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**ANNUAL  
MANAGEMENT  
REPORT**

*of Fund Performance  
for the year ended  
December 31, 2024*

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**EQUITY FUNDS**  
FÉRIQUE Canadian Equity Fund

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

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

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

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

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

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

As at December 31, 2024

## Management Discussion of Fund Performance

### Investment Objective and Strategies

The FÉRIQUE Canadian Equity Fund seeks to maximize the total return through capital appreciation rather than income maximization. The value of the capital thus varies, and the investment horizon is long-term. For this purpose, the portfolio is essentially composed of all classes and categories of common shares.

Money is mainly invested and reinvested in all classes of common shares of Canadian corporations listed on a stock exchange, as well as in convertible bonds, preferred shares, income trusts, rights, exchange-traded funds and warrants.

The FÉRIQUE Canadian Equity Fund is managed by two portfolio sub-managers who use different styles, namely Connor, Clark & Lunn Investment Management Ltd. (CC&L), which manages 60% of the portfolio; as well as Franklin Templeton Investments Corp. (Franklin Templeton), which manages 40% of the portfolio.

CC&L's approach consists in identifying opportunities stemming from divergences between the results of its fundamental analyses and current market expectations. It uses detailed macroeconomic and bottom-up analyses to adjust sector and capitalization allocations.

The other portfolio sub-manager, Franklin Templeton, aims to discover well-managed companies with long-term success derived from their sustainable business model. The team believes that these companies will provide stable earnings and dividend growth, thereby contributing to an increase in the stocks' prices. The investment process is centred on research and focuses on superior return on equity and financial health, as well as steady and above-average income, and earnings and cash flow growth throughout the cycle.

### Risk

The risks of investing in the Fund remain the same as those described in the Prospectus. This Fund is intended for investors with a medium risk tolerance who want to invest in the long term. It can also be used as the core equity component of a diversified investment portfolio. During the period, there were no changes to the Fund that materially affected the overall risk level associated with an investment in the Fund.

### Results of Operations

The FÉRIQUE Canadian Equity Fund posted a net return of 19.4% for the fiscal year ended December 31, 2024. Its benchmark, the S&P/TSX Composite Index, posted 21.7% for the same period. Contrary to benchmark returns, which include no investment fees, Fund returns are expressed net of management and operating expenses payable by the Fund.

On a relative basis, the Fund outperformed its industry median<sup>1</sup>, which posted 17.8%, net of management fees for the fiscal year.

### CC&L

In 2024, the portfolio outperformed the benchmark. Stock picking across Information Technology, Utilities and Materials drove the outperformance while sector positioning detracted value.

In Information Technology, the overweight to Celestica was the top contributor during the year. In Utilities, the overweight to Capital Power Corporation also added value. Sector allocation hampered performance due to a significant underweight to Financials. Conversely, underweights to defensive, more interest rate-sensitive sectors such as Communication Services and Real Estate helped returns. They posted negative returns in 2024 as the 10-year interest rates remained elevated.

Throughout the year, the portfolio sub-manager had 41 engagements with companies held in the portfolio where they discussed environmental, social and governance (ESG) issues, including board composition and renewal best practices, energy transition, waste management, remuneration, carbon governance and reduction targets and various social issues.

In March 2024, the portfolio sub-manager exited its position in Barrick Gold Corporation due to operational challenges driven by social considerations. Barrick Gold is a large and diversified gold producer with about 65% of its operations in emerging markets. It had significant operational issues tied to employment relations and jurisdictional risk. As a result, the stock's target multiple was lowered, and then sold off.

Several companies held in the portfolio will benefit from the transition to cleaner energy sources. Copper is a critical metal used in electric batteries and solar and wind infrastructures. There is sustainable long-term demand for copper and, as a result, the portfolio holds high-quality copper producers, including Hudbay Minerals and Capstone Copper.

The Fund's responsible approach to investing is described in the simplified prospectus. This approach is one of the multiple components of the investment strategies used to help reach the objective of the Fund and thus constitutes a limited consideration of ESG factors. The consideration of ESG factors and the engagements with companies are not part of the investment objective of the Fund and, therefore, ESG factors and shareholder engagements are not the primary strategy of the Fund.

### Franklin Templeton

For the full year 2024, the mandate underperformed its benchmark. The Fund experienced negative security selection as well as negative sector allocation. The largest detractors from relative performance included an overweight to Communication Services sector, as well as an underweight and poor security selection in the outperforming Information Technology and Financials sectors. This was partially offset by strong security selection in the Consumer Discretionary and Utilities sectors.

Communication Services was the worst performing sector and the only one to post negative returns in 2024. The sector faced competitive challenges following the Rogers Communications and Quebecor transactions finalized in early 2023. In Information Technology, weak security selection was largely due to a position in underperforming Open Text Corporation and an underweight to well performing but volatile Shopify. In Consumer Discretionary, positive security selection was attributable to a position in Dollarama and a lack of holdings in underperforming Magna International and Restaurant Brands International.

<sup>1</sup> Source: Median return of similar funds according to Fundata, as at December 31, 2024.

As at December 31, 2024

Last year, the portfolio sub-manager had over 100 meetings with companies held in the portfolio to discuss environmental, social and governance (ESG) issues.

As part of this process, the portfolio sub-manager engaged with Alimentation Couche-Tard about their shift in carbon strategy. While the company remains committed to helping customers transition to cleaner mobility solutions, fossil fuels remain a significant part of their business. Consequently, Alimentation Couche-Tard had to revise their strategies and targets to ensure that they make a significant impact, while focusing on elements they can control. Notably, the company recently adjusted its targets but left its overall climate strategy unchanged. Alimentation Couche-Tard is proactively assessing material climate-related risks and remains committed to putting in place a corporate sustainability strategy that translates to tangible results. The position was added to the portfolio in 2024 by taking advantage of share price weakness.

The portfolio sub-manager also met with Saputo to gain a better understanding of the company's climate action plan and how its corporate sustainability strategy has evolved.

Saputo announced it sought to reduce CO<sub>2</sub> emission intensity by 20% by 2025. It also allocated capital to tackle water and wastewater management. Saputo is proactively assessing material environmental risks and remains committed to tangible results.

The Fund's responsible approach to investing is described in the simplified prospectus. This approach is one of the multiple components of the investment strategies used to help reach the objective of the Fund and thus constitutes a limited consideration of ESG factors. The consideration of ESG factors and the engagements with companies are not part of the investment objective of the Fund and, therefore, ESG factors and shareholder engagements are not the primary strategy of the Fund.

## Recent Developments

### CC&L

Canada's economy exceeded expectations by avoiding a recession in 2024. For 2025, economic growth is projected to be low but positive. Canada will likely benefit from a strong U.S. economy and lower key interest rates. The Bank of Canada (BoC) started its monetary policy easing early and aggressively and became the first G7 central bank to cut its key interest rate. Canada's rate-sensitive economy is expected to benefit from the BoC intervention.

While the general outlook is positive, the Canadian economy is still facing risks that could tip the country into a recession. Potential tariffs on imports to the United States creates the most uncertainty. U.S. inflation will be closely monitored, as reaccelerating growth and inflation could result in more restrictive monetary policy in 2025.

Investor sentiment is positive despite market volatility expected to be higher than in 2024. A recession is off the table and strong earnings growth is forecast according to consensus views. Any developments that derail this outlook will increase market volatility.

During the fourth quarter, as the risk of recession continued to subside, the portfolio sub-manager added quality cyclical stocks to the portfolio and reduced its exposure to lower growth, interest rate-sensitive companies. The portfolio maintains a significant

allocation to companies capable of delivering above-average earnings growth regardless of economic conditions. It now maintains a balance exposure to quality cyclicals and resilient growth stocks. The portfolio sub-manager also increased allocations to Utilities and Industrials by adding to existing positions in companies benefitting from AI-related capital expenditure.

### Franklin Templeton

In 2024, the Canadian stock market made impressive gains despite modest earnings growth and headwinds from higher interest rates. Ten out of the eleven GICS sectors posted positive total returns for the year, led by Information Technology and Financials, followed by Materials and Energy.

The portfolio seeks to achieve visible, high and sustainable profitability and secular growth at a reasonable price and lower volatility relative to the benchmark. It maintains a defensive positioning and will opportunistically capitalize on attractive investment opportunities while maintaining downside protection. This bottom-up strategy that identifies and capitalizes on market efficiencies ensures consistent positive, risk-adjusted returns over the long term regardless of market environment.

IRC: Mr. Gérard Guilbault's mandate as a member of the IRC ended on March 31, 2024. Mr. Sylvain Piché replaced Mr. Gérard Guilbault as a member of the IRC under a three (3)-year mandate, starting April 1, 2024.

## Related Party Transactions

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

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

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

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

For the fiscal year ended December 31, 2024, portfolio sub-managers CC&L and Franklin Templeton did not enter into any related party transactions as it pertains to the management of the FÉRIQUE Canadian Equity Fund.

As at December 31, 2024

## 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.

	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)
<b>Net Assets per Unit<sup>(1)(5)</sup></b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net assets, beginning of accounting period <sup>(4)</sup>	87.39	84.12	92.67	78.26	74.15
<b>Increase (decrease) from operations</b>					
Total revenues	2.70	2.80	2.84	2.33	2.11
Total expenses	(1.12)	(0.98)	(1.01)	(1.03)	(0.83)
Realized gains (losses)	7.40	3.48	6.59	7.88	0.71
Unrealized gains (losses)	7.88	2.08	(10.45)	11.33	3.53
<b>Total increase (decrease) from operations<sup>(2)</sup></b>	<b>16.86</b>	<b>7.38</b>	<b>(2.03)</b>	<b>20.51</b>	<b>5.52</b>
<b>Distributions</b>					
From dividends	1.35	1.47	1.56	0.95	1.09
From capital gains	4.81	2.65	4.75	5.18	–
<b>Total annual distributions<sup>(3)</sup></b>	<b>6.16</b>	<b>4.12</b>	<b>6.31</b>	<b>6.13</b>	<b>1.09</b>
<b>Net assets, end of accounting period<sup>(4)</sup></b>	<b>98.05</b>	<b>87.39</b>	<b>84.12</b>	<b>92.67</b>	<b>78.26</b>

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

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

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

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

<sup>(5)</sup> In this document, the word "units" indicates Series A units.

	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)
<b>Ratios and Supplemental Data</b>					
Net asset value (in thousands of \$) <sup>(1)</sup>	801,886	691,833	645,294	704,826	557,334
Number of units outstanding <sup>(1)</sup>	8,178,435	7,916,714	7,670,851	7,605,533	7,121,159
Management expense ratio (%) <sup>(2)</sup>	1.11	1.07	1.05	1.10	1.10
Management expense ratio before waivers or absorptions by the Manager (%)	1.11	1.07	1.05	1.10	1.10
Portfolio turnover rate (%) <sup>(3)</sup>	54.58	45.23	51.82	40.56	52.58
Trading expense ratio (%) <sup>(4)</sup>	0.08	0.07	0.06	0.05	0.08
Net asset value per unit (\$)	98.05	87.39	84.12	92.67	78.26

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

<sup>(2)</sup> Management expense ratio is based on total expenses for the stated accounting period (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.

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

<sup>(4)</sup> 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 year, annualized management fees charged to the Fund before government taxes amounted to 0.97% and are detailed as follows:

- Management fees: 0.90%
- Administration fees: 0.07%

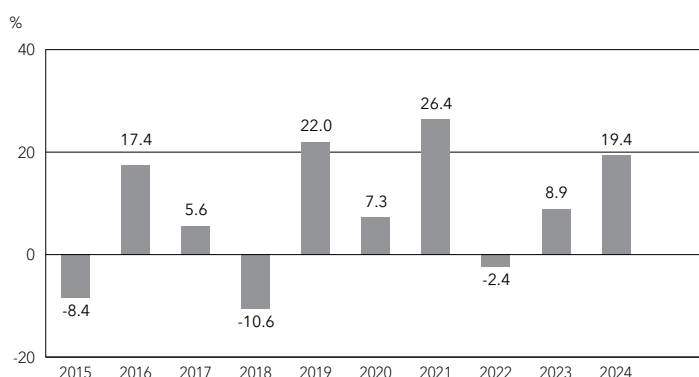
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## Past Performance

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. 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 year.



### Annual Compound Returns (%)

	1 year	3 years	5 years	10 years
FÉRIQUE Canadian Equity	19.4	8.3	11.5	7.9
S&P/TSX Composite Index	21.7	8.6	11.1	8.7
Median*	17.8	6.7	9.1	7.0

\*Median return of all investment funds of the same category according to Fundata.

### S&P/TSX Composite Index

The S&P/TSX Composite Index is the benchmark index used for the entire medium and large capitalization Canadian market securities. This index is the most diversified in Canada, representing close to 90% of market capitalization of all Canadian corporations listed on the Toronto Stock Exchange.

### Comparison with the Index

The Fund posted a net return of 19.4% for the fiscal year ended December 31, 2024, compared to 21.7% for its benchmark index. Contrary to benchmark returns, which include no investment fees, Fund returns are expressed net of management and operating expenses payable by the Fund.

## Portfolio Overview

### The Top 25 Holdings in the Portfolio

	% of net asset value
Royal Bank of Canada	6.3
Shopify Inc., Class A	4.0
Toronto-Dominion Bank	3.9
Brookfield Corp.	3.5
Canadian Pacific Kansas City	3.2
Scotiabank	2.8
Bank of Montreal	2.6
Canadian National Railway Co.	2.4
Manulife Financial Corp.	2.2
Agnico-Eagle Mines Ltd.	2.2
Canadian Natural Resources Ltd.	2.1
Enbridge Inc.	2.1
Alimentation Couche-Tard Inc.	2.1
Constellation Software Inc.	2.1
Canadian Imperial Bank of Commerce	1.8
Waste Connections Inc.	1.7
Fortis Inc.	1.7
TC Energy Corp.	1.6
Dollarama Inc.	1.5
Metro Inc.	1.4
Loblaw Companies Ltd.	1.4
Descartes Systems Group Inc.	1.3
Suncor Energy Inc.	1.2
ARC Resources Ltd.	1.2
Tourmaline Oil Corp.	1.2

**57.5**

### Weighting by Sector

	% of net asset value
Financials	29.5
Industrials	16.8
Energy	15.6
Information Technology	10.7
Materials	8.5
Utilities	6.3
Consumer Staples	5.6
Consumer Discretionary	2.6
Communication Services	2.1
Real Estate	1.1
Cash, Money Market and Other Net Assets	0.7
Health Care	0.5

### Net Asset Value

**801,885,925**

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



*As at December 31, 2024*

## Other Material Information

The S&P/TSX Composite Index (the "Index" or "Indices") and associated data are a product of S&P Dow Jones Indices LLC, its affiliates and/or their licensors and has been licensed for use by Gestion FÉRIQUE® 2024 S&P Dow Jones Indices LLC, its affiliates and/or their licensors. All rights reserved. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. For more information on any of S&P Dow Jones Indices LLC's indices please visit [www.spdji.com](http://www.spdji.com). S&P® is a registered trademark of Standard & Poor's Financial Services LLC ("SPFS") and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). Neither S&P Dow Jones Indices LLC, SPFS, Dow Jones, their affiliates nor their licensors ("S&P DJI") make any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and S&P DJI shall have no liability for any errors, omissions, or interruptions of any index or the data included therein.

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

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

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