Canadian Equity High Conviction

Desjardins Global Asset Management

Strategy summary

The strategy aims to build a portfolio of Canadian securities reflecting a high conviction approach. It is based on a bottom-up fundamental approach and rigorous analysis focused on company quality and valuation.

The manager favours stocks from companies that are strong and established in their sector. The degree of conviction in each stock and the sector fundamentals determines the sector allocation and the overall construction of the portfolio. The manager aims to avoid macroeconomic or sectoral bets.

Index	S&P/TSX Composite Index
Value-added target	2.0% over a four-year period
Canadian stocks	Minimum 90%
Foreign stocks	Maximum 10%
Cash	Maximum 10%
Sector	7 sectors minimum
Active risk	Minimum 2%
Number of stocks	25 to 35

May 14, 2019
Strategy inception

$1,408.3 M
Strategy AUM

July 31, 2023
Institutional fund inception

$59.1 M
Fund AUM

Top picks positions

- Stocks with multiple catalysts
- Aims to outperform the benchmark index each year
- Short-term horizon (1-3 years)

Core positions

- High-quality companies with top-tier business models
- Aims to outperform the benchmark index over a full economic cycle
- Long-term horizon (5 years and beyond)

Responsible investment

Integration of ESG factors: ESG factors are taken into account in fundamental research and incorporated into securities analysis. In some cases, they may lead to the exclusion or sale of a security.

Shareholder engagement: In collaboration with the responsible investment team, we encourage companies to improve their consideration of ESG criteria.

Exclusions: tobacco and controversial weapons

Returns

(In %)	3 months	YTD	1 year	2 years	3 years	5 years	10 years	Since inception
Portfolio	2.93	24.24	24.24	23.91	19.98	16.43	---	14.64
Index	6.25	31.68	31.68	26.53	21.40	16.08	---	13.95
Added value	**(3.32)**	**(7.44)**	**(7.44)**	**(2.62)**	**(1.42)**	**0.34**	**---**	**0.69**

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Portfolio	23.66	12.48	(1.90)	26.23	7.39	---	---	---	---
Index	21.65	11.75	(5.84)	25.09	5.60	---	---	---	---
Added value	**2.01**	**0.73**	**3.94**	**1.14**	**1.79**	**---**	**---**	**---**	**---**

The returns shown are those of a model portfolio, which started on May 14, 2019. Returns for periods longer than 12 months are annualized.

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Risk measures and statistics

	Portfolio	Index
Beta	1.0	1.0
Standard deviation (%)	8.6	8.2
Information ratio	(2.1)	---
Active risk (%)	2.9	---
Upside capture (%)	84.5	---
Downside capture (%)	134.0	---
Dividend yield	2.0	2.2
Market capitalization ($M)	114,617	102,002
Number of securities	36	218

Investment team

Tommy Nguyen, B. Eng., MBA
Vice President and Head of Global Equities
Experience: 2004

Frédéric Dupont, CFA
Associate Portfolio Manager
Experience : 2018

Adam Poulin, M.Sc., CFA
Associate Portfolio Manager
Experience : 2018

With the support of a team of investment professionals dedicated to global equities and the responsible investment team.

Contact us

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Portfolio positioning

Sector (%)	Portfolio	Index
Financials	31.6	33.1
Energy	14.5	14.8
Industrials	12.9	10.5
Materials	16.0	18.1
Information technology	9.5	9.7
Consumer staples	2.3	3.3
Consumer discretionary	4.9	3.3
Real estate	0.0	1.5
Utilities	2.6	3.4
Communication services	2.0	1.9
Health Care	1.6	0.3

Top holdings	Sector	%
Royal Bank of Canada	Finance	8.7
Toronto-Dominion Bank	Finance	6.4
Enbridge Inc.	Energy	6.0
Shopify Inc.	I.T.	5.9
Agnico Eagle Mines Ltd	Materials	5.4
Canadian Natural Resources Ltd	Energy	4.2
Brookfield Corporation	Finance	4.0
Canadian Imperial Bank of Commerce	Finance	3.5
Wheaton Precious Metals Corp	Materials	3.4
Manulife Financial Corporation	Finance	3.2

Source : DGAM, in CAD, December 31, 2025

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