

Sustainable Bonds



Strategy summary

- Active management approach combining duration positioning, yield curve management, and sector allocation to diversify sources of value added while adhering to a sustainability framework.
- Targeted exposure to issuers and projects addressing sustainability challenges, aiming to combine positive impact with financial performance.
- Risk taken based on analyst recommendations and relative value targets.

Index	FTSE Canada Universe Bond
Value-added target	0.50% over a four-year period
Style	Top-down approach
Duration	±1 year vs the index
Sustainability-themed bonds	≥ 80%

January 29, 2026
Strategy inception

\$19.7M
Fund AUM

Sustainable investing



Investment universe

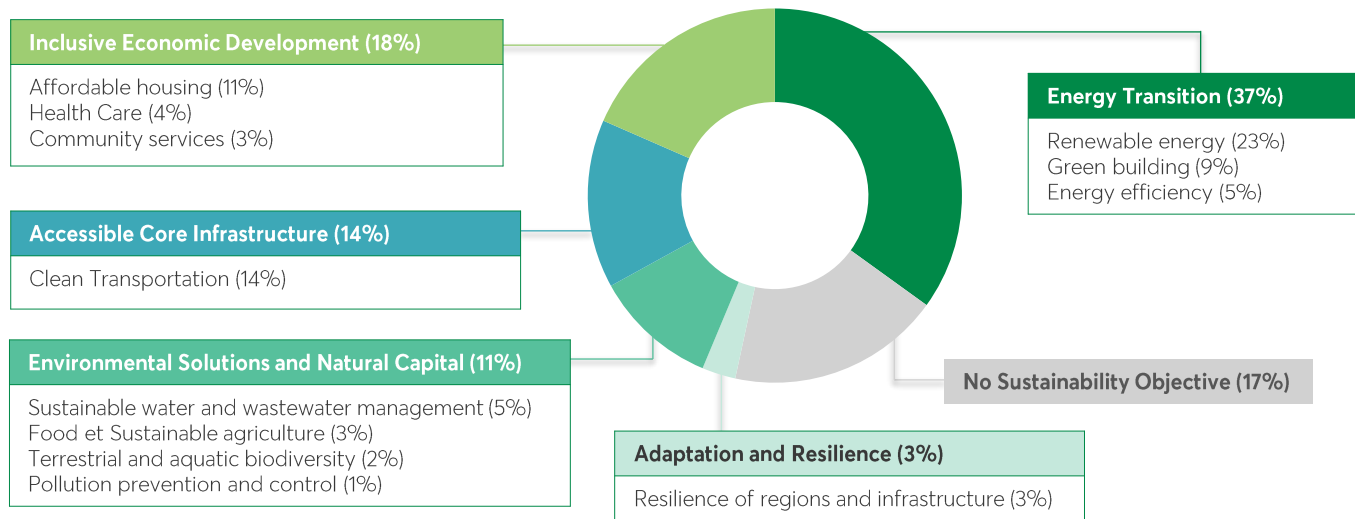
- Labelled bonds.
- Non-labelled bonds but considered sustainable under a defined sustainability framework.
- Government and corporate emissions assessed and approved according to an internal ESG methodology.



Approach

- Thematic: based on DGAM's sustainability framework, inspired by recognized principles such as those of the ICMA and the Climate Bonds Initiative standards.
- Exclusions¹, ESG integration and engagement.

Portfolio Allocation²



¹ See the DGAM Sustainable Bond Fund investment policy for more information. The application of some exclusions may vary depending on a revenue tolerance threshold.

² The allocation reflects labelled and non-labelled bonds that are nevertheless considered sustainable under a sustainability framework defined by DGAM. This methodology is specific to DGAM and relies on the level of disclosure provided by issuers in the portfolio.

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Risk measures and statistics

	Portfolio	Index
Duration (years)	7.0	7.0
Average coupon (%)	4.1	3.5
Yield to maturity (%)	3.8	3.6
Average credit rating	AA	AA
Carbon footprint ³	13.0	226.7

Investment team

Simon Garneau, M. Sc.

Senior Portfolio Manager and Team Leader
Experience: since 1996

Francis Scott, CFA

Portfolio Manager
Experience: since 2000

The strategy managers work alongside the fixed income team, made up of portfolio managers and credit analysts. They are supported by the responsible investment team.

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Portfolio positioning

Allocation by issue type (%)	Portfolio
Labelled green bonds	46.9
Labelled social or sustainable bonds	10.1
Non-labelled sustainable bonds	25.8
Other bonds*	17.1
Cash	0.2

* Bonds without sustainability objectives, issued by governments or companies that have been evaluated and approved in collaboration with DGAM's RI team.

Allocation by credit rating (%)	Portfolio	Index
AAA	38.2	44.9
AA	21.6	28.7
A	21.9	15.6
BBB	13.9	10.8
BB and less (incl. non-rated)	4.5	0

Allocation by term (%)	Portfolio	Index
Less than 1 year	0.0	0
1 to 5 years	36.1	43.1
5 to 10 years	38.4	31.1
More than 10 years	25.5	25.8

Source: DGAM, in CAD, June 30, 2026

³Weighted Average Carbon Intensity (WACI). Our internal methodology assigns a zero-carbon intensity to green bonds. For other labelled bonds, the carbon intensity corresponds to that of the issuer. Only corporate bonds are considered in the calculation of the carbon intensity.

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