OPTIMUM®

Global Asset Management

Sustainable Investment **Annual Report**

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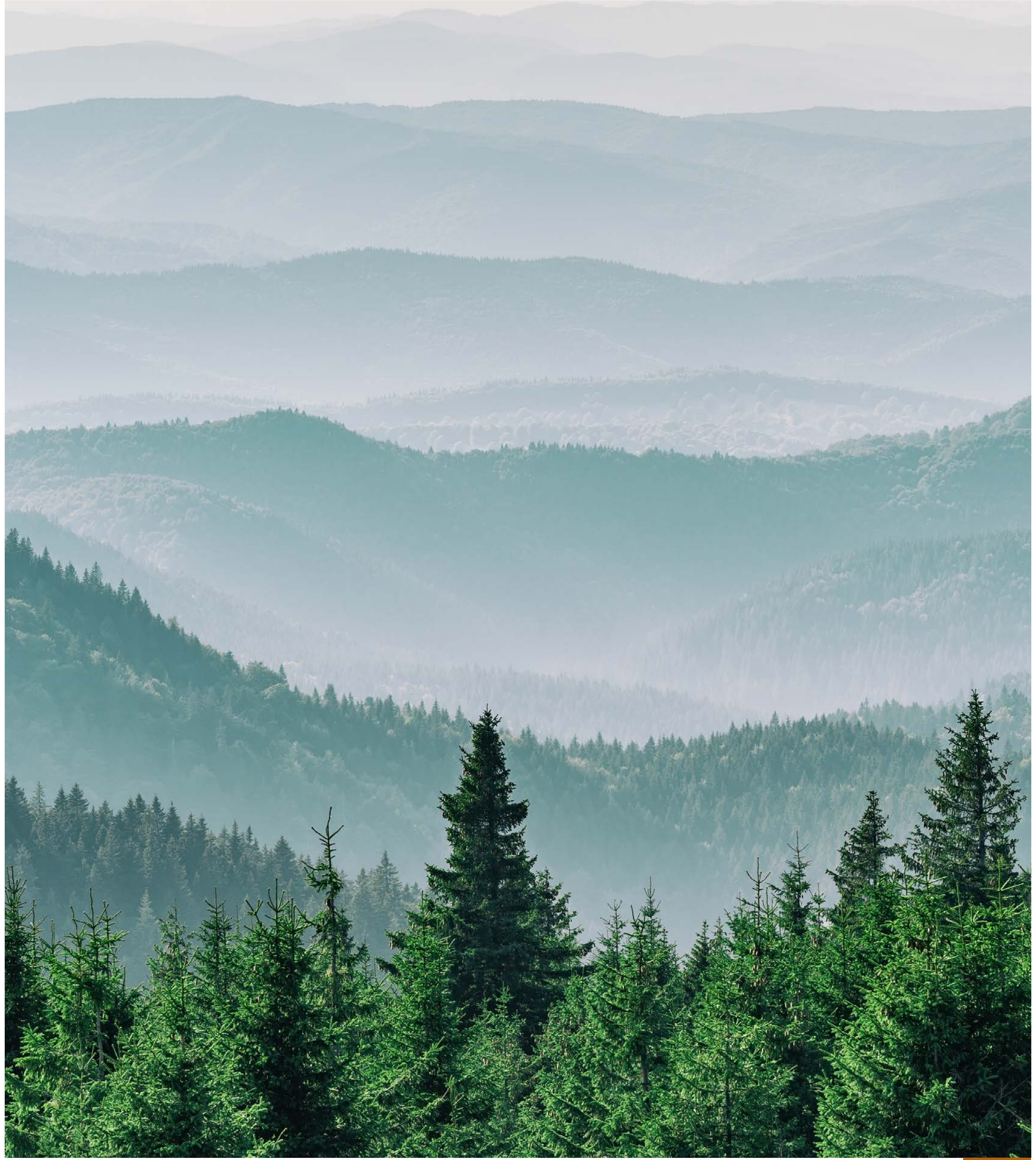


President’s Message

In a political context where the climate crisis continues to spark intense debate, we reaffirm our strong commitment to responsible investing. At Optimum Asset Management, we know that sustainability is a cornerstone of prudent, forward-looking management.

The 2025 survey by the Responsible Investment Association (RIA) confirms this: two-thirds of Canadians are now interested in responsible investing, with particularly strong interest among younger generations and rapidly growing interest among those aged 55 and over. Yet many still acknowledge that they lack sufficient information. For us, this represents both a responsibility and a unique opportunity to guide investors toward ethical choices that combine performance, risk management and alignment with their values.

This year also marks a key milestone: the acquisition of Maison Optimum, our new LEED Gold-certified global headquarters. Located in the heart of Montréal and connected to the underground pedestrian network, it embodies our vision of sustainable growth and an exemplary work environment.

We are also accelerating our transition to digital communications and offsetting emissions related to our activities through a reforestation partnership. Our community engagement continues as well, particularly with Maison Marguerite and urban greening initiatives.

In the face of global crises—conflicts, destruction and human rights violations, such as those currently affecting Iran—we have chosen to redouble our efforts. These events remind us that sustainability is not an abstract concept: it is a necessity. More than ever, we must act decisively to build a resilient future.

In 2026, our mission remains clear: to offer investment solutions that combine performance, discipline and positive impact. Together, we will help build a sustainable future for generations to come.

François Bourdon

FRANÇOIS BOURDON
President

Our Journey

2012

OAM becomes a signatory to the UNPRI, establishes its voting policy and selects GIR as a data provider.

2018

Integration of ESG factors and ratings into our Nautilus technology, to take into account clients' policies and constraints.

2019

Publication of our first annual ESG report.

Conducting a best practices audit by an independent firm (GIR) and publishing our Responsible investment policy.

2020

Establishment of a global responsible investment committee, led by the Global Chief Investment Officer.

2021

Incorporation of the 17 Sustainable Development Goals.

2023

Personalized Responsible Investment Report for our institutional clients.

Roundtable: next-generation sustainable strategies.

Partnerships with Aequo and ISS.

Two external experts added to the sustainable investment committee.

2025

Paper mailings and business travel will be offset through reforestation, ensuring carbon neutrality for our corporate travel.

Our partnership with CRABE made it possible to develop an initial biodiversity assessment framework applicable to Québec municipal issuers.

Institutional clients will have access to the carbon footprint of their portfolios.

Sustainability training was provided to employees by ED4S.

Key Highlights

We supported approximately 69%* of our votes on shareholder proposals related to environmental, social and governance (ESG) matters, excluding those opposing such proposals.

Our partnership with CRABE (Centre for Applied Research on Biodiversity and Ecosystems) enabled the development of a first draft of a biodiversity assessment framework applicable to Québec municipal issuers. This framework is intended to identify and recognize municipalities that contribute to the preservation, restoration, or enhancement of biodiversity within their territory.

All OAM employees completed sustainability training tailored to their role, representing 54 hours of training, delivered by local company ED4S.

Our institutional clients, over the next year and through 2027, will have access to the carbon footprint of their bond portfolios in order to support informed decision-making, reduce environmental impact and actively contribute to the climate transition.

Paper mailings and business travel will be offset through a reforestation program with a partner company, ensuring the carbon neutrality of corporate travel.

Nearly 40 participants attended a conference on biodiversity led by Jérôme Dupras.

*Source: *Groupe Investissement Responsable* (GIR)

Optimum Financial Group's Social Commitment

Corporate Commitment

Our commitment is grounded in clear objectives designed to raise employee awareness and promote tangible actions. We cultivate an inclusive environment where everyone feels valued. Guided by a commitment to building a sustainable future, we deliver on these priorities through measurable initiatives, as outlined in our Corporate Social Responsibility Report.

Philanthropic Commitment

$135,950 was raised for community organizations supported by Optimum Group and its employees.

Since March 2022, employees across the Optimum family have generously supported a shared cause: women who are vulnerable or experiencing violence. For the fourth consecutive year, our 2025 group-wide annual fundraising campaign was held across our offices in Canada, the United States and France, benefiting six regional organizations in the communities where we operate.

Sustainable Investment

Optimum is proud to support the Finance Montréal Investi Fund, an initiative dedicated to the advancement of sustainable finance. This initiative aims to foster the emergence and growth of investment strategies focused on ESG integration and sustainable finance.

Diversity and Inclusion Charter

Optimum values the diversity of its talent and is committed to providing an inclusive, equitable and accessible work environment. In 2023, a survey revealed that 18% of our employees identify as members of diverse groups. Three Optimum humanist events were organized in Montréal and Paris, including one involving Dallas and the rest of Canada, to promote inclusion, respect and dialogue.

Green Charter

Employees in Montréal, Paris, Dallas, Winnipeg and North Bay have launched numerous environmental initiatives. Since 2023, a Green Award has been recognizing eco-friendly actions. Training on recycling and digital note-taking has engaged over 250 employees, while nearly 100 have taken part in greening and urban clean-up activities, reinforcing our sustainability-driven organizational culture.

Optimum Asset Management’s Social Commitment

Eco-Responsible Initiatives

As part of our continued commitment to responsible and sustainable management, Optimum Asset Management has introduced a range of initiatives designed to reduce the environmental footprint of its operations. These efforts form part of a broader strategy to build a greener future within Optimum Asset Management. They mark important milestones in our environmental transition, and we remain open to ideas and suggestions to further enhance our ESG performance.

Offsetting Emissions Related to Business Travel

We chose to offset emissions related to our employees’ business travel by partnering with a specialized company. Using the tools provided, we were able to determine precisely the amount required to neutralize automobile travel as well as air travel undertaken in 2024. The contributions we will make will support reforestation projects in the boreal forest.

Reducing Paper Use

As part of our efforts to reduce resource consumption, eco-fees will now be applied to paper documents in order to encourage more sustainable practices. These fees will support reforestation initiatives in the boreal forest. In addition, all client documents will remain accessible at all times via the client portal.

Everyday Eco-Responsible Actions

We take our environmental impact seriously and aim to lead by example by adopting more sustainable practices. To this end, we introduced the “Guide to Eco-Responsible Best Practices in the Office,” enabling everyone to improve their daily habits and help make our offices greener. Every action counts: together, we can significantly reduce our environmental footprint.

Measurement of Our Portfolios' Carbon Footprint and Climate Risk Analysis

Leveraging the ISS platform and its data, we measure the carbon footprint of all public securities portfolios entrusted to us. We are also able to monitor opportunities and risks (both transition and physical) that could impact the value of these portfolios. We have also developed our own model for assessing the carbon footprint of Canadian government issuers. We expect that the carbon footprint of bond portfolios will be integrated into our institutional clients' quarterly responsible investment reports during 2026–27. This initiative reflects our commitment to providing a high level of transparency to our clients, equipping them with the information needed to make informed decisions, assess and reduce the carbon footprint of their portfolios, and actively support the climate transition.

Measurement of Our Portfolios' Carbon Footprint and Climate Risk Analysis (cont'd)

Our Carbon Footprint Methodology

Greenhouse gases (GHGs[1]) are gases that trap heat in the atmosphere and contribute to global warming. Their increase is mainly driven by human activities, particularly the use of fossil fuels, industrial processes and deforestation.

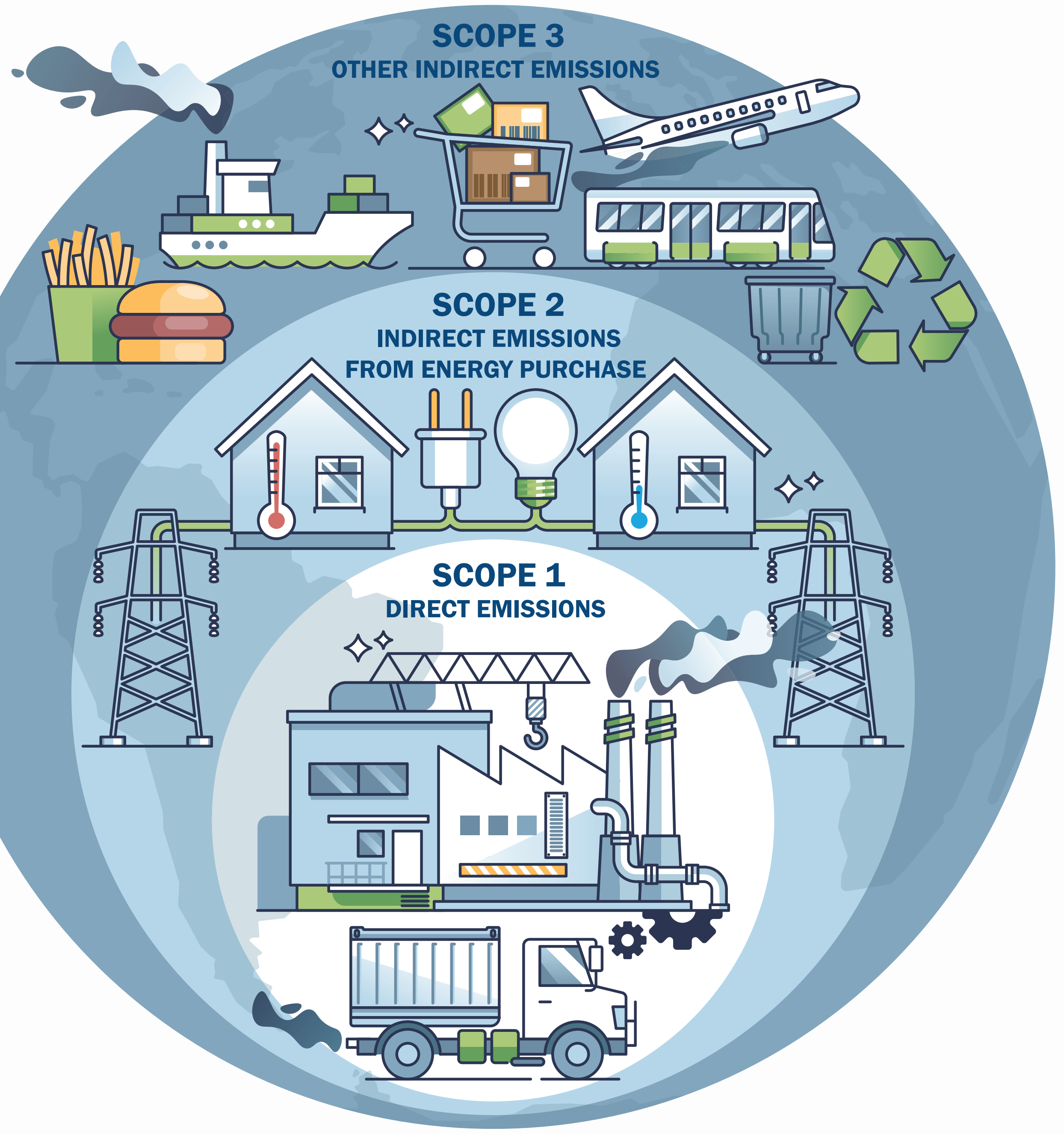
In this context, the financial sector plays a key role in directing capital flows. Investors indirectly contribute to emissions and have significant leverage to support the energy transition. Measuring the carbon footprint of portfolios is therefore central to responsible management aligned with climate objectives.

Optimum Asset Management's methodology, aligned with PCAF[2] and the GHG Protocol[3], is based on a proportional approach:

- **Equities and corporate bonds:** emissions are attributed based on ownership share (investment/EVIC[4]).
- **Government bonds:** estimates are based on relative exposure to GDP adjusted for purchasing power parity (PPP[5]).
- **Indicators:** publication of absolute GHG emissions and use of intensity metrics to compare portfolios and track their evolution.

Overall, this methodology represents a significant step toward integrating climate considerations into portfolio management and guiding investment decisions along a decarbonization path.
Its integration into quarterly responsible investment reports will enable regular, transparent and progressive monitoring of portfolio carbon footprints. While some limitations remain—particularly regarding data availability, comparability and assumptions—this framework provides a robust foundation that will continue to improve over time.

SCOPES OF EMISSIONS



[1] GHG: Greenhouse gases.

[2] PCAF (Partnership for Carbon Accounting Financials): A global standard for measuring, assessing and disclosing indirect GHG emissions associated with investments.

[3] GHG Protocol (Greenhouse Gas Protocol): An international protocol aimed at establishing a framework to better define greenhouse gas emissions, particularly those originating from industrial activities.

[4] EVIC (Enterprise Value Including Cash): Used to allocate emissions proportionally.

[5] PPP: Purchasing Power Parity.

Commitment to Sustainable Investing

Our portfolio managers invest responsibly by including environmental, social and governance risk factors – ESG factors – in their security selection process. We integrate the 17 United Nations Sustainable Development Goals (SDGs) into our selection process. In line with our values and philosophy, we're convinced that sustainable investment leads to better long-term results.

Our managers seek the long-term profitability of the companies in which they invest and, therefore, manage financial and non-financial risks proactively.

Optimum Asset Management wants the companies in which it invests on behalf of its clients to behave as good corporate citizens in the environments where they operate, in other words, to act responsibly and to take part in the economic and social life of their communities.

Source: United Nations

A Preference for Quebec Municipalities

We have a preference for Quebec municipalities because their emissions are often in line with the SDGs. Moreover, their bond issues help:

- support local infrastructure that provides key frontline services to communities (ESG impact); and
- create and support thousands of jobs and foster local purchasing and expertise.

Collaborative Partnerships

Principles for Responsible Investment (PRI)

The PRI's mission is to build a sustainable global financial system that promotes long-term value creation, sound governance and accountability. An independent, not-for-profit organization supported by the United Nations, it helps its signatories integrate ESG factors into investment decisions and engagement with markets and policymakers. We are proud to have been a UNPRI signatory since 2012.

Institutional Shareholder Services Inc. (ISS)

Founded in 1985, ISS supports institutional investors in their decision-making processes and governance practices by providing high-quality data, analysis and advisory services. ISS ESG supplies financial markets and research institutions with recognized carbon and climate data, as well as advanced portfolio analysis tools.

***Groupe Investissement Responsable* (GIR)**

GIR is Canada's leading independent proxy advisory firm. Since 2000, it has supported institutional investors in exercising their voting rights and provides ESG analysis and consulting services aimed at strengthening shareholder engagement and sustainability practices.

Æquo

Founded in 2015, Æquo is an independent firm and Québec leader in shareholder engagement. It conducts structured dialogue with companies to encourage the adoption of sustainable and equitable practices, drawing on a team of credible experts, a rigorous methodology and a strong network.

Center for Applied Research on Biodiversity and Ecosystems (CRABE)

Led by Professor Jérôme Dupras, the CRABE supports governments and private-sector stakeholders in understanding and integrating biodiversity-related issues. It generates applied knowledge, contributes to the training of experts and promotes the integration of biodiversity science into decision-making processes.

The corporate partnerships mentioned are provided for informational purposes and may be subject to change over time.

Our Sustainable Investment Governance Structure

The **Sustainable Investment Executive Committee** is composed of seven members representing various functional areas of the organization, such as human resources, senior management and investment.

This committee's mandate is to advise the investment teams on strategic directions related to the responsible investment approach applicable to the market, as well as on the resulting action priorities.

The **ESG and Restricted Securities Committee** ensures the integration of ESG criteria, oversees their application and provides ongoing feedback.

The **Investment Team** is responsible for the concrete integration of these principles into investment selection and management.

These three components benefit from the essential support of our Vice President, Responsible Investment, who develops opportunities and delivers training; our Compliance Team, which verifies rule implementation and audits our practices; and our Client Relations Team, which maintains dialogue with clients to address their specific sustainable investment needs. In addition, our external collaborators provide specialized support that strengthens our sustainable investment practices and enhances our expertise on technical issues such as biodiversity, shareholder engagement, ESG analysis and proxy voting advisory services.

Our Sustainable Investment Philosophy

Investment Process

Our security selection process is structured and rigorous, integrating several dimensions:

1. Systematic integration of ESG ratings
2. Prioritization of sustainable investments
3. Application of positive screening based on our sustainable investment convictions
4. Exclusion of certain companies in accordance with our responsible investment policy
5. Maintaining an optimal balance between return and responsibility

Sustainable Investing

The 17 United Nations Sustainable Development Goals provide our reference framework for contributing to a better and more sustainable future. These goals address global challenges such as poverty, inequality, climate change and access to health care.

We integrate these goals into our fixed-income portfolios and systematically measure their achievement. Our portfolio managers prioritize government issuers financing projects with positive social impact and engage in dialogue with issuers to better understand their societal contribution and risk management.

Stewardship

Stewardship refers to the use of investors' rights and influence to protect and enhance long-term value for clients and beneficiaries, including the economic, social and environmental systems on which their long-term interests depend. Stewardship activities may include engagement with portfolio companies, proxy voting, and other forms of investor oversight aimed at improving long-term outcomes and encouraging responsible corporate behaviour.

CFA Institute. (2020). Stewardship 2.0: Awareness, effectiveness, and progression of stewardship codes in Asia Pacific (v1.0.2). CFA Institute : https://rpc.cfainstitute.org/sites/default/files/-/media/documents/article/position-paper/stewardship.pdf

AEquo

As part of our stewardship activities, we work with Æquo, a firm specializing in shareholder engagement and responsible governance. Æquo supports us in dialogue with portfolio companies as well as in the analysis of ESG issues. This collaboration enables us to strengthen our role as a responsible investor by promoting the adoption of sustainable business practices and contributing to the creation of long-term value for our clients and for society. Please see the case study on the following page.

► Refer to our Policy of Engagement (French only)

GIR

As part of the exercise of our proxy voting rights, we work with the *Groupe Investissement Responsable* (GIR). This collaboration gives us access to independent analyses and recommendations regarding resolutions submitted at shareholder meetings. Through this process, we are able to exercise our voting rights in an informed manner and in alignment with responsible investment principles, thereby helping promote sound governance practices and sustainable long-term value creation. Please see the case study on page 16.

► Refer to our Proxy Voting Guidelines (French only)

Case Study: Shareholder Engagement

æquo
Services d'engagement actionnarial

Issue: Human Rights in the Supply Chain

From Dialogue to Human Rights Governance

In response to risks related to its supply chain, we had for several years been asking Dollarama to appoint a human rights officer responsible for overseeing the due diligence process. In 2025, the company structured its approach and strengthened its governance on this issue: a human rights specialist was hired to conduct a diagnostic review of existing practices, a dedicated responsible sourcing role was created and mandatory human rights training was rolled out to the entire procurement team.

A second dimension of this engagement focused on identifying risks in the supply chain, particularly by expanding the assessment to indirect suppliers. Dollarama made significant progress in this area by gaining visibility into risks associated with certain tier-2 suppliers through collaboration with its trading agents. We encouraged the company to extend its audits to more indirect suppliers—which it appeared to be considering at the time—and to publish the results of these assessments. In 2025, the Group also strengthened its risk analysis framework by developing, for example, a country risk rating.

Next Steps: Dollarama must continue increasing its visibility into risks by engaging with workers in its supply chain, extending audits to more indirect suppliers and further systematizing its process by conducting risk assessments prior to establishing any business relationship.

DOLLARAMA

Objectives:

Appoint a human rights officer responsible for overseeing the due diligence process.

Conduct a human rights risk assessment covering the supply chain.

Carry out supplier audits.

Source: The information on this page was drawn from Æquo, *2026 Action Plan Presentation*.

Case Study: Proxy Voting

Issue: Insufficient Alignment Between Executive Compensation and Company Performance

Opposition to The Advisory Vote on Executive Compensation

Following a comprehensive analysis of the compensation plan proposed by the Board of Directors, several significant deviations from our policy were identified. The variable compensation cap could exceed 200% of base salary, contrary to our guidelines and directors were granted broad discretionary power in awarding bonuses. These elements highlighted a disconnect between compensation and company performance, as well as a lack of discipline in the incentive structure.

Shareholder Dissatisfaction

The proposal received only 40% support, a particularly low result for an advisory vote on compensation. This level of support reflects a loss of shareholder confidence in the compensation policy and sends a clear signal to the Board regarding the need for stronger alignment with long-term performance.

Voting Decision

Given these findings and in accordance with our policy, a vote against the proposal was recorded. This case illustrates how a weak say-on-pay result can become a lever of influence to encourage more rigorous governance and greater Board accountability.

WARNER BROS. DISCOVERY

Objectives:

Strengthen alignment between executive compensation and the company's financial and sustainability performance.

Further regulate variable compensation (caps, criteria, transparency).

Reduce Board discretion in bonus allocation.

Improve transparency and clarity of the compensation policy.

Source: The information presented on this page is drawn from the *Voting Report – Q4 2025* produced by GIR.

Focus On: Short Term Bond Heritage ESG

Strategic Bias

The strategy maintains a structural bias toward high-quality credit, favouring issuers that are financially sound and demonstrate strong ESG practices.

It also adopts a positioning focused on the short end of the yield curve, helping reduce volatility and preserve capital.

Tactical Management

Tactical management relies on a full range of fixed-income instruments, including:

- high-quality corporate bonds,
- high-yield securities when market conditions justify them,
- hybrid securities,
- as well as Maple bonds.

This flexibility makes it possible to optimize returns while respecting risk constraints and ESG criteria.

The Short Term Bond Heritage ESG strategy sits at the heart of Optimum Asset Management's sustainable offering. It combines a traditional active management approach with rigorous integration of environmental, social and governance factors.

Risk Management

The strategy relies on rigorous diversification and the search for negative correlations among different asset classes in order to reduce the portfolio's sensitivity to market shocks. Risk management is embedded at every stage of the process, from both a financial and ESG standpoint, including the assessment of climate change-related risks and support for the transition to a more sustainable economy.

Technology and Market Efficiency

The management team leverages advanced technological tools to identify and capitalize on market distortions, improve analytical precision and optimize portfolio construction.

This use of technology strengthens the strategy's ability to generate value while maintaining rigorous ESG discipline.

Focus On: Short Term Bond Heritage ESG

53.8% Weight of sustainable bonds

Sustainable development intentions

Sustainable management

21%
- Clean water and sanitation
- Affordable and clean energy
- Responsible consumption and production

Universal values

6%
- Quality education
- Gender equality
- Reduced inequality
- Peace, justice and strong institutions

Essential needs

2%
- No poverty
- Zero hunger
- Good health and well-being

Development

18%
- Decent work and economic growth
- Industry, Innovation and Infrastructure
- Sustainable cities and communities
- Partnership for the goals

Ecosystem

6%
- Climate action
- Life below water
- Life on land

ESG rating and momentum

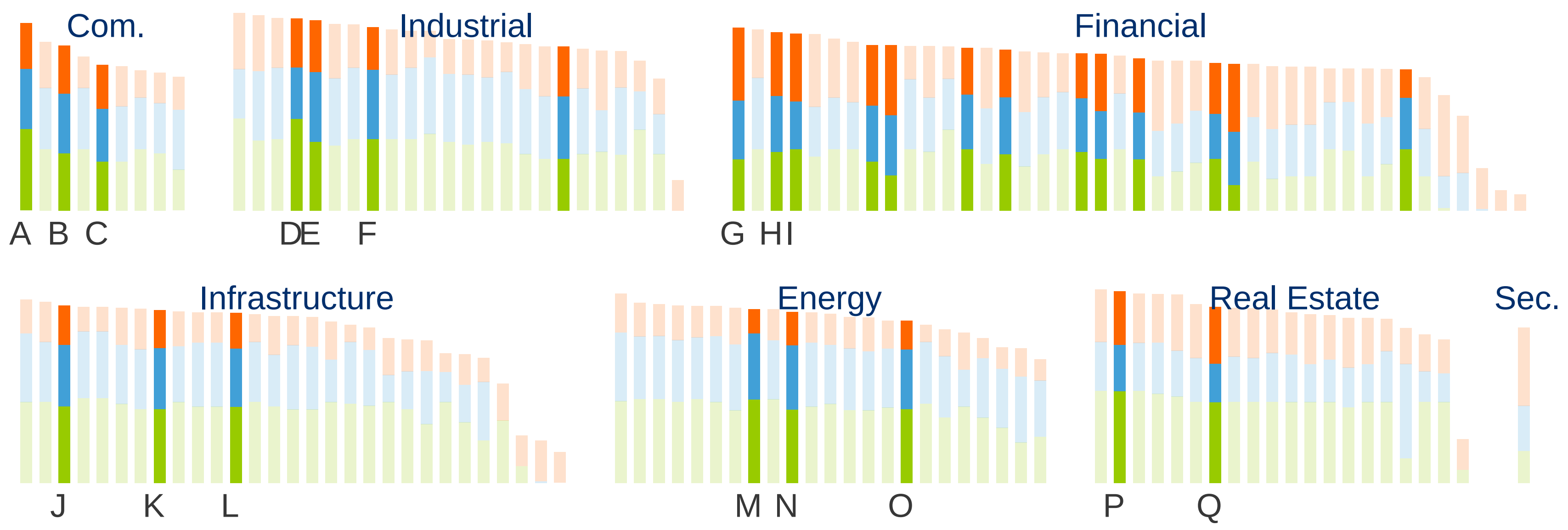
0.28 Excess ESG rating over the benchmark index

0.14 ESG momentum

	Aggregate		Environment		Social		Governance	
Portfolio	8.23	13	8.77	-18	8.74	55	7.31	6
Index	7.96	8	8.70	-13	8.50	41	6.82	2
Excess	0.28	5	0.06	-5	0.23	14	0.49	3

The ESG rating is calculated on a scale of 0 to 10. We obtain the ESG momentum by replacing the rating by the differential over the past two years for each security and express it in hundredths.

ESG selection



A coloured (or semi-transparent) bar represents the ESG rating of a company in the portfolio (or in the benchmark index).

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