Fondaction, the Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi ("Fondaction" or the "Fund")

FUND SUMMARY

Fondaction Class A shares – Series 1 and Series 2
as at June 23, 2026, following the fiscal year ended May 31, 2026

This document contains key information which you should be aware of about Fondaction, created on the initiative of the Confédération des syndicats nationaux under the *Act to establish Fondaction, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi* (the "Act"). **Before investing in the Fund's shares, assess whether the investment fits with your other investments and aligns with your risk tolerance.**

An investment in the Fund is intended for retirement and cannot usually be redeemed before then. An investor should not invest in the Fund if they need a liquid investment. Unlike mutual fund units (MFUs), which are generally redeemable at any time, the Fund's shares may only be redeemed or purchased on a private basis in the cases provided for by the Act and, for retirement, pre-retirement or age-65 redemptions, after a minimum holding period of 2 to 5 years. Their value is determined twice a year, generally in June and December, whereas MFUs are valued daily. There is no market for trading the shares, except as provided for by the Act. This may affect the liquidity of the investment.

Quick facts as at May 31, 2026

FUND ESTABLISHMENT DATE: **January 24, 1996**	FUND MANAGER: **9525-9495 Québec inc. also known as Le Regroupement entre Bâtirente et Fondaction**
NET ASSETS: **$4.54 billion**	ELIGIBILITY FOR SAVINGS PLANS: **RRSP (Series 1) and non-registered savings plan (Series 2)**
TOTAL OPERATING EXPENSE RATIO: **2.33%**	METHODS OF SUBSCRIPTION : **Payroll deduction, pre-authorized contributions and lump-sum payment (when available).**
TOTAL OPERATING EXPENSE RATIO ATTRIBUTABLE TO FONDACTION'S ACTIVITIES: **2.23%**	MINIMUM INVESTMENT : **$10 per subscription**
	DISTRIBUTION : **No dividend**

Fondaction's mission focuses on two aspects:

1. **Supporting Québec workers in their efforts to save more for their retirement**, in particular by raising awareness and offering an accessible savings product;
2. **Channelling these accrued savings for the economic, social, and environmental benefit of Québec** by investing them using an approach that is mindful of meeting people's needs while protecting our environment and respecting the limits of natural ecosystems.

What does Fondaction invest in?

Fondaction may invest in any company, regardless of the industry. Development capital investments, **central to Fondaction's mission**, focus mainly on Québec SMEs' actual economic activity, and are made with publicly listed and private companies, as well as with partner or sector-specific funds.

The proportion of eligible **development capital investments** within the meaning of the Act must represent at least **65% of the Fund's average net assets** calculated over three years. As at May 31, 2026, Fondaction complied with this standard and expects to comply with it for the following year.

Fondaction's asset allocation

Fondaction's assets are diversified and divided into two main categories:

Development capital investments:

▶ direct holdings in companies ▶ a portfolio of securities from publicly listed Québec companies ▶ subscriptions to partner or sector-specific funds.

Other investments (public markets):

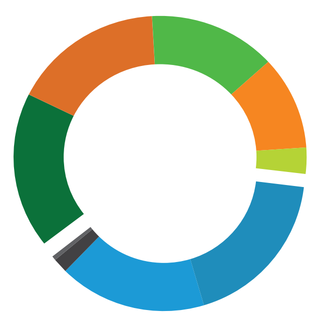
▶ consisting mainly of liquid financial assets.

% DEVELOPMENT CAPITAL INVESTMENTS

17.8%	Finance, real estate and community services
16.8%	Information technology, communications and healthcare
14.1%	Industries
10.7%	Consumer discretionary and basic consumer goods
3.0%	Energy and materials
62.4%	

% OTHER INVESTMENTS

18.5%	Global equity funds (all countries)
16.9%	Bonds and other fixed-interest securities
1.7%	Absolute return and alternative strategy funds
0.5%	Money market and derivative financial instruments
37.6%	



The chart shows the Fund's asset allocation as at May 31, 2026, on a committed basis, illustrating the Fund's maximum exposure if all committed amounts are drawn. This allocation will evolve over time.

FUND SUMMARY

as at June 23, 2026,
following the fiscal year ended May 31, 2026

Top 25 holdings

Development capital investments

13 issuers representing, as a group,

14.7% of Fondaction's net assets
(in alphabetical order):

- Boralex inc.
- Centre agricole J.L.D. inc. (via 9388-7628 Québec inc.)
- Équisoft inc.
- Fonds immobilier Durabilier, s.e.c.
- Groupe Grandio (13401537 Canada inc.)
- Groupe WSP Global inc.
- Le Groupe Master inc.
- Novacap TMT V Co-Investissement (Logibec), s.e.c.
- Savaria Corporation
- Société immobilière Solar, s.e.c.
- Tecsys inc.
- Telecon inc.
- Teralys Capital Fonds d'innovation 2018, s.e.c.

Other investments

12 issuers representing, as a group,

36.5% of Fondaction's net assets
(in alphabetical order):

- Fonds AlphaFixe Obligations vertes
- Fonds d'actions mondiales sans combustibles fossiles Montrusco Bolton
- Fonds ELS BMP S.E.C.
- Fonds Hexavest actions mondiales ESG Systématique
- Fonds institutionnel dette des pays émergents Franklin Templeton
- Fonds Investi RF
- Fonds Mirova d'obligations mondiales vertes – Canada
- Fonds obligations durables bonifiées Nymbus
- Fonds Triasima actions mondiales tous les pays sans énergie fossile
- Gouvernement du Canada
- Mirova actions mondiales durables
- Province de l'Ontario

Billions invested, thousands of homegrown businesses

1,574
NUMBER OF COMPANIES SUPPORTED BY DEVELOPMENT CAPITAL INVESTMENTS

$3.15B
DEVELOPMENT CAPITAL INVESTMENTS
(including commitments, guarantees, and sureties)

Main risks

The main risks associated with Fondaction shares are: (a) risks related to the characteristics of the shares, including the absence of a public market for the shares and the fact that they may only be redeemed or purchased on a private basis in certain circumstances; (b) risks related to the investments made by the Fund, including the possibility that they may not generate the expected returns; and (c) risks arising from the Fund's ongoing operations, including those of its manager, such as the risk of losses resulting from operational failures. The main risks are described in section 8 of the prospectus available at fondaction.com/prospectus.

No guarantees

Like most investment funds, Fondaction doesn't provide any guarantees. The value of the Fund may increase or decrease. You may lose money. However, this will not affect tax credits that have already been obtained.

FUND SUMMARY

as at June 23, 2026,
following the fiscal year ended May 31, 2026

What has been the Fund's return to the shareholder?

This section presents Fondaction's return to the shareholder over the past 10 years, after expenses have been deducted, but before tax credits. These expenses reduce the Fund's return to the shareholder.

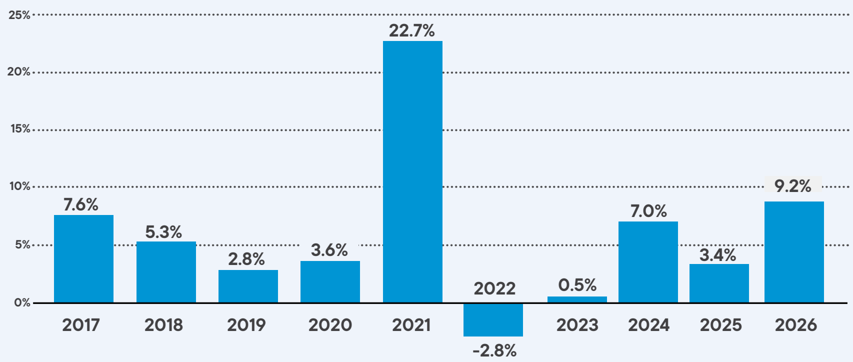
It is important to note that Fondaction's past return to the shareholder is not necessarily indicative of how the Fund will perform in the future. Also, your actual after-tax return will depend on your personal tax situation.

Average return

As at May 31, 2026, the Fund's compound return to the shareholder was **5.7% for the past 10 years**, which means that if you invested $1,000 in these shares 10 years ago, your investment would be valued at $1,749 today.

Annual returns

The following chart shows the Fund's annual return to the shareholder and illustrates how such return has changed from period to period for the past **10 financial years** ended May 31. The returns shown and their annual variation can help you assess how risky Fondaction's shares have been in the past. However, they do not tell you how Fondaction's shares will perform in the future.



On a financial year basis, Fondaction's shares dropped in value for one of the last 10 years.

The shares' value is determined twice a year.

Who is Fondaction for?

For individuals 18 years of age or older who are residents of Québec, **can generally afford to keep their shares until retirement** and have a certain tolerance for risk, including:

- workers wishing to promote investment in companies in order to **foster the creation, maintenance or preservation of high-quality jobs in Québec** from a sustainable development perspective;
- people who want their **savings to contribute to the positive transformation of society** through a **fairer, more inclusive, greener and more performant economy**;
- **Quebecers** who are looking for an **RRSP-eligible investment** that offers (RRSP or non registered savings plan) an **additional tax benefit** in the form of tax credits, subject to their eligibility.

Are Fondaction shares redeemable?

A shareholder may request at their option the redemption of their shares under the circumstances set forth in the Act. Also, under the circumstances provided for in policies adopted by the Fund's Board of Directors and approved by the Québec Minister of Finance, a shareholder and Fondaction may agree to a purchase by agreement, and Fondaction may, at its option, redeem a shareholder's shares.

For a redemption in situations of retirement, pre-retirement or when reaching the age of 65, a minimum holding period of the shares applies. Depending on the redemption date, this minimum holding period may vary between two and five years.

For details on the requirements and required evidence for each criterion, please refer to the prospectus at fondaction.com/prospectus. Fondaction's Shareholder Services can also provide you with more information on the circumstances and options for redeeming or purchasing shares.

CRITERIA FOR A REDEMPTION AT THE SHAREHOLDER'S OPTION

- 65 years of age ▸ Retirement or pre-retirement ▸ Severe and prolonged disability
- Death ▸ Death of the person who contributed to a spousal RRSP
- Redemption within 60 days of subscription ▸ RRSP maturity

CRITERIA FOR A REDEMPTION AT THE SHAREHOLDER'S OPTION

- Redemption of pension credits ▸ Home Buyers' Plan (HBP) ▸ Terminal illness
- Ineligibility for tax credits ▸ Capital injection ▸ Emigration from Canada
- Decrease in family income ▸ Recourse taken by a creditor
- Extraordinary and unexpected necessary health expense
- Loss ▸ Return to studies/LLP
- Decrease in net or gross income

A word about taxation

- You are responsible for ensuring that your Fondaction share subscriptions are eligible to labour-sponsored fund tax credits of 15% at the Québec level and 15% at the federal level and for RRSP-related deductions.
- The maximum amount eligible for tax credits for a given year is $5,000.
- The situations under which you would not be eligible for tax credits are described in section 9.1 of the prospectus available at fondaction.com/prospectus and include, without limitation, having reached the age of 65, having redeemed shares due to retirement, pre-retirement or disability, or, for tax credits claimed as of the 2027 taxation year, having taxable income exceeding the prescribed threshold. A summary of these situations is also available at fondaction.com/taxcredits.
- The redemption or purchase by agreement of your Fondaction shares entails a disposition of those shares for tax purposes whereby a capital gain or loss may result if the value of your shares at the time of redemption or purchase by agreement differs from the amount paid to acquire them and they were not registered in an RRSP.

How much does it cost?

The following table shows the fees associated with acquiring, holding, or selling the Fund's Class A shares – Series 1 and Series 2.

FEES PAYABLE BY THE INVESTOR
as at May 31, 2026

•Participation fees for new shareholders	None
•Annual fees	None
•Redemption or transfer fees	None
•Fees for transferring to an RRSP	None
•Fees for opening an RRSP	None

EXPENSES TO FONDACTION

You do not pay these expenses directly. However, they affect you because they reduce Fondaction's return to the shareholder. As at May 31, 2025, expenses to Fondaction, including the total operating expense ratio of 2.33% and the trading expense ratio of 0.00%, translate into expenses of $23.20 for each $1,000 investment. The total operating expense ratio attributable to Fondaction's activities was 2.23% on May 31, 2026. Fondaction expects to pay the costs relating to the current issuance from its working capital as operating expenses.

What if I change my mind?

Fondaction is required to redeem your shares, at your request, at the purchase price, provided that you submit a written application within 60 days of the date of your subscription or of your first payroll deduction, as the case may be, by completing Fondaction's "Share redemption application – Redemption within 60 days of subscription" form.

For more information, please refer to our prospectus or consult a legal advisor.

Information

Fondaction
Giving money meaning.

Shareholder Services
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Montréal, Québec H2K 4S3
Telephone: 514-525-5505 • Toll-free: 1 800-253-6665
fondaction.com

You can find further details in the Fund's simplified prospectus. For a copy, visit fondaction.com/prospectus or contact us.