Q2 2026

Managed Portfolios

Addenda Balanced

Quick facts

Inception date:
March 31, 2015

Asset class:
Balanced

Minimum investment:
$100,000

Avg. number of holdings:
20–35

Investment manager:
Addenda Capital

Investment manager assets under management:
$44.05B

Portfolio risk:

Medium

What does the Portfolio invest in?

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

Asset allocations

Asset class	Min	Target	Current[1]	Max
Canadian equities	20%	30%	36%	40%
Non-Canadian equities	20%	30%	32%	40%
Fixed income	20%	37%	29%*	60%
Cash & cash equivalents	1%	3%	3%	10%

- Equities: the minimum market capitalization will be $1 billion dollars (CAD and/or USD equivalent) at the time of purchase and invested in at least six out of 11 GICS (Global Industry Classification Standard Sectors).
  - Canadian equities: Target 10–15 securities
  - Non-Canadian equities: Target 10–15 securities
- Fixed income: 30% to 50% in units of the Addenda Universe Core Bond pooled fund and/or Canadian fixed income ETFs will be used
- Addenda Preferred Share Pooled Fund, Addenda Commercial Mortgage Pooled Fund, Addenda CorePlus Fixed Income Pooled Fund and Addenda Active Duration Bond Pooled Fund may be used.

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

Top ten holdings[1] (excluding cash and cash equivalents) %

	Holding	%
1.	Addenda Bonds Universe Core Pooled Fund	22.4
2.	Bank Of Montreal	4.2
3.	Alphabet Inc Class C	4.2
4.	Toronto-Dominion Bank	3.9
5.	Addenda Bonds Commercial Mortgages DC Pooled Fund	3.4
6.	Addenda Preferred Share Pooled Fund	3.2
7.	Canadian Natural Resources	3.2
8.	Endridge Inc	3.1
9.	SAP SE-Sponsored ADR	3.0
10.	Broadcom Inc	3.0

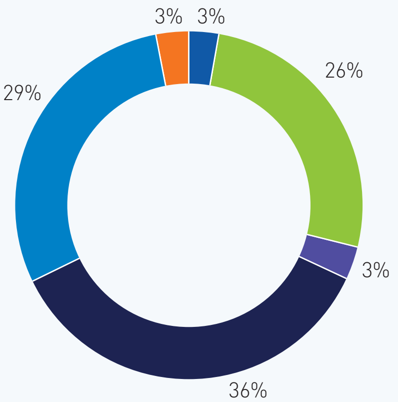
Performance

	QTD	YTD	1 yr	3 yr	5 yrs	Since inception (Annualized)
Portfolio	6.0%	4.2%	9.2%	11.1%	7.6%	7.7%
Benchmark	7.9%	8.4%	18.2%	15.0%	9.1%	8.1%

*including 3.2% in Addenda Preferred Share Pooled Fund

Q2 2026

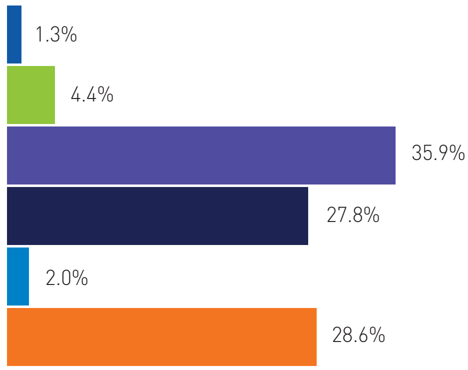
Asset allocation[1]



- Cash
- Fixed Income
- Canadian Preferred Shares
- Canadian Equities
- US Equities
- International Equities

Fixed income allocation

Core Bond Pool Sector Allocation

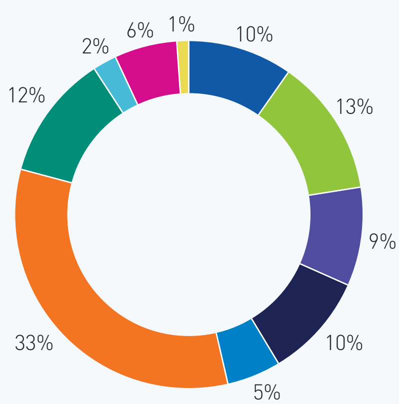


- Cash & Money Market
- Commercial Mortgages
- Corporate Bonds
- Federal Bonds
- Municipal Bonds
- Provincial Bonds

Credit quality	Portfolio (%)
AAA	30.2
AA	27.2
A	23.8
BBB	13.1
Non Rated Securities (Commercial Mortgages)	4.4
Cash and money market	1.3
	100.0

Current Yield (bonds): 3.86%

Equities sector allocation[1,2]



- Energy
- Materials
- Industrials
- Consumer Discretionary
- Health Care
- Financials
- Information Technology
- Index
- Communication Services
- Utilities

Average market cap. (Equities Only) $913.6B

Repositioning for Q3 2026

Sold or reduced positions (-7.1%)

- Sold Visa
- Sold RELX
- Sold ResMed
- Sold Mobility Global
- Trimmed TD Bank
- Trimmed BMO
- Trimmed cash

Bought or increased positions (+7.1%)

- Initiated a new position in Sunbelt
- Initiated a new position in SAP
- Initiated a new position in Palo Alto
- Initiated a new position in Steris
- Increased Enbridge
- Increased CP Rail

Rationale:

From an asset mix standpoint, we remain comfortable with our existing overweight to Canadian dividend equities, funded by underweights to fixed income and cash. We also continue to hold select off-benchmark allocations to U.S. equities, commercial mortgages, and preferred shares to support the portfolio's overall yield and diversification.

Within the Canadian equity component:

- Canadian Banks' fundamentals remain strong, supported by solid capitalization, reserves, diversified business models and current tailwinds; however, valuations now price in further earnings revisions and ROE (Return on Equity) expansion.
    - **TD Bank:** Trimmed as a prudent profit-taking measure after strong performance, with the stock up 34% YTD and 75% over one year, and valuation now above normal ranges.
    - **Bank of Montreal:** Trimmed for similar valuation reasons, following a 67% gain over the past twelve months and a meaningful rerating in Canadian bank valuations.
- **CP Rail:** Added given strong year-to-date volumes, a long-term outlook for double-digit earnings growth, reasonable valuation and lower exposure to AI-driven disintermediation risk.
- **Enbridge:** Added as a lower-risk holding with an attractive dividend yield and expected mid-single-digit EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) growth, supported by stronger energy volume demand, AI-related power demand growth and North American energy independence needs.

Within the global equity component:

- **SAP:** Increased on a valuation opportunity after software and data analytics companies came under pressure from concerns about AI disruption. SAP remains deeply embedded in the operations of major global companies, with strong industry-specific expertise that is difficult to replicate.
- **Palo Alto Networks (PANW):** Initiated a new position to improve Information Technology diversification and increase sector exposure. The position was sized partially ahead of expected earnings-related volatility in mid-August. PANW is a global cybersecurity provider with a broad platform spanning network security, security operations, and threat intelligence and advisory services.
- **Visa:** Exited as a lower-conviction holding, with proceeds used to fund higher-conviction opportunities and reduce Financials exposure.
- **ResMed:** Exited after strong performance in 2024–2025 and pressure in 2026, reflecting medtech sector rerating and risks related to competition, regulation, and execution.
- **Steris:** Initiated a new position using proceeds from ResMed. Steris provides sterilization products and services for healthcare, medical manufacturing, and pharmaceutical customers, with approximately 80% recurring revenue from services and consumables.
- **RELX:** Exited and replaced with a higher-conviction Industrial holding.
- **Sunbelt:** Initiated as a higher-conviction Industrial position. Sunbelt is the second-largest equipment rental company in the U.S. and globally, with revenue concentrated in the U.S. and exposure to construction, specialty, and industrial markets.

Investment manager overview

Addenda Capital is an investment management firm providing solutions for institutional and high net worth clients. They offer clients expert services in a broad range of asset classes. Addenda's mission is to add value through innovation, discipline and integrity, and to nurture genuine partnerships with their clients.

Management style

Canadian Equities (Value)	Global Equities (GARP[3])	Fixed Income (Core)

Investment philosophy

Addenda provides a balanced investment strategy that seeks long-term capital appreciation and enhanced diversification through exposure to high quality fixed income and equity securities. A disciplined, dynamic asset allocation approach, blending top-down and bottom-up assessments seeks to exploit market opportunities through tactical shifts. Addenda's committee-based decision-making process leverages the firm's diversity of expertise. Their Asset Allocation Committee, led by the co-CIO, consists of those responsible for each asset class as well as their dedicated economic research team.

Investment process and risk controls

- Extensive top-down analysis of global macro-economic variables and capital markets serve to identify general investment themes and changes in market drivers on a quarterly basis. Forward-looking views, based against a 12- to 24-month horizon, reflect return and risk expectations, as well as relative valuations.
- Changes in asset mix, when triggered, seek to exploit shifting dynamics in the market environment and/ or valuations.
- Addenda's actively managed bond and equity investment strategies leverage extensive fundamental research capabilities. Their bond strategy utilizes a multi-strategy approach to exploit diverse alpha sources, while equity strategies are driven by in-depth bottom-up security analysis as well as industry fundamentals. The equity process favors companies offering attractive dividend profiles.

Key strengths

- Adding value through innovation and discipline
- Strong team work, rich insights
- Leveraging extensive fundamental research capabilities
- Guided by strong governance and sound judgement
- A culture based on integrity
- Environmental, social and governance (ESG) criteria inherent in the investment philosophy[4]
- Addenda is a United Nations Principles for Responsible Investment (PRI) signatory

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 $160 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.

- Over 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.

[1] As of July 8, 2026 after quarterly rebalancing unless otherwise stated.

[2] Excludes Canadian Preferred Shares

[3] GARP (Growth at a reasonable price)

[4] Tobacco and weapons companies are screened-out of portfolios. Tobacco: Exclude tobacco companies and companies that derive a material portion of their revenue from tobacco-related products such as filters, rolling papers or packaging, or from the sale of tobacco or tobacco-related products. Applies to equity holdings only. Weapons: Exclude companies that derive revenue from military contracts that violate International Humanitarian Law (IHL), and nuclear weapons contracts; companies that derive a material portion of their revenue from the manufacture of legal weapons systems and/or tailor-made components for these weapons systems; and companies whose activities are connected with the manufacturing of automatic or semi-automatic weapons intended for civilian use, or derive a material portion of their revenue from the sale or distribution of such weapons. Applies to equity holdings only.

Indicated rates of return are calculated using the time-weighted rate of return methodology for the period ended, June 30, 2026, 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.

Benchmark Index: 40% FTSE TMX Canada Universe Bond/30% S&P/TSX 60/30% MSCI World Net (CAD).

Please be advised that the information contained herein does not constitute investment advice and it should not be relied on as such. Past performance is no guarantee of future results. The information contained in this report was obtained from sources believed to be reliable; however, we cannot guarantee that it is accurate or complete.

Referral fees, commissions, management fees, and expenses all may be associated with managed accounts or the investments therein. Managed accounts, and the investments therein, are not insured nor guaranteed, their values change frequently and past performance may not be repeated.

ndg0134-03e q2-26