Goodwood – Investment-Grade Bonds

Updated: July 15, 2025

OBJECTIVE

The Goodwood investment-grade bond mandate's objective is to preserve capital and provide a high rate of cash coupon income. Goodwood uses a disciplined, fundamental, bottom-up approach to constructing investment-grade bond portfolios that they believe will reward investors with capital gains due to credit improvements and credit rating upgrades. The strategy is well diversified in position size, industry sectors and term-to-maturity. The portfolio invests in very liquid issues; for safety, the portfolio may invest in Canadas or Provincials and manages duration exposure rather than create a perpetual short-duration portfolio. The flexible, tactical approach allows the mandate to capitalize on inefficiencies in fixed-income markets. The mandate invests in approximately 25 investment-grade fixed-income securities, targeting 150-200 basis points returns over 5-year Canadas.

PORTFOLIO CONSTRUCTION

The Goodwood investment-grade bond mandate is actively positioned within a portfolio of highly liquid issues, with an average yield-to-maturity expected to fluctuate between 3.5% and 5%, reflecting the manager's assessment of risk-reward dynamics across the yield curve. Currently, the Manager has positioned the portfolio to be below market duration.

PERFORMANCE

Compound Return (%) June 30, 2025	1 Mo	YTD	1 Yr	3 Yr	Since Inception*	Yield to Maturity	Effective Duration
Investment-Grade Bond UMA	**0.4**	**2.7**	**7.9**	**5.0**	**2.6**	**4.0**	**4.5**
iShares Core Canadian Universe Bond ETF	0.0	1.4	6.0	4.2	0.3	3.6	7.1
iShares Canadian Corporate Bond ETF	0.3	2.2	8.0	6.2	1.8	4.1	5.6

*Inception: June 22, 2021. Since inception performance for iShares Core Canadian Universe Bond Index ETF & iShares Canadian Corporate Bond Index ETF calculated from June 30, 2021.

Note: The Investment Grade Bond Mandate is part of a Third-Party UMA Program, Goodwood Inc. acts as sub-advisor for this Mandate. Performance returns above are displayed for the founding Investment-Grade Bond UMA (founding UMA), gross of fees and referencing sources believed to be reliable. Performance returns may vary from the founding UMA due to variations in the percentage of each security held, the timing and pricing of security purchases and sales, and account fees. Performance is not guaranteed, and past performance is not indicative of future results and may not be repeated. Performance data from certain market indices/ETFs is provided for information purposes only. These ETFs are not a benchmark of the UMA portfolio but rather are displayed for comparison purposes to the broad market.

HOLDINGS, SECTOR BREAKDOWN & CREDIT RATING

Security	Weight	Moody's	Fitch	S&P	DBRS	Sector
407 International CB 3.43% 06/01/2033	4%			A	A	Industrials
Bell Canada 4.55% 09/02/2030	4%	Baa1		BBB+	BBB (high)	Technology
BMW Canada Inc 4.41% 02/10/2027	4%	A2		A		Consumer Cyclicals
CAE Inc C28 5.541% 06/12/2028	4%			BBB-		Industrials
Canada Housing Trust 3.65% 06/15/2033	4%	Aaa		AAA	AAA	Financials
Choice Properties REIT 6.003% 06/24/2032	4%			BBB+	BBB (high)	Real Estate
CPPIB Capital Inc 2.25% 12/01/2031	4%	Aaa		Aaa	AAA	Financials
Dollarama C29 2.443% 07/09/2029	4%				BBB (high)	Consumer
Granite REIT Holdings LP 6.074% 04/12/2029	4%	Baa2			BBB (high)	Real Estate
Honda Canada Financial 4.899% 02/21/2029	4%	A3			A (high)	Financials
Hydro One 4.39% 03/01/2034	4%	A3		A	A (high)	Utilities
Hyundai CB 4.895% 01/31/2029	4%	A3	A-	BBB+		Financials
Loblaw Co CB 4.488% 12/11/2028	4%			BBB+	BBB (high)	Consumer
Magna International C30 4.95% 01/31/2031	4%	A3		A-	A (low)	Consumer Cyclicals
Manulife Bank 4.546% 03/08/2029	4%			A+	AA (low)	Financials
Ontario Power Generation 4.922% 07/19/2032	4%	A3		BBB+	A (low)	Utilities
Province of B.C. MTN 5% 06/18/2031	4%	Aa1		AA-	AA (high)	Government Activity
RBC 4.632% 05/01/2028	4%	A1	AA-	A	AA	Financials
Rogers Comm CB 4.25% 04/15/2032	4%	Baa3	BBB-	BBB-	BBB (low)	Technology
Saputo CB-29 5.25% 11/29/2029	4%	Baa1			BBB (high)	Consumer
Suncor Energy 5% 04/09/2030	4%	Baa1	BBB+	BBB	A (low)	Energy
Telus Corp 4.95% 02/18/2031	4%			BBB		Technology
Toyota Credit Canada 4.44% 06/27/2029 □	4%	A1		A+		Financials
Vancouver Airport Authority CB 1.76% 09/20/2030	4%			AA-	AA (low)	Industrials
Whitecap Resources Inc. 5.505% 06/21/2034	4%				BBB (low)	Utilities

Information presented is intended to show target weightings for the model portfolio. Model portfolio holdings are subject to change.

PORTFOLIO MANAGER

Goodwood Inc. ("Goodwood"), founded in 1996, is one of Canada's first alternative investment managers. Our primary objective is to increase wealth through investment in undervalued securities. We seek to achieve our objective by consistently adhering to our unique and successful investment approach to maximize income while also offering investors the benefit of portfolio diversification and capital growth. Our strategy aims to generate idiosyncratic return profiles with low correlation to the broader market over the long term. Our investment approach focuses on preserving capital through rigorous investment analysis on a position and portfolio basis.

Chris Currie, CFA, brings over 30 years of fixed-income experience managing corporate bond portfolios in Canada. Chris is the lead portfolio manager of the multiple award-winning fixed-income funds, the Goodwood Milford Fund LP and the Goodwood Milford Fund Trust. Before founding the Milford Funds in 2006, Chris was a portfolio manager at TAL Global Asset Management Inc. and before that, a portfolio manager at the Ontario Municipal Employees Retirement System ("OMERS") pension plan and ran the corporate bond research group at CIBC World Markets. Chris holds a Bachelor of Arts from Western University, a Law Degree from Osgoode Hall Law School, York University, and the Chartered Financial Analyst (CFA) designation.