

Managed Portfolios

Fiera Balanced

Quick facts

Inception date:
November 30, 2018

Asset class:
Balanced

Minimum investment:
\$100,000

Avg. number of holdings:
20–35

Investment manager:
Fiera Capital

Investment manager assets under management:
\$161B

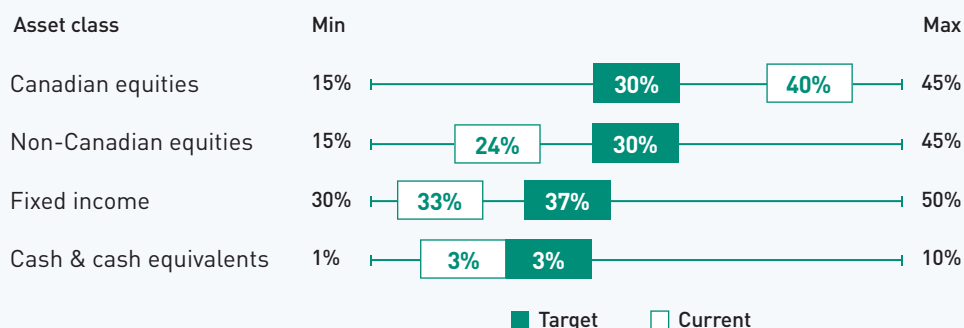
Portfolio risk:



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



- 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 5–15 securities
 - Non-Canadian equities: Target 15–20 securities
- Fixed income: Fiera Core Plus Canadian Bond Universe Fund will be used

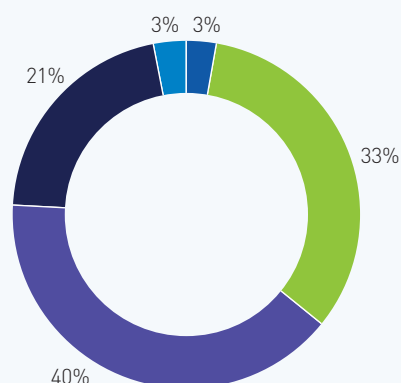
Suitable for investors whose objective is to achieve long-term capital growth, and is not intended for investors with a short-term investment horizon.

Top ten holdings¹ (excluding cash and cash equivalents) %

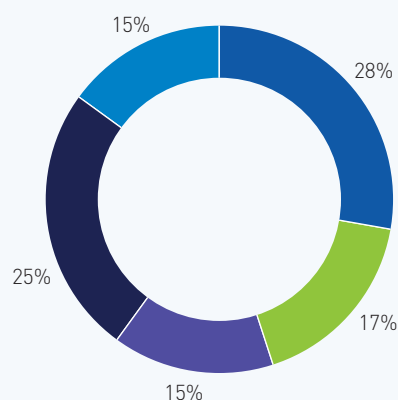
1. Fiera Core Plus Canadian Bonds Universe Fund	34.0	6. Visa	3.3
2. Dollarama	3.9	7. Microsoft Corp	3.1
3. TMX Group Limited	3.6	8. Intact Financial	3.0
4. Metro Inc	3.5	9. Constellation Software	2.9
5. Thomson Reuters Corp	3.3	10. S&P Global Inc	2.8

Performance

	QTD	YTD	1 yr	3 yr	5 yr	Since inception (Annualized)
Portfolio	2.2%	5.6%	13.6%	10.7%	6.4%	7.4%
Benchmark	3.7%	4.6%	15.0%	12.6%	8.7%	8.8%

Asset allocation¹

- Cash
- Fixed income
- Canadian equities
- US equities
- International equities

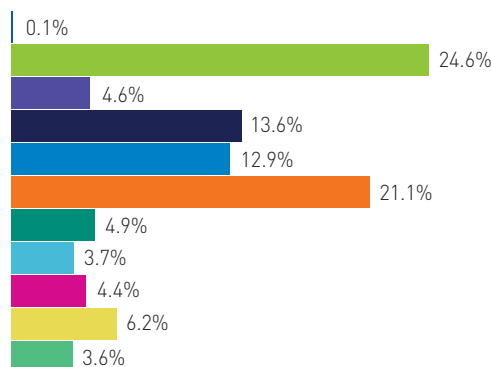
Equities sector allocation^{1,2}

- Industrials
- Consumer Discretionary
- Consumer Staples
- Financials
- Information Technology

Average market cap. \$246B

Fixed income allocation

Core Bond Pool Sector Allocation



- Cash & Money Market
- Federal Bonds
- Foreign Pay Bonds
- Provincial Bonds
- Municipal Bonds
- Investment Grade Corporate Bonds
- High Yield Corporate Bonds
- Commercial Mortgages
- Private Debt
- Real Estate Financing
- Infrastructure Debt

Current Yield: 3.74%

Credit quality	Portfolio (%)
AAA	25.5
AA	26.0
A	11.7
BBB	17.1
Below BBB	4.7
Non Rated Securities	15.0
	100.0

Repositioning for Q3 2025



Sold or reduced positions (-1.4%)

- Trimmed Danaher Corp



Bought or increased positions (+1.4%)

- Initiated a new position in Richemont

Rationale:

- **Richemont** is one of the world's leading luxury goods companies. They own a number of prestigious and globally recognized brands including Cartier, Van Cleef & Arpels, Piaget, IWC Schaffhausen, and Montblanc. The company is conservatively run with a net cash position, is highly profitable, and generates strong free cash flow. This is a quality business which the manager believes will compound for years to come.
- **Danaher** is a leading manufacturer of systems, instrumentation, and consumables for a broad array of purposes and customers. Its primary business lines include Life Sciences research, Clinical Diagnostics, Dental, and Environmental Health/Applied Sciences. Danaher was trimmed with proceeds deployed in Richemont as described above.

Quarterly commentary

Market Review

For the first few weeks of the quarter, global equity markets experienced a whiplash effect not seen in years as the US administration led by President Donald Trump implemented, adjusted, and then delayed most of the trade tariffs they had announced during a press conference on April 2 which the president dubbed "Liberation Day". This market volatility was felt globally as investors struggled to keep up with the news of the day and how it could affect their portfolios. Following President's trump decision to delay and/or reduce certain tariffs, the second half of the quarter saw strong equity performance across sectors as the market was boosted on perceived stability, at least for the time being. The strongest performing sectors during the quarter were Information Technology and Communication Services, with Health Care and Energy being the biggest laggards.

Canadian bond yields increased. The largest increases were observed in the longest maturities of the yield curve. Furthermore, the decline in certain tariff measures and the easing of trade tensions prompted the Bank of Canada to keep its key interest rate unchanged. Investor optimism also contributed to the narrowing of provincial and corporate bond spreads.

In the U.S., the Federal Reserve also kept its key interest rate unchanged. Spreads on U.S. corporate bonds also narrowed, for both high-quality and high-yield bonds.

At the beginning of the quarter, 10-year Canada bonds yielded 2.92%. They finished the quarter at 3.2%, an increase of 0.28%

Attribution Analysis

Equities

In the first quarter of 2025, the strategy had a positive absolute return and outperformed its benchmark.

The equity component underperformed its benchmark in the quarter. Among the leading contributors to performance over the quarter were Dollarama and Microsoft.

Dollarama is a provider of general merchandise through their network of discount retail stores located throughout Canada. The company has a culture of efficiency led by an experienced management team with the founding family still retaining a minority ownership stake. The company once again reported growing profit stemming primarily from household goods and consumables a trend that has boosted Dollarama's performance consistently in recent years as Canadian consumers have looked for relief from rising prices for everyday necessities. The retailer also saw improved sales of seasonal products, particularly related

to Easter. Furthermore, Dollarama has opened 22 stores in Canada over the quarter, with plans to open 70 to 80 new stores this year.

Microsoft is a leading cloud vendor whose products and services tend to be mission critical for customers, and a key strategic partner for digital transformation initiatives especially in industries where Amazon is a direct competitor. The company has seen continued growth from cloud adoption across a number of end-client industries.

Significant detractors over the quarter were McDonald's and Visa. McDonald's Corporation is the largest fast food chain in the world with more than 40,000 outlets in over 100 countries. The company benefits from its strong brand and market share as well as its ability to innovate both its operations and its product offering to best serve its clients. The stock underperformed during the quarter on slower traffic in its stores globally. The company remains focused on building on their established value offering to bring back customers who are increasingly price conscious.

Visa is a global payments technology company and remains one of the best long term secular growth stories driven by the trend of increasing volumes of electronic transactions over cash. Visa operates in a well behaved duopoly with MasterCard where market share between the two has remained largely stable over the last 10 years. The stock has underperformed on concerns about a slowdown in consumer spending as well as the emergence of stablecoins and what this could mean for the competitive landscape going forward.

During the quarter, we trimmed our position in Danaher, opting to deploy proceeds in Richemont. Richemont is one of the world's leading luxury goods companies. They own a number of prestigious and globally recognized brands including Cartier, Van Cleef & Arpels, Piaget, IWC Schaffhausen, and Montblanc. The company is conservatively run with a net cash position, is highly profitable, and generates strong free cash flow. This is a quality business which we believe will compound for years to come.

Fixed Income

In the second quarter of 2025, the strategy outperformed its benchmark by 0.37%.

The yield curve steepened as long term rates increased across the curve, being most pronounced in the 10-30 year part of the curve. As such duration positioning was minimal in terms of attribution, however the centered yield curve positioning was beneficial as the curve steepened.

Quarterly commentary continued

With the risk on environment within credit, both the traditional credit and alternative credit portion of the Portfolio added value. Canadian investment grade spreads tightened by 0.15% over the quarter, whilst US investment grade spreads tightened by 10bps and High Yield spreads tightened by 0.50%.

With a small overweight to Canadian credit versus the index and the overweight to alternative credit both added value during the quarter whilst providing yield and adding diversification within the alternative component.

Outlook

We continue to favor a recession scenario over a soft landing for the economy. This economic fragility prompts us to limit and closely monitor the Portfolio's credit risk. Additionally, we maintain a position centered on the yield curve and a shorter duration than the index. Our view on this, however, is less definitive than it was at the beginning of the quarter.

The Portfolio continues to be composed of high-quality businesses that can withstand tough times. The Portfolio is currently trading at an attractive discount to its intrinsic value. Both elements should position the Portfolio well for long-term compounding of returns.

Investment manager overview

With more than \$180 billion in assets under management, independent firm Fiera Capital is one of Canada's leading investment managers recognized for its excellence in portfolio management, innovative and personalized investment solutions, and its ability to surpass client expectations. Fiera offers a unique expertise in both traditional and absolute return investment strategies.

Management style

Canadian equities (GARP³) Global equities (GARP³) Fixed income (Core Plus)

Investment philosophy

Fiera targets to deliver a superior portfolio by investing in a focused number of companies run by great management teams diversified across global regions and industries. In addition, the manager also believes in active bond management that adapts to changes in the economic, financial and political environments to deliver value.

Investment process and risk controls

Fiera conducts a thorough fundamental research to implement their equity strategy. They believe that focusing on a concentrated model of 25 equity companies enables them to become familiar with all critical aspects of a business. The manager follows 10 internally developed company criteria which consist of both qualitative and quantitative metrics.

The fixed income component employs four types of analysis (fundamental, technical, sentiment and seasonality) around a well disciplined and structured process that invests in high quality securities. Specific risk metrics are calculated periodically to minimize the default risk, and to maintain the calibration of each strategy within the overall risk budget of the portfolio.

Key strengths

- Disciplined investment approach based on in-depth fundamental analysis
- Rigorous research and risk management process
- Superior and consistent performance
- Committed to integrating environmental, social and governance (ESG) criteria into the firm's investment processes, and how they do business
- Fiera is a United Nations Principles for Responsible Investment (PRI) signatory⁴

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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.



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

² Dividend Yield (Equities) 1.26%

³ GARP (Growth at a reasonable price)

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

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

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