

Q3 2025

Managed Portfolios

Mawer Income Growth

Quick facts

Inception date:
October 2, 2023

Asset class:
Balanced

Minimum investment:
\$150,000

Avg. number of holdings:
40-65

Investment manager:
Mawer Investment Management

Investment manager assets under management:
\$82B

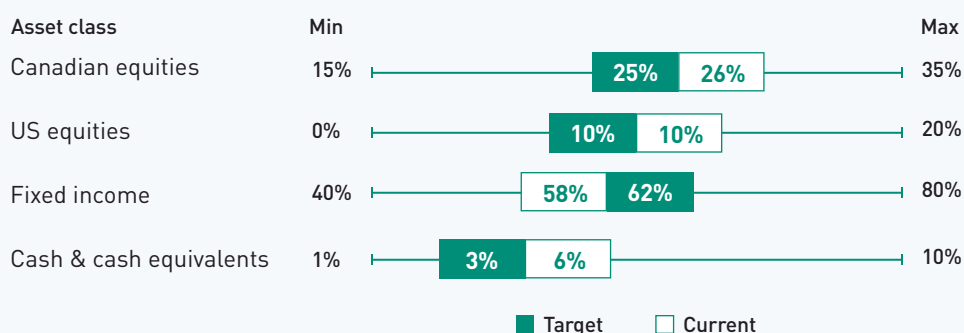
Portfolio risk:

Low to Medium

What does the Portfolio invest in?

The portfolio invests in a diversified mix of Canadian and US equity securities, fixed-income securities, exchange traded funds (ETFs), as well as money market instruments and/or cash equivalents.

Asset allocations



- Equities: Publicly listed individual equity securities invested in at least six out of 11 GICS (Global Industry Classification Standard) sectors. Responsible investing strategies are applied by NEI Investments to this component. Canadian equities:
 - Target 25 to 35 securities
- Fixed income: 40% to 80% in a combination in units of the Mawer Canadian Bond Fund, NEI Global Impact Bond Fund, and NEI Global Total Return Bond Fund.
- Other Mawer funds, NEI funds and ETFs may be used.

Suitable for investors whose objective is to achieve income and long-term capital growth and is not intended for investors with a short-term investment horizon.

Top ten holdings¹ (excluding cash and cash equivalents) %

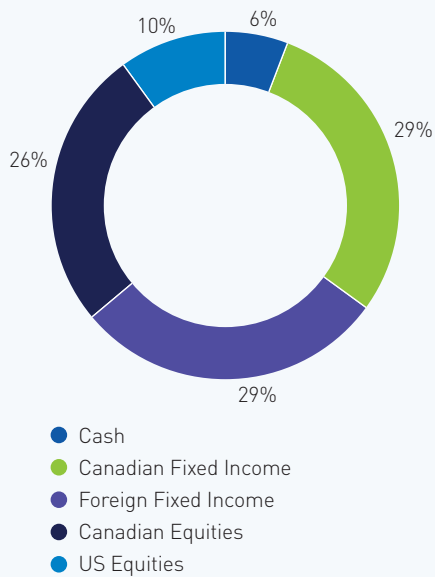
1. Mawer Canadian Bond Fund Series S	29.5	5. Toronto Dominion Bank	1.5
2. NEI Global Impact Bond Series C	17.6	6. Brookfield Corp	1.5
3. NEI Global Total Return Bond Series C	11.7	7. Royal Bank Of Canada	1.4
4. Shopify Inc	1.7	8. Franco-Nevada Corporation	1.3
		9. Cdn Ntrl Res Ltd	1.1
		10. Altagas Ltd	1.1

Performance

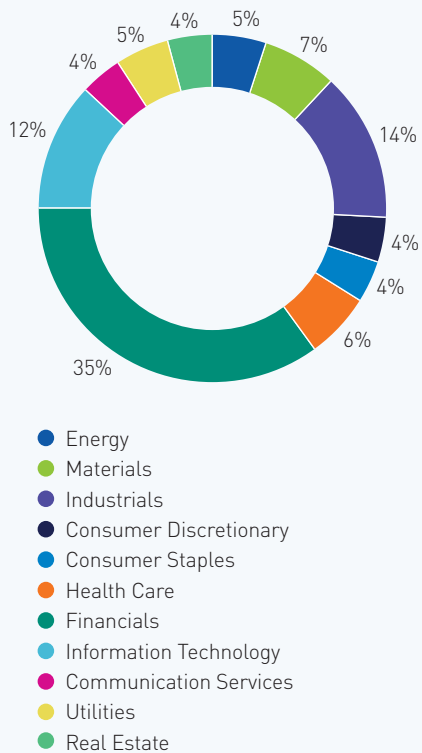
	QTD	YTD	1 yr	2 yr	3 yrs	Since inception (Annualized)
Portfolio	2.1%	6.0%	6.9%	-	-	12.0%
Benchmark	4.8%	8.9%	10.4%	-	-	13.8%



Asset allocation¹



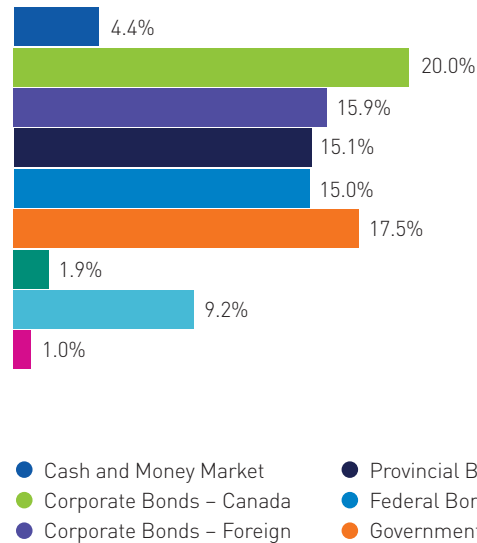
Equities sector allocation^{1,2}



Average market cap. \$119.3B
Weighted Combined Yield to Maturity (Total Portfolio)³
2.80%

Fixed income allocation

Sector allocation



Credit quality	Portfolio [%]
AAA	23.4
AA	25.4
A	24.9
BBB	17.1
High Yield	4.4
Non Rated Securities	0.7
Cash and Money Market	4.2
	100.0

Current yield: 3.43%

Repositioning for Q4 2025

Rationale:

- **Canadian National Railway:** Concerned about execution, limited organic growth and culture.

Trimmed Positions:

- **Ccl Industries:** Stock trading at higher end of fair value range, rebalancing lower.
- **Dollarama:** Managing valuation risk.
- **Loblaw Companies:** Slowing immigration tailwinds, managing valuation risks.
- **Thomson Reuters:** Continued to managed valuation risk.
- **TMX Group:** Managing valuation risk.

New:

- **Stantec:** Initiated a new position in Stantec. Well run engineering services business positioned to benefit from ongoing infrastructure spending.

Increased:

- **Amazon.com Inc:** More attractive than Google (less AI risk than with search), with sentiment/reality shifting from AI loser to AI competitor.
- **Bank of Nova Scotia:** Improving conditions as yield curve steepens.
- **Canadian Pacific Kansas City:** Reallocated with some proceeds from the sale of Canadian National Railway.
- **Franco-Nevada:** Tailwinds from higher gold prices, positive for production volumes and asset life extensions for existing royalties and streams.



- **Hydro One:** Ongoing infrastructure, electricity demand tailwinds.
- **Johnson & Johnson:** Pharma might be overly punished with noise from the administration.

Intra-quarter trades: (completed in August and September)

Sold:

- **Nutrien:** Funding the Granite REIT addition, concerned about potash supply longer-term.

Trimmed Positions:

- **CGI:** Seeing slowing book-to-bill ratio.
- **Dollarama:** Managing position size as stock has re-rated higher.
- **Finning International:** Risk management, managing position size.
- **Hydro One:** Concerned about valuation after stock has re-rated higher.
- **RB Global:** Managing valuation risk.
- **Suncor Energy:** Concerned about robust supply outlook.
- **TMX Group:** Concerned about valuation after stock has re-rated higher.
- **UnitedHealth Group Inc:** Trimmed to managed risk.
- **Verisk Analytics Inc.:** Insurance cycle risk.

New:

- **Granite REIT:** Initiated a new position in this well-run global REIT focused on industrial real estate notably distribution, warehouse and logistics assets. After some weakness over the last couple years, the manager is seeing an improvement in business fundamentals. The company should also benefit from lower interest rates.

Increased:

- **Amazon.com Inc:** More attractive than Google (less AI risk than with search), with sentiment/reality shifting from AI loser to AI competitor.
- **Becton Dickinson & Co:** Valuation looks attractive, management giving cash back to shareholders. Hospital utilization was fairly high.
- **Franco-Nevada:** Building to more neutral position.
- **Bank of Montreal, TD Bank:** Steeping of yield curve positive for margins, also seeing higher capital markets activity.
- **Waters Corp:** Market too bearish on Becton acquisition, high quality management team has a plan to add significant value and odds of success are high given their competency.



Quarterly commentary

Mawer Income Growth

Strong corporate earnings, steady economic growth, and declining interest rates helped drive both stock and bond markets higher this quarter. While markets reacted sharply to the initial round of U.S.-led tariffs back in April, the anticipated risks of a tariff-driven recession or a spike in inflation have not yet materialized, and equity markets have been ebullient since. The Federal Reserve cut interest rates in September, its first cut in 2025, and though rates remain restrictive, markets expect further reductions, further elating equity investors. Gold, typically regarded as a hedge against inflation, also set an all-time high. Technology stocks, specifically those tied to AI and semiconductors, continued to lead the market, while the basket of stocks perceived as vulnerable to AI disruption, along with defensive sectors like consumer staples, health care, and utilities, underperformed – albeit virtually all sectors delivered positive returns. Regionally, emerging markets were quite strong, led by Chinese equities, thanks to renewed confidence in technology platform giants and optimism for their investments in AI.

The Portfolio returned 2.1% and underperformed its blended benchmark over the quarter. Positive performance for the benchmark was driven by Canadian and U.S. equities, with the TSX and the S&P 500 returning 12.5% and 10.3%, respectively. Canadian fixed income also saw positive performance with the benchmark component returning 1.5% while global fixed income returning 0.8%. All performance values are provided in Canadian dollar terms (unless otherwise stated).

The Canadian fixed income exposure via the Mawer Canadian Bond Fund outperformed its benchmark this quarter. The yield curve steepener position continued adding value as shorter bonds outperformed longer ones, and credit positions also contributed positively. Duration positioning was neutral and had no impact on relative performance. The Fund was actively refined to improve its overall quality, responding to a deteriorating macro backdrop and rich corporate credit valuations. Overall spread risk was reduced by swapping corporate holdings for government products like provincials and Canada Mortgage Bonds (CMBs) to maintain the portfolio yield. BBB-rated credits such as Alimentation Couche-Tard, Loblaw's, Pembina Pipeline, Telus, Enbridge Gas, and Enbridge Inc. were trimmed in favour of A-rated issues from Coastal Gas Link and TD Bank, Bank of Nova Scotia, and Bank of Montreal bail-in paper. Exposure to the yield curve steepener was also increased by shifting longer maturities into 2030s as a defensive response to spreading employment weakness. Finally, a relative value trade saw Hydro One bonds swapped for Fortis Inc. to capture a historically wide spread.

Global fixed income markets produced positive total returns in the third quarter of 2025, as political uncertainty and fiscal sustainability concerns prevailed. As one of the global fixed income

components, the NEI Global Impact Bond Fund (+1.0%) outperformed its performance over the quarter.

The Fund maintained an underweight to investment grade corporate credit, with a bias to be overweight non-US and underweight US corporates. The Fund was positioned with out-of-benchmark allocations to emerging markets and high yield credit, which includes global green bonds. The underweight to US investment-grade corporates detracted from relative performance. Emerging market corporates and high yield corporates each had a positive impact on relative results. Within the government related sector, the Fund was underweight traditional sovereign debt and overweight government related issuers such as international development banks and foreign local agencies. Overall, this positioning contributed favorably to relative performance.

The NEI Global Total Return Bond Fund (+1.5%) outperformed its benchmark (+1.1%) over the quarter. G10 Sovereign bond positions made a positive contribution. Country allocation driven by the underweight in Japan and tactical positioning in the US added value. The Fund's steepening stance on the US and Euro curves contributed. Overweight Eurozone periphery over Germany and France was a positive as well. The overweight in duration detracted over the quarter.

Credit positions made a positive contribution to relative performance: Overweight credit delivered positive performance during the quarter despite a pullback in August. Allocation to selected emerging markets worked well amid strong inflows into the asset class. Overweight credit delivered positive performance during the quarter despite a pullback in August. Currency positioning also contributed positively to relative performance.

The Canadian equity component underperformed the TSX over the quarter due to security selection and asset allocation. Negative security selection was driven by the relative underperformance of holdings in Information Technology, Materials, and Financials. Meanwhile, outperformance of holdings in Industrials helped offset the overall negative security selection. Sector allocation had a negative impact due to the portfolio's underweight to Materials and overweight to Industrials. The top contributors for the quarter included Franco-Nevada Corp, Shopify Inc, and Royal Bank of Canada, which were up 41.8%, 31.6%, and 15.2%, respectively. In contrast, the largest detractors were Constellation Software Inc, Thomson Reuters Corp, and Intact Financial Corp, which were down -23.3%, -20.8%, and -14.1%, respectively.

The U.S. equity component underperformed the S&P 500 over the quarter due to selection and allocation. Negative security selection was driven by the relative underperformance of holdings in



Quarterly commentary continued

Industrials and Financials. Meanwhile, outperformance of holdings in Communication Services offset overall negative security selection. Sector allocation had an overall negative impact due to the portfolio's underweight to Information Technology and overweights to Financials, Health Care, and Materials. The top contributors for the quarter included Alphabet Inc and Microsoft Corp, which were up 41.4% and 6.4% respectively. In contrast, the largest detractors over the quarter included Verisk Analytics Inc, AptarGroup Inc, and Marsh & McLennan Cos Inc, which were down -17.4%, -12.6%, and -5.5%, respectively.

Mawer's approach to investing is unchanged; driven primarily by bottom-up fundamental analysis, coupled with the objective of being broadly diversified.

Engagement Activities (NEI)

Alphabet

NEI and other investors wrote to Alphabet about changes to the company's responsible AI principles, human rights commitments and regulatory changes.

Amazon

NEI participated in a collaborative dialogue with Amazon on the topics of deforestation, plastics and circularity, and water risks.

NEI led a collaborative engagement with Amazon about water stewardship and water risk management. The dialogue focused on business and water strategy alignment in Amazon Web Services, and operational and supply chain risks.

Suncor Energy

As lead investor for the Climate Action 100+ engagement with Suncor Energy, NEI and other investors met with Suncor to discuss the company's plans to reinstate their sustainability disclosure, progress toward targets, disclosure on climate lobbying, and corporate strategy for transition resilience.

Investment manager overview

Mawer Investment Management was established in Calgary in 1974 by Charles Mawer to provide independent investment counselling services to private and institutional investors.

Management style: Quality at a reasonable price

Canadian Equities

US Equities

Fixed Income (Core)

Investment philosophy

- Mawer employs a disciplined, team-based, research-driven process and long-term view in the management of portfolios. The team seeks to add value through prudent security selection and portfolio mix based on fundamental analysis of securities
- Mawer's primary objective is to maximize long-term, risk adjusted returns for clients. To accomplish this, Mawer uses a fundamental bottom-up investment approach, investing in companies that are wealth-creating, have excellent management teams, and are priced at a discount to intrinsic value
- Mawer's approach to fixed income investing looks to add value by systematically creating broadly diversified portfolios of investment grade bonds. The team uses both a top-down and bottom-up approach focusing on interest rate strategies, sector allocation and security selection within a constrained duration framework

Investment process and risk controls

Mawer's intensive investment process includes interviewing management, collecting scuttlebutt, performing forensic accounting, evaluating ESG considerations, building Monte Carlo DCF models, and writing investment reports.

Mawer continually assesses and manages risk by maintaining and improving culture, ensuring adherence to investment philosophy, ensuring appropriate portfolio diversification, and reviewing portfolios for systemic risks and themes.

Key strengths

- Independence – being 100% independent and broadly employee-owned frees the manager to make decisions in the best long-term interest of their clients
- Focus – a single, well-defined investment philosophy and process that is firm-wide
- Culture – built on candour, curiosity and trust. Diversity of thought within a team is meaningless unless individuals have the humility to hold their stories lightly and to engage in respectful debate
- Embrace uncertainty and think probabilistically – the discounted cash flow models produce probability distributions – not price targets – via Monte Carlo simulation
- The manager is benchmark agnostic

NEI Global Total Return Bond Fund

Amundi is a Paris-based institutional asset manager, with six management teams operating in major financial centers in the U.S., Europe and Asia. They invest in all asset classes and major currencies with extensive investment expertise in Euro fixed income, global fixed income and active equity management. Responsible investing is a founding pillar of Amundi and they integrate environmental, social and governance (ESG) factors into their investment decision making process.

Management style: Active / Top-down / Macro driven

Investment philosophy

- Amundi employ a high conviction, team-based approach to global fixed income with the goal of superior and positive risk-adjusted returns, while fully integrating ESG considerations
- A flexible and active style combines long-term macro-views with short-term tactical management
- Rigorous diversification across asset classes, risk factors, investment horizons and regions is employed to avoid style bias and actively rotate risk to attractive market segments

Investment process and risk controls

- Amundi's investment process is based on a global top-down approach that determines the overall macro-economic outlook on most developed and developing government and corporate bond and currency markets
- Risk is actively allocated across several investment tools, including duration management, country and yield curve positioning, sovereign bonds and credit allocations
- The investment team conducts a bottom-up analysis for bond selection to further align risk control with expected returns
- Portfolio positions are implemented through cash, bonds or derivatives, with the portfolio management team managing the allocation tactically and tapping into value wherever it exists

Key strengths

- Unconstrained and not limited by benchmark and able to access fixed income opportunities across the broad investment universe
- Investment grade portfolio with focus on quality, liquidity and highly rated ESG issuers
- Diversified across geography, credit rating, currency and maturity to actively manage risk
- Total return strategy with focus on both income and capital growth drivers that can add value over the full market cycle
- Responsible investing underpinning throughout the Fund

NEI Global Impact Bond Fund

WELLINGTON
MANAGEMENT®

Wellington Management is one of the world's largest independent investment management firms. With more than \$1 trillion in client assets under management, they serve as a trusted adviser to clients in more than 60 countries. In addition to integrating ESG factors into their research and portfolio management processes, Wellington also manages a variety of impact investing strategies that have explicit sustainability objectives that align with UN Sustainable Development Goals and produce Key Performance Indicator (KPI) reporting.

Management style: Impact / Core

Investment philosophy

- Wellington employ deep global resources and a focused team approach to global fixed income that seeks to address some of the world's major social and environmental challenges while providing competitive returns
- The portfolio intentionally targets high impact issuers within a risk/return profile of core fixed income

Investment process and risk controls

- Wellington's investment process begins with a proprietary impact framework focused on three broad impact categories (Life Essentials, Human Empowerment, and Environment) and 11 investable impact themes
- An Impact Committee team meets regularly to identify issuers that can be classified within this framework and meet strict impact criteria, such as alignment with impact themes and the quantifiability of their impact
- Impact bonds are selected by combining a top-down strategy for portfolio positioning with bottom-up fundamental credit research that includes quantitative analysis of a company's historical financial data and qualitative analysis of a company's prospects
- The Fund is diversified by sector, impact theme, and issuer
- Each issuer's impact is measured against key performance indicators (KPIs)

Key strengths

- Portfolio consistent with a core fixed income risk/return profile
- High quality issuer focus that is primarily investment grade
- Inclusion of companies and entities whose core businesses and projects address critical social and environmental issues
- Exposure to issuers and secular themes that tend to be less-represented in traditional strategies
- Responsible investing underpinning throughout the Fund

Responsible investing strategies included in the Portfolio

NEI

Responsible investing enhances the investment decision-making process through consideration of environmental, social and governance factors alongside traditional financial metrics. The aim is to achieve financial objectives by reducing risk, finding opportunities and generating long-term sustainable value for investors, while helping them make a positive impact.

Exclusionary screens

NEI excludes investments in companies if they believe there are irreconcilable risks of societal or environmental harm that outweigh any potential benefits of investing. Examples include the manufacture of cluster munitions and nuclear weapons. They may also exclude companies that meet certain criteria in the tobacco and weapons industries.

Evaluations

Companies are evaluated based on environmental, social, and other non-financial risks specific to their industries. They are monitored regularly for headline risks, management breaches, and other relevant risks such as controversial or misaligned business practices. If a company fails to meet expectations, it may be excluded from the Portfolios.

Stewardship

An umbrella term that encompasses two key activities:

- Corporate dialogues: Encourage companies to improve their performance by alerting them to risks and proposing solutions
- Proxy voting: Vote at companies' annual and special meetings on governance issues, shareholder proposals and other business matters
- Shareholder proposals: File or co-file proposals that are submitted to a vote at a company's annual general meeting with the goal of driving change

Impact & thematic investing

A focus on measurable environmental and social impacts as well as thematic investing strategies and specific themes related to structural shifts and long-term trends.

For more information about these strategies:

<https://www.neiinvestments.com/content/dam/nei/docs/en/responsible-investing/reports/NEI-RI-Policy.pdf>

About Aviso Wealth

Aviso Wealth is part of Aviso, one of Canada's largest independent wealth management firms. Owned by the credit unions, we serve hundreds of thousands of investors at credit unions across Canada.

With approximately \$130 billion of assets under administration and management, Aviso has the resources to bring the best products and services to credit unions and their members. Invest with confidence, with your credit union and Aviso.

- Nearly 30 years as the wealth management provider to credit unions across Canada.
- One of Canada's largest independent wealth management firms.
- Parent company of Aviso Wealth, NEI Investments, and Qtrade.
- Owned by Canada's credit unions and Desjardins.

	Exclusionary screens	Evaluations	Impact & thematic	Stewardship
Mawer – Canadian equity	●	●	–	●
Mawer – US equity	●	●	–	●
Mawer Canadian Bond Fund	–	–	–	–
NEI Global Total Return Bond Fund	●	●	–	–
NEI Global Impact Bond Fund	●	●	●	–





¹ As of October 8, 2025 after quarterly rebalancing unless otherwise stated.

² Excludes cash

³ Bond component yield to maturity 3.63%; Dividend Yield 1.85%

Benchmark Index: 32.5% FTSE Canada Universe Bond Index; 32.5% Bloomberg Global Aggregated TR (\$C hedged 25%); S&P/TSX Composite; 10% S&P500 TR CAD

Indicated rates of return are calculated using the time-weighted rate of return methodology for the period ended, September 30, 2025, and do not take into account management expenses, custodial fees, account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns.

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