

Steadyhand

Q3
2026

"We're pulling for a successful (and safe) implementation of AI. But we're not betting the farm on it."

— Tom Bradley



Bradley's Brief



We may have to change our marketing emphasis at Steadyhand. We used to be the ‘*Undex*’ Funds, but now we’re the ‘*Anti-AI*’ funds. When the AI stocks are roaring, as they have been over the last few years, we lag the market indexes. When they falter, our funds are at the top of the performance tables.

Our fund managers and I are contrarian by nature (you have to be in the investment industry), but we never expected that building portfolios with a mix of high-quality, well-priced companies across a range of industries, geographies and company sizes would take us so far from consensus.

The divergence is due to two factors: our decisions and changes to the market composition. We clearly underestimated the power and pace of the AI ramp-up, despite being believers in the technology. We have good sized positions in AI leaders like Microsoft, Google and Samsung, as well as other AI-linked stocks such as uranium producer, Cameco. But as the market got more enthusiastic about everything AI, what seemed like meaningful exposure wasn’t enough, and we now find ourselves being extremely contrarian.

But the index part is important too. Even if we’d appreciated the explosiveness of the cycle, we would’ve been constrained by our diversification rules (read: risk management). Being properly diversified means planning for a range of possible outcomes, not one specific result. In other words, having a number of irons in the fire. AI mania has gone so far as to make the U.S. stock market a proxy for one factor – the profitability of AI for producers and users. It’s become a ‘one bet’ market.

It’s important to make a distinction between what the technology can do and how the capital markets, that underpin it, play out. The potential of AI is huge and is limited only by one’s imagination, but it’s hard to attach numbers to it yet. Bill Gates said in a recent interview, “*there’s never been a product less understood in terms of what its capabilities are.*” The assumptions on the revenue and cost sides of the income statement are still moving targets. It’s not yet clear what users can afford to pay for AI from an economic, environmental and societal perspective.

When it comes to funding data centers and power generation, however, there’s no escaping the numbers. Economics will rule the day: profits will be needed to provide a return; heavy use of debt will amplify the good and bad outcomes; and too much capital will lead to overcapacity. Suffice to say, our fund managers’ imaginations are tempered by economic realities.

To be clear, at Steadyhand we’re pulling for a successful (and safe) implementation of AI, even if our funds could be labeled ‘anti-AI’. Our clients will benefit hugely. But we’re not betting the farm on it. We need to be prepared for other less-perfect outcomes.

Key Takeaways

Stocks

- Canadian stocks rose 1.8% during the quarter, led by energy, materials and information technology.
- Global stocks gained 1.6% in Canadian dollar terms, but the gains were extremely narrow. The U.S. contributed most of the global stock index's return, which was mostly driven by three stocks (Nvidia, Apple and Microsoft).
- The unevenness of market returns was on full display with smaller companies. Canadian small-cap stocks rose 4.2%, while their U.S. counterparts fell 5.6%. Global small-caps fell 3.2%.

Bonds

- The Canadian bond market fell 3.1% in the quarter as yields rose and capital losses outweighed interest income.
- The benchmark 10-year Government of Canada yield climbed from 3.4% to 4.0% as central banks turned more hawkish. The U.S. Federal Reserve raised rates for the first time since 2023, and the European Central Bank and Bank of Japan also tightened. The Bank of Canada held its policy rate at 2.25%.
- The Founders Fund fell 2.0% in the quarter but is still up 3.3% year-to-date. Overall, our Funds had a tough quarter, mainly because of bonds. The Income Fund fell 2.8%. Among the equity funds, the Global Small-Cap Equity Fund fell 7.2% and the Equity Fund fell 2.5%, while the Small-Cap Equity Fund and the Global Equity Fund were roughly flat.
- Key purchases included Suncor, McKesson, E Ink Holdings, Greenbrier, Eastern Bankshares, Axogen, Construction Partners and ALS Ltd. The funds exited CGI, Oshkosh (Global Equity), Assa Abloy, Cargojet, St. James's Place, Webster Financial, Integral Corporation and Arcos Dorados, and trimmed Cenovus Energy, Capstone Copper and Torex Gold Resources.
- The equity weighting in Founders Fund is 49%, well below its 60% target, as high valuations, risky investor behaviour and the market's dependence on a single theme (AI) keep us cautious.

Our Advice to Clients

We recommend clients be no higher than their long-term target for stocks. Founders' equity weighting (49%) remains meaningfully below its 60% target, and we continue to hold a full allocation to high-quality bonds as cheap insurance. For clients who have an upcoming expenditure, we suggest setting the money aside now. Similarly, for retired clients, it's a good time to top up spending reserves.

Market Returns

	3M	1Y
Canada	1.8%	19.9%
World	1.6%	17.5%

	3M	1Y
Bonds	-3.1%	-1.3%

Fund Returns

	3M	1Y
Savings	0.6%	2.2%
Income	-2.8%	2.4%
Founders	-2.0%	4.5%
Builders	-2.1%	7.9%
Equity	-2.5%	1.2%
Global Equity	-0.1%	10.8%
Small-Cap Equity	-0.5%	18.0%
Global Small-Cap Equity	-7.2%	7.0%



Founders Fund

Fund Overview

- The Founders Fund is a balanced fund with a target asset mix of 60% stocks and 40% fixed income. To gain these exposures, it invests in Steadyhand's other funds.
- Tom Bradley, Steadyhand's Co-Founder, manages the fund in conjunction with members of Purpose Investments' multi-asset team. They have considerable scope to adjust the portfolio although without extremes in valuation and investor sentiment, the bias is to stay near the target mix.

The fund was down 2.0% in the quarter. Since inception (Feb 2012) it has an annualized return of 6.2%.

Portfolio Specifics

- The Founders Fund is up 3.3% so far this year, but it's been a roller coaster ride. First quarter – down. Second quarter – up strong. Third quarter – down 2.0%. Annual returns have averaged 9.7% per annum over the last 3 years (before fee reductions) and 6.2% since the fund was launched in 2012.
- Founders' underlying equity funds all contributed to a positive year-to-date return, although third quarter results were all over the map. The Global Equity and Small-Cap Equity funds were roughly flat, while the Equity Fund was down 2.5% and the Global Small-Cap Equity Fund was down 7.2%, giving back some of its big gains from earlier in the year.
- The main culprit in the third quarter was bonds. Interest rates rose steadily, which caused bond prices to decline. There are many factors driving this. At the top of the list are fears of chronically high inflation and an ongoing ambivalence by the U.S. government to its fiscal situation. The Income Fund, which is where Founders gets its bond exposure, was down 2.8% in the quarter (up 1.6% year-to-date) despite excellent results from the Canadian dividend stocks it holds.
- We remain comfortable with a full allocation to high-quality bonds (37% of the fund). The interest rate fears are very real, but we're more concerned about what happens when the economy slows and investor sentiment turns bearish. We continue to think bonds provide Founders with cheap insurance. Bond prices will continue to bounce around with the inflation narrative, but real yields (after adjusting for inflation) are nicely positive and providing a healthy income.
- The largest transactions in the underlying funds during the quarter included the purchase of SUNCOR, MCKESSON, E INK HOLDINGS, GREENBRIER, EASTERN BANKSHARES, AXOGEN, CONSTRUCTION PARTNERS and ALS, as well as the sale of CGI, OSHKOSH, ASSA ABLOY, CARGOJET, ST. JAMES'S PLACE, WEBSTER FINANCIAL and INTEGRAL CORPORATION.

Positioning

- As we pointed out in last quarter's report, the fund is cautiously positioned due to historically high stock valuations, risky investor behaviour and the market's reliance on a singular theme – artificial intelligence. This translates into an equity weighting (49%) that's meaningfully below the fund's target (60%). At this level, Founders will continue to participate in rising markets but is also well positioned to take advantage when prices go the other way.
- As always, we remind our clients that Founders' returns are overwhelmingly driven by the 6 underlying funds. Their strategies and results are laid out in the pages that follow.

Fund Mix	
Income	49%
Global	15%
Equity	15%
Savings	13%
Small-Cap	4%
Global Small-Cap	4%

Fund size: \$766,826,605



Founders Fund

Attributes

Top Stock Holdings (% of Fund)

Royal Bank Of Canada	1.9%
Samsung Electronics Company Ltd.	1.3%
Microsoft Corporation	1.3%
Canadian Pacific Kansas City	1.0%
Suncor Energy Inc.	1.0%
Canadian National Railway Company	0.9%
Toronto-Dominion Bank	0.9%
Loblaw Companies Limited	0.9%
Toromont Industries Limited	0.8%
Dollarama Inc	0.7%

Sector Allocation (Stocks)

Financials	22.4%
Industrials	19.3%
Information Technology	11.8%
Consumer Discretionary	10.6%
Materials	8.0%
Energy	7.9%
Consumer Staples	7.8%
Health Care	6.2%
Real Estate	2.4%
Communication Services	2.3%
Utilities	1.3%

Asset Mix

Long-term		Current
17%	Overseas Stocks	11%
17%	U.S. Stocks	13%
26%	Canadian Stocks	25%
35%	Bonds	37%
5%	Cash	14%

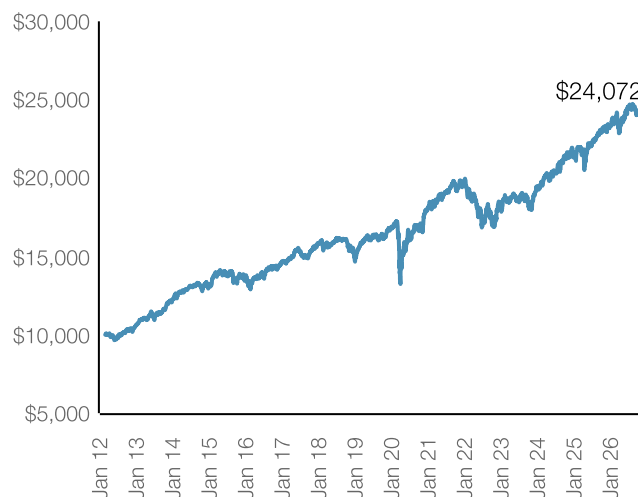
Performance

Compound Annualized Returns (as at September 30, 2026)

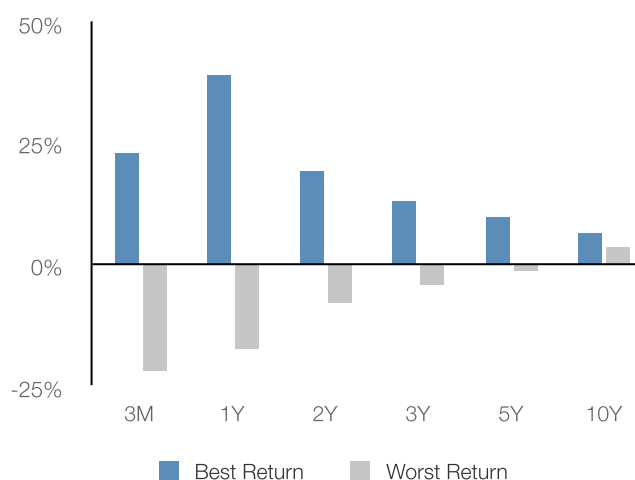
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Founders Fund (After-fee)	-2.0%	3.3%	4.5%	9.7%	4.6%	5.3%	N/A	6.2%
Canadian Bond Index	-3.1%	-1.0%	-1.3%	4.5%	0.1%	1.1%	N/A	2.1%
Global Stock Index (\$Cdn)	1.6%	15.6%	17.5%	23.0%	13.9%	13.3%	N/A	14.1%
Canadian Stock Index	1.8%	12.9%	19.9%	25.1%	15.0%	11.9%	N/A	9.9%

¹Feb 17, 2012

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Builders Fund

Fund Overview

- The Builders Fund is an all-stock portfolio designed for growth-oriented investors. It's a fund-of-funds that invests in Steadyhand's four stand-alone equity funds.
- Tom Bradley, Steadyhand's Co-Founder, manages the fund in conjunction with members of Purpose Investments' multi-asset team.
- Builders is designed to hold a mix of companies headquartered in three roughly equal geographies – Canada, U.S. and international. To achieve this mix, capital is allocated to the underlying funds using fixed percentages – Equity Fund (35%), Global Equity Fund (35%), Small-Cap Equity Fund (15%) and Global Small-Cap Equity Fund (15%).

The fund was down 2.1% in the quarter. Since inception (Feb 2019) it has an annualized return of 7.6%.

Portfolio Specifics

- The fund was down 2.1% in the third quarter. It was up 5.9% year-to-date (due to a strong second quarter) and has averaged 7.6% per year (before fee reductions) since it was launched in 2019.
- Results across the underlying funds were all over the map. The Global Equity (-0.1%) and Small-Cap Equity (-0.5%) funds were roughly flat, while the Equity Fund was down 2.5% and the Global Small-Cap Equity Fund was down 7.2%, giving back some of its big gains from earlier in the year.
- Global stocks rose 1.6% in Canadian dollar terms, but the gains were extremely narrow, with three stocks (Nvidia, Apple and Microsoft) accounting for more than the entire gain. A fund that owns a diversified mix of companies across industries, geographies and company sizes was always going to lag in this environment.
- The largest transactions in the underlying funds included purchases of SUNCOR, MCKESSON, E INK HOLDINGS, GREENBRIER, EASTERN BANKSHARES, AXOGEN, CONSTRUCTION PARTNERS and ALS. On the other side of the ledger, CGI, ASSA ABLOY, CARGOJET, ST. JAMES'S PLACE, WEBSTER FINANCIAL, INTEGRAL CORPORATION and ARCOS DORADOS were sold.

Positioning

- At quarter-end, the fund held 35% in Canadian stocks, 36% in U.S. stocks, 26% in overseas stocks and 3% in cash, which is in line with its long-term targets.
- Technology makes up 14% of the fund, including SAMSUNG ELECTRONICS, MICROSOFT and ALPHABET. As Bradley's Brief points out, this exposure isn't enough to keep pace in a 'one bet' market, but when the AI theme comes under pressure, the fund performs well relative to markets and its peers.
- Industrial goods & services remains the largest sector (22%), with profitable, growing businesses such as CANADIAN NATIONAL RAILWAY, RB GLOBAL and WASTE CONNECTIONS that will benefit from the use of AI. The managers used the quarter's weakness to add to holdings where the long-term outlook is intact.
- For further detail on the holdings, returns and strategies of the underlying funds, refer to the pages that follow.

Fund Mix	
Global Equity	36%
Global Small-Cap	35%
Small-Cap	15%

Fund size: \$285,820,834



Builders Fund

Attributes

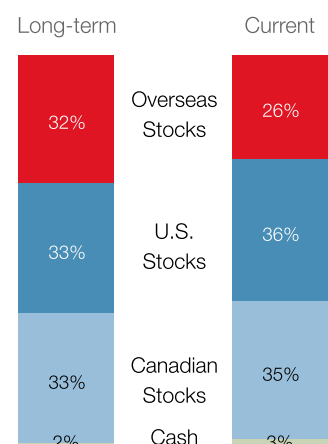
Top Stock Holdings (% of Fund)

Samsung Electronics Company Ltd.	3.0%
Microsoft Corporation	3.0%
Royal Bank Of Canada	2.1%
Canadian National Railway Company	1.8%
Visa Inc.	1.5%
Metro Inc.	1.5%
Loblaw Companies Limited	1.5%
Keyence Corporation	1.5%
Toromont Industries Limited	1.5%
Restaurant Brands International Inc.	1.4%

Sector Allocation (Stocks)

Industrials	22.1%
Financials	17.2%
Information Technology	14.3%
Consumer Discretionary	12.4%
Consumer Staples	9.0%
Health Care	7.2%
Energy	6.2%
Materials	5.7%
Communication Services	2.5%
Real Estate	0.2%
Cash	3.1%

Asset Mix



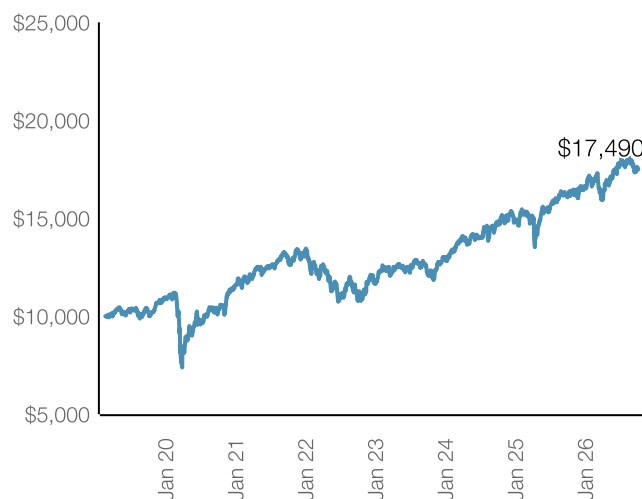
Performance

Compound Annualized Returns (as at September 30, 2026)

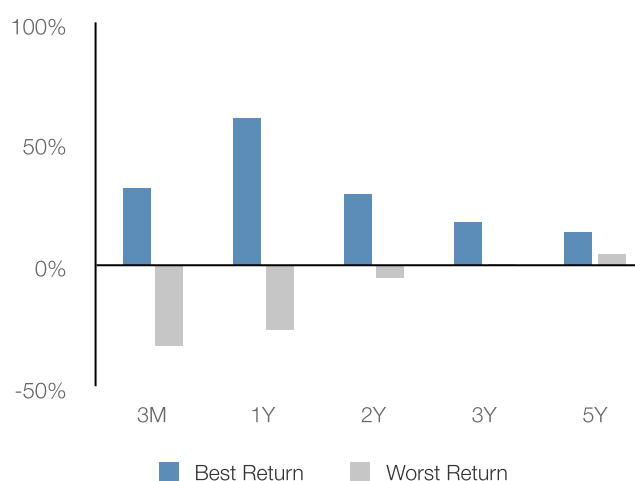
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Builders Fund (After-fee)	-2.1%	5.9%	7.9%	12.8%	6.6%	N/A	N/A	7.6%
Global Stock Index (\$Cdn)	1.6%	15.6%	17.5%	23.0%	13.9%	N/A	N/A	14.3%
Canadian Stock Index	1.8%	12.9%	19.9%	25.1%	15.0%	N/A	N/A	14.1%

¹Jan 23, 2019

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Income Fund

Market Context

- Canadian bonds fell 3.1% during the quarter as interest rates moved higher (interest income minus price declines).
- The 10-year Government of Canada bond yield rose to 4.0% from 3.4%, as central banks took a more cautious stance on inflation.
- Canadian stocks gained 1.8%, led by energy, materials and technology companies.

The fund was down 2.8% in the quarter. Since inception (Feb 2007) it has an annualized return of 4.6%.

Portfolio Specifics

- The fund had 75% of its assets in bonds and 25% in stocks.
- The bond portion declined as rates rose, but performed slightly better than the overall bond market.
- Good security selection and corporate bond positioning helped the fund.
- Provincial bonds also held up relatively well, and the fund continues to favour selected provinces where valuations look attractive.
- The manager, Connor, Clark & Lunn, has been adding selectively to high-quality companies when prices become more attractive, with a particular focus on banks and other defensive businesses.
- The stock portion was modestly negative. Energy and precious metals holdings performed well, while banks, pipelines, utilities and real estate holdings were weaker.
- Within the stock portion, the manager initiated positions in Bank of Nova Scotia, Canadian National Railway, Nutrien and GFL Environmental, and added to Definity Financial. The fund exited Intact Financial and Lundin Mining, and trimmed Royal Bank, Manulife and Brookfield Renewable Partners.
- The fund paid a quarterly distribution of \$0.07 per unit at the end of September.

Positioning

- The manager believes the recent rise in interest rates may have gone a little too far in the short term, so the fund is keeping its interest rate exposure close to the market rather than making a large directional bet.
- The fund remains focused on high-quality, defensive bonds and is looking for opportunities to add when credit markets become more attractive.
- Stocks continue to make up about one-quarter of the portfolio and remain an important source of diversification.

Notable Stock Transactions

Buy/Add

Bank of Nova Scotia*
Canadian National Railway*
Definity Financial
Nutrien*
GFL Environmental*
*New holding

Trim/Sell

Intact Financial¹
Royal Bank of Canada
Brookfield Renewable Partners
Lundin Mining¹
Manulife Financial
¹Position eliminated

Fund size: \$445,737,737
Pre-fee Yield: 4.4%
Avg Term to Matur.: 9.1 yrs
Duration (Bonds): 6.5



Income Fund

Attributes

Top Holdings (% of Fund)

Canada 3.50% (Dec 57)	2.4%
Canadian Treasury Bill 12/16/2026 (Dec 26)	2.0%
Canada 2.75% (Dec 55)	2.0%
Quebec 4.00% (Sep 35)	1.9%
Canada 2.75% (Aug 28)	1.6%
Quebec 4.45% (Sep 34)	1.4%
Canada 3.00% (Nov 28)	1.3%
Canada 2.00% (Dec 51)	1.2%
Canadian Treasury Bill 12/30/2026 (Dec 26)	1.2%
British Columbia 3.90% (Jun 36)	1.2%

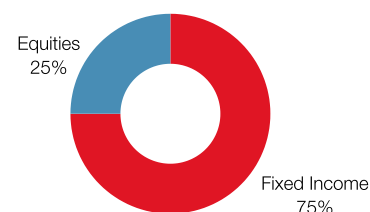
Issuer Allocation (Bonds)

Corporate Bonds	36.9%
Provincial Bonds	36.4%
Federal Bonds	19.8%
High Yield Bonds	6.9%

Rating Summary (Bonds)

AAA	25.1%
AA	33.1%
A	6.4%
BBB	31.9%
BB	3.0%
B	0.5%
CCC or lower	0.0%
NR	0.0%

Asset Mix



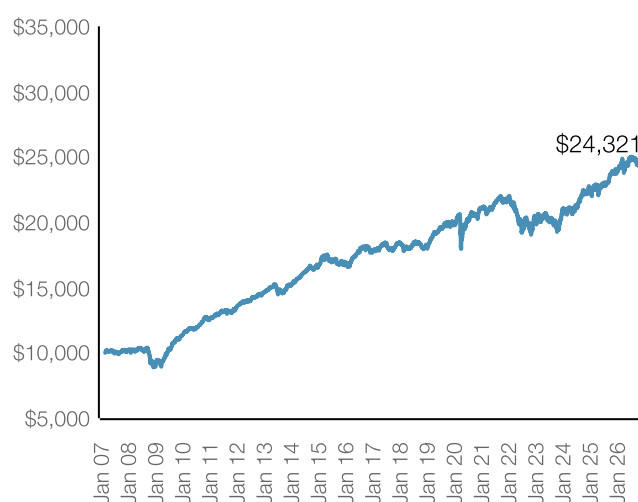
Performance

Compound Annualized Returns (as at September 30, 2026)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Income Fund (After-fee)	-2.8%	1.6%	2.4%	7.5%	2.5%	3.0%	4.2%	4.6%
Canadian Bond Index	-3.1%	-1.0%	-1.3%	4.5%	0.1%	1.1%	2.2%	3.2%
Canadian Stock Index	1.8%	12.9%	19.9%	25.1%	15.0%	11.9%	10.3%	7.8%

¹Feb 13, 2007

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Equity Fund

Market Context

- Canadian stocks rose 1.8% during the quarter. Technology, materials and energy were the strongest areas, while communication services and real estate were weaker.
- Global stocks also gained, rising 1.6% in Canadian dollar terms.

Portfolio Specifics

- The portfolio held 30 companies at quarter-end, with most based in Canada and the U.S.
- The fund declined 2.5% during the quarter. Since its launch in February 2007, it has returned 6.8% per year on average.
- MICROSOFT was one of the strongest contributors, helped by continued growth in its cloud business and strong demand for its AI products. Thomson Reuters also performed well following solid results and an improved revenue outlook.
- Performance was held back mainly by the fund's exposure to materials and industrial companies.
- RB GLOBAL was one of the weaker holdings, as profit margins came under pressure. Intact also detracted, mainly due to weakness in its U.K. business.
- The fund added Suncor during the quarter and sold its position in CGI.

Positioning

- The manager, Fiera Capital, continues to focus on high-quality businesses trading at reasonable prices.
- The goal is to own companies that can grow in value over time while also protecting capital during more difficult markets.

The fund was down 2.5% in the quarter. Since inception (Feb 2007) it has an annualized return of 6.8%.

Notable Stock Transactions

Buy/Add

Suncor Energy*

*New holding

Trim/Sell

CGI Inc.¹

¹Position eliminated

Fund size: \$288,479,088

No. of stocks: 30



Equity Fund

Attributes

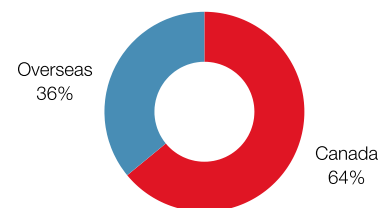
Top Holdings (% of Fund)

Royal Bank Of Canada	6.1%
Canadian National Railway Company	5.1%
Microsoft Corporation	5.1%
Visa Inc.	4.5%
Metro Inc.	4.4%
Loblaw Companies Limited	4.4%
Keyence Corporation	4.4%
Toromont Industries Limited	4.3%
Restaurant Brands International Inc.	4.2%
Waste Connections Inc.	4.0%

Sector Allocation (Stocks)

Industrials	25.2%
Financials	22.4%
Consumer Discretionary	17.5%
Information Technology	14.2%
Consumer Staples	14.0%
Communication Services	3.8%
Energy	3.0%

Geographic Profile (Stocks)



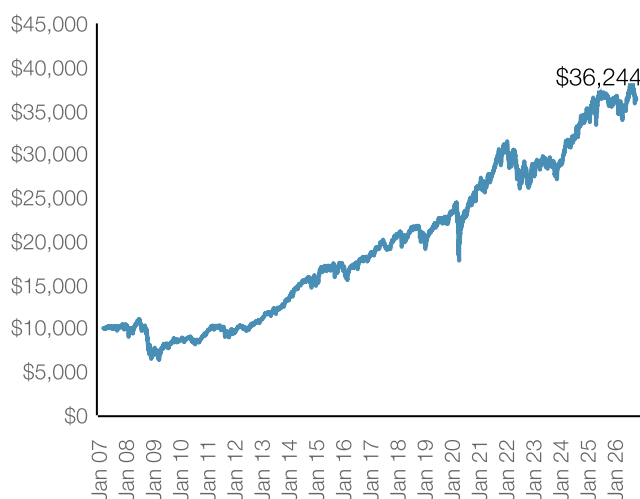
Performance

Compound Annualized Returns (as at September 30, 2026)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Equity Fund (After-fee)	-2.5%	-0.2%	1.2%	9.4%	4.6%	7.2%	9.6%	6.8%
Canadian Stock Index	1.8%	12.9%	19.9%	25.1%	15.0%	11.9%	10.3%	7.8%
Global Stock Index (\$Cdn)	1.6%	15.6%	17.5%	23.0%	13.9%	13.3%	14.6%	9.2%

¹Feb 13, 2007

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Global Equity Fund

Market Context

- Global stocks rose 1.6% in Canadian dollar terms during the quarter, supported by continued earnings growth.
- Japan was one of the stronger markets, while U.S. returns remained heavily concentrated in a small number of large technology companies, including Nvidia, Apple and Microsoft.
- Energy, technology and health care were the strongest sectors. Utilities, real estate and industrials were weaker as interest rates moved higher.

The fund was down 0.1% in the quarter. Since inception (Feb 2007) it has an annualized return of 4.0%.

Portfolio Specifics

- The fund held 48 companies across seven markets, with about half of the portfolio invested outside the U.S. This makes the fund more globally diversified than its benchmark.
- Technology holdings were the biggest drag on relative performance, as market gains remained concentrated in a small group of large companies. Financial holdings were the strongest contributor, helped by several global banks.
- DBS GROUP, a leading Singapore bank, was one of the top contributors after reporting strong earnings, supported by growth in wealth management and fee-based businesses.
- MARTIN MARIETTA MATERIALS was one of the weaker holdings. Its shares declined following a large acquisition and some pressure on profitability, although the manager, Aristotle, continues to like the company's long-term outlook and high-quality assets.
- During the quarter, the fund sold OSHKOSH and ASSA ABLOY and added MCKESSON CORPORATION and E INK HOLDINGS.

Positioning

- The fund continues to have meaningful exposure to companies benefiting from artificial intelligence, including SAMSUNG, MICROSOFT and ALPHABET.
- At the same time, the manager is finding opportunities in high-quality businesses that have been overlooked as investors have focused heavily on a small group of AI-related companies.
- The focus remains on durable businesses with strong competitive positions, pricing power and the ability to grow over the long term, rather than chasing the market's strongest recent trends.

Notable Stock Transactions

Buy/Add
McKesson Corp*
E Ink Holdings*
*New holding

Trim/Sell
Oshkosh Corp¹
Assa Abloy¹
¹Position eliminated

Fund size: \$270,859,902
No. of stocks: 48



Global Equity Fund

Attributes

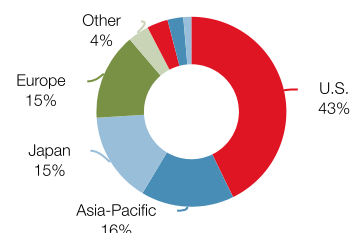
Top Stock Holdings

Samsung Electronics Company Ltd.	8.5%
DBS Group Holdings Ltd	3.9%
FirstCash Holdings Inc	3.7%
Microsoft Corporation	3.4%
Alphabet Inc.	3.4%
TotalEnergies SE	3.1%
Amgen Inc	2.9%
Otsuka Holdings Company Limited	2.7%
Munich Re	2.6%
Erste Group Bank AG	2.5%

Sector Allocation (Stocks)

Financials	20.4%
Information Technology	20.2%
Health Care	14.7%
Consumer Discretionary	11.9%
Industrials	10.1%
Energy	6.3%
Consumer Staples	6.1%
Materials	5.7%
Communication Services	3.4%
Cash	1.4%

Geographic Profile (Stocks)



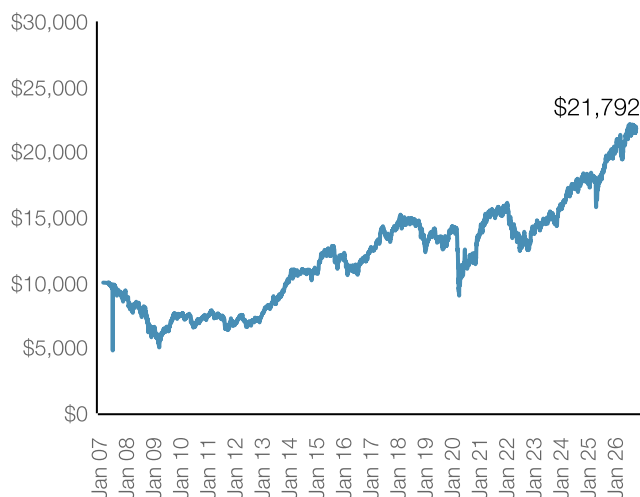
Performance

Compound Annualized Returns (as at September 30, 2026)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Global Equity Fund (After-fee)	-0.1%	8.8%	10.8%	14.3%	7.5%	6.3%	8.2%	4.0%
Global Stock Index (\$Cdn)	1.6%	15.6%	17.5%	23.0%	13.9%	13.3%	14.6%	9.2%

¹Feb 13, 2007

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Small-Cap Equity Fund

Market Context

- Canadian small-cap stocks rose 4.2% during the quarter, while U.S. small caps fell 5.6% in Canadian dollar terms.
- In Canada, energy and materials were the strongest areas, while technology and real estate were weaker.
- In the U.S., energy also led, while industrial and technology companies lagged.

Portfolio Specifics

- The fund held 19 companies, mostly in Canada. Three U.S. holdings made up about 15% of the portfolio.
- The fund was roughly flat for the quarter, returning -0.5%. This was below the Canadian small-cap market but ahead of the U.S. small-cap market.
- Energy and materials holdings were the strongest contributors. CENOVUS ENERGY, TENAZ ENERGY and TOREX GOLD all benefited from stronger commodity prices and solid company results.
- JAMIESON WELLNESS also contributed positively.
- MDA SPACE, OSHKOSH and GREENBRIER were among the weaker holdings. Rising interest rates and a softer economic outlook weighed on several industrial companies, while OSHKOSH and GREENBRIER also faced company-specific challenges.
- The manager trimmed CENOVUS, CAPSTONE COPPER and TOREX GOLD after strong gains, and sold CARGOJET on valuation.
- The manager, Guardian Capital's Galibier team, added to MDA SPACE and GREENBRIER after their share prices weakened, having previously reduced the MDA position at higher prices, and also added to STELLA-JONES.

Positioning

- The portfolio remains different from the Canadian small-cap market, with more emphasis on industrial and consumer businesses and less reliance on resource companies.
- The manager continues to focus on high-quality businesses with strong balance sheets, competitive advantages and reliable cash flows.
- Exposure to energy and materials is being managed carefully given the ongoing uncertainty around commodity prices and the economy.

The fund was down 0.5% in the quarter. Since inception (Feb 2007) it has an annualized return of 8.0%.

Notable Stock Transactions

Buy/Add
Greenbrier Companies
MDA Space
Stella-Jones
*New holding

Trim/Sell
Cargojet¹
Cenovus Energy
Capstone Copper
Torex Gold Resources
¹Position eliminated

Fund size: \$118,947,251
No. of stocks: 19



Small-Cap Equity Fund

Attributes

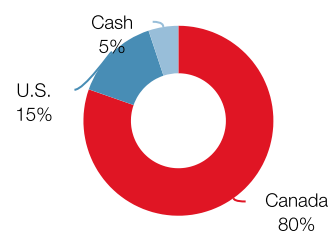
Top Stock Holdings

Cenovus Energy Inc.	8.0%
Badger Infrastructure	7.2%
Torex Gold Resources Inc.	7.2%
Peyto Exploration	6.7%
Savaria Corporation	6.5%
Capstone Copper Corp	6.3%
Oshkosh Corp	5.7%
Jamieson Wellness Inc.	5.7%
K-Bro Linen Income Fund	4.8%
Stella-Jones Inc.	4.8%

Sector Allocation (Stocks)

Industrials	35.0%
Materials	23.0%
Energy	18.7%
Consumer Staples	8.8%
Consumer Discretionary	4.5%
Health Care	4.1%
Information Technology	0.8%
Cash	5.1%

Geographic Profile (Stocks)



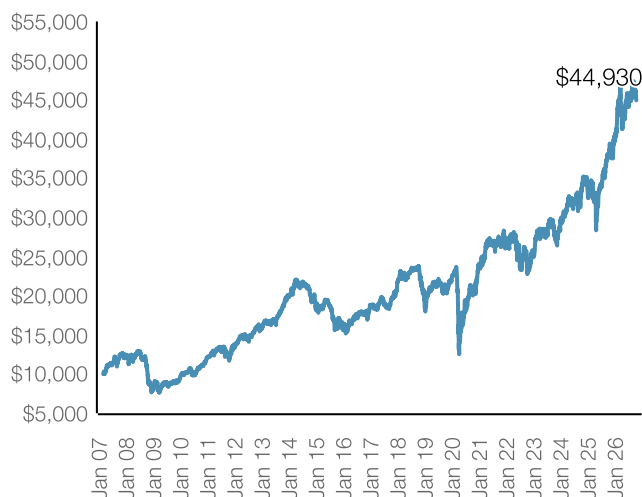
Performance

Compound Annualized Returns (as at September 30, 2026)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Small-Cap Equity Fund (After-fee)	-0.5%	11.6%	18.0%	17.2%	11.3%	9.8%	9.1%	8.0%
Canadian Small-Cap Stock Index	4.2%	17.4%	29.7%	33.3%	18.1%	11.2%	7.6%	4.9%
U.S. Small-Cap Stock Index (\$Cdn)	-5.6%	11.1%	12.8%	16.5%	8.4%	9.6%	13.3%	8.8%

¹Feb 13, 2007

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Global Small-Cap Equity Fund

Market Context

- Global small-cap stocks fell 3.2% in Canadian dollar terms during the quarter.
- Energy and health care were the strongest areas, while technology and industrial companies were among the weakest.

Portfolio Specifics

- The fund held 49 companies across the U.S., Europe, Japan, Australia and Greece.
- The fund fell 7.2% during the quarter, with most of the weakness coming from U.S. holdings. International holdings generally held up well.
- Financial and health care companies were positive contributors, while industrial and technology holdings were the biggest detractors.
- Several international holdings performed well. FUKUOKA FINANCIAL GROUP, GREENCORE, WEIR GROUP, RINGKJOBING LANDBOBANK, STEVANATO GROUP and PIRAEUS BANK were among the stronger contributors.
- Weakness was concentrated in U.S. industrial and technology companies that had performed strongly in the previous quarter. Higher interest rates, rising costs and changing investor sentiment weighed on these stocks.
- Semiconductor holdings also pulled back, although underlying business demand remained healthy.
- The manager, TimesSquare Capital Management, used the market weakness to add to several existing holdings, including SWCC and WARBY PARKER, and introduced four new positions: EASTERN BANKSHARES, AXOGEN, CONSTRUCTION PARTNERS and ALS.
- The fund exited several holdings, including ST. JAMES'S PLACE, WEBSTER FINANCIAL, INTEGRAL CORPORATION and ARCOS DORADOS, and reduced its positions in SUMITOMO BAKELITE and RINGKJOBING LANDBOBANK.
- With U.S. small-cap valuations becoming more expensive relative to some international markets, the manager has been shifting toward businesses that appear more attractively priced.

Positioning

- The manager remains focused on bottom-up stock selection, favoring disciplined management teams capable of compounding value through periods of elevated volatility and valuation dispersion.

The fund was down 7.2% in the quarter. Since inception (Feb 2019) it has an annualized return of 7.4%.

Notable Stock Transactions

Buy/Add

SWCC Corp
Eastern Bankshares*
ALS Ltd*
Axogen*
Construction Partners*
*New holding

Trim/Sell

Webster Financial¹
St. James's Place¹
Sumitomo Bakelite
Integral Corp¹
Arcos Dorados¹
¹Position eliminated

Fund size: \$81,997,521
No. of stocks: 49



Global Small-Cap Equity Fund

Attributes

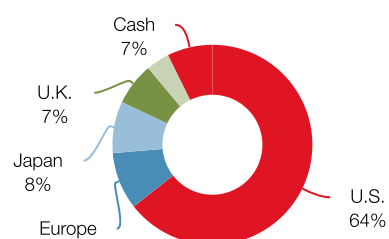
Top Stock Holdings

Pursuit Attractions And Hospitality Inc	3.9%
JFrog Ltd	3.8%
Weir Group PLC	3.4%
Guardian Pharmacy Services Inc	3.3%
Clean Harbors Inc	3.3%
Performance Food Group	3.1%
Valvoline Inc	3.1%
Fukuoka Financial Group Inc	2.9%
Casella Waste Systems Inc	2.7%
Encompass Health Corp	2.7%

Sector Allocation (Stocks)

Industrials	32.1%
Financials	15.6%
Information Technology	14.4%
Consumer Discretionary	10.5%
Health Care	9.5%
Consumer Staples	5.4%
Materials	2.3%
Energy	1.5%
Real Estate	1.5%
Cash	7.3%

Geographic Profile (Stocks)



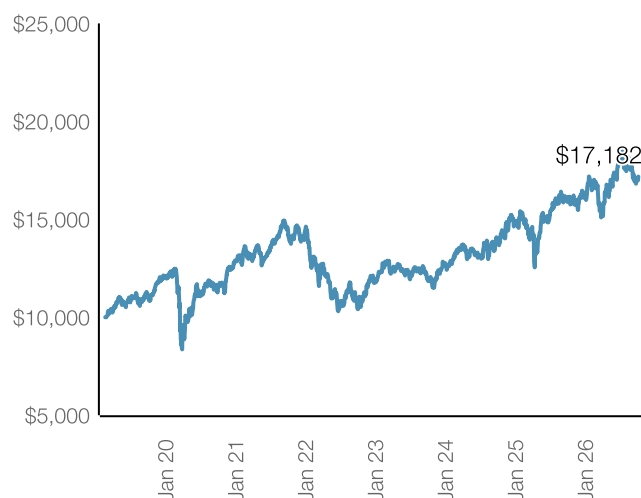
Performance

Compound Annualized Returns (as at September 30, 2026)

	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Global Small-Cap Equity Fund (After-fee)	-7.2%	7.5%	7.0%	12.7%	4.1%	N/A	N/A	7.4%
Global Small Cap Stock Index (\$Cdn)	-3.2%	11.8%	13.7%	17.7%	8.4%	N/A	N/A	9.5%

¹ Jan 23, 2019

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Savings Fund

Market Context

- Inflation moved higher during the quarter, reaching 3.0% in August, up from 2.8% in June. The labour market was mixed. Unemployment fell to 6.4%, but hiring weakened in August and wage growth slowed to about 2.0%, suggesting some easing in economic pressures.
- The Bank of Canada kept its overnight rate unchanged at 2.25% in September, however, higher energy prices and geopolitical uncertainty have increased expectations for a rate hike before year-end.
- In the U.S., the Federal Reserve raised rates in September and signalled that another increase could follow later this year.
- While inflation remains a concern, we believe the Bank of Canada can afford to be patient. With wage growth slowing and underlying inflation near target, there is little need for aggressive rate hikes.

The fund was up 0.6% in the quarter. Since inception (Feb 2007) it has a cumulative return of 37.6% which equates to an annualized return of 1.6%.

Positioning

- The fund remains conservatively positioned, with a focus on capital preservation, liquidity and high-quality short-term investments.
- About 9% of the fund was invested in government securities and 19% in floating-rate investments, with most of the remainder in high-quality short-term corporate debt.
- This mix provides flexibility if interest rates rise, while keeping interest-rate risk relatively low.

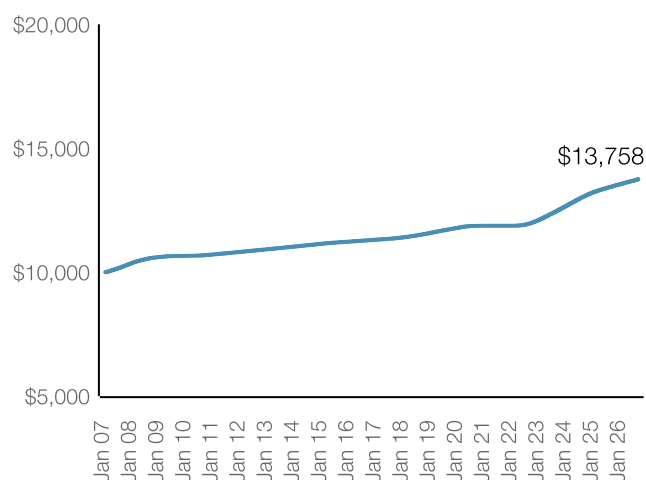
Performance

Compound Annualized Returns (as at September 30, 2026)

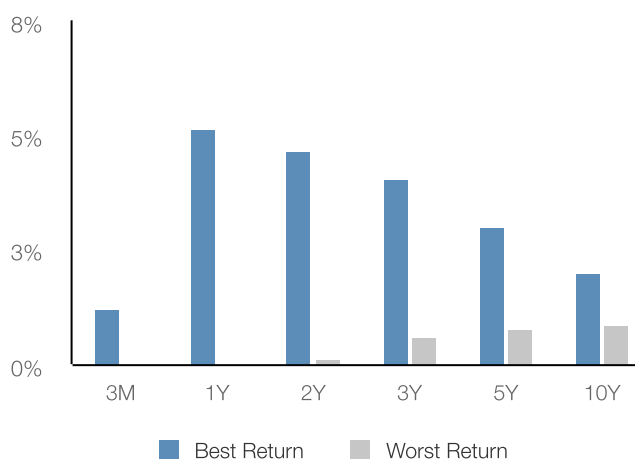
	3M	YTD	1Y	3Y	5Y	10Y	15Y	Incep ¹
Savings Fund (After-fee)	0.6%	1.6%	2.2%	3.3%	3.0%	2.0%	1.6%	1.6%
Canadian Cash Index	0.6%	1.7%	2.3%	3.4%	3.1%	2.0%	1.6%	1.7%

¹Feb 13, 2007

Growth of \$10,000 Since Inception



Best and Worst Annualized Returns



Investors can't control the markets. Here are six things they can

Special to the Globe and Mail, by Tom Bradley

Are you doing all you can to control the things that you can control?

As I wrote recently, there are plenty of factors in the investment landscape you can't control, such as the AI revolution, geopolitical dysfunction and seemingly unchecked speculation. It feels worse right now, but the fact is, the path of investment returns is always unknowable and beyond your control.

There are strategies and habits, however, that will give you the best chance of success, no matter what AI or U.S. President Donald Trump do, or how your portfolio gets to its destination.

Saving

Saving is a prerequisite for investing. You need unencumbered money that won't be called on for decades to come – money set aside now to replace your paycheque during the last third of your life.

The easiest and most disciplined way to save is a preauthorized contribution, or PAC. Money comes out of your chequing account every month before you miss it and is automatically (and unemotionally) invested.

Clarity

Every investment dollar needs to have a purpose. Is it for retirement and therefore focused on above-inflation returns over the long term, or is it being set aside for a specific purpose and therefore needs to be secure?

Each goal should be in a separate bucket and have its own strategy and measure of success.

SAM

There also needs to be a road map for each bucket. At Steadyhand, we call the map a strategic asset mix, or SAM. Your SAM considers all your financial assets, including real estate and pensions, and lays out the mix of asset types that best fit with your goals and time frame.

SAM is your North Star. It's your portfolio's default position. When people ask me where they should go to hide in these crazy times, I point them to their SAM. It's the best mix of assets for what they're trying to accomplish.

Who

It may seem obvious that who you choose to work with for the next 10 to 30 years is important, but too many investors are stuck in bad relationships. They aren't getting

what they need, don't understand what's happening or just don't feel comfortable.

It takes effort to make a change, and likely triggers some angst, but there's no excuse. If you're not happy, look for someone who has the right qualifications and experience, and is at a firm with the necessary resources and products. Someone who will field any question you throw at them and put your best interests ahead of company sales targets. And, of course, someone who is a good fit personality-wise. You're going to spend a lot of time with them in the coming years.

Cost

This is another biggie. Trading commissions, advice and service fees and administration charges all represent lost return. Whether you're a do-it-yourself investor or rely on an adviser, make sure what you're paying matches up with what you're getting. Don't pay too much and don't pay multiple people to do the same thing.

Routine

If you've taken care of the above items (a high proportion of investment plans end up buried in a desk drawer, along with good intentions), then keeping on top of your portfolio is a lot easier.

Your investment routine doesn't have to be a burden. Quite the opposite. Less is more. You're far better to do a thorough portfolio review once a year as opposed to checking your portfolio balance daily or weekly. As the adage goes: A portfolio is like a bar of soap. The more you touch it, the smaller it gets.

If you have an adviser, dedicate one meeting a year to the most important topic – you. No economic charts or market predictions. Just a review of your goals, SAM, fees and long-term returns, with plenty of questions along the way. Questions like, am I on track, can I reduce my costs, do I need to adjust my plan for a life event and am I sitting on lazy money at the bank that's earning next to nothing? Questions that help you understand what you're doing and how much your adviser knows about you.

To be sure, there's a lot going on right now and not a lot you can do about it. You can, however, put your house in order by saving enough, being clear on what you're trying to achieve, working with a firm that fits your needs and personality and not diminishing your returns by paying too much. In other words, controlling the controllables.

Steadyhand

Purpose Active Suite

Steadyhand clients now have access to the Purpose Active Suite, managed by Craig Basinger, Chief Market Strategist at Purpose Investments. We're introducing the Steadyhand Class — versions of these funds built specifically for Steadyhand clients. Nothing about your current holdings changes. This is a different investment approach available alongside what you already have, not a replacement for it.

Craig's approach is built differently from Tom Bradley's, tapping into the broader expertise of the Purpose Investments team. Different lens, same goal: portfolios designed to help investors meet their long-term investment objectives.

Not sure what fits your situation? That's exactly what our investor specialists are here for. Book a call and we'll work through the options with you and help you land on what makes sense.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The performance data provided for the Steadyhand Savings Fund assumes reinvestment of distributions only and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. The indicated rates of return for the funds other than the Savings Fund are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual fund securities are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There can be no assurances that the funds will be able to maintain their net asset value per security at a constant amount or that the full amount of your investment in the funds will be returned to you. Past performance may not be repeated.

Indexes referenced are as follows:

Canadian Cash: Morningstar Canadian Dollar Overnight Cash Index
Canadian Bonds: Morningstar Canada Core Bond Index
Canadian Stocks: Morningstar Canada Index
Canadian Small-Cap Stocks: Morningstar Canada Small Cap Index
U.S. Small-Cap Stocks: Morningstar U.S. Small Cap Index (\$Cdn)
Global Stocks: Morningstar Developed Markets Index (\$Cdn)
Global Small-Cap Stocks: Morningstar Developed Markets Small Cap Index (\$Cdn)

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Purpose Investments is the manager of the Steadyhand funds. Steadyhand Investment Funds Inc. (SIFI) is the principal distributor of the funds.

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