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**INTERIM  
MANAGEMENT  
REPORT**

*of Fund Performance  
for the period ended  
June 30, 2023*

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**EQUITY FUNDS**  
FÉRIQUE Global Innovation Equity Fund

This Interim Management Report of Fund Performance contains financial highlights but does not contain the complete interim or annual financial statements of the Fund. You can get a copy of the Interim Financial Statements at your request, and at no cost, by calling our Advisory Services at 514-788-6485 (toll-free 1-800-291-0337), by writing to us at Gestion FÉRIQUE, Place du Canada, 1010 de La Gauchetière Street West, Suite 1400, Montréal, Québec H3B 2N2, or by visiting our website at [ferique.com](http://ferique.com) or SEDAR at [sedar.com](http://sedar.com). Unitholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record and quarterly portfolio disclosure.

There may be management fees and expenses associated with an investment in a mutual fund. Management expense ratios vary from one year to another. Please read the Prospectus before investing. Mutual funds are not guaranteed or covered by the Canada Deposit Insurance Corporation or another government deposit insurer. Their values fluctuate frequently and past performance may not be repeated.

### **A Note on Forward-looking Statements**

This report may contain forward-looking statements about the Funds, their future performance, strategies or prospects, and possible future Fund actions. The words "may", "could", "should", "would", "suspect", "outlook", "believe", "plan", "anticipate", "estimate", "expect", "intend", "forecast", "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Funds and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Funds. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

As at June 30, 2023

## Management Discussion of Fund Performance

### Results of Operations

The FÉRIQUE Global Innovation Equity Fund posted a net return of 21.3% for the period ended June 30, 2023. Its benchmark, the MSCI ACWI Index (CA\$), posted a 11.6% return for the same period. Contrary to benchmark returns, which include no investment fees, Fund returns are expressed net of management and operating expenses payable by the Fund.

On a relative basis, the Fund outperformed its industry median<sup>1</sup>, which posted 8.7%, net of fees for the period.

Both stock selection and sector allocation contributed to performance during the period. Positive stock selection within Information Technology and Health Care contributed the most to relative returns. Selection in no specific sector hampered performance. A result of the bottom-up stock-selection process, sector allocation also added to relative returns, thanks to an underweight to Financials and overweight to Consumer Discretionary. Meanwhile, the overweight to Health Care dragged down returns.

From a regional perspective, the portfolio's overweight to the United States contributed most to performance.

At the end of the period, the portfolio was most overweight to Consumer Discretionary and Health Care and most underweight to Industrials and Consumer Staples.

From a stock allocation perspective, NVIDIA and Amazon.com were the top contributors to relative performance, while UnitedHealth Group and a lack of position in Apple were the top detractors. NVIDIA, a top designer of industry-leading graphics processing unit (GPU) chips, rose substantially on the back of accelerating demand for its GPU chips from data centres looking to hyperscale their computational workload and from companies trying to power their artificial intelligence (AI) services. Shares of Amazon.com rose on sustained demand for its Amazon Web Services (AWS) product after the company launched its generative AI algorithm, Amazon Bedrock, which is expected to be rolled out in the fourth quarter of 2023. Conversely, shares of UnitedHealth Group, a leading U.S.-based managed health care and insurance provider, dropped after releasing quarterly earnings that fell below market expectations due to lower utilization rates and higher medical costs.

Over the period, the portfolio sub-manager initiated positions in Advanced Micro Devices (AMD) and Flutter Entertainment. AMD is a leading U.S.-based chip designer specialized in computing and graphics processors. The stock was added due to its attractive valuation. Flutter Entertainment is a leading online gaming and entertainment platform that was added on the back of the portfolio sub-manager's expectations for improving per-unit revenue driven by moderating promotional spending and customer acquisition costs.

The portfolio sub-manager believes in being on the right side of critical environmental, social and governance (ESG) issues to have a viable future in many sectors. It favours companies driving positive ESG outcomes by helping their clients achieve ESG-related goals such as automating energy management, generating cleaner energy

and reducing carbon emissions from shipping. As a consequence, SolarEdge, a global provider of smart inverter solutions, and Stem, a leader in AI-enabled smart energy storage and software solutions, were added to the portfolio. Both renewable energy companies are benefitting from accelerating adoption rates driven by tailwinds from the U.S. *Inflation Reduction Act*.

The portfolio sub-manager liquidated positions in Qualtrics, a leading U.S.-based experience and survey management platform, when the company's share price hit its target price after accepting an acquisition offer from Silver Lake and the Canada Pension Plan Investment Board. The portfolio sub-manager also took profit from its position in Seagen, a leading U.S. biotechnology company focused on oncology treatments, following Pfizer's announcement that it would acquire the company to bolster its oncology drug portfolio.

### Recent Developments

The portfolio sub-manager invests in companies that could drive long-term growth by harnessing innovation and challenge the cyclical nature of the economy by creating new industries or disrupting existing ones. Wellington seeks to invest in companies that leverage data using AI and machine learning or that focus on the digital transformation, migration to cloud, sustainability, direct-to-consumer business models and health care innovation. The portfolio sub-manager is capitalizing on fast-growing companies, as it believes that the market is increasingly misinterpreting cyclical headwinds for structural issues.

In the near term, Wellington expects markets to remain volatile since investors are still adapting to the rising-rate environment, with profit growth to return as the primary driver of stock price performance over the long term. Against this backdrop, the portfolio sub-manager will continue to look for companies generating sustainable growth through innovation.

Wellington still believes that discovering companies that are truly innovative or benefitting from structural change will provide attractive return opportunities. Truly innovative companies control their own destiny by creating a new industry or meaningfully altering the playing field in an existing industry, driving revenue and profit growth regardless of economic cycles. These businesses usually leverage a new technology or process to drive share capture, or are exposed to seismic structural changes, such as machine learning, electric vehicles, immuno-oncology, the democratization of finance or e-commerce. Looking beyond the recent short-term disruptions, the pace of innovation continues to accelerate and remains exciting. With its bottom-up stock picking approach and extensive experience in innovation-rich sectors, the portfolio sub-manager is confident in its capacity to manage risk through both fundamentals and valuation.

Mr. Jude Martineau's term as Chair and member of the Independent Review Committee (IRC) ended on March 31, 2023. Ms. Louise Sanscartier was Interim Chair of the Committee from April 1 to June 9, 2023, and was appointed Chair of the IRC Committee on June 9, 2023. Mr. Yves Frenette was appointed as an IRC member for a three-year term beginning April 1, 2023.

Ms. Fabienne Lacoste stepped down as President and Chief Executive Officer of FÉRIQUE Fund Management on July 3, 2023, and was replaced by Mr. Louis Lizotte.

<sup>1</sup> Source: Median return of similar funds according to Fundata, as at June 30, 2023.

As at June 30, 2023

## Related Party Transactions

The Manager of the Fund is Gestion FÉRIQUE, a not-for-profit organization. Gestion FÉRIQUE receives management fees to cover its expenses with respect to the day-to-day business and operations of the Fund, as reported under the Management Fees section. These expenses include the portfolio manager's fees, the fees relating to the marketing and distribution of the Fund, as well as the administration fees of the Manager.

Services d'investissement FÉRIQUE (SIF) is a not-for-profit subsidiary of Gestion FÉRIQUE registered as a group savings plan brokerage and financial planning firm, and acts as distributor of units of the Fund. A percentage of the management fees paid by the Fund to Gestion FÉRIQUE is used to cover the expenses of SIF with respect to its day-to-day activities.

Gestion FÉRIQUE is responsible for the operating expenses of the Fund, excluding the expenses of the Independent Review Committee and the filing fees, in return for an administration fee, as reported under the Management Fees section.

Gestion FÉRIQUE has set up an Independent Review Committee for the Fund in accordance with the requirements of National Instrument 81-107 Independent Review Committee for Investment Funds to review conflicts of interest related to the management of the Fund.

For the six-month period ended June 30, 2023, Wellington did not enter into any Related Party Transactions as it pertains to the management of the FÉRIQUE Global Innovation Equity Fund.

## Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help the reader understand the Fund's financial performance for the accounting period shown.

	Six-month period ended	Years ended	
	<b>June 30 2023 (6 months)</b>	Dec. 31 2022 (12 months)	Dec. 31 2021 (345 days)
<b>Net Assets per Unit<sup>(1)(4)</sup></b>			
	\$	\$	\$
Net assets, beginning of accounting period <sup>(3)</sup>	6.76	9.90	10.00
<b>Increase (decrease) from operations</b>			
Total revenues	0.02	0.04	0.03
Total expenses	(0.06)	(0.11)	(0.15)
Realized gains (losses)	(0.06)	(0.43)	(0.48)
Unrealized gains (losses)	1.53	(2.14)	0.54
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>1.43</b>	<b>(2.64)</b>	<b>(0.06)</b>
<b>Net assets, end of accounting period<sup>(3)</sup></b>	<b>8.20</b>	<b>6.76</b>	<b>9.90</b>

<sup>(1)</sup> This information is derived from the Fund's Annual Audited Financial Statements/Interim Unaudited Financial Statements. The net assets per unit presented in the financial statements could differ from the net asset value calculated for fund pricing purposes. The differences are explained in the notes to the financial statements.

<sup>(2)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase or decrease from operations is based on the weighted average number of units outstanding during the accounting period. This table is not intended to show a reconciliation between net assets per unit at the beginning and at the end of the accounting period.

<sup>(3)</sup> The net assets are calculated in accordance with International Financial Reporting Standards (IFRS).

<sup>(4)</sup> In this document, the word "units" indicates Series A units.

	Six-month period ended	Years ended	
	<b>June 30 2023 (6 months)</b>	Dec. 31 2022 (12 months)	Dec. 31 2021 (345 days)
<b>Ratios and Supplemental Data</b>			
Net asset value (in thousands of \$) <sup>(1)</sup>	160,899	130,163	130,612
Number of units outstanding <sup>(1)</sup>	19,612,475	19,245,033	13,185,528
Management expense ratio (%) <sup>(2)</sup>	1.47	1.45	1.50
Management expense ratio before waivers or absorptions by the Manager (%)	1.47	1.45	1.50
Portfolio turnover rate (%) <sup>(3)</sup>	15.71	26.03	114.51
Trading expense ratio (%) <sup>(4)</sup>	0.06	0.04	0.09
Net asset value per unit (\$)	8.20	6.76	9.91

<sup>(1)</sup> This information is provided as at June 30, 2023 and as at December 31 for the comparative accounting periods.

<sup>(2)</sup> Management expense ratio is based on total expenses for the stated accounting period (excluding commissions, other portfolio transaction costs and withholding taxes on dividend income) and is expressed as an annualized percentage of the daily average net asset value during the accounting period.

<sup>(3)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once during the accounting period. The higher a Fund's portfolio turnover rate in the accounting period, the greater the trading costs payable by the Fund during the accounting period, and the greater the chance of an investor receiving taxable capital gains during the accounting period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

<sup>(4)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the daily average net asset value during the accounting period.

As at June 30, 2023

## Management Fees

Fees payable by the Fund include management fees and operating charges. Operating charges are made up of administration fees and Fund expenses. Management and administration fees are calculated and credited daily and paid monthly.

Management fees include, among others, the portfolio manager's and/or sub-manager's fees, the fees relating to the marketing and distribution of the Fund and the Manager's administration fees.

Administration fees include, among others, registrar custodian fees and fiduciary fees, expenses relating to accounting and valuation of the Fund, auditors' and legal advisors' fees and reporting fees to unitholders. Fund expenses are made up of regulatory filing fees and expenses of the Independent Review Committee.

For the period, annualized management fees charged to the Fund before government taxes amounted to 1.28% and are detailed as follows:

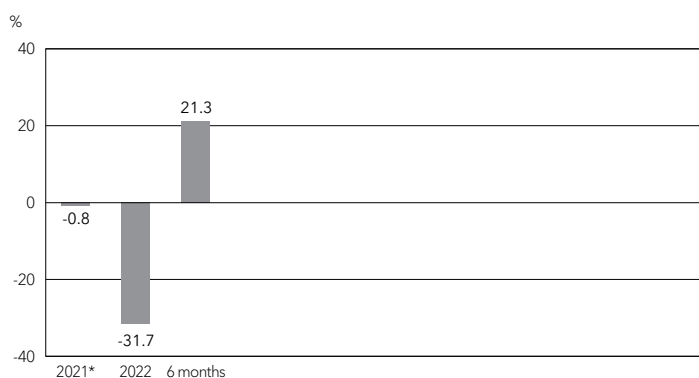
- Management fees: 1.15%
- Administration fees: 0.13%

## Past Performance

The performance information assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. The information does not take into account purchase, redemption, investment or other optional charges that would have reduced returns or performance. The Fund's past performance is not necessarily indicative of how it will perform in the future.

## Annual Returns

The bar chart shows the Fund's annual performance for each of the years shown, and illustrates how the Fund's performance has changed from year to year, with the exception of the last bar, which indicates the Fund's total return for the interim six-month period ended June 30, 2023. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by December 31 of each financial year or on the last day of the six-month period.



\* From January 22 to December 31, 2021

## Portfolio Overview

The Top 25 Holdings in the Portfolio	% of net asset value
Amazon.com Inc.	6.0
Visa Inc., Class A	5.0
Alphabet Inc., Class A	4.6
Chipotle Mexican Grill Inc.	4.3
Microsoft Corp.	4.2
Eli Lilly & Co.	3.9
MasterCard Inc., Class A	3.4
ProLogis Inc.	3.4
Cash, Money Market and Other Net Assets	3.2
NVIDIA Corporation	3.1
UnitedHealth Group Inc.	3.0
Monster Beverage Corp.	2.4
AstraZeneca PLC, ADR	2.1
Aptiv PLC	2.1
Dynatrace Inc.	2.1
Icon PLC	2.0
Uber Technologies Inc.	2.0
Airbnb Inc.	2.0
Netflix Inc.	1.9
MongoDB Inc.	1.9
Advanced Micro Devices Inc.	1.7
Skyline Champion Corp.	1.7
Coupang Inc.	1.5
Keyence Corp.	1.5
Smurfit Kappa Group PLC	1.5
<b>Total</b>	<b>70.5</b>

Weighting by Country	% of net asset value
United States	74.7
Ireland	6.6
United Kingdom	4.9
Cash, Money Market and Other Net Assets	3.2
Japan	2.7
Argentina	1.5
China	1.5
South Korea	1.5
Brazil	1.4
Canada	1.3
Israel	0.7

**Net Asset Value** **\$160,898,557**

The allocation of the portfolio may vary due to the transactions carried out by the Fund. A quarterly update is available.

*As at June 30, 2023*

## Other Material Information

Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for particular purpose with respect to any such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.



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Additional information about the Funds is available in the Funds' Prospectus, Annual Information Form, Fund Facts and Financial Statements.

You may obtain a copy of these documents, free of charge and on demand:

- by contacting the Manager, Gestion FÉRIQUE, at 514-840-9206 (toll-free at 1-888-259-7969);
- by contacting the Principal Distributor, Services d'investissement FÉRIQUE at 514-788-6485 (toll-free at 1-800-291-0337) or [client@ferique.com](mailto:client@ferique.com);
- by visiting [ferique.com](http://ferique.com) or [sedar.com](http://sedar.com).