%, 2030/12/09	653,000	848,097	709,262
TransCanada PipeLines Ltd., Callable, 2.97%, 2031/06/09	644,000	565,825	608,747
TransCanada PipeLines Ltd., Callable, 5.33%, 2032/05/12	1,108,000	1,115,722	1,184,736
TransCanada PipeLines Ltd., Callable, 4.55%, 2041/11/15	3,346,000	3,408,078	3,157,679
TransCanada PipeLines Ltd., Callable, 4.35%, 2046/06/06	100,000	106,240	90,839
TransCanada PipeLines Ltd., Callable, 4.18%, 2048/07/03	267,000	213,835	235,199
TransCanada PipeLines Ltd., Callable, 4.34%, 2049/10/15	2,147,000	2,054,838	1,932,097
TransCanada PipeLines Ltd., Callable, 5.92%, 2052/05/12	200,000	200,075	224,944
Union Gas Ltd., Callable, 4.88%, 2041/06/21	1,476,000	1,468,744	1,515,504
Ventas Canada Finance Ltd., Series 'H', Callable, 3.30%, 2031/12/01	1,562,000	1,554,363	1,457,389
Videotron Ltd., Callable, 3.63%, 2028/06/15	1,309,000	1,304,140	1,300,795
		317,861,758	316,686,973
<b>Municipal Bonds (2.06%)</b>			
Access Justice Durham Ltd., Series 'A', 5.02%, 2039/08/31	786,253	931,875	814,539
Aéroports de Montréal, Callable, 6.95%, 2032/04/16	614,010	760,868	677,295
Aéroports de Montréal, Series 'I', Callable, 5.47%, 2040/04/16	2,010,000	2,276,217	2,227,251
Aéroports de Montréal, Series 'K', Callable, 3.92%, 2042/09/26	250,000	228,920	232,732
City of Toronto, 4.90%, 2054/05/15	910,000	904,758	978,140
City of Toronto, 4.55%, 2054/10/29	809,000	807,422	823,717
Edmonton Regional Airport Authority, Callable, 7.21%, 2030/11/01	167,481	201,194	180,001
Greater Toronto Airports Authority, Series '00-1', Callable, 7.05%, 2030/06/12	119,000	136,896	136,809
Ottawa MacDonald-Cartier International Airport Authority, Sinkable, Callable, 6.97%, 2032/05/25	330,428	351,939	359,141
Ottawa MacDonald-Cartier International Airport Authority, Series 'E', Sinkable, Callable, 3.93%, 2045/06/09	123,723	112,956	112,823
Vancouver Airport Authority, Series 'B', Callable, 7.43%, 2026/12/07	311,000	333,025	333,305
Winnipeg Airports Authority Inc., Sinkable, Callable, 5.21%, 2040/09/28	303,852	332,980	310,101
Winnipeg Airports Authority Inc., Sinkable, Callable, 6.10%, 2040/11/20	118,341	119,277	128,146
		7,498,327	7,314,000
<b>Government Bonds (2.02%)</b>			
Government of Canada, 2.75%, 2027/09/01	300,000	298,374	298,885
Government of Canada, 1.50%, 2031/06/01	6,640,000	6,009,119	6,037,802

**Schedule of Investments** (continued)

As at December 31, 2024

Security	Par Value	Average Cost	Fair Value
Government of Canada, 3.25%, 2034/12/01	700,000	697,431	701,348
Government of Canada, 2.75%, 2055/12/01	160,000	141,896	142,170
		7,146,820	7,180,205
<b>Asset-Backed Securities (1.55%)</b>			
BMW Canada Auto Trust, Class 'A3', Series '24-1', Callable, 4.79%, 2029/01/22	471,000	471,000	482,174
CNH Capital Canada Receivables Trust, Class 'A2', Series '23-1', Variable Rate, Callable, 4.99%, 2029/10/15	850,655	850,655	865,352
CNH Capital Canada Receivables Trust, Class 'A2', Series '24-1', Callable, 5.06%, 2031/08/15	843,627	843,627	861,835
Eagle Credit Card Trust, Series 'A', 5.13%, 2028/06/17	369,000	369,000	387,237
Eagle Credit Card Trust, Series 'A', 4.92%, 2029/06/17	497,000	497,000	520,729
Ford Auto Securitization Trust, Class 'A3', Series '24-A', Callable, 4.97%, 2030/03/15	678,000	678,000	702,885
Ford Auto Securitization Trust II, Class 'A3', Series '24-B', Callable, 3.84%, 2030/09/15	477,000	477,000	478,423
GMF Canada Leasing Trust, Class 'A3', Series '24-1', Callable, 4.83%, 2029/08/20	467,000	467,000	475,700
MBARC Credit Canada Inc., Class 'A3', Series '24-A', Callable, 5.13%, 2030/01/15	682,000	682,000	692,818
		5,335,282	5,467,153
<b>Convertible Bonds (0.46%)</b>			
Enbridge Inc., Convertible Bonds, Variable Rate, Callable, 8.75%, 2084/01/15	636,000	636,399	754,670
Keyera Corp., Convertible Bonds, Floating Rate, Callable, 6.88%, 2079/06/13	836,000	836,000	879,268
		1,472,399	1,633,938
<b>Mortgage Backed Securities (0.09%)</b>			
Classic RMBS Trust, Class 'A', Series '21-2', Variable Rate, Callable, 1.53%, 2052/03/15	105,778	105,735	104,234
Real Estate Asset Liquidity Trust, Class 'A2', Series '17', Callable, 3.64%, 2052/11/12	204,418	204,415	202,732
		310,150	306,966
<b>TOTAL CANADIAN FIXED INCOME SECURITIES</b>		<b>339,624,736</b>	<b>338,589,235</b>
<b>U.S. FIXED INCOME SECURITIES (3.24%)</b>			
<b>Corporate Bonds (3.24%)</b>			
Bank of America Corp., Variable Rate, Callable, 1.98%, 2027/09/15	940,000	939,962	916,188
Bank of America Corp., Variable Rate, Callable, 3.62%, 2028/03/16	2,179,000	2,144,284	2,179,336
Bank of America Corp., Variable Rate, Callable, 2.60%, 2029/04/04	2,075,000	2,075,000	2,007,006
Goldman Sachs Group Inc. (The), Variable Rate, Callable, 2.60%, 2027/11/30	1,201,000	1,201,000	1,179,950
Goldman Sachs Group Inc. (The), Variable Rate, Callable, 2.01%, 2029/02/28	1,737,000	1,737,000	1,651,244

**Schedule of Investments** (continued)

As at December 31, 2024

Security	Par Value	Average Cost	Fair Value
Manulife Finance Delaware L.P., Variable Rate, Callable, 5.06%, 2041/12/15	2,366,000	2,136,299	2,441,484
Wells Fargo & Co., 2.49%, 2027/02/18	156,000	156,000	152,576
Wells Fargo & Co., Variable Rate, Callable, 5.08%, 2028/04/26	929,000	929,000	957,766
		11,318,545	11,485,550
<b>TOTAL U.S. FIXED INCOME SECURITIES</b>		<b>11,318,545</b>	<b>11,485,550</b>
<b>GLOBAL FIXED INCOME SECURITIES (0.51%)</b>			
<b>Corporate Bonds (0.51%)</b>			
National Australia Bank Ltd., Variable Rate, Callable, 3.52%, 2030/06/12	1,817,000	1,894,835	1,812,864
<b>TOTAL GLOBAL FIXED INCOME SECURITIES</b>		<b>1,894,835</b>	<b>1,812,864</b>
Transaction Costs		(27)	
<b>TOTAL INVESTMENT PORTFOLIO (99.22%)</b>		<b>\$ 352,838,089</b>	<b>\$ 351,887,649</b>
<b>Cash and cash equivalents (0.20%)</b>			711,980
<b>Margin deposits (0.00%)</b>			1,661
<b>Other assets less liabilities (0.58%)</b>			2,037,957
<b>NET ASSETS (100.00%)</b>			<b>\$ 354,639,247</b>

(See accompanying notes to financial statements)

## Notes to Financial Statements

For the Years Ended December 31, 2024 and 2023

### 1. REPORTING ENTITY

Global X Active Corporate Bond ETF (*formerly Horizons Active Corporate Bond ETF*) (“HAB” 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 July 14, 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 HAB. 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 HAB is to seek long-term capital growth and generate high income. HAB invests primarily in a portfolio of debt (including debt-like securities) of Canadian and U.S. companies, directly, or indirectly through investments in securities of other investment funds, including Listed Funds, as they are defined in the ETF’s prospectus.

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 14, 2025, 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.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION

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

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2024 and 2023

**(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 statements 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 mandatorily 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) 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.

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. 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 statements 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.

## Notes to Financial Statements (continued)

For the Years Ended December 31, 2024 and 2023

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.

### ***(iii) Offsetting***

Financial assets and liabilities are offset and the net amount presented in the statements 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.

### ***(iv) 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.

#### **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 statements of financial position and as a net change in unrealized appreciation (depreciation) of investments and derivatives in the statements 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 statements 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.

#### **Redeemable units**

The redeemable units are measured at the present value of 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 statements 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.

## Notes to Financial Statements (continued)

For the Years Ended December 31, 2024 and 2023

Income from derivatives is shown in the statements 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 statements 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 statements 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 statements of comprehensive income.

### (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 statements 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 statements 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.

## Notes to Financial Statements (continued)

For the Years Ended December 31, 2024 and 2023

### (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 statements of comprehensive income.

### (j) Changes in accounting policies

The Fund adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2) from January 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

The Manager reviewed the accounting policies and amended the information disclosed in Note 3 as applicable.

### (k) 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. This change will impact the structure of the ETF’s statement of profit or loss, the statement of cash flows along with additional required disclosure.

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.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2024 and 2023

**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.

Please refer to the most recent prospectus for a complete discussion of the risks attributed to an investment in the units of the ETF. 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, 2024 and 2023, 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.

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)
December 31, 2024	2,388	64,817	63,447	225,174	–	355,826
December 31, 2023	3,213	46,192	77,805	198,807	–	326,017

The percentage of the ETF's net assets exposed to interest rate risk as at December 31, 2024, was 100.3% (December 31, 2023 – 100.4%). The amount by which the net assets of the ETF would have increased or decreased, as at December 31, 2024, 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 \$20,714,836 (December 31, 2023 – \$18,680,711). The ETF's interest rate sensitivity was determined based on portfolio weighted duration. In practice, actual results may differ from this sensitivity analysis.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2024 and 2023

**(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, 2024	December 31, 2023
ICE BofA Merrill Lynch Canada Corporate Bond Index	\$3,056,079	\$2,865,517

**(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 statements 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.

**Analysis of credit quality**

The ETF's credit risk exposure by designated rating of the invested portfolio as at December 31, 2024 and 2023, is listed as follows:

Debt or Derivative Securities by Credit Rating	Percentage of Net Asset Value (%)	
	December 31, 2024	December 31, 2023
AAA	4.8%	3.1%
AA	0.8%	0.6%
A	39.3%	41.9%
BBB	51.1%	50.7%
BB	4.4%	4.2%
<b>Total</b>	<b>100.4%</b>	<b>100.5%</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, 2024, was 5.8% (December 31, 2023 – 5.3%) of the net assets of the ETF.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2024 and 2023

**(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. 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.

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, 2024 and 2023, in valuing the ETF's investments and derivatives carried at fair values:

	December 31, 2024			December 31, 2023		
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)
<b>Financial Assets</b>						
Bonds	–	351,580,683	–	–	321,582,734	–
Mortgage Backed Securities	–	306,966	–	–	546,541	–
Currency Forward Contracts	–	–	–	–	10,780	–
<b>Total Financial Assets</b>	–	<b>351,887,649</b>	–	–	<b>322,140,055</b>	–
<b>Total Financial Liabilities</b>	–	–	–	–	–	–
<b>Net Financial Assets and Liabilities</b>	–	<b>351,887,649</b>	–	–	<b>322,140,055</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, 2024 and 2023.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2024 and 2023

**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 statements of comprehensive income.

The aggregate closing market value of securities loaned and collateral received as at December 31, 2024 and 2023, was as follows:

As at	Securities Loaned	Collateral Received
December 31, 2024	\$13,493,120	\$14,184,522
December 31, 2023	\$40,537,680	\$43,047,654

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 statements of comprehensive income for the years ended December 31, 2024 and 2023. 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, 2024	% of Gross Income	December 31, 2023	% of Gross Income
Gross securities lending income	\$21,453		\$36,670	
Withholding taxes	(117)	0.55%	(140)	0.38%
Lending Agents’ fees:				
Canadian Imperial Bank of Commerce	(8,527)	39.75%	(14,601)	39.82%
<b>Net securities lending income paid to the ETF</b>	<b>\$12,809</b>	<b>59.70%</b>	<b>\$21,929</b>	<b>59.80%</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.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2024 and 2023

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 statements of changes in financial position.

Please consult the ETF’s most recent prospectus for a full description of the subscription and redemption features of the ETF’s units.

For the years ended December 31, 2024 and 2023, 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
2024	32,687,524	5,229,517	(3,325,000)	34,592,041	33,977,176
2023	34,407,590	10,279,934	(12,000,000)	32,687,524	36,104,738

**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.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2024 and 2023

In consideration for the provision of these services, the Manager receives a monthly management fee at the annual rate of 0.50%, 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.

**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, 2024 and 2023, were as follows:

Year Ended	Brokerage Commissions Paid	Soft Dollar Transactions	Amount Paid to Related Parties
December 31, 2024	\$18	\$nil	\$nil
December 31, 2023	\$250	\$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 statements of comprehensive income. The management fees payable by the ETF as at December 31, 2024 and 2023 are disclosed in the statements 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.

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2024 and 2023

**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 statements of financial position. The collateral held with FCMs as at December 31, 2024 and 2023, is as follows:

As at	Collateral Held With FCMs
December 31, 2024	\$1,661
December 31, 2023	\$1,592

**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 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.

**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, 2024, 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
\$17,780,848	–	–

**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 statements 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. As at December 31, 2024, the ETF did not have any financial instruments eligible for offsetting. The following table shows financial instruments that may be eligible for offset, if such conditions were to arise, as at December 31, 2023. The “Net” column displays what the net impact would be on the ETF’s statements of financial position if all amounts were set-off.

	Amounts Offset (\$)			Amounts Not Offset (\$)		Net (\$)
	Gross Assets (Liabilities)	Gross Assets (Liabilities) Offset	Net Amounts	Financial Instruments	Cash Collateral Pledged	
Financial Assets and Liabilities as at December 31, 2023						
Derivative assets	10,780	–	10,780	–	–	10,780
Derivative liabilities	–	–	–	–	–	–

**Notes to Financial Statements** (continued)

For the Years Ended December 31, 2024 and 2023

**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 over an Investee ETF, the ETF qualifies as an investment entity under IFRS 10 - *Consolidated Financial Statements*, and therefore accounts for investments it controls 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 statements of financial position and listed in the schedule of investments. As at December 31, 2024 and 2023, the ETF had no exposure to subsidiaries, associates or unconsolidated structured entities.

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