



2023

# Impact Report

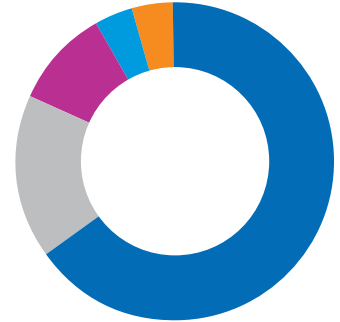
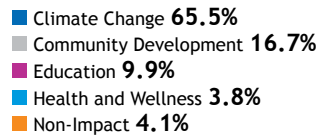
## Impact Fixed Income Pooled Fund



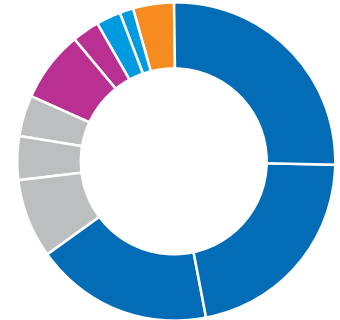
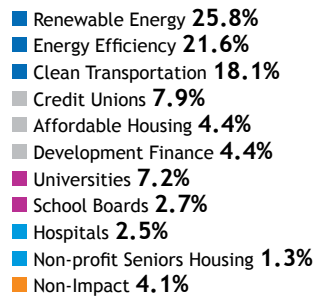
### Quarterly Commentary

- Corporate spreads narrowed during the first two months of the quarter but widened in March due to turmoil in the banking sector.
- Actively managing duration management with a slightly longer tilt during the quarter added relative value as rates fell across the curve.
- The overweight allocation to the corporate sector slightly hurt performance in the last month of the quarter as credit spreads widened due to concerns about the banking sector.
- Underlying security selection within the corporate holdings was negative due to an overweight allocation to financials.

### Investments by Theme



### Investments by Focus Area



Source: Addenda Capital Impact Fixed Income Fund

### Impact Metrics<sup>1</sup> for Selected Portfolio Holdings



**216,194 GWh** of renewable energy produced on site

Hydro-Québec (2022)



**419,319 tests** administered of COVID-19 detection

The Hospital for Sick Children (2022)



**175 units** of non-profit seniors housing

Clifton House (2022)



**8,183 degrees** conferred

Concordia University (2022)

<sup>1</sup> Impacts do not reflect our proportional investment, and thus relate to the investment entity in its entirety.

# Spotlight

## Sun Life Financial

<b>Theme</b>	Climate Change, Health and Wellness
<b>Focus Area</b>	Renewable Energy, Energy Efficiency and Hospitals
<b>Description</b>	Sun Life Financial Inc issued a sustainability bond framework back in 2019 with the program aimed at four areas of sustainable investments: Renewable Energy, Energy Efficiency, Green Buildings and an Access to Essential Services. The company subsequently issued a \$750M sustainable bond the same year which is currently fully invested in these four categories of sustainable investments.
<b>Impact Metric</b>	Annual GHG emissions reduced or avoided: 66,567 metric tons of CO <sub>2</sub> e. New Patient Beds and Available Shelter Apartments: 155.
<b>SDG<sup>2</sup> Alignment</b>	Goal 3: Ensure healthy lives and promote well-being for all at all ages. Goal 7: Ensure access to affordable, reliable, sustainable and modern energy. Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation. Goal 11: Make cities inclusive, safe, resilient and sustainable. Goal 13: Take urgent action to combat climate change and its impacts.
<b>Investment Metrics</b>	Coupon: 2.38% Maturity: 2029-08-13



## Lower Mattagami Energy

<b>Theme</b>	Climate Change
<b>Focus Area</b>	Renewable Energy
<b>Description</b>	Hydro-Québec is a public utility established in 1944 operating in the province of Quebec. The company manages the generation, transmission and distribution of electricity within Quebec as well as exports power to portions of the Northeast United States. Thanks to the natural landscape in Canada, Hydro-Québec has built its assets in function to leverage hydro power which has resulted today in near 100% renewable grid through a mix of hydro, wind and solar power generation.
<b>Impact Metric</b>	37,438 MWh of installed renewable energy capacity producing more than 216,194 GWh in 2022 (equivalent to the electricity required to power 18 million homes for one year <sup>1</sup> ).
<b>SDG<sup>2</sup> Alignment</b>	Goal 7: Ensure access to affordable, reliable, sustainable and modern energy. Goal 13: Take urgent action to combat climate change and its impacts.
<b>Investment Metrics</b>	Coupon: 6.00% Maturity: 2031-08-15

<sup>1</sup>One of multiple Issues from Hydro-Québec that Addenda invests in  
Impact Metrics Source: Hydro-Québec, Power Generation  
<sup>2</sup>US EPA Greenhouse Gas Equivalencies Calculator

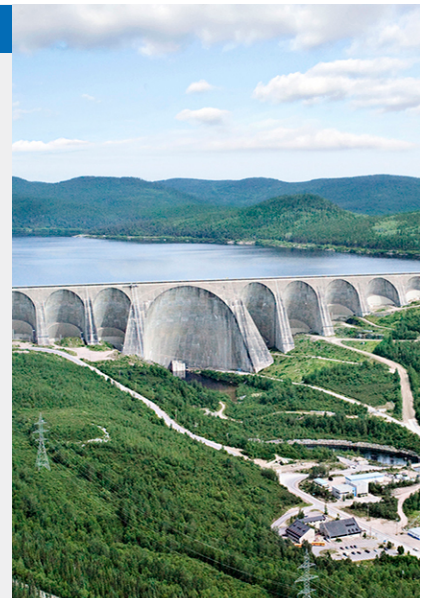


Image Sources: Sun Life, Hydro-Québec

# TOP 10 Portfolio Holdings

Security or Project Name	Theme	Focus Area
Government of Canada Green Bond 2029	Climate Change	Energy Efficiency
Province of Ontario Green Bond 2029	Climate Change	Clean Transportation
Province of Quebec Green Bond 2032	Climate Change	Clean Transportation
Hydro-Québec 2031	Climate Change	Renewable Energy
Ontario Power Generation Green Bond 2049	Climate Change	Renewable Energy
The 55 School Board Trust 2033	Education	School Boards
Algonquin Power Green Bond 2029	Climate Change	Renewable Energy
Sun Life Sustainability Bond 2024-2029	Climate Change	Energy Efficiency
Central 1 Credit Union 2026-2031	Community Development	Credit Unions and Financial Services Co-operatives
CPPIB Capital Green Bond 2028	Climate Change	Renewable Energy

<sup>2</sup>SDG: Sustainable Development Goals, United Nations  
Source: Addenda Capital Impact Fixed Income Fund