FÉRIQUE
FUND MANAGEMENT

INTERIM MANAGEMENT REPORT

of Fund Performance for the period ended June 30, 2025

FÉRIQUE PORTFOLIO SOLUTIONS

FÉRIQUE **Conservative** Portfolio

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 or Annual 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 or SEDAR+ at sedarplus.ca. Unitholders may also contact us using one of these methods to request a copy of the 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.

Management Discussion of Fund Performance

Results of Operations

The FÉRIQUE Conservative Portfolio posted a net return of 2.7% for the period ended June 30, 2025, compared to 2.6% for the benchmark index*. Contrary to benchmark returns, which include no investment fees, Portfolio returns are expressed net of management and operating expenses payable by the Fund.

On a relative basis, the Fund underperformed its industry median[1], which posted 2.8%, net of management fees for the period.

The FÉRIQUE Conservative Portfolio underperformed relative to its comparison universe, primarily due to its higher exposure to fixed-income securities. However, the outperformance of the FÉRIQUE Canadian Bond Fund and the FÉRIQUE Canadian Dividend Equity Fund relative to their benchmarks lifted relative returns.

The target weighting remained unchanged during the period.

The Fund's responsible approach to investing is described in the simplified prospectus. The Fund, which is an ESG limited consideration Fund, follows the following approach: hire managers who integrate ESG factors. This approach is one of several components of the investment strategies used to help achieve the Fund's objectives. ESG factors are not part of the Fund's investment objectives and, consequently, ESG factors do not constitute the Fund's core strategy.

Money Market
(13.4% of the Fund as at June 30, 2025)

The portfolio was defensively invested in short-term provincial and federal treasury bills with maturities of 2 to 3 months, in order to preserve capital and ensure sufficient liquidity to enable the Fund to operate effectively. The Fund's yield to maturity declined gradually from 3.37% to 2.59% over the period.

FÉRIQUE Canadian Bond Fund
(30.2% of the Fund as at June 30, 2025)

The FÉRIQUE Canadian Bond Fund posted a net return of 1.2% for the period ended June 30, 2025. Its benchmark, the FTSE Canada Universe Bond Index, recorded a return of 1.4% 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[1], which posted 1.1%, net of management fees for the period.

Addenda

The first six months of 2025 were marked by uncertainty around U.S. trade policies, driving significant volatility in bond yields. Tariff-related tensions, retaliatory trade measures, and diverging stances between the U.S. Federal Reserve and the Bank of Canada caused these yields to rise and fall repeatedly.

Management of duration—a measure of sensitivity to interest rate changes—contributed positively to relative returns over the period. However, the recent rise in bond yields eroded some of these gains. Given the uncertainty surrounding U.S. monetary policy, duration was kept between 0.3 and 0.7 years longer than the benchmark index for most of the period. Economic data published in May eased the portfolio manager's fears of a recession, shifting the outlook to slow but positive growth for the Canadian economy. In light of this scenario, the portfolio manager increased the portfolio's duration to 1.5 years longer than its benchmark.

With the yield curve steepening further, the overweight to securities with maturities over 10 years detracted from value. Holdings in very short-term U.S. Treasury bills also dragged down relative returns.

The portfolio's provincial and corporate bonds added value over the period.

The uncertainty surrounding tariffs led to a moderate widening of credit spreads—the additional yield offered to investors to hold these securities compared with Government of Canada bonds—for both corporate and provincial bonds. Given the milder reaction of bond markets compared to equity markets, the portfolio manager took the opportunity to extend the duration of provincial bonds in the portfolio relative to the benchmark index, increasing it from 0.2 to 0.4 years above the index in the first quarter. In the second quarter, the portfolio manager took advantage of renewed investor appetite for risk assets and credit spreads, similar to fall 2024 levels, to scale back duration.

The portfolio manager reduced the overweight to corporate bonds at the beginning of the year, then brought it back to its level at the start of the period as attractive opportunities arose in the primary market amid widening credit spreads.

During the period, the portfolio manager held discussions with Enbridge through Climate Engagement Canada to address the company's climate strategy. Enbridge reaffirmed its 2050 decarbonization objectives and its short-term targets despite the growth of its gas assets. Follow-up discussions will focus on setting new climate objectives, ESG-linked compensation, methane standards, climate scenarios and the future of gas and public policy.

Baker Gilmore

Political uncertainty and trade tensions generated significant volatility on the markets in the first quarter of 2025. Markets were shaken in April after the U.S. government announced punitive tariffs of up to 145% on Chinese imports, leading to a drop in equities and wider credit spreads. The 90-day suspension of these measures helped calm investor fears. In May, the declaration of a trade truce between the United States and China improved market sentiment and led to a rally in risk assets, driving equity markets higher and tightening credit spreads.

In bonds, yields fell at the short end of the curve as central banks continued their easing cycle and markets anticipated more rate cuts. The Bank of Canada lowered its key rate twice. At the long end of the curve, yields rose on higher inflation expectations, driven, among other factors, by tariff-related tensions and increased government debt in developed markets.

The portfolio's additional yield relative to its benchmark was the main driver of relative performance during the period. Management of portfolio duration also supported returns, notably through an underweight to long-dated securities amid rising yields in this

* 15.0% in the FTSE Canada 91-day T-bill Index, 50.0% in the FTSE Canada Universe Bond Index, 20.0% in the Bloomberg Barclays Global Aggregate Index (CA$ hedged), 10.0% in the S&P/TSX Composite Index and 5.0% in the MSCI World ex-Canada Index (CA$).

[1] Source: Median return of similar funds according to Fundata, as at June 30, 2025.

segment of the curve. However, these gains were partly offset by the underweight to corporate bonds in Utilities and Industrials.

The portfolio's duration was generally equal to or slightly shorter than that of the benchmark index throughout the period, with a difference ranging from 0 to -0.8 years. The portfolio was positioned in anticipation of a steepening yield curve, reflecting the portfolio manager's expectations of persistent inflation and rising government debt.

The portfolio's slight credit risk overweight was also gradually reduced over the period, shifting to an underweight position due to unattractive credit spreads.

Despite persistent inflationary pressure, high public deficits and expectations of substantial public debt issuance, some securities traded in currencies other than the Canadian dollar became more attractive than their CAD-denominated counterparts due to the relatively low yields on Canadian government bonds. Against this backdrop, the portfolio manager acquired U.S. bonds maturing in 2030 and 2035. These securities were sold during the period to take profits. However, at the end of the period, U.S. and U.K. bonds with longer maturities were added back to the portfolio for the same reasons.

With regard to environmental, social and governance (ESG) considerations, Baker Gilmore met with the management of Reliance, an infrastructure company specializing in comfort products and services for homes and businesses, to assess their ESG integration efforts. Reliance measures its scope 1 and 2 emissions, particularly those linked to its vehicle fleet, and is developing an electric transition strategy, although technical and climate-related challenges are slowing progress. The company also offers energy-efficient products to help its clients improve their energy efficiency and cut emissions.

FÉRIQUE Global Sustainable Development Bond Fund (35.2% of the Fund as at June 30, 2025)

The FÉRIQUE Global Sustainable Development Bond Fund posted a net return of 2.2% for the period ended June 30, 2025. Its benchmark, composed of the FTSE Canada Short Term Bond Index (25%), the FTSE Canada Mid Term Bond Index (25%) and the ICE Global Non-Sovereign Index (CA$ hedged) (50%), posted 1.8% for the same period. Contrary to benchmark returns, which include no investment fees, returns are expressed net of management and operating expenses payable by the Fund.

On a relative basis, the Fund outperformed its industry median[1], which posted 1.4% net of fees for the period.

AlphaFixe Capital

The period was marked by a significant steepening of the yield curve, driven by a drop in short-term rates and a rise in long-term rates.

Portfolio duration—a measure of sensitivity to interest rate changes—was kept close to that of the benchmark, with no impact on the portfolio's relative performance. Curve positioning had a slightly negative impact on returns during the period. However, the overweight to corporate and provincial bonds added value. Security selection had no impact on returns during the period.

In accordance with the Fund's objective, 92% of the portfolio was invested in green, social or sustainable bonds at the end of the period. Such bonds help finance projects or companies upholding sustainability principles.

During the period, the portfolio sub-manager participated in three new green bond issuances, including BCI QuadReal Realty, an actively managed portfolio investing in real estate and related assets whose bonds fund the construction of energy-efficient buildings. The portfolio sub-manager also invested in Ontario provincial bonds, which continue to fund the expansion of the public transit network in the Greater Toronto Area. Finally, the portfolio sub-manager added federal government bonds issued to build the country's first small modular nuclear reactor.

With regard to environmental, social and governance (ESG) matters, AlphaFixe engaged in dialogue with companies and government agencies on ten occasions over the half-year period. Of these, three involved entities whose bonds are held in the portfolio. The portfolio sub-manager strives to raise awareness among issuers of ESG issues related to their activities and sustainable development efforts, in addition to addressing topics like the energy transition, biodiversity and reconciliation with Indigenous communities. For example, the portfolio sub-manager discussed the topic of reconciliation with Ontario Power Generation and Hydro One, which are working alongside Indigenous communities in Ontario on various energy projects.

BMO Global Asset Management

The new U.S. administration's trade policy and tariffs significantly impacted performance during the period. Since his inauguration, President Donald Trump has sought to rebalance the U.S. trade relationship with other countries by imposing tariffs that were linked to the size of their trade surpluses with the United States. Uncertainty surrounding the timing, scope and level of tariffs initially led government bonds to rally as investors priced into their valuations that growth would slow and interest rates would fall. In contrast to government bonds, corporate bonds sold off.

As the U.S. government temporarily suspended tariffs to allow negotiations to take place, especially with China, financial markets began to normalize. Government bond yields rose while global yield curves continued to steepen. This trend reflected investors' continuing bias toward shorter-maturity bonds, while longer-maturity bond yields tracked higher amid concerns over increased government bond issuance.

The U.S. Federal Reserve (Fed) kept its key interest rate steady as it assessed the impact of tariffs on consumer prices. In contrast, the European Central Bank (ECB) cut interest rates by 50 basis points (bps) to 2%, acknowledging that it was nearing the end of its easing cycle. The Bank of Canada cut its key interest rate by 50 bps to 2.75% as inflation eased, aiming to protect the country's economy from trade volatility with the United States.

Against this backdrop, yield curve positioning, cross-market investments, sector allocation, and security selection all contributed to the portfolio's relative outperformance. The portfolio's structural bias toward shorter-maturity European and U.S. corporate bonds, combined with the steepening of the yield curve—characterized by rising yields on longer-term bonds—in both the eurozone and the United States supported the portfolio's relative performance.

In early May, the portfolio manager increased the duration of the portfolio's eurozone holdings relative to their U.S. counterparts to take advantage of their attractive valuations and diversify its U.S. exposure. This positioning contributed to the portfolio's performance.

The portfolio's structural bias to eurozone corporate bonds relative to their U.S. counterparts contributed positively. The portfolio also benefited from its defensive positioning during the worst of the market sell-off, following the announcement of sweeping tariffs on April 2. In addition, exposure to the Utilities sector and a structural overweight to the outperforming Financials sector contributed to performance. Security selection in government-related bonds and the Banking, Insurance, Industrials and Health Care sectors drove returns.

In keeping with the Fund's objective, approximately 82% of the portfolio was invested in green and sustainability bonds, and 10% in social bonds at the end of the period. The rest of the portfolio was primarily held in cash and U.S. Treasury bonds for liquidity purposes.

While the Fund does not explicitly target carbon neutrality, its sustainability-oriented approach contributes to a lower carbon intensity compared to its benchmark. Based on Scope 1 and 2 emissions, the Fund's carbon intensity amounts to 41% of the benchmark's score. The Fund's carbon footprint is mainly attributable to its exposure to the Utilities sector.

FÉRIQUE Globally Diversified Income Fund (5.1% of the Fund as at June 30, 2025)

The FÉRIQUE Globally Diversified Income Fund, managed by Addenda Capital Inc. (Addenda), posted a net return of 2.9% for the period ended June 30, 2025. Its benchmark, composed of the FTSE Canada Short Term Overall Bond Index (30%), the Bloomberg Barclays Global Aggregate Bond Index (CA$ hedged) (60%) and the S&P/TSX Composite Dividend Index (10%), posted 2.8% for the same period. Contrary to benchmark returns, which include no investment fees, returns are expressed net of management and operating expenses payable by the Fund.

On a relative basis, the Fund outperformed its industry median[1], which posted 2.5% net of fees for the period. The portfolio's stock selection in Canadian and global bonds and in Canadian equities drove relative performance. Asset allocation also contributed to outperformance. An off-benchmark allocation to preferred shares, which was maintained throughout the period, and an allocation to global bonds, which was slightly increased over the period, both added to relative returns.

In global bonds, the relative positioning of the portfolio on the interest rate curve compared to the benchmark contributed positively to performance. This contribution was primarily the result of the overweight to the 10-year U.S. Treasury Bond, which fell during the period. Elsewhere, the overweight to the 10-year Japan Government Bond also strengthened relative performance, with rates increasing in Japan during the same period.

The Canadian equity portion of the portfolio outperformed its benchmark mainly due to sector allocation, especially to the Energy and Utilities sectors, and stock selection in the Energy, Real Estate and Industrials sectors.

The portfolio manager engaged with companies held in the portfolio on ESG issues, especially related to the environment. Toromont Industries was a key focus, showing progress in climate disclosures. Although Toromont Industries continues its efforts to reduce energy use and emissions at major sites, decarbonizing its fleet remains a challenge. Talks also included water, waste and AI, which Toromont uses in designing facilities and emissions solutions. The portfolio manager is looking forward to improved disclosures, especially on Scope 3 emissions.

FÉRIQUE Canadian Dividend Equity Fund (10.7% of the Fund as at June 30, 2025)

The FÉRIQUE Canadian Dividend Equity Fund posted a net return of 8.8% for the period ended June 30, 2025. Its benchmark, the S&P/TSX Composite Dividend Index, posted 10.4% 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[1], which posted 7.3%, net of management fees for the period.

The underweight to Materials, especially a lack of holdings in precious metals (gold in particular) and mining companies, hampered performance. The Fund is not invested in these companies because they do not meet the portfolio sub-manager's quality, valuation, sustainable dividend yield and stability criteria. Individual holdings in Consumer Discretionary, including Diageo and Magna International, also detracted.

Conversely, the allocation to Financials helped relative performance, with Intact Financial, Power Corporation and Toronto-Dominion Bank all posting strong returns. The overweight to Communication Services and Utilities also bolstered returns as Quebecor, Superior Plus Corporation and TELUS Corporation contributed. Strong stock selection in companies such as Empire Company (Consumer Staples), H&R REIT (Real Estate), Cisco (Information Technology) and Oracle (Information Technology) also added to returns.

The portfolio sub-manager made no material changes to portfolio positioning over the period, only adding a few high-quality holdings on attractive valuations and compelling dividend yields while trimming a few positions as they reached their target prices.

When making an investment decision, the portfolio sub-manager takes many criteria into account, including environmental, social and governance (ESG) considerations. As a result, the portfolio is invested in Brookfield Renewable Partners, a global operator and developer of clean energy distribution and storage projects, including hydro, wind and solar power.

During the period, the portfolio sub-manager conducted eight engagement initiatives with companies held in the portfolio to discuss ESG-related matters, including Net Zero commitments under the Paris Agreement and targets aligned with the Science Based Targets Initiative. Sustainability issues were also raised with companies in the grocery industry. Finally, the portfolio sub-manager encouraged a company to separate shareholder proposals for proxy voting in order to improve governance.

FÉRIQUE World Dividend Equity Fund (5.4% of the Fund as at June 30, 2025)

The FÉRIQUE World Dividend Equity Fund posted a net return of 4.3% for the period ended June 30, 2025. Its benchmark, the MSCI World ex-Canada Index (CA$), posted 3.9% for the same period. Contrary to benchmark returns, which include no investment fees, returns are expressed net of management and operating expenses payable by the Fund.

On a relative basis, the Fund underperformed its industry median[1], which posted 6.7%, net of management fees for the period.

Stock selection was the primary driver of relative outperformance. Strong picks in Financials, Information Technology and Real Estate contributed the most, though gains were partially offset by unfavourable selections in Consumer Staples and Communication Services. Because of the portfolio sub-manager's bottom-up selection process, sector allocation also helped returns through underweights to Information Technology and Consumer Discretionary and an overweight to Financials. However, an overweight to Health Care and an underweight to Communication Services partially offset some of the positive allocation impact. Regionally, stock selection in Europe and Japan contributed the most to relative performance.

At the stock level, an overweight position in Erste Group (Financials) and lack of exposure to Apple (Information Technology) were the top contributors to relative performance, while a lack of exposure to NVIDIA (Information Technology) and an overweight position in Diageo (Consumer Staples) detracted the most.

During the period, Wellington initiated a new position in Capgemini, a global consulting, technology services and digital transformation leader. The stock price recently underperformed due to short-term cyclical weakness, and the company was seen as poorly positioned to capitalize on AI opportunities. As a result, its valuation and risk/reward ratio became attractive. The portfolio sub-manager also believes in the long-term growth outlook of its business, especially with regard to digitization and cloud migration.

The portfolio sub-manager also added a position in Chiba Bank, a Japanese regional bank, by trimming positions in larger multinational banks such as Mitsubishi UFJ Financial Group and Tokio Marine Holdings over the past year. Chiba Bank is well positioned to benefit from interest rate hikes by the Bank of Japan, since such a move would generate higher net interest income and return on equity.

Meanwhile, holdings in American Express, a premier consumer and corporate credit card issuer, were sold off on valuation. The portfolio sub-manager had been trimming the position in previous months in favour of other opportunities with a more attractive risk/reward ratio.

At the end of the period, the portfolio was most overweight to Health Care, Financials and Energy and most underweight to Information Technology, Communication Services and Consumer Discretionary.

Recent Developments

FÉRIQUE Canadian Bond Fund (30.2% of the Fund as at June 30, 2025)

Addenda

In the United States, the positive supply shock is helping keep inflation near the 2% target set by the Fed. Meanwhile, labour productivity continues to experience strong growth. This increased productivity, combined with moderate wage growth, is contributing to bringing inflation down toward the Fed's target. Against this backdrop, the Fed will be able to lower its key rate slightly further in 2025 to ensure it doesn't stifle the job market with restrictive monetary policy.

However, the arrival of the new president at the White House and the Republican takeover of Congress could lead to the implementation of inflationary economic policies like tariffs, which could have consequences for economic activity in Canada. The full impact of the tariffs is hard to measure without knowing their exact details. Addenda will exercise caution and seek to fully understand the repercussions of policy changes if necessary.

The rollback of tariffs since early April has practically eliminated the risk of a recession south of the border in 2025. U.S. economic growth remains moderate, while labour productivity continues to rise. Lower-than-anticipated inflation confirmed that the 10% tariffs applied to most countries had only a limited impact on the economy, as foreign producers and domestic importers were able to absorb some of the costs. On the labour market, job creation is concentrated in two sectors, helping to keep wage growth in check and preventing a significant rise in prices. Given these conditions, the Federal Reserve might ease its monetary policy toward the end of the year, once the labour market shows signs of weakening.

Canada's labour market was most impacted by tariffs in the second quarter of 2025 before bouncing back. Wage growth remains steady, supporting increased household spending. With inflation picking up recently, the Bank of Canada will find it difficult to cut its key rate any further as it has already begun easing monetary policy, with rates now at their long-term level. Productivity growth remains weak, putting price stability in the country at risk.

Over the coming months, inflation is expected to remain steady in the United States. However, the current geopolitical environment is driving significant uncertainty in crude oil prices. A negative supply shock to global production could drive prices up sharply, with consequences for financial markets and economic growth in the United States.

In Canada, a hike in the existing tariffs could put pressure on economic activity. The impact of changes in U.S. economic policy on the Canadian economy remains difficult to predict.

Given the increased uncertainty around the economic and geopolitical landscape, the portfolio manager will take a cautious approach to managing the portfolio through year-end.

Baker Gilmore

The outlook for the current economic cycle remains highly uncertain due to the rise and fall of U.S.-driven trade tensions, escalating geopolitical conflicts, monetary tightening aimed at fighting persistent inflation, expansionary fiscal policies and the lasting impact of the pandemic. While global inflation has diminished and wage increases are outpacing consumer price growth, inflationary pressures remain. In addition, the financial health of households is beginning to erode as excess savings built up during the pandemic dwindle, potentially slowing consumer spending.

While a recession has been avoided so far and growth has exceeded expectations, the risk of stagflation is on the rise. The growing number of geopolitical conflicts is prompting many countries to ramp up defence spending, which will lead to sustained public deficits. Meanwhile, supply chain disruptions continue to put upward pressure on prices worldwide, while geopolitical tensions and climate change have disrupted migration patterns and unsettled global economic stability.

In the United States, the recent election of a new president has intensified economic uncertainty. The promised tax cuts and increased military spending are expected to increase the public deficit, while the growing wave of tariffs and trade restrictions could reignite inflation and stall growth. From a fiscal standpoint, the planned spending cuts won't be enough to offset the costs of the new tax and military measures. The shift toward protectionism in U.S. trade policy is putting additional pressure on supply chains and input costs.

Canada is particularly vulnerable in this situation due to its exports to the United States, which could be targeted by fresh tariffs, potentially undermining business confidence and slowing investment. However, in a multipolar world, Canada's natural resources sector has benefited from higher commodity prices despite a recent slowdown in some sub-sectors. Global demand for these resources is expected to remain strong until progress is made in the transition to renewable energy. Accordingly, many market players agree that building more pipelines to Canada's coasts is essential for the country to export its oil to international markets. However, a significant increase in investment is necessary, posing a challenge amid growing federal and provincial deficits that threaten Canada's solvency.

In this context, the portfolio manager is maintaining a cautious strategy, with duration below the benchmark and an underweight position in long-term bonds seen as vulnerable to a steeper yield curve. The weighting of provincial bonds is neutral, while Utilities and Industrials are underweight and Financials and asset-backed securities are overweight. The portfolio retains exposure to real return bonds, which remain attractively valued, as inflation in Canada is expected to stay above the 2% target in the medium term.

Yields on Canadian government bonds remain low compared to their peers despite common challenges like persistent inflationary pressure driven in part by strong wage growth, current high public deficits and expectations of substantial public debt issuance. The portfolio is holding U.S. and U.K. government bonds for this reason.

FÉRIQUE Global Sustainable Development Bond Fund (35.2% of the Fund as at June 30, 2025)

AlphaFixe Capital

Over the last half-year period, the instability caused by Donald Trump's trade policies had a major influence on economic and financial conditions in Canada and the United States. In April, the announcement of so-called reciprocal tariffs targeting over a hundred countries sent shockwaves through financial markets and disrupted the global economic order.

The U.S. government backed these measures, which aimed to rebalance trade, boosting local production and funding tax cuts using tariff proceeds. The U.S. economy rapidly felt the consequences. The U.S. trade deficit peaked in March as companies rushed to place foreign goods orders ahead of the new tariffs.

Tariff uncertainty also weighed on the labour market, as more companies resorted to significant layoffs. Overall, the economy continues to create jobs despite a slowdown.

Amid the volatility, the financial markets managed to rein in the ambitions of the U.S. government. The sharp market decline forced the Trump administration to backtrack, as it granted 90-day reprieves to all countries targeted by the April tariffs. Even China received a 90-day pause, despite facing 145% tariffs.

In Canada, U.S. tariffs—particularly on steel, aluminum and automotive products—led to a rapid deterioration of economic conditions.

The effects on employment were mainly seen in the sectors targeted by tariffs, while GDP rose artificially due to stockpiling and a temporary boost in trade before the tariffs kicked in. In a preventive move, the Bank of Canada lowered its key interest rate twice early in the year, then held it at 2.75% at its last two meetings. The central bank remains watchful for a possible rise in core inflation above 3%, but prefers to let the economy adjust before considering further moves. The slowdown remains confined to sectors directly affected by tariffs, while employment is holding up well in areas linked to consumer discretionary.

In summary, the first half of the year was marked by unprecedented political and trade instability, which triggered a major supply shock and intensified inflationary pressures. Canada and the United States continue to face the risk of stagflation—a combination of slowing growth and persistent inflation. Against this backdrop, upcoming policy decisions will be crucial and could either exacerbate tensions or help restore stability.

Given the high level of uncertainty, the portfolio sub-manager opted to limit risk-taking and adopt a prudent management approach. The portfolio sub-manager is waiting for more attractive risk premiums and higher rates before increasing the portfolio's exposure to risk assets.

BMO Global Asset Management

Bond yields are expected to experience downward pressure as slowing inflation has allowed central banks to start their monetary easing cycles by cutting interest rates. Both the Fed and the Bank of England still maintain a restrictive monetary policy while the ECB has reached neutral territory but could cut rates further given the ongoing disinflation in Europe. With the current yield levels, the portfolio manager has a favourable bond outlook and believes that valuations are still attractive in light of the recent yield rally. As central banks will likely cut their key interest rates and term premiums are expected to increase, the portfolio manager will continue to position the portfolio to outperform if the yield curve steepens.

Looking forward, the portfolio manager will maintain a cautious approach regarding corporate bonds. While fundamentals are good (corporate leverage remains historically low and many companies are benefiting from high levels of bank capital), valuations relative to government bonds have cheapened only modestly since February 2025, and they remain tight by historical standards.

FÉRIQUE Globally Diversified Income Fund (5.1% of the Fund as at June 30, 2025)

The first half of 2025 was marked by significant geopolitical events, like ongoing conflicts in the Middle East and Ukraine, that brought volatility in commodity prices. Instability worsened following President Trump's inauguration, especially when he announced broad tariffs in early April, leading to escalating trade tensions, higher market volatility and increased recession risk. These tariffs were put on hold in May, which largely dispelled investors' fears of a recession in the United States and worldwide.

Despite central bank efforts to stimulate the economy, growth remained weak in the eurozone and the United Kingdom. In China, while the economy grew by 5.4% in the first quarter of 2025, the real estate slowdown weighed on household spending. The Chinese government announced new stimulus measures in March to bolster the economy, after several failed attempts to drive growth in 2024.

U.S. economic growth remains moderate and labour productivity continues to rise. Lower-than-expected inflation has shown that the 10% tariffs imposed on most countries had little impact on the economy, as foreign producers and U.S. importers were able to absorb some of the costs. In the labour market, job creation was concentrated in two sectors, limiting upward pressure on both wages and prices. Against this backdrop, the U.S. Federal Reserve could ease its monetary policy towards the end of the year, when the labour market shows signs of flagging.

In Canada, the job market was hit hardest by tariffs in the second quarter of 2025 before recovering rapidly. Wage growth remains strong, helping to drive up household spending. The recent pick-up in inflation means that the Bank of Canada will have a tough time lowering its key interest rate any further now that it has started to loosen its monetary policy, as the rate is already at its long-term level. Productivity growth remains insufficient and threatens price stability in the country.

Inflation is expected to remain stable in the United States over the coming months. However, the current geopolitical context is creating considerable uncertainty in crude oil prices. A negative supply shock on world production could push prices higher, which will have implications for financial markets and economic growth in the United States. In Canada, any increase to the tariffs currently in place could weigh on economic activity. Predicting how changes in U.S. economic policy would affect Canada is a complicated matter.

Looking forward, the portfolio manager will manage the portfolio cautiously for the remainder of the year due to heightened uncertainty. It will hold a modest cash allocation and look for tactical opportunities to redeploy it by adding positions in global fixed-income securities. The portfolio manager will also maintain an overweight position in Canadian bonds with short maturities. The portfolio will benefit from a long position as yields are expected to decline from current levels. The portfolio manager maintains a modest allocation to high-yield bonds and preferred shares to capture additional yield.

The portfolio manager plans to add to the portfolio's global bond allocation to improve diversification and returns as global credit spreads widen relative to Canadian spreads. As for Canadian equities, due to the current market uncertainty, the equity portion of the portfolio is invested in a mix of cyclical and defensive stocks with a focus on quality companies trading at attractive discounts relative to their intrinsic value.

FÉRIQUE Canadian Dividend Equity Fund
(10.7% of the Fund as at June 30, 2025)

Markets were very volatile throughout the period due to trade tensions and tariff uncertainty brought on by the new U.S. administration. Trade uncertainty and concerns over slowing economic growth caused equity markets and some highly priced sectors to pull back early in the year.

In early April, markets rebounded sharply after the United States announced new tariffs on imports from most countries. Against this backdrop, global central banks, including the U.S. Federal Reserve and the Bank of Canada, maintained a cautious monetary policy and announced they will make key interest rate decisions based on incoming economic data.

While inflation has generally come down within central banks' target ranges, investors are concerned that new U.S. tariffs might drive prices higher, causing challenging conditions for policymakers. Market volatility is expected to remain extremely high in the coming months due to a heightened focus on tariffs, trade wars, interest rates and renewed geopolitical instability in the Middle East.

The Fund is structured to take advantage of mispricing opportunities in higher quality holdings, while benefitting from their attractive and growing dividends, especially in a lower-rate environment. It maintains a smaller allocation to higher-potential, out-of-favour companies that should prove beneficial.

Looking ahead, the Fund is expected to benefit from a repricing of its undervalued holdings and from an above-market dividend yield, all while protecting capital through its dual focus on quality and value.

FÉRIQUE World Dividend Equity Fund
(5.4% of the Fund as at June 30, 2025)

Narrow market leadership in recent years has created long-term opportunities to invest in resilient, undervalued stocks. In the first quarter of 2025, a small group of technology-focused companies saw their high valuations start to correct, as markets reassessed overly optimistic near-term AI growth forecasts. Meanwhile, the long-term efficiencies set to be gained by their customers remain underappreciated.

Market leadership shifted unpredictably during the period, but has been broadening since 2024. Against this backdrop, the portfolio sub-manager intends to maintain a disciplined approach focused on downside protection, targeting attractive opportunities in defensive sectors such as Consumer Staples and Health Care. These stocks offer exceptional value thanks to steady growth through innovation, strong balance sheets, commitment to dividend compounding and attractive entry pricing.

Regionally, the portfolio sub-manager is finding more opportunities in high-quality companies outside the United States with comparable performance and earnings growth profiles but trading at half the valuation. The portfolio was overweight to Japan but positions in high-performing stocks were trimmed as their risk/reward ratios have compressed. The portfolio sub-manager invested instead in strong global names trading at a discount to their U.S. peers like Isuzu, Honda and Sony. In the United Kingdom, AstraZeneca, London Stock Exchange Group and Diageo offer attractive risk/reward ratios.

The portfolio sub-manager will continue to seek compelling mispricing opportunities across regions and sectors to add value and provide downside protection, favouring quality names in leading competitive positions with strong balance sheets, steady dividend yields and enough staying power to innovate through cyclical transitions. This approach aims to reduce near-term risk and generate long-term growth.

The benchmark index for the Conservative Portfolio was changed to better reflect its investable universe. The new benchmark index reflects the performance of a benchmark portfolio invested 5% in the FTSE Canada 91-day T-bill Index, 71.5% in the FTSE Canada Universe Bond Index, 8.5% in the Bloomberg Barclays Global Aggregate Index (CA$ hedged), 7.5% in the S&P/TSX Composite Index and 7.5% in the MSCI World ex-Canada Index (CA$). Previously, the benchmark index reflected the performance of a benchmark portfolio invested 15.0% in the FTSE Canada 91-day T-bill Index, 50.0% in the FTSE Canada Universe Bond Index, 20.0% in the Bloomberg Barclays Global Aggregate Index (CA$ hedged), 10.0% in the S&P/TSX Composite Index and 5.0% in the MSCI World ex-Canada Index (CA$). In line with the new benchmark, the Portfolio's target allocation was revised in July. The allocation between fixed income (85%) and equity securities (15%) remains the same.

The benchmark index for the Global Sustainable Development Bond Fund was changed to better represent the universe of eligible foreign securities consistent with the Fund's objectives. The new benchmark index reflects the performance of a fixed-income portfolio invested 50% in Canada (50% in the FTSE Canada Short Term Overall Bond Index and 50% in the FTSE Canada Mid Term Overall Bond Index) and 50% in foreign markets (Bloomberg Global Aggregate Green Social Sustainability Bond Index, CA$ hedged). Previously, the benchmark index reflected the performance of a fixed-income portfolio invested 50% in Canada (50% in the FTSE Canada Short Term Overall Bond Index and 50% in the FTSE Canada Mid Term Overall Bond Index) and 50% in foreign markets (ICE Global Non-Sovereign Index, CA$ hedged).

The benchmark index for the Globally Diversified Income Fund was changed to better reflect the equity universe targeted by the Fund's objective. The Fund reflects the returns of a target portfolio invested 30% in the FTSE Canada Short Term Overall Bond Index, 60% in the Bloomberg Barclays Global Aggregate Index (CAD hedged) and 10% in the S&P/TSX Composite Dividend Index (formerly Dow Jones Canada Select Dividend Index).

IRC: The mandate of Mrs. Louise Sanscartier ended on March 31st, 2025. Mr. Yves Frenette was appointed Interim President starting April 1st, 2025. Mr. Yves Frenette has temporarily withdrawn from the IRC as of June 3rd, 2025 and submitted his resignation as member of the IRC as of June 13th, 2025. Mr. Sylvain Piché has been appointed as IRC Interim President from June 3rd to June 6th, 2025 and as IRC President as of June 6th, 2025. Mrs. Hélène Bond has replaced Mrs. Sanscartier as a member of the IRC under a three (3)-year term, starting April 1st, 2025. The IRC has taken the necessary steps to fill the vacancy as soon as possible.

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.

FÉRIQUE Fund Management and FÉRIQUE Investment Services held 0.2% of the units of the FÉRIQUE Conservative Portfolio as at June 30, 2025.

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 period ended June 30, 2025, Addenda did not enter into any Related Party Transactions as it pertains to the management of the money market portion of the FÉRIQUE Conservative Portfolio.

For the period ended June 30, 2025, Addenda and Baker Gilmore did not enter into any Related Party Transactions as it pertains to the management of the FÉRIQUE Canadian Bond Fund.

For the period ended June 30, 2025, AlphaFixe Capital has not carried out any related party transactions and BMO Global Asset Management has paid no related party commission fees for the management of the FÉRIQUE Global Sustainable Development Bond Fund. However, BMO Global Asset Management, which manages part of the Fund, traded currency forward contracts with a related party. The Independent Review Committee is of the opinion that the actions proposed by the manager achieve a fair and reasonable result for the unitholders of the Fund.

Two cross-trades non-compliant with applicable regulations and investment policies took place between the FÉRIQUE Sustainable Global Bond Fund and other funds managed by Columbia Threadneedle Management Limited (CTML), the sub-advisor of BMO. No financial loss was incurred by the Fund. In accordance with applicable regulations, the IRC was notified of the situation. BMO and CTML have implemented corrective measures to prevent recurrence.

For the period ended June 30, 2025, Addenda did not enter into any Related Party Transactions as it pertains to the management of the FÉRIQUE Globally Diversified Income Fund.

For the period ended June 30, 2025, Lincluden did not enter into any Related Party Transactions as it pertains to the management of the FÉRIQUE Canadian Dividend Equity Fund.

For the period ended June 30, 2025, Wellington did not enter into any Related Party Transactions as it pertains to the management of the FÉRIQUE World Dividend 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 periods shown.

Net Assets per Unit [1][5]	Six-month period ended June 30 2025 (6 months)	Years ended Dec. 31 2024 (12 months)	Dec. 31 2023 (12 months)	Dec. 31 2022 (12 months)	Dec. 31 2021 (12 months)	Dec. 31 2020 (12 months)
	$	$	$	$	$	$
Net assets, beginning of accounting period [4]	**10.13**	9.93	9.60	10.63	10.52	10.25
Increase (decrease) from operations						
Total revenues	**0.13**	0.28	0.25	0.22	0.15	0.19
Total expenses	**–**	–	(0.01)	(0.01)	(0.01)	(0.01)
Realized gains (losses)	**–**	0.03	0.02	–	0.11	0.13
Unrealized gains (losses)	**0.14**	0.19	0.33	(0.97)	–	0.19
Total increase (decrease) from operations [2]	**0.27**	0.50	0.59	(0.76)	0.25	0.50
Distributions						
From investment net income (excluding dividends)	**0.10**	0.23	0.21	0.18	0.11	0.12
From dividends	**0.02**	0.04	0.04	0.04	0.03	0.05
From capital gains	**–**	0.01	0.01	0.04	–	0.05
Total annual distributions [3]	**0.12**	0.28	0.26	0.26	0.14	0.22
Net assets, end of accounting period [4]	**10.28**	10.13	9.93	9.60	10.63	10.52

(1) This information is derived from the Fund's Annual Audited Financial Statements and 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.

(2) 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.

(3) Distributions were paid in cash or reinvested in additional units of the Fund, or both.

(4) The net assets are calculated in accordance with International Financial Reporting Standards (IFRS).

(5) In this document, the word "units" indicates Series A units.

Ratios and Supplemental Data	Six-month period ended June 30 2025 (6 months)	Years ended Dec. 31 2024 (12 months)	Dec. 31 2023 (12 months)	Dec. 31 2022 (12 months)	Dec. 31 2021 (12 months)	Dec. 31 2020 (12 months)
Net asset value (in thousands of $) [1]	**82,512**	74,123	71,099	71,162	71,755	66,514
Number of units outstanding [1]	**8,029,911**	7,318,396	7,163,787	7,414,927	6,747,587	6,321,565
Management expense ratio (%) [2]	**0.84**	0.84	0.80	0.78	0.82	0.80
Management expense ratio before waivers or absorptions by the Manager (%)	**0.84**	0.84	0.80	0.78	0.82	0.80
Portfolio turnover rate (%) [3]	**n/a**	n/a	n/a	n/a	n/a	n/a
Trading expense ratio (%) [4]	**0.01**	0.01	0.01	–	0.01	0.01
Net asset value per unit ($)	**10.28**	10.13	9.92	9.60	10.63	10.52

(1) This information is provided as at June 30, 2025 and as at December 31 for the comparative accounting periods.

(2) Management expense ratio is based on total expenses for the stated accounting period (including applicable taxes and its proportionate share of the expenses from the underlying funds, where applicable, but 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.

(3) 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. The portfolio turnover rate is not applicable for the money market.

(4) The trading expense ratio represents total commissions and other portfolio transaction costs, including its proportionate share of the trading expenses from the underlying funds, where applicable, expressed as an annualized percentage of the daily average net asset value during the accounting period. The trading expense ratio is not applicable to fixed-income transactions.

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 0.73% and are detailed as follows:

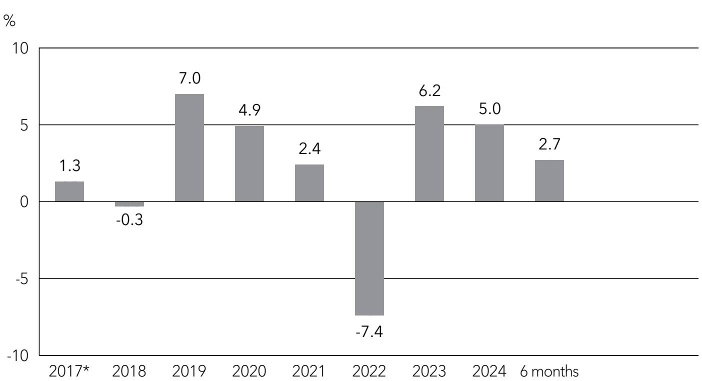
- Management fees: 0.60%
- Administration fees: 0.12%
- Fund fees: 0.01%

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, 2025. 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 July 6 to December 31, 2017.

Portfolio Overview

The Top Holdings in the Portfolio	% of net asset value
FERIQUE Global Sustainable Development Bond Fund	35.3
FÉRIQUE Canadian Bond Fund	30.2
Cash, Money Market and Other Net Assets	13.4
FÉRIQUE Canadian Dividend Equity Fund	10.7
FÉRIQUE World Dividend Equity Fund	5.3
FÉRIQUE Globally Diversified Income Fund	5.1
	100.0

Asset Mix	% of net asset value
Foreign Bonds	20.1
Canadian Corporate Bonds	17.2
Cash, Money Market and Other Net Assets	15.4
Canadian Federal Bonds	14.9
Canadian Provincial Bonds	13.5
Canadian Common Shares	9.7
U.S. Equity	3.4
International Equity	2.7
Canadian Municipal Bonds	2.0
Canadian Asset- and Mortgage-Backed Securities	1.0
Canadian Preferred Shares	0.1
Net Asset Value	**82,511,632**

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

The simplified prospectus and other information on the underlying investment funds are available on SEDAR+'s website at sedarplus.ca.

Other Material Information

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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;
- by visiting ferique.com or sedarplus.ca.