



Annual Report of the Independent Review Committee of the Algonquin Group of Funds

January 30, 2026

Dear Securityholder,

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** ("NI 81107" or the "Instrument"), Algonquin Capital Corporation (the "Manager") established an Independent Review Committee (the "Committee" or "IRC") for the funds on September 25, 2019. The IRC has oversight over the funds listed at the end of this Report (the "Funds"). The IRC has functioned in accordance with the applicable securities laws and is composed of three individuals, each of whom is and remains independent of the Fund, of the Manager and each entity related to the Manager (as defined in the Instrument).

The IRC is pleased to publish its annual report to securityholders, covering the period from January 1, 2025 to December 31, 2025 (the "Reporting Period").

In accordance with the Instrument, the mandate of the IRC is to consider and provide decisions to the Manager on conflicts of interest to which the Manager may be subject when managing the Fund. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the Fund, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures, ("Conflict of Interest Manual").

When a conflict arises, the Manager must refer its proposed course of action in respect of such conflict to the IRC for its review. While certain matters require the IRC's prior approval, in most cases the IRC will provide a decision to the Manager as to whether, in the opinion of the IRC, the Manager's proposed action provides a fair and reasonable result for the Fund. For recurring conflict of interest matters, the IRC can provide the Manager with Standing Instructions ("SIs") that enable the Manager to proceed with certain matters without having to refer them to the IRC each time for approval, providing the Manager deals with the conflicts in accordance with the SIs.

The IRC is entrusted to represent the best interest of the Funds in any matter where the Manager has referred a conflict of interest matter to it. In those cases, the IRC has sought to ensure that the Manager's proposed course of action represents a fair and reasonable result for the Fund.

The IRC conducted its annual assessment (the "Annual Assessment"), at which the IRC reviewed its independence, compensation and effectiveness. At the Annual Assessment, the IRC also reviewed the Written Charter, Standing Instruction(s) and the Manager's Conflict of Interest Manual and when appropriate made recommendations for amendments. The IRC confirmed that the committee as a whole was functioning in a positive and effective manner.

This report is available on Manager's website at <https://www.algonquincap.com/> or you may request a copy, at no cost to you, by contacting the Manager toll free at 1 833-306-8404 or by emailing the Funds at info@algonquincap.com. This document and other information about the Funds are available on www.sedarplus.com.

Yours truly,

"Geoff Salmon"
Geoff Salmon
Chair of the IRC

Composition of the IRC

The current members of the IRC and their principal occupations are as follows:

Geoff Salmon (Chair), Rideau Lakes, ON	Managing Director, Independent Review Inc.	Appointed September 25, 2019
		Re-appointed term ending September 24, 2026
Ken Thomson, Toronto, ON	President, Montfort Capital	Appointed September 25, 2019
		Re-appointed term ending September 24, 2026
JJ Woolverton, Toronto, ON	Consulting to pension plans/investment funds.	Appointed September 25, 2019
		Retired effective September 24, 2025
Nancy Sullivan Toronto, ON	Independent consultant	Appointed October 23, 2025 until December 31, 2027

JJ Woolverton retired effective September 23, 2025 and was replaced by Nancy Sullivan.

Compensation and Indemnification

Review of Compensation

At least annually, the IRC reviews its compensation considering the following:

- the nature and extent of the workload of each member of the IRC, including the commitment of time and energy expected from each member;
- the number of meetings required by the IRC including special meetings to consider conflict issues brought to the committee;
- industry best practices, including industry averages and surveys on IRC compensation; and,
- the complexity of the conflict issues brought to the IRC.

The IRC reviewed comparable compensation benchmarks and after consultation with the Manager increased its fees from \$20,000 to 28,000 in aggregate.

Members' Fees

In aggregate, the IRC members were paid \$28,000 plus applicable taxes, during the Reporting Period.

The IRC fees were allocated to each of the two funds based upon their proportionate share of the total Net Assets.

Indemnities Granted

The Funds and the Manager have provided each IRC Member with a contractual indemnity in keeping with NI 81-107. No payments were paid to the IRC Members pursuant to this indemnity by the Funds or the Manager during the Reporting Period.

Disclosure of IRC Members' Holdings

As of December 31, 2024, the IRC Members did not beneficially own, directly or indirectly:

- any units of any of the Manager's Funds;
- any interest in the Manager; or,
- any interest in a company or person that provides services to the Manager or the Fund.

Decisions and Approvals

The Manager did not refer any conflict of interest matters as defined in the Instrument to the IRC and therefore there were no decisions or approvals during the Reporting Period.

Standing Instruction Approved

The IRC has approved two (2) SIs, which constitute a written approval or decision from the IRC.

The SIs required the Manager to comply with its related policy and procedures and to report periodically to the IRC.

Standing Instruction No. 1: Omnibus

This SI deals with several conflicts of interest matters including:

1. Fees and Expenses
2. Trade Allocations
3. Portfolio Pricing Issues
4. Pricing Errors and other Errors
5. Broker Selection
6. Showing Favouritism
7. Outsourcing to Third-party Services

8. Personal Trading
9. Client Complaints
10. Capacity Issues

Standing Instruction No. 2: Inter-fund Trades

Manager's Report on its Standing Instructions

In accordance with the Instrument, the Manager provided a written report to the IRC describing its reliance on the SIs during the Reporting Period. The Manager relied on SI No. 1 but not SI No. 2 during the Reporting Period

Funds Served by the IRC

Algonquin Fixed Income 2.0 Fund
Algonquin Debt Strategies Fund L.P.

The members of the IRC served on the following IRCs:

Geoff Salmon:

Accelerate Financial Technologies Inc,
(Retired effective June 30, 2025)
Algonquin Capital Corp.
Addenda Capital Inc.
EHP Funds Inc.
Genus Capital Management Inc.
Hamilton Capital Partners Ltd.
(Retired effective June 30, 2025)
McElvaine Investment Management Ltd.
(Retired effective November 6, 2025)
Sprott Asset Management
VanCity Investment, Management.

Ken Thomson:

Algonquin Capital Corp.
Educators Financial Group Inc.
(Retired effective December 31, 2025)
Certain investment funds managed by Goodwood Inc.
Harvest Portfolios Group
(Appointed effective January 1, 2026)

JJ Woolverton:

Algonquin Capital Corp.
(Retired effective December 31, 2025)