

# Financial statements

## UNIVERSITAS Plan

For the years ended December 31, 2022 and 2021



**KALEIDO**

# The UNIVERSITAS Plan

## Table of contents

Independent Auditor's Report..... 2-3

**Financial Statements**

Statements of financial position..... 4

Statements of net income and comprehensive income..... 5

Statements of changes in net assets attributable to contracts..... 6

Statements of cash flows..... 8

**Schedule of investment portfolio** ..... 9

**Notes** ..... 21

**Appendices**

Scholarship plan agreements (unaudited) ..... 35

Educational assistance payments (unaudited) ..... 36

# Independent Auditor's Report

To the subscribers of  
the UNIVERSITAS Plan

## Opinion

We have audited the financial statements of the UNIVERSITAS Plan (the "Plan"), which comprise the statements of financial position as at December 31, 2022 and 2021, and the statements of net income and comprehensive income, changes in net assets attributable to contracts and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other Information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Plan's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Plan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP<sup>1</sup>

Quebec City, Quebec

March 23, 2023

---

<sup>1</sup> CPA auditor, public accountancy permit No. A110092

## Statements of financial position

	Notes	December 31, 2022	December 31, 2021
<b>(in thousands of Canadian \$)</b>			
<b>Assets</b>			
Cash		1,463	1,207
Sales pending settlement		864	4,809
Other accounts receivable	6	-	1,005
Dividends receivable		195	352
Interest receivable		2,758	2,172
Canada Education Savings Grant (CESG) receivable	11	232	492
Quebec Education Savings Incentive (QESI) receivable		1,821	2,348
Investments	4, 11	553,108	650,160
		<b>560,441</b>	<b>662,545</b>
<b>Liabilities</b>			
Purchases pending settlement		875	4,878
Accounts payable and other liabilities	7	1,070	1,369
Quebec Education Savings Incentive (QESI) refundable		367	395
		<b>2,312</b>	<b>6,642</b>
<b>Net assets attributable to contracts</b>		<b>558,129</b>	<b>655,903</b>

### Approved by

[Yves Lacasse] Chairman of the Board of Directors

[Albert Caponi] Chairman of the Audit and Risk Management Committee

The notes are an integral part of these financial statements

## Statements of net income and comprehensive income

for the years ended December 31 (in thousands of Canadian \$)	Notes	2022	2021
<b>Revenues from ordinary activities</b>			
Interest income for educational assistance payments		12,171	10,202
Dividends		2,998	4,833
Realized gain (loss) on disposal of investments		1,484	29,318
Change in unrealized gain (loss) of investments		(51,646)	(2,668)
		<b>(34,993)</b>	41,685
<b>Operating expenses</b>			
Brokerage fees		101	54
U.S. tax expense		149	174
Portfolio management fees		639	683
Trustee fees		13	14
Custodian fees		143	126
Administration fees	9	8,430	9,129
Independent Review Committee fees		12	13
		<b>9,487</b>	10,193
<b>Net income and comprehensive income attributable to contracts</b>		<b>(44,480)</b>	31,492

The notes are an integral part of these financial statements

## Statements of changes in net assets attributable to contracts

for the years ended December 31

(in thousands of Canadian \$)

	Subscriber savings	SCROM	EAP account	CESG	Accumulated income CESG	QESI	Accumulated income QESI	Total
<b>Net assets as at December 31, 2021</b>	317,532	32,679	102,724	99,762	52,404	37,321	13,481	655,903
Net income and comprehensive income for the period	-	-	(27,461)	-	(12,878)	-	(4,141)	(44,480)
<b>Increase</b>								
Subscriber savings	18,693	-	-	-	-	-	-	18,693
Change in the SCROM	-	-	38	-	-	-	-	38
Grants received from governments	-	-	-	3,550	-	1,793	-	5,343
	18,693	-	38	3,550	-	1,793	-	24,074
<b>Decrease</b>								
Refund of savings at maturity	(36,969)	-	-	-	-	-	-	(36,969)
Withdrawal of savings before maturity	(378)	-	-	-	-	-	-	(378)
Refund of unclaimed savings	-	-	(3)	-	-	-	-	(3)
Refund of sales charges at maturity	-	(3,466)	-	-	-	-	-	(3,466)
Change in the SCROM	-	(38)	-	-	-	-	-	(38)
Transfers between plans	-	-	-	(1)	-	-	-	(1)
Grants returned to governments	-	-	-	-	-	(116)	-	(116)
Transfers to other promoters	-	-	-	(57)	(20)	(20)	(5)	(102)
Grants and income on grants paid	-	-	-	(11,328)	(5,751)	(4,135)	(1,302)	(22,516)
Outflow of accumulated income on grants for payments to a designated educational institution	-	-	(3)	-	(47)	-	(3)	(53)
Accumulated income payment (AIP)	-	-	(4)	-	-	-	-	(4)
Educational assistance payments (EAPs)	-	-	(13,721)	-	-	-	-	(13,721)
	(37,347)	(3,504)	(13,731)	(11,386)	(5,818)	(4,271)	(1,310)	(77,367)
<b>Net assets as at December 31, 2022</b>	<b>298,878</b>	<b>29,175</b>	<b>61,570</b>	<b>91,926</b>	<b>33,708</b>	<b>34,843</b>	<b>8,030</b>	<b>558,129</b>

## Statements of changes in net assets attributable to contracts

for the years ended December 31

(in thousands of Canadian \$)

	Subscriber savings	SCROM	EAP account	CESG	Accumulated income CESG	QESI	Accumulated income QESI	Total
<b>Net assets as at December 31, 2020</b>	329,061	35,051	100,711	105,760	47,558	38,993	11,917	669,051
Net income and comprehensive income for the period	-	-	17,003	-	11,413	-	3,076	31,492
<b>Increase</b>								
Subscriber savings	23,850	-	-	-	-	-	-	23,850
Change in the SCROM	-	835	0	-	-	-	-	835
Grants received from governments	-	-	-	4,760	-	2,363	-	7,123
	23,850	835	0	4,760	-	2,363	-	31,808
<b>Decrease</b>								
Refund of savings at maturity	(34,385)	-	-	-	-	-	-	(34,385)
Withdrawal of savings before maturity	(993)	-	-	-	-	-	-	(993)
Refund of sales charges at maturity	-	(3,207)	-	-	-	-	-	(3,207)
Change in the SCROM	-	-	(835)	-	-	-	-	(835)
Transfers between plans	(1)	-	-	(2)	(1)	-	-	(4)
Grants returned to governments	-	-	-	-	-	(162)	-	(162)
Transfers to other promoters	-	-	-	(167)	(58)	(54)	(15)	(294)
Grants and income on grants paid	-	-	-	(10,589)	(6,439)	(3,819)	(1,485)	(22,332)
Outflow of accumulated income on grants for payments to a designated educational institution	-	-	(1)	-	(69)	-	(12)	(82)
Educational assistance payments (EAPs)	-	-	(14,139)	-	-	-	-	(14,139)
Others	-	-	(15)	-	-	-	-	(15)
	(35,379)	(3,207)	(14,990)	(10,758)	(6,567)	(4,035)	(1,512)	(76,448)
<b>Net assets as at December 31, 2021</b>	<b>317,532</b>	<b>32,679</b>	<b>102,724</b>	<b>99,762</b>	<b>52,404</b>	<b>37,321</b>	<b>13,481</b>	<b>655,903</b>



## Statements of cash flows

for the years ended December 31  
(in thousands of Canadian \$)

2022 2021

### Cash flows from (used in) operational activities

Income received		
Interest	11,586	10,374
Dividends	3,280	4,716
	<b>14,866</b>	15,090
Operating expenses paid		
Brokerage fee	(101)	(54)
U.S. tax expense	(149)	(174)
Portfolio management fees	(679)	(549)
Trustee fee	(13)	(14)
Custodian fee	(130)	(135)
Administration fee	(8,513)	(9,068)
Independent Review Committee fee	(12)	(13)
	<b>(9,597)</b>	(10,007)
Other operational activities		
Disposal of investments	761,441	489,526
Acquisition of investments	(714,733)	(445,136)
	<b>46,708</b>	44,390
Net cash flows from operational activities	<b>51,977</b>	49,473
<b>Cash flows from (used in) financing activities</b>		
Savings received	19,937	19,006
Savings paid to other promoters	(181)	(452)
Refunds of savings to subscribers	(37,603)	(35,333)
CESG and income on CESG received	3,733	4,646
QESI and income on QESI received	2,320	2,606
QESI and income on QESI paid	(169)	(210)
Transfers between plans	(1)	(3)
Sales charge refunds	(3,469)	(3,200)
Educational assistance payments (EAPs)	(36,288)	(36,425)
Net cash flows used in financing activities	<b>(51,721)</b>	(49,365)
<b>Net increase in cash</b>	<b>256</b>	108
<b>Cash, beginning of year</b>	<b>1,207</b>	1,099
<b>Cash, end of year</b>	<b>1,463</b>	1,207

## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
<b>Short-term investments</b>					
88,230	Cash	-	-	88,230	88,230
2,637	Cash sweep	-	-	2,636	2,636
100	AUTORITE REGIONALE DE TRANS	1 Nov 2023	0.900	99	97
700	CANADIAN TIRE CORP LTD	6 Jul 2023	3.167	725	693
240	CONSUMERS GAS CO LTD	5 Jul 2023	6.050	268	241
1,700	OMERS REALTY CORPORATION	22 Sep 2023	1.298	1,667	1,653
100	SAPUTO INC	21 Nov 2023	2.827	101	98
225	SOCIETE DE TRANS L'OUTAOUAIS	12 Sep 2023	1.950	223	220
1,000	IVANHOE CAMBRIDGE II INC	27 Jun 2023	2.909	989	989
<b>Total - Short-term investments</b>				<b>94,938</b>	<b>94,857</b>
<b>Bonds</b>					
<b>Bonds issued or guaranteed by a Canadian province</b>					
364	HYDRO QUEBEC	15 Aug 2031	6.000	484	416
1,237	HYDRO-QUEBEC	1 Sep 2028	2.000	1,110	1,120
448	ONTARIO TEACHERS FINANCE TR	19 Oct 2027	1.100	430	391
243	OPB FINANCE TRUST	25 Jan 2027	2.980	247	231
267	OPB FINANCE TRUST	2 Feb 2026	2.950	273	256
1,800	PROV OF MANITOBA	2 Jun 2027	2.600	1,742	1,710
9,063	PROV OF ONTARIO	1 Nov 2029	1.550	8,490	7,782
2,414	PROV OF ONTARIO	2 Jun 2029	2.700	2,479	2,249
2,410	PROV OF ONTARIO	2 Jun 2028	2.900	2,454	2,298
3,248	PROV OF ONTARIO	8 Sep 2025	1.750	3,109	3,060
434	PROV OF ONTARIO	2 Jun 2025	2.600	427	419
3,140	PROV OF ONTARIO	5 Feb 2025	2.650	3,162	3,046
1,445	PROV OF QUEBEC	22 Nov 2032	3.900	1,443	1,430
2,976	PROV OF QUEBEC	1 Sep 2032	3.250	2,814	2,791
6,529	PROV OF QUEBEC	20 May 2032	3.650	6,475	6,356
7,127	PROV OF QUEBEC	27 May 2031	2.100	6,988	6,189
4,224	PROV OF QUEBEC	1 Sep 2030	1.900	4,214	3,657
1,416	PROV OF QUEBEC	1 Oct 2029	6.000	1,837	1,587
3,596	PROV OF QUEBEC	1 Sep 2029	2.300	3,548	3,261
2,130	PROV OF QUEBEC	1 Sep 2028	2.750	2,137	2,012
70	PROV OF QUEBEC	1 Sep 2027	2.750	68	67
1,614	PROV OF QUEBEC	13 Feb 2027	1.850	1,615	1,494
915	PROV OF QUEBEC	6 Jul 2025	2.600	949	884
4,318	PROV OF QUEBEC	22 Feb 2024	2.250	4,240	4,216
7,712	PROVINCE OF ONTARIO	1 Feb 2027	1.850	7,955	7,132
				<b>68,690</b>	<b>64,054</b>

## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
<b>Bonds issued or guaranteed by a municipality</b>					
100	AUTORITE REGIONALE DE TRANS	1 Nov 2025	1.250	98	90
90	BELOEIL VILLE	9 Dec 2026	1.800	89	80
240	BLAINVILLE QUEBEC	29 Oct 2026	1.600	234	213
15	FOSSAMBAULT SUR LE LAC QUEBEC	26 Nov 2026	1.850	15	13
25	GATINEAU QUEBEC	14 Sep 2026	2.500	27	23
25	LAC BEAUPORT QUEBEC	16 Mar 2025	1.900	26	23
1,472	LAVAL QUEBEC	21 Mar 2028	3.000	1,462	1,383
410	LEVIS QUEBEC	5 Jun 2028	3.250	404	379
25	LEVIS QUEBEC	28 Nov 2027	4.500	25	25
350	LEVIS QUEBEC	9 Mar 2026	2.950	343	331
400	LIEVRE REGIE INTERMUNICIPALE	23 Aug 2026	1.350	394	354
45	MIRABEL QUEBEC	26 Nov 2026	1.850	44	40
60	MONT LAURIER QUEBEC	25 Nov 2026	1.850	59	54
130	MONT SAINT HILAIRE QUEBEC	26 Nov 2026	1.850	128	117
125	MONT TREMBLANT QUEBEC	2 Dec 2026	1.850	123	112
105	MONTMAGNY QUEBEC	8 Feb 2026	0.900	104	93
910	MUNICIPAL FINANCE AUTH OF BC	23 Oct 2028	3.050	907	869
150	MUNICIPALITE DE PIERREVILLE	9 Dec 2026	1.800	148	134
260	MUNICIPALITE DE SAINT JACQUES	24 Feb 2026	1.000	256	231
75	MUNICIPALITE DE SAINT LAMBERT	2 Dec 2026	1.900	74	67
35	MUNICIPALITE DE WICKHAM	31 Mar 2027	2.850	34	32
181	MUNICIPALITE REGIONALE DE	23 Feb 2026	1.000	179	161
250	NEW TECUMSETH ONTARIO	23 Mar 2025	4.800	276	249
40	PREVOST QUEBEC	25 Nov 2026	1.850	39	36
1,185	QUEBEC CITY QUEBEC	20 Dec 2027	2.650	1,156	1,099
50	RAWDON QUEBEC	2 Dec 2026	1.850	49	45
120	REPENTIGNY QUEBEC	28 Mar 2027	2.750	118	111
2,500	RESEAU DE TRANS DE LA CAPITALE	18 Nov 2025	1.000	2,471	2,242
-	RESEAU DE TRANS DE LA CAPITALE	18 Nov 2024	0.900	-	-
200	RESEAU DE TRANS MET QUEBEC	3 Dec 2025	1.500	195	182
175	ROUYN NORANDA QUEBEC	27 Feb 2028	3.100	180	161
235	SAINT FELIX DE VALOIS QUEBEC	22 Apr 2027	3.350	232	222
375	SAINT JEROME QUEBEC	14 Nov 2029	2.450	366	322
160	SAINT JOSEPH DE BEAUCE QUEBEC	24 Mar 2027	2.700	158	147
112	SAINT RAYMOND QUEBEC	9 Feb 2026	0.900	110	99
30	SAINT ZOTIQUE QUEBEC	25 Mar 2027	2.700	30	28
180	SAINTE AGATHE DES MONTS QUEBEC	2 Dec 2027	4.450	177	177
60	SAINTE AGATHE DES MONTS QUEBEC	10 Dec 2026	1.800	59	54
175	SAINT-JEAN-SUR-RICHELIEU QUE	14 Dec 2026	1.850	173	157
-	SOCIETE DE TRANS DE LEVIS QUE	9 Jul 2025	1.200	-	-
500	SOUTH COAST BC TRANSN AUTH	3 Jul 2030	1.600	500	422
162	ST HYACINTHE QUEBEC	28 Feb 2028	3.100	167	149
55	TEMISCOUATA SUR LE LAC QUEBEC	26 Nov 2026	1.850	54	49
2,000	TERREBONNE MASCOUCHE REGIE	9 Sep 2025	1.000	1,966	1,806
65	TERREBONNE QUEBEC	13 Dec 2026	1.800	64	58
840	TROIS RIVIERES QUEBEC	18 Apr 2028	3.000	826	769
80	VILLAGE DE VAL-DAVID	25 Apr 2027	3.300	79	75
225	VILLE DE SAINT-AMABLE QUEBEC	23 Feb 2026	0.950	220	200

## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
<b>Bonds (continued)</b>					
<b>Bonds issued or guaranteed by a municipality (continued)</b>					
140	BELOEIL QUEBEC	8 Dec 2027	4.350	138	137
196	SALABERRY DE VALLEYFIELD QUE	2 Dec 2027	4.450	193	193
448	SAINT LIN LAURENTIDES QUEBEC	20 Dec 2027	4.250	446	437
92	MUNICIPALITE DE SAINT-PAUL QUE	15 Dec 2027	4.200	91	90
740	JOLIETTE QUEBEC	1 Dec 2027	4.500	726	730
1,100	RIMOUSKI QUEBEC	1 Dec 2027	4.500	1,080	1,085
1,445	RIVIERE-DU-LOUP QUEBEC	1 Dec 2027	4.600	1,426	1,431
126	DRUMMONDVILLE QUEBEC	2 Dec 2027	4.450	124	124
300	CHERTSEY QUEBEC	1 Dec 2027	4.500	294	296
75	SAINT MARTIN PAROISSE QUEBEC	8 Dec 2027	4.400	74	74
375	BEAUHARNOIS QUEBEC	9 Dec 2027	4.450	371	369
276	BEAUHARNOIS QUEBEC	9 Dec 2026	4.500	274	273
262	BEAUHARNOIS QUEBEC	9 Dec 2025	4.550	260	260
195	ST BASILE LE GRAND QUEBEC	8 Dec 2027	4.500	193	192
311	SAINT EUSTACHE QUEBEC	9 Dec 2027	4.450	308	306
250	SAINT EUSTACHE QUEBEC	9 Dec 2026	4.500	248	247
230	SAINT EUSTACHE QUEBEC	9 Dec 2025	4.550	228	228
200	SAINT GEORGES QUEBEC	8 Dec 2027	4.350	197	196
52	VAUDREUIL DORION QUEBEC	22 Nov 2027	4.800	53	52
				<u>21,562</u>	<u>20,403</u>

### Bonds issued or guaranteed by a corporation

800	407 INTERNATIONAL INC	25 May 2032	2.590	692	676
650	407 INTERNATIONAL INC	27 Jul 2029	6.470	856	713
1,980	407 INTERNATIONAL INC	22 May 2025	1.800	1,883	1,856
1,400	407 INTERNATIONAL INC	16 May 2024	3.350	1,486	1,372
1,450	ALIMENTATION COUCHE-TARD INC	2 Jun 2025	3.600	1,386	1,405
600	ALLIED PROPERTIES REIT	6 Feb 2032	3.095	600	473
325	ALLIED PROPERTIES REIT	15 Aug 2029	3.394	331	280
210	ALLIED PROPERTIES REIT	15 May 2028	3.131	210	185
135	ALLIED PROPERTIES REIT	8 Apr 2027	3.113	136	122
1,075	ALLIED PROPERTIES REIT	12 Feb 2026	1.726	1,012	953
2,525	ALTALINK L P	29 May 2026	2.747	2,589	2,384
370	ATHENE GLOBAL FUNDING REGS	9 Jun 2028	2.470	370	315
750	BANK OF MONTREAL	26 Nov 2082	7.325	750	748
179	BANK OF MONTREAL	27 Oct 2032	6.534	179	186
1,500	BANK OF MONTREAL	22 Jul 2031	1.928	1,305	1,319
3,000	BANK OF MONTREAL	17 Jun 2030	2.077	2,740	2,759
1,275	BANK OF MONTREAL	7 Dec 2027	4.709	1,275	1,258
4,500	BANK OF MONTREAL	1 Jun 2027	4.309	4,388	4,386
2,200	BANK OF MONTREAL	28 May 2026	1.551	1,957	1,968
3,000	BANK OF MONTREAL	3 Feb 2025	2.370	2,831	2,839
2,200	BANK OF MONTREAL	29 Jul 2024	2.280	2,199	2,106

## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
<b>Bonds (continued)</b>					
<b>Bonds issued or guaranteed by a corporation (continued)</b>					
2,650	BANK OF MONTREAL	6 Mar 2024	2.850	2,657	2,578
3,800	BANK OF NOVA SCOTIA	1 Nov 2027	1.400	3,341	3,232
3,000	BANK OF NOVA SCOTIA	3 Feb 2025	2.160	2,816	2,826
2,125	BANK OF NOVA SCOTIA	10 Jan 2025	1.950	2,028	1,997
1,500	BCI QUADREAL REALTY	24 Jun 2026	2.551	1,480	1,390
2,700	BCI QUADREAL REALTY	12 Mar 2024	1.056	2,646	2,573
150	BCIMC REALTY CORP	31 Mar 2027	3.000	159	140
1,300	BCIMC REALTY CORP	3 Jun 2025	2.840	1,365	1,239
679	BELL CANADA	10 Nov 2032	5.850	677	709
1,225	BELL CANADA	17 Mar 2031	3.000	1,048	1,054
1,050	BELL CANADA	14 May 2030	2.500	900	887
400	BELL CANADA	10 Sep 2029	2.900	352	353
1,867	BELL CANADA	29 May 2028	2.200	1,797	1,631
1,603	BELL CANADA	29 Sep 2027	3.600	1,556	1,518
400	BELL CANADA	16 Aug 2027	1.650	353	348
1,100	BELL CANADA	29 Jan 2025	2.750	1,056	1,051
1,370	BROOKFIELD ASSET MGMT INC	16 Mar 2027	3.800	1,319	1,301
252	BROOKFIELD RENEWABLE ENERGY	9 Nov 2032	5.880	252	262
325	BROOKFIELD RENEWABLE ENERGY	15 Jan 2029	4.250	341	312
649	BROOKFIELD RENEWABLE PARTNERS	15 Jan 2030	3.380	636	584
1,625	CANADIAN IMPERIAL BANK OF COMM	29 Jun 2027	4.950	1,639	1,622
1,835	CANADIAN IMPERIAL BANK OF COMM	7 Mar 2025	2.750	1,768	1,748
2,900	CANADIAN IMPERIAL BK OF COMM	7 Oct 2027	5.050	2,899	2,900
2,000	CANADIAN IMPERIAL BK OF COMM	19 Jan 2026	1.100	1,769	1,780
6,075	CANADIAN IMPERIAL BK OF COMM	17 Apr 2025	2.000	5,815	5,677
1,950	CANADIAN IMPERIAL BK OF COMM	28 Aug 2024	2.350	1,860	1,865
1,153	CDP FINANCIAL INC	2 Jun 2027	3.800	1,153	1,147
3,000	CDP FINANCIAL INC	19 Oct 2026	1.500	2,995	2,741
900	CHOICE PROPERTIES REIT	24 Jun 2032	6.003	900	923
1,242	CHOICE PROPERTIES REIT	4 Mar 2030	2.981	1,128	1,061
744	CHOICE PROPERTIES REIT	11 Jun 2029	3.532	778	669
500	CHOICE PROPERTIES REIT	21 May 2027	2.848	503	454
1,225	CHOICE PROPERTIES REIT	30 Nov 2026	2.456	1,142	1,103
700	CHOICE PROPERTIES REIT	10 Jan 2025	3.546	736	674
250	CT REIT	5 Feb 2029	3.029	250	218
750	CT REIT	1 Jun 2026	3.289	784	700
3,468	DOLLARAMA INC	26 Apr 2030	2,580 (flottant)	3,571	3,468
875	DOLLARAMA INC	9 Jul 2029	2.443	850	749
1,000	DOLLARAMA INC	20 Sep 2027	1.505	861	858
900	DOLLARAMA INC	27 Oct 2025	5.084	900	901
300	ENBRIDGE GAS INC	17 Aug 2032	4.150	299	285
1,323	ENBRIDGE GAS INC	1 Apr 2030	4,500 (flottant)	1,282	1,183
665	ENBRIDGE GAS INC	9 Aug 2029	2.370	665	583
752	ENBRIDGE INC	21 Sep 2033	3.100	751	608
709	ENBRIDGE INC	9 Nov 2032	6.100	709	745
550	ENBRIDGE INC	3 Oct 2029	2.990	481	482

## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
<b>Bonds (continued)</b>					
<b>Bonds issued or guaranteed by a corporation (continued)</b>					
3,509	ENBRIDGE INC	9 Nov 2027	5.700	3,662	3,597
2,900	ENBRIDGE INC	8 Jun 2027	2,088 (flottant)	2,804	2,692
726	ENBRIDGE PIPELINES INC	22 Feb 2029	3.520	666	669
1,260	ENERGIR INC	16 Apr 2027	2.100	1,191	1,147
1,625	FAIRFAX FINANCIAL HOLDINGS LTD	3 Mar 2031	3.950	1,600	1,422
689	FEDERATION DES CAISSES	23 Aug 2032	5.035	660	670
2,085	FEDERATION DES CAISSES	28 May 2031	1.992	1,835	1,844
4,550	FEDERATION DES CAISSES	10 Sep 2026	1.587	4,209	4,037
3,000	FEDERATION DES CAISSES	1 Oct 2025	5.200	2,998	3,008
350	GAZ METROPOLITAIN INC	16 May 2025	9.000	456	381
2,229	GRANITE REIT HOLDINGS LP	30 Aug 2028	2.194	2,229	1,888
328	GRANITE REIT HOLDINGS LP	4 Jun 2027	3.062	328	299
750	GREAT WEST LIFECO INC	31 Dec 2081	3.600	750	561
2,275	GREATER TORONTO AIRPORTS AUTH	3 Apr 2029	2.730	2,385	2,065
1,000	GREAT-WEST LIFECO INC	14 May 2030	2.379	1,000	843
350	GREAT-WEST LIFECO INC	28 Feb 2028	3.337	330	327
371	H&R REAL ESTATE INVT TR	19 Feb 2027	2.633	371	329
995	HYDRO ONE INC	17 Sep 2031	2.230	911	825
1,700	HYDRO ONE INC	28 Feb 2030	2.160	1,479	1,459
4,606	HYDRO ONE INC	27 Jan 2028	4.910	4,711	4,698
1,925	HYDRO ONE INC	24 Feb 2026	2.770	2,000	1,825
1,096	IA FINANCIAL CORP INC	30 Jun 2082	6.611	1,096	1,054
2,000	IA FINANCIAL CORPORATION INC	25 Feb 2032	3.187	1,983	1,821
500	INTACT FINANCIAL CORP	16 Dec 2030	1.928	500	400
175	INTACT FINANCIAL CORP	7 Jun 2027	2.850	183	161
650	INTACT FINANCIAL CORP	24 Mar 2025	3.691	650	632
450	INTACT FINANCIAL CORPORATION	18 May 2028	2.179	450	393
975	INTACT FINANCIAL CORPORATION	21 May 2024	1.207	923	923
2,200	LAURENTIAN BANK OF CANADA	3 Jun 2024	1.150	2,140	2,068
275	LOBLAW COMPANIES LTD	7 May 2030	2.284	275	230
570	LOBLAW COMPANIES LTD	11 Dec 2028	4.488	581	561
400	MANULIFE FINANCIAL CORP	19 Jun 2082	7.117	400	393
1,000	MANULIFE FINANCIAL CORP	13 May 2035	2.818	854	842
1,300	MANULIFE FINANCIAL CORP	12 May 2030	2.237	1,300	1,206
125	METRO INC	6 Dec 2027	3.390	114	117
3,164	NATIONAL BANK OF CANADA	16 Aug 2032	5.426	3,164	3,127
700	NATIONAL BANK OF CANADA	18 Aug 2026	1.573	629	640
3,100	NATIONAL BANK OF CANADA	15 Jun 2026	1.534	2,966	2,767
1,230	NATIONAL BANK OF CANADA	12 Jul 2024	2.545	1,273	1,182
875	NORTH WEST REDWTR PARTNERSHIP	1 Jun 2031	2.800	727	744
1,578	NORTH WEST REDWTR PARTNERSHIP	1 Jun 2029	4.250	1,678	1,526
775	NORTH WEST REDWTR PARTNERSHIP	1 Jun 2027	2.800	719	716
1,648	NORTH WEST REDWTR PARTNERSHIP	24 Apr 2026	3.200	1,565	1,566
428	OMERS FINANCE TRUST	14 May 2029	2.600	427	392
395	OMERS FINANCE TRUST	21 Apr 2027	1.550	388	357
1,450	OMERS REALTY CORP	14 Nov 2028	5.381	1,450	1,489
1,800	OMERS REALTY CORP	4 Oct 2027	3.244	1,897	1,682
1,329	ONTARIO POWER GENERATION INC	8 Apr 2030	3.215	1,329	1,203
2,471	ONTARIO POWER GENERATION INC	4 Oct 2027	3.315	2,343	2,338

## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
<b>Bonds (continued)</b>					
<b>Bonds issued or guaranteed by a corporation (continued)</b>					
647	PEMBINA PIPELINE CORP	27 Mar 2028	4.020	692	614
1,600	PEMBINA PIPELINE CORP	15 Jun 2027	4.240	1,541	1,547
2,107	ROGERS COMMUNICATIONS INC	1 May 2029	3.250	2,104	1,880
400	ROGERS COMMUNICATIONS INC	31 Mar 2027	3.650	381	377
300	ROGERS COMMUNICATIONS INC	13 Mar 2024	4.000	319	295
500	ROYAL BANK OF CANADA	24 Nov 2080	4.500	500	461
1,722	ROYAL BANK OF CANADA	28 Jan 2033	1.670	1,528	1,424
2,100	ROYAL BANK OF CANADA	3 May 2032	2.940	1,860	1,881
1,500	ROYAL BANK OF CANADA	23 Dec 2029	2.880	1,415	1,421
800	ROYAL BANK OF CANADA	31 Jul 2028	1.833	684	680
1,450	ROYAL BANK OF CANADA	26 Jul 2027	4.612	1,450	1,430
595	ROYAL BANK OF CANADA	28 Jan 2027	2.328	551	537
1,500	ROYAL BANK OF CANADA	2 Nov 2026	5.235	1,500	1,512
3,100	ROYAL BANK OF CANADA	29 Sep 2025	3.369	2,953	2,970
1,750	ROYAL BANK OF CANADA	1 May 2025	1.936	1,730	1,632
1,050	ROYAL BANK OF CANADA	2 Jul 2024	2.352	1,015	1,008
970	SAPUTO INC	16 Jun 2027	2.242	972	865
300	SHAW COMMUNICATIONS INC	2 Nov 2028	4.400	278	287
465	SHAW COMMUNICATIONS INC	1 Mar 2027	3.800	484	440
1,050	SHAW COMMUNICATIONS INC	31 Jan 2024	4.350	1,122	1,036
1,087	SMARTCENTRES REIT	20 Dec 2029	3.526	937	941
-	SUMMIT INDUSTRIAL INCOME REIT	12 Jan 2027	2.250	-	-
2,681	SUN LIFE FINANCIAL INC	1 Oct 2035	2.060	2,323	2,108
1,270	SUN LIFE FINANCIAL INC	10 Aug 2034	4.780	1,255	1,225
717	SUN LIFE FINANCIAL INC	21 Nov 2033	2.800	717	626
1,900	SUN LIFE FINANCIAL INC	13 Aug 2029	2.380	1,817	1,805
-	SUN LIFE FINL INC	10 May 2032	2.580	-	-
353	TELUS CORP	15 Nov 2032	5.250	352	351
1,235	TELUS CORP	2 May 2029	3.300	1,166	1,120
4,131	TELUS CORP	8 Jul 2026	2.750	3,911	3,839
1,666	TELUS CORPORATION	13 Nov 2031	2.850	1,534	1,385
1,200	THE BANK OF NOVA SCOTIA	27 Jul 2082	7.023	1,200	1,170
4,519	THE BANK OF NOVA SCOTIA	3 May 2032	3.934	4,271	4,213
4,904	THE BANK OF NOVA SCOTIA	8 May 2026	5.500	4,949	4,977
490	TMX GROUP LIMITED	5 Jun 2028	3.779	493	467
1,175	TMX GROUP LTD	11 Dec 2024	2.997	1,161	1,128
375	TORONTO DOMINION BANK	31 Oct 2082	7.283	375	372
593	TORONTO DOMINION BANK	26 Jan 2032	3.060	568	539
1,075	TORONTO DOMINION BANK	4 Mar 2031	4.859	1,126	1,055
3,285	TORONTO DOMINION BANK	22 Apr 2030	3.105	3,160	3,111
1,300	TORONTO DOMINION BANK	8 Jan 2029	4.680	1,300	1,280
2,005	TORONTO DOMINION BANK	8 Mar 2028	1.888	1,728	1,727
4,031	TORONTO DOMINION BANK	27 Jan 2026	4.344	3,977	3,951
4,850	TORONTO DOMINION BANK	13 Mar 2025	1.943	4,690	4,541
500	TORONTO-DOMINION BANK	1 Jun 2027	4.210	500	485
1,914	TORONTO-DOMINION BANK	2 Dec 2024	2.496	1,819	1,823
745	TRANSCANADA PIPELINES LIMITED	9 Jun 2031	2.970	640	626
7,354	TRANSCANADA PIPELINES LTD	5 Apr 2027	3.800	7,120	7,011
100	TRANSCANADA PIPELINES LTD	15 Jan 2027	7.310	126	106
1,400	WELLS FARGO & CO	18 Feb 2027	2.493	1,400	1,259

## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
<b>Bonds (continued)</b>					
<b>Bonds issued or guaranteed by a corporation (continued)</b>					
700	WELLS FARGO & CO	19 May 2026	2.975	678	652
750	LOWER MATTAGAMI ENERGY LP	31 Oct 2033	4.854	776	757
200	LOWER MATTAGAMI ENERGY LP	21 Oct 2026	2.307	181	185
2,130	ONTARIO TEACHERS FINANCE TRUST	2 Jun 2032	4.450	2,123	2,163
2,606	ALTAGAS LTD	30 May 2028	2.075	2,279	2,224
1,616	ALTAGAS LTD	7 Apr 2026	4.120	1,560	1,561
900	ENERGIR LP	27 Sep 2032	4.670	900	891
325	LOBLAW COMPANIES LIMITED	13 Sep 2032	5.008	325	322
475	ALTALINK LP	28 Nov 2032	4.692	475	475
2,705	BROOKFIELD FINANCE II INC	14 Dec 2032	5.431	2,705	2,648
450	FAIRFAX FINL HOLDINGS LTD	16 Dec 2026	4.700	441	437
1,619	ENBRIDGE GAS DISTRIBUTION INC	11 Sep 2025	3.310	1,558	1,560
1,600	FEDERATION DES CAISSES DESJARD	19 May 2027	4.407	1,595	1,562
751	RIOCAN REAL ESTATE INVT TR	10 Mar 2027	2.361	751	656
608	PROLOGIS LP	15 Jan 2031	5.250	608	608
				<b>255,670</b>	<b>246,787</b>
<b>Total - Bonds</b>				<b>345,922</b>	<b>331,244</b>
<b>Equities</b>					
Number of shares	Security			Cost	Carrying amount
<b>Energy</b>					
586	CHEVRON CORP			121	143
9,318	ENBRIDGE INC			465	493
7,495	EOG RESOURCES INC			1,052	1,315
3,412	EXXON MOBIL CORP			279	510
2,068	IMPERIAL OIL LTD			88	136
21,257	TC ENERGY CORP			1,309	1,146
				<b>3,314</b>	<b>3,743</b>
<b>Materials</b>					
5,866	AGNICO EAGLE MINES LIMITED			418	413
1,156	AIR PRODUCTS AND CHEMICALS INC			398	483
27,010	AMCOR PLC			400	436
2,644	APTARGROUP INC			409	394
30,635	CCL INDUSTRIES INC			1,598	1,767
0	ECOLAB INC			-	-
11,625	FRANCO-NEVADA CORP			1,827	2,143



## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

Number of shares	Security	Cost	Carrying amount
<b>Equities (continued)</b>			
<b>Materials (continued)</b>			
3,189	LINDE PLC	1,222	1,409
1,335	PEMBINA PIPELINE CORP	61	61
589	PPG INDUSTRIES INC	121	100
1,877	ROYAL GOLD INC	266	287
227	SHERWIN-WILLIAMS CO/THE	76	73
1,299	STELLA-JONES INC	46	63
135	STEPAN CO	21	19
5,607	WHEATON PRECIOUS METALS CORP	266	296
21,563	WINPAK LTD	791	906
11,549	BARRICK GOLD CORP	236	268
5,492	RICHARDS PACKAGING INCOME FD	253	238
23,689	TRIPLE FLAG PRECIOUS METALS	385	444
		8,794	9,800
<b>Communication Services</b>			
10,359	ALPHABET INC	1,410	1,238
15,106	AMAZON.COM INC	2,270	1,719
1,478	AUTOMATIC DATA PROCESSING INC	347	478
8,245	BCE INC	496	489
3,789	COGECO COMMUNICATIONS INC	377	290
1,761	COGECO INC	151	112
2,048	JOHN WILEY & SONS INC	128	111
5,835	META PLATFORMS INC	1,352	951
942	NETFLIX INC	383	376
17,598	QUEBECOR INC	528	530
817	S&P GLOBAL INC	348	371
26,402	TELUS CORP	674	643
15,674	THOMSON REUTERS CORP	1,336	2,417
		9,800	9,725
<b>Utilities</b>			
3,855	AMERICAN STATES WATER CO	403	483
3,006	ATMOS ENERGY CORP	460	457
342	CALIFORNIA WATER SERVICE GROUP	25	28
2,696	CONSOLIDATED EDISON INC	333	348
5,322	EMERA INC	288	275
2,018	EVERSOURCE ENERGY	244	229
5,470	FORTIS INC	268	296
2,304	NEXTERA ENERGY INC	210	261
2,991	KEYERA CORP	89	88
		2,320	2,465

## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

Number of shares	Security	Cost	Carrying amount
<b>Equities (continued)</b>			
<b>Financials</b>			
22,475	ALTUS GROUP LTD	1,040	1,213
5,350	BANK OF MONTREAL	718	655
42,561	BANK OF NOVA SCOTIA	2,652	2,820
5,668	CANADIAN IMPERIAL BK OF COMM	348	310
6,277	CME GROUP INC	1,546	1,430
8,996	COLLIERS INTL GROUP INC	1,438	1,117
5,453	COMMERCE BANCSHARES INC/MO	450	503
352	COMMUNITY BANK SYSTEM INC	29	30
4,871	CULLEN/FROST BANKERS INC	745	882
21,337	DEFINITY FINANCIAL CORP	763	820
7,061	EQB INC	432	401
810	FACTSET RESEARCH SYSTEMS INC	354	440
11,880	IA FINANCIAL CORP INC	555	939
12,728	INTACT FINANCIAL CORP	1,460	2,479
9,292	INTERACTIVE BROKERS GROUP INC	745	910
54,267	MANULIFE FINANCIAL CORP	1,125	1,311
3,077	MARSH & MCLENNAN COS INC	641	690
2,449	MASTERCARD INC	1,083	1,154
15,983	NATIONAL BANK OF CANADA	1,395	1,458
2,670	PROSPERITY BANCSHARES INC	239	263
2,472	PUBLIC STORAGE	1,036	938
988	RLI CORP	137	176
5,864	ROYAL BANK OF CANADA	630	746
1,590	TMX GROUP LTD	217	215
7,099	TORONTO DOMINION BANK	512	622
		20,290	22,522
<b>Consumer Staples</b>			
2,521	ARCHER-DANIELS-MIDLAND CO	230	317
1,033	BROWN-FORMAN CORP	95	92
4,414	CHURCH & DWIGHT CO INC	503	482
2,411	CLOROX CO/THE	552	458
4,520	COLGATE-PALMOLIVE CO	447	483
30,767	EMPIRE CO LTD	937	1,097
7,240	HORMEL FOODS CORP	451	447
2,279	J M SMUCKER CO/THE	346	489
2,628	KIMBERLY-CLARK CORP	480	483
9,262	LAMB WESTON HOLDINGS INC	779	1,121
804	LANCASTER COLONY CORP	181	215
4,956	LOBLAW COMPANIES LTD	401	592
12,936	MAPLE LEAF FOODS INC	350	315
4,062	MCCORMICK & CO INC/MD	469	456
25,649	METRO INC	1,083	1,918
12,236	NORTH WEST CO INC (THE)	362	433
1,995	PEPSICO INC	387	488

## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

Number of shares	Security	Cost	Carrying amount
<b>Equities (continued)</b>			
<b>Consumer Staples (continued)</b>			
20,309	PREMIUM BRANDS HOLDINGS CORP	1,951	1,669
2,374	PROCTER & GAMBLE CO/THE	404	488
39,270	SAPUTO INC	1,319	1,316
2,284	WESTON (GEORGE) LTD	260	383
		<u>11,987</u>	<u>13,742</u>
<b>Health</b>			
2,780	ABBOTT LABORATORIES	365	414
2,212	ABBVIE INC	300	484
3,603	AMGEN INC	1,148	1,282
11,982	ANDLAUER HEALTHCARE GROUP INC	589	567
1,422	BECTON DICKINSON AND CO	498	490
24,320	CANADIAN NATIONAL RAILWAY CO	2,093	3,904
3,906	CANADIAN PACIFIC RAILWAY LTD	370	394
2,941	CARDINAL HEALTH INC	293	306
2,045	CHARLES RIVER LABORATORIES INT	648	603
61,677	CHARTWELL RETIREMENT RESIDENCE	566	515
5,606	DANAHER CORP	1,777	2,017
28,377	ENVISTA HOLDINGS CORP	1,454	1,294
2,041	JOHNSON & JOHNSON	412	489
3,163	MEDTRONIC PLC	456	333
		<u>10,969</u>	<u>13,092</u>
<b>Consumer Discretionary</b>			
26,539	ALIMENTATION COUCHE-TARD INC	875	1,577
7,244	BOYD GROUP SERVICES INC	1,308	1,512
1,745	CANADIAN TIRE CORP LTD	242	247
61,128	D2L INC	435	396
3,723	DOLLARAMA INC	273	295
4,038	FIVE BELOW INC	809	968
33,578	GILDAN ACTIVEWEAR INC	1,179	1,237
19,640	MAGNA INTL INC	1,348	1,490
829	MCDONALD'S CORP	245	296
12,085	PET VALU HOLDINGS LTD	393	473
19,528	RESTAURANT BRANDS INTL INC	1,472	1,706
1,363	RITCHIE BROS AUCTIONEERS INC	106	107
28,562	STANTEC INC	1,032	1,847
1,751	TARGET CORP	330	354
5,693	TJX COS INC/THE	479	614
45,759	TRANSCONTINENTAL INC	738	698
9,109	UNI-SELECT INC	283	390
9,934	WALMART INC	1,834	1,909
1,255	WASTE CONNECTIONS INC	212	225
		<u>13,593</u>	<u>16,341</u>

## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

Number of shares	Security	Cost	Carrying amount
<b>Equities (continued)</b>			
<b>Industrials</b>			
2,656	3M CO	557	432
36,090	CAE INC	680	944
1,521	CATERPILLAR INC	367	494
2,731	CH ROBINSON WORLDWIDE INC	344	339
2,947	EXPEDITORS INTERNATIONAL OF WA	322	415
5,343	FASTENAL CO	345	342
3,128	FINNING INTERNATIONAL INC	103	105
1,735	GRACO INC	161	158
1,641	ILLINOIS TOOL WORKS INC	438	490
1,055	LINCOLN ELECTRIC HOLDINGS INC	173	206
632	MSA SAFETY INC	112	123
1,689	NORDSON CORP	499	544
10,271	RICHELIEU HARDWARE LTD	389	372
2,254	ROCKWELL AUTOMATION INC	669	787
28,394	SAVARIA CORP	410	397
70,181	SNC-LAVALIN GROUP INC	1,727	1,672
19,575	TECSYS INC	622	519
2,746	TOROMONT INDUSTRIES LTD	282	268
8,845	WASTE CONNECTIONS INC	1,477	1,589
9,964	WSP GLOBAL INC	927	1,562
357	WW GRAINGER INC	193	269
11,718	ATS CORPORATION	458	493
13,173	BROOKFIELD ASSET MGMT LTD	443	510
52,587	BROOKFIELD CORPORATION	2,007	2,233
		13,705	15,263
<b>Technology</b>			
2,172	ADOBE INC	1,171	990
239,252	ALITHYA GROUP INC	685	486
4,466	ANALOG DEVICES INC	943	992
6,550	APPLE INC	1,055	1,153
554	BADGER METER INC	66	82
18,719	CGI INC	1,304	2,180
144	CONSTELLATION SOFTWARE INC	289	304
82,328	COVEO SOLUTIONS INC	523	748
18,413	DESCARTES SYS GROUP INC	1,079	1,734
35,335	ENGHOUSE SYSTEMS LTD	1,516	1,270
2,516	INTERNATIONAL BUSINESS MACHINE	407	480
8,963	KINAXIS INC	1,272	1,360
8,098	MICROSOFT CORP	2,608	2,632
43,927	OPEN TEXT CORPORATION	1,716	1,759
54,503	REAL MATTERS INC	293	228
32,020	SHOPIFY INC	2,732	1,505
60,827	SYLOGIST LTD	453	375
3,091	TEXAS INSTRUMENTS INC	674	692

## Schedule of investment portfolio

as at December 31, 2022

(in thousands of Canadian \$)

<b>Number of shares</b>	<b>Security</b>	<b>Cost</b>	<b>Carrying amount</b>
<b>Equities (continued)</b>			
<b>Technology (continued)</b>			
739	TOPICUS.COM INC	51	53
183,800	WECOMMERCE HOLDINGS LTD	606	349
4,157	WORKDAY INC	1,007	942
		<u>20,450</u>	<u>20,314</u>
<b>Number of shares</b>	<b>Security</b>	<b>Cost</b>	<b>Carrying amount</b>
<b>Total - Equities</b>		115,222	127,007
<b>Total - Schedule of investment portfolio</b>		556,082	553,108

## Notes

### for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

---

#### 1. General information about the Plan

The UNIVERSITAS Plan (the “Plan”) is a trust maintained by declaration of trust pursuant to the Civil Code of Quebec. It is governed by a trust agreement (the “Agreement”) concluded on July 9, 2010, between the Kaleido Foundation, (the “Foundation”), Eterna Trust Inc. and Kaleido Growth Inc. (“Kaleido Growth”). The latter acts as the investment fund manager of the UNIVERSITAS Plan promoted by the Foundation. The Plan’s head office and principal place of business is located at 1035 Wilfrid-Pelletier Avenue, Suite 500, Quebec City (Quebec) G1W 0C5.

The UNIVERSITAS Plan is a group scholarship plan under which the refund of contributions (savings) is guaranteed at all times, as are sales charges refunds, if the plan reaches maturity. The Plan is available only to current subscribers of the UNIVERSITAS Plan who wish to purchase additional units. Since December 14, 2017, eligible studies that qualify for educational assistance payments (EAPs) are general or technical, full-time or part-time (college, community college or university) post-secondary educational programs offered in Canada or a foreign equivalent. Programs offered in a post-secondary institution intended to provide a person with or improve the skills required in the exercise of a professional activity are also eligible. In all cases, these programs must have a minimum duration of three consecutive weeks, comprising at least 10 hours of courses or schoolwork per week. Specified educational programs are also eligible. Specified educational programs are post-secondary programs of study with a minimum duration of three consecutive weeks and to which a student must dedicate a minimum of 12 hours per month on courses. When a beneficiary is registered in a distance learning program for such studies, they are also considered eligible. The Plan invests in equities of Canadian companies, debt securities issued or guaranteed by a Canadian government and Canadian treasury short-term debt securities.

Kaleido Growth and the Foundation launched the IDEO+ product line on May 1, 2022 and terminated distribution of the Plan on April 30, 2022. Kaleido Growth and the Foundation will continue to honor existing contracts until the scheduled maturity date, including the payment of scheduled contributions.

The publication of these financial statements was authorized by the Board of Directors on March 23, 2023.

#### 2. Significant accounting policies

##### Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) applicable as at December 31, 2022.

##### Basis of preparation

These financial statements are prepared on a going concern and historical cost basis, except for certain financial instruments that have been measured at fair value at the end of each reporting period, as explained in the accounting policies described hereafter.

Assets and liabilities in the statements of financial position are listed in order of most liquid to least liquid. Financial assets are accounted for on the transaction date. The presentation currency of the financial statements is the Canadian dollar (CAN\$), which is also the Plan’s functional currency.

##### Investment entity

The Plan satisfies the definition of investment entity set out in IFRS 10, *Consolidated Financial Statements*, since it meets the following conditions:

- the Plan obtains funds from multiple investors (subscribers) for the purpose of managing their savings;
- the Plan commits to its investors (subscribers) that its business purpose is to invest funds solely for returns from capital appreciation and investment income, in accordance with its mission;
- the Plan measures and evaluates the performance of its investments on a fair value basis.

Therefore, the Plan does not prepare consolidated financial statements.

## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

---

### 2. Significant accounting policies (continued)

#### Revenue recognition

- **Interest income for educational assistance payments**

Interest income is recognized when it is probable that future economic benefits will flow to the Plan and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the outstanding principal and the effective interest rate.

#### Dividends

Dividend income is recognized when the Plan's right to receive payment is established, i.e., the dividend declaration date.

#### Recognition of expenses

- **Brokerage fees**

Brokerage fees paid to dealers represent a commission established by the dealer and usually ranges from \$0.01 to \$0.05 per share or bond purchased or sold.

- **Portfolio management fees**

Fees paid to portfolio managers correspond to a declining percentage established by the managers based on the average total assets invested under their respective management.

- **Trustee fees**

Trustee fees represent a fixed annual amount established under agreements with trustees.

- **Custodian fees**

Fees paid to custodians represent 0.009% (0.009% in 2021) of the average annual assets under management. Transaction fees for the purchase and sale of securities are also charged.

- **Administration fee**

Administration fees paid to promoters and investment fund managers could not exceed 1.305% of the Plan's total assets under management since May 1, 2022. Pricing changed as follows:

- Between January 1, 2021 and June 30, 2021; cap = 1.18%
- Between July 1, 2021 and April 30, 2022; cap = 1.35%
- **Since May 1, 2022; cap = 1.305%**

Any portion of the administration fee that is not required to maintain and develop the organization is deducted from any excess of revenues over expenses of Kaleido Growth Inc., and any surplus is returned to the Plans UNIVERSITAS, REFLEX and INDIVIDUAL (the "Plans") by reducing the rate of the administration fees.

#### Independent Review Committee fees

The Independent Review Committee fees comprise the compensation paid to IRC members for attendance fees at meetings and an annual retainer as well as the reimbursement of any expenses incurred to attend these meetings.

#### Financial instruments

- **Classification and measurement of financial assets**

At initial recognition, all financial assets are recorded at fair value in the statements of financial position. After initial recognition, financial assets must be classified as measured at fair value through other comprehensive income, at amortized cost, or at fair value through profit or loss. The Plan determines the classification based on the contractual cash flow characteristics of the financial assets and on the business model it uses to manage these financial assets.

## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

---

### 2. Significant accounting policies (continued)

#### Financial instruments (continued)

- **Classification and measurement of financial assets (continued)**

In addition, under the fair value option, a financial asset may be irrevocably designated at fair value through profit or loss at initial recognition if certain conditions are met. The Plan has not designated any asset under the fair value option.

- **Contractual cash flow characteristics**

For the purpose of classifying a financial asset, the Plan must determine whether the contractual cash flows associated with a financial asset are solely payments of principal and interest on the principal amount outstanding. The principal generally corresponds to the fair value of the financial asset at initial recognition. Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time, and for other basic lending risks and costs, as well as a profit margin. If the Plan determines that the contractual cash flows associated with a financial asset are not solely payments of principal and interest, the financial assets must be classified as measured at fair value through profit or loss.

- **Business model**

When classifying financial assets, the Plan determines the business model used for each portfolio of financial assets that are managed together to achieve a same business objective. The business model reflects how the Plan manages its financial assets and the extent to which the financial asset cash flows are generated by the collection of the contractual cash flows, the sale of the financial assets, or both. The Plan determines the business model using scenarios that it reasonably expects to occur. Consequently, the business model determination is a matter of fact and requires the use of judgment and consideration of all the relevant evidence available to the Plan at the date of determination.

A financial asset portfolio falls within a “hold to collect” business model when the Plan’s primary objective is to hold these financial assets in order to collect contractual cash flows from them and not to sell them. When the Plan’s objective is achieved both by collecting contractual cash flows and by selling the financial assets, the financial asset portfolio falls within a “hold to collect and sell” business model. Financial assets are measured at fair value through profit or loss if they do not fall within either a “hold to collect” business model or a “hold to collect and sell” business model.

The entire investment portfolio is now classified at fair value through profit or loss as the Plan’s strategy, as described in the prospectus, and its decisions are based on the fair value of assets. Although the Plan collects contractual cash flows during the ownership of these assets, they are considered incidental and not essential to achieving the objectives of the Plan’s business model. Since this model corresponds to another business model in accordance with IFRS 9, these financial assets are to be classified at fair value through profit or loss.

Cash, sales pending settlement, other accounts receivable, dividends receivable, interest receivable, CESG receivable and QESI receivable are recorded at amortized cost, since they are managed according to a business model for which the objective is to collect contractual cash flows that correspond solely to payments of principal and interest on the principal amount outstanding. At initial recognition, these assets are recorded at fair value and are subsequently measured at amortized cost using the effective interest method. The assets are presented net of provisions for credit losses (PCLs), if any, in the statements of financial position.

At the end of each reporting period, the Plan applies a three-stage impairment approach to measure the expected credit losses (ECLs) on all debt instruments measured at amortized cost. The ECL model is forward-looking. Measurement of ECLs at each reporting period reflects reasonable and supportable information about past events, current conditions, and forecasts of future events and economic conditions. Any initial and subsequent impairment must be recognized in profit or loss.

The ECL three-stage impairment approach is based on the change in the credit quality of financial assets since initial recognition. If, at the reporting date, the credit risk of financial instruments has not increased significantly since initial recognition, these financial instruments are classified in Stage 1, and a provision for credit losses is recorded in an amount equal to 12-month expected credit losses. When there is a significant increase in credit risk since initial recognition, these financial instruments are migrated to Stage 2, and a provision for credit losses in an amount equal to lifetime expected credit losses is recorded. For trade and other accounts receivable that have no significant financing component, the Plan uses the simplified method, so the provision for credit losses corresponds to an amount equal to lifetime expected credit losses.



## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

---

### 2. Significant accounting policies (continued)

#### Financial instruments (continued)

- **Business model (continued)**

In subsequent reporting periods, if the credit risk of a financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the ECL model requires reverting to Stage 1. When one or more events that have a detrimental impact on the estimated future cash flows of a financial asset have occurred, the financial asset is considered credit-impaired and is migrated to Stage 3, and a provision for credit losses equal to lifetime expected credit losses continues to be recorded or the financial asset is written off. Interest income is calculated on the gross carrying amount for financial assets in Stages 1 and 2 and on the net carrying amount for financial assets in Stage 3.

Purchases pending settlement, accounts payable and other liabilities, as well as QESI refundable are classified as financial liabilities at amortized cost. Upon initial recognition, these liabilities are recorded at fair value and are subsequently measured at amortized cost using the effective interest method.

#### Cash

Cash consists of deposits made in financial institutions.

#### Sales and purchases pending settlement

Sales pending settlement are investments sold with a transaction date prior to year-end 2022 but a settlement date in 2023. Purchases pending settlement are investments purchased with a transaction date prior to year-end 2022 but a settlement date in 2023.

#### Quebec Education Savings Incentive (QESI) receivable

The QESI is generally received in the month of May following the tax year in which the contributions were received. As of the reporting date of the financial statements, the QESI amount receivable is estimated based on all subscriber contributions made during the year ended December 31, 2022. This amount is estimated by first applying the methodology of the basic grant. If a subscriber is eligible for the additional grant, a supplementary grant amount receivable is then estimated in accordance with the applicable methodology. The total basic grant and the total additional grant are subject to the annual and lifetime limits, which are also factored into the estimated amount of QESI receivable.

#### Net assets attributable to contracts

The net assets attributable to contracts represent a financial liability resulting from a unique contract, and the Plan provides a breakdown of this liability according to its use, i.e., subscriber savings, sales charge refund obligation at maturity, EAP account, CESG, QESI or accumulated income on the CESG and QESI.

- **Subscriber savings**

The subscriber savings account consists of the contributions received from subscribers, excluding sales charges. The Plan guarantees the refund of savings to subscribers at all times.

- **Sales charge refund obligation at maturity (SCROM)**

The subscriber savings account consists of the contributions received from subscribers, excluding sales charges. The Plan guarantees the refund of savings to subscribers at all times.

In 2021, the Plan has retained an independent actuary to determine the value of the SCROM.

Management assesses this value based on the sales charges applicable to the Plan. The assumptions used to determine the value of the SCROM reflect management's best estimates regarding future payments to subscribers and include economic and non-economic assumptions. The non-economic assumptions include considerations such as the termination of the Plans before maturity. The main economic assumption is the discount rate. The latter corresponds to the weighting of the assumptions for net rate of return of equities and bonds, according to the directives of the investment policy applicable to the SCROM.

## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

---

### 2. Significant accounting policies (continued)

#### Financial instruments (continued)

- **EAP account**

The educational assistance payment (EAP) account consists of the net investment income accumulated on subscriber savings over time, net of the EAPs paid and the portion of net income used to refund sales charges. This account may be used only to issue EAPs, and these EAPs cannot exceed the sum in the eligible beneficiary group's EAP account.

- **Canada Education Savings Grant (CESG)**

Since January 1, 1998, the Government of Canada has been adding 20% to contributions made to a registered education savings plan (RESP), up to the eligible limit, by a subscriber who meets all the Canada Education Savings Program (CESP) requirements and submits the necessary information to the Plan. The annual CESG limit is set at \$500 per beneficiary (i.e., \$2,500 x 20% = \$500). Moreover, since January 1, 2005, the CESG rate that applies to the first \$500 of the annual RESP contribution increased from 20% to 40% for beneficiaries whose adjusted family net income in 2022 does not exceed \$50,197 and to 30% for beneficiaries whose adjusted family net income in 2022 falls between \$50,198 and \$100,392. These amounts are indexed every year. Beneficiaries born on or after January 1, 2004, from financially eligible families also qualify for the Canada Learning Bond (CLB), which consists of an initial payment of \$500 into the beneficiary's RESP. Subsequently, this beneficiary can also qualify for additional CLB payments of \$100 each year of eligibility for a maximum of 15 years. The grant is paid as part of the EAPs made to the beneficiary.

- **Quebec Education Savings Incentive (QESI)**

On February 20, 2007, the Government of Quebec introduced the Quebec Education Savings Incentive (QESI), a program to

encourage education savings that took the form of a refundable tax credit paid directly in an RESP opened with an RESP provider offering the QESI. The grant's annual limit is set at \$250 per beneficiary (i.e., \$2,500 x 10% = \$250). Moreover, the QESI rate on the first \$500 contributed annually to an RESP is 20% for beneficiaries whose adjusted family net income in 2022 does not exceed \$46,295. The rate is 15% for beneficiaries whose 2022 adjusted family net income falls between \$46,296 and \$92,580. These amounts are indexed each year. The credit applies as of the 2007 taxation year to contributions to RESPs after February 20, 2007, for a calendar year after 2006. The cumulative QESI lifetime limit per beneficiary is set at \$3,600. The grant is paid as part of the EAPs made to the beneficiary.

#### Taxation

The Plan is a trust under a registered education savings plan (RESP) and is exempted from filing a Trust Income Tax Return. Therefore, the Plan does not recognize income tax expenses.

#### Calculation of educational assistance payment (EAP) amounts per unit

EAP amounts per unit are calculated as of January 1 by determining the adjusted fair market value (AFMV) available to the beneficiary group eligible for EAPs as of this date.

The effect of this methodology is to amortize gains (losses) on investments over a four-year period, thereby protecting EAP amounts per unit from any major market fluctuations. For the period between September 30, 2022 and January 1, 2023 (between November 30, 2021 and January 1, 2022), the net return generated by the securities of portfolio in which the EAP account is invested is added. The amount of EAPs paid during this same period is also deducted, thereby establishing the AFMV as at January 1. The latter is then distributed among the units held by the beneficiaries eligible to receive an EAP by applying a claim factor. This way, only a portion of these units is considered, since some beneficiaries will not meet the requirements to qualify for EAPs.

An independent actuary issued an actuarial certificate regarding the methodology and assumptions used to calculate the EAP amounts per unit payable between January 15, 2021 and December 31, 2021.

## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

### 3. Significant accounting judgements, estimates and assumptions

When applying the Plan's accounting policies, as described in Note 2 to the financial statements for the year ended December 31, 2022, management must make judgement as well as estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and underlying assumptions are based on historical experience and other factors considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year during which the estimate is revised if the revision affects only that year or in the year of the revision and future years if said revision affects both current and future years.

Management exercised judgment and made estimates and underlying assumptions regarding the QESI receivable and the sales charge refund obligation at maturity (SCROM).

### 4. Investments

	December 31, 2022	December 31, 2021
Short-term investments	94,857	89,074
Bonds	331,244	355,029
Equities	127,007	206,057
	553,108	650,160

### 5. Current assets and liabilities

The Plan expects to recover the amounts relating to sales pending settlement, dividends receivable, interest receivable, CESG receivable, QESI receivable, no later than 12 months following the end date of the reporting period. In addition, the Plan expects to settle the sums for the purchases pending settlement, the QESI refundable as well as accounts payable and other liabilities no later than 12 months following the end date of the reporting period.

### 6. Other accounts receivable

	Notes	December 31, 2022	December 31, 2021
Amount receivable from Kaleido Foundation	9	-	1,005
		-	1,005

## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

### 7. Accounts payable and other liabilities

	Notes	December 31, 2022	December 31, 2021
Amount payable to Kaleido Growth Inc.	9	617	762
Amount payable to Kaleido Foundation	9	119	-
Accumulated income on grants for payment to a designated educational institution		63	229
Other		271	378
		1,070	1,369

### 8. Sales charge refund obligation at maturity (SCROM)

	December 31, 2022	December 31, 2021
Discounted value of the SCROM	29,175	32,679
Non-discounted value of the SCROM	31,424	34,737

Given that the underlying conditions evolve over time, especially the rate of return, these assumptions could also change and therefore cause a change in the discounted value of the SCROM.

<b>Impact of a change in the discount rate</b>	December 31, 2022	December 31, 2021
Discount rate applied	2.75%	1.84%
Increase of 1.0%	(733)	(987)
Decrease of 1.0%	775	1,050

### 9. Related party transactions

#### Kaleido Growth Inc.

Kaleido Growth Inc., a wholly owned subsidiary of Kaleido Foundation, is the distributor of the products promoted by the Foundation and serves as the Plan's distributor and investment fund manager.

**Notes**  
**for the years ended December 31, 2022 and 2021**  
(in thousands of Canadian \$)

**9. Related party transactions (continued)**

**Kaleido Foundation**

The Foundation is the promoter of the UNIVERSITAS Plan. The Plan and the Foundation report to the same Board of Directors.

	December 31, 2022	December 31, 2021
<b>Administration fee</b>		
Kaleido Growth Inc.	8,430	9,129
	8,430	9,129
<b>Amount receivable (payable)</b>		
Kaleido Growth Inc.	(617)	(762)
Kaleido Foundation	(119)	1,005
	(736)	243

**10. Capital management**

The Plan's capital corresponds to the net assets attributable to contracts. Capital management objectives are as follows:

- Preserving the value of subscriber savings and government grants.
- Ensuring the refund of sales charges at maturity.
- Achieving a maximum net return while maintaining an appropriate degree of risk to reach satisfactory EAP amounts per unit.

To meet these objectives, the portfolio managers are mandated to optimize total returns through high-quality investments, strategic asset diversification and allocation, security selection, duration management and credit analysis. The Plan periodically reviews and revises its policies and procedures.

For the year ended December 31, 2022, the following policies and procedures were applied:

- Subscriber savings: The Plan commits to refund subscriber savings and to invest the savings solely in fixed-income securities (government and corporate bonds) before plan maturity. After plan maturity, the Plan invests these funds solely in cash or cash equivalents to ensure the liquidity of investments, as these sums may be withdrawn at any time.
- Government grants: Grants received before April 20, 2012, are invested with a target allocation of 100% variable-income securities (Canadian and U.S. equities). Government grants received on or after April 20, 2012, are invested entirely in fixed-income securities such as the subscriber savings.
- Income earned on grants, SCROM, and the EAP account: The Plan invests the amounts attributed to these funds with a target allocation of 100% variable-income securities such as government grants received before April 20, 2012.

During the year ended December 31, 2022, the Plan maintained the same strategy of prudent portfolio management as that of previous reporting periods by maintaining the investment philosophy adopted by the Investment Committee and portfolio managers.

These policies and procedures must comply with the provisions of the Securities Act (Quebec) and meet the requirements of Paragraph 146.1 (1) of the Income Tax Act (Canada). The Plan is not subject to any other external capital requirements.

## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

---

### 11. Financial instruments

#### Fair value

- **Establishing fair value**

The fair values of cash, sales pending settlement, dividends receivable, interest receivable, QESI receivable, other accounts receivable, purchases pending settlement, CESG refundable, QESI refundable, and accounts payable and other liabilities approximate their carrying amounts due to their short-term maturities.

The fair value of net assets attributable to contracts corresponds to its carrying amount given that it is the residual amount allocated to contract holders and to beneficiaries at the reporting date.

The fair value of equity investments is established using the bid price values. If quoted prices in active markets are unavailable, the fair value of investments in short-term investments and bonds is determined using current valuation methods such as a model that relies on discounting expected future cash flows or similar techniques. These methods use current observable market data for financial instruments with similar risk profiles and comparable terms. The significant data used in these models include, but are not limited to, yield curves and credit risks.

- **Fair value hierarchy**

For financial reporting purposes, fair value measurements are classified in accordance with a hierarchy (Levels 1, 2, or 3). This classification is based on the level at which fair value measurement inputs are observable as well as on the significance of a particular input to the fair value measurement in its entirety. The fair value hierarchy consists of the following levels:

- Level 1 - Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities (for example, prices observable on the TSX) and for which the entity can access at the measurement date.
- Level 2 - Valuation based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices). For example, matrix pricing, yield curves and indices.
- Level 3 - Valuation in which a significant portion of the inputs used for assets or liabilities are not based on observable market data (unobservable inputs). For example, private investment valuations by portfolio managers.

The hierarchy that applies when determining fair value requires the use of observable market inputs whenever such inputs exist. Fair values are classified in Level 1 when the security is traded on an active market and a quoted price is available. If a financial instrument classified in Level 1 ceases to trade in an active market, it is transferred to the next level (Level 2). If the valuation of its fair value requires significant use of unobservable market inputs, it is then classified in Level 3.

## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

### 11. Financial instruments (continued)

#### Fair value (continued)

- **Fair value hierarchy (continued)**

The following tables present the financial instruments recorded at fair value in the statements of financial position, classified using the fair value hierarchy:

As at December 31, 2022	Level 1	Level 2	Level 3	Total
Short-term investments	90,867	3,990	-	94,857
Bonds	-	331,244	-	331,244
Equities	127,007	-	-	127,007
	217,874	335,234	-	553,108

As at December 31, 2021	Level 1	Level 2	Level 3	Total
Short-term investments	82,048	7,026	-	89,074
Bonds	-	355,029	-	355,029
Equities	206,057	-	-	206,057
	288,105	362,055	-	650,160

\* During the years ending December 31, 2022 and December 31, 2021, there were no transfers between Level 1 and Level 2

#### Risk management related to financial instruments

Due to the nature of its business activities, the Plan is exposed to a variety of financial risks arising from financial instruments, such as credit risk, liquidity risk and market risk (including price risk, currency risk and interest rate risk). The Plan's overall risk management program seeks to maximize the returns achieved without exposing subscriber investments to undue risks and to minimize potential adverse impacts on financial performance. The main risks stemming from financial instruments to which the Plan is exposed and the main actions taken to manage those risks are as follows:

- **Credit risk**

The Plan is exposed to credit risk, which is the risk of a party to a financial instrument failing to meet its obligations, resulting in a financial loss for the other party. The Plan's exposure to credit risk arises from its investments in debt securities. The Plan has established qualitative selection criteria for investments to limit this risk. As for investments related to subscriber savings and to a portion of the government grants received as of April 20, 2012, the Plan selects only securities issued by the Government of Canada, a provincial government, a municipality, an organization that has a government guarantee, or a corporation that is considered investment grade. The other amounts making up the net assets attributable to contracts may also be invested in securities issued by corporations.

Quantitative restrictions have also been established to reduce credit risk. Securities from all borrowers, except a government, are limited to 10% of the total market value of the fixed-income securities entrusted to the portfolio manager. A minimum BBB rating is required when purchasing.

## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

### 11. Financial instruments (continued)

#### Risk management related to financial instruments (continued)

- **Credit risk (continued)**

As at December 31, 2022 and as at December 31, 2021, the Plan invested in fixed-income securities that are neither past due nor impaired and that had the following credit ratings:

Credit rating	Percentage of total debt securities*	
	December 31, 2022	December 31, 2021
	%	%
AAA	1.5	0.8
AA	27.2	70.7
A	46.2	16.4
BBB	25.1	12.1

\* Excludes short-term investments

The Plan's maximum exposure to credit risk is the carrying amount of the financial instruments presented in the statements of financial position.

- **Liquidity risk**

Liquidity risk refers to the Plan's ability to meet its commitments under financial liabilities and therefore its capacity to make payments as required. The Plan is exposed to daily refunds to subscribers, who are entitled to request a refund of their savings at any time. However, the majority of subscribers hold their investment until the contract's maturity date. Liquidity risk is considerably reduced by the fact that the subscriber savings are entirely invested in fixed-income securities on liquid markets. The Plan carefully manages its cash position daily and ensures the minimum cash level required to meet its liquidity needs is maintained.

The following table presents the contractual maturities of the Plan's financial liabilities as at December 31, 2022, assuming the subscribers claim their savings at contract maturity (subscribers are also entitled to claim these at any time by cancelling part or all of their units):

Maturity	Purchases pending settlement	Accounts payable and other liabilities	QESI refundable	Net assets attributable to contracts	Total
2023 <sup>(*)</sup>	875	1,070	367	317,778	320,090
2024				79,097	79,097
2025				72,274	72,274
2026				47,530	47,530
2027				24,421	24,421
2028				10,322	10,322
2029				5,309	5,309
2030				1,269	1,269
2031				94	94
2032				35	35
2033				-	-
2034				-	-
2035				-	-
	<b>875</b>	<b>1,070</b>	<b>367</b>	<b>558,129</b>	<b>560,441</b>

\* Includes beneficiary groups with plans that reached maturity before 2023



## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

### 11. Financial instruments (continued)

#### Risk management related to financial instruments (continued)

- **Liquidity risk (continued)**

The following table presents the contractual maturities of the Plan's financial liabilities as at December 31, 2021, assuming the subscribers claim their savings at contract maturity (subscribers are also entitled to claim these at any time by cancelling part or all of their units):

Maturity	Purchases pending settlement	Accounts payable and other liabilities	QESI refundable	Net assets attributable to contracts	Total
2022 <sup>(1)</sup>	4,878	1,369	395	325,132	331,774
2023				86,279	86,279
2024				81,030	81,030
2025				73,681	73,681
2026				48,183	48,183
2027				24,585	24,585
2028				10,350	10,350
2029				5,303	5,303
2030				1,242	1,242
2031				91	91
2032				27	27
2033				-	-
2034				-	-
	<b>4,878</b>	<b>1,369</b>	<b>395</b>	<b>655,903</b>	<b>662,545</b>

<sup>(1)</sup> Includes beneficiary groups with plans that reached maturity before 2022.

- **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. Changes in certain financial market parameters can influence the Plan's statements of financial position and comprehensive income. The Plan considers these risks when deciding on the overall asset allocation options.

Market risk is reduced through a diversification of the investment portfolio among multiple financial markets (money market, bond and stock exchange), among diverse products with varying risk profiles (participative or fixed-income securities) and among multiple market sectors (government, municipal, energy, materials, communication services, utilities, financials, consumer staples, consumer discretionary, industrials and technology).

- **Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Plan carries out transactions denominated in foreign currencies and is therefore exposed to currency risk when selling and buying investments in U.S. currencies and when the Plan has U.S. currencies in its cash. As at December 31, 2022, the Plan had \$214.8 in U.S. currency (\$288.3 as at December 31, 2021), representing \$291.1 in cash (\$364.2 as at December 31, 2021). The Plan also had shares in U.S. currency totalling \$38.1M (\$55.6M as at December 31, 2021), representing \$51.7M in investments (\$70.2M as at December 31, 2021). Lastly, the Plan had \$75.1 of dividends receivable in U.S. currency (\$94.7 as at December 31, 2021), representing \$101 in dividends receivable (\$119.6 as at December 31, 2021), sales pending settlement receivable of \$598.8 in U.S. currency (\$2.5M as at December 31, 2021), representing \$811.3 in assets (\$3.1M as at December 31, 2021) and purchases pending settlement of \$242.5 in U.S. currency (\$1.7K as at December 31, 2021), representing \$328.6 in liabilities (\$2.1K as at December 31, 2021).

## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

### 11. Financial instruments (continued)

#### Risk management related to financial instruments (continued)

- **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Changes in interest rates have a direct impact on the value of the investment portfolio's fixed-maturity securities. This risk is mitigated by a duration range for the active portion of the bond portfolio and by developing a target duration correlated to the economic outlook for the passive portion of the bond portfolio.

The maturity allocation of bonds is regularly adjusted based on anticipated interest rate movements, in compliance with the established maturities under the Plan's investment policy. The target duration is based on an analysis of the economic situation, future prospects and risk based on the very nature of the Plan.

As at December 31, 2022, a 100-basis-point change in market interest rates, assuming a parallel shift in the yield curve and all other variables remaining constant, would cause the fair value of the bonds held in the Plan's investment portfolio, net income, comprehensive income and net assets attributable to contracts to change by approximately \$19.1M (\$17.1M as at December 31, 2021). In practice, actual results may differ materially from this analysis.

Investments that present interest rate risk are as follows:

	December 31, 2022	December 31, 2021
	%	%
Maturing in less than one year	22.3	23.2
Maturing in one to five years	43.5	34.7
Maturing after five years	34.2	42.1

- **Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or to its issuer, or factors affecting all similar financial instruments traded in the market. Stock market volatility mostly influences the value of equities held by the Plan. It should be noted, however, that this exposure is spread in various market sectors, especially in Canadian and U.S. large-cap securities, which reduces this risk. The stock market index for equities is the S&P/TSX.

A 10% change in the market index, with all other variables remaining constant, would create a change of approximately \$12.7M as at December 31, 2022 (\$20.6M as at December 31, 2021) in the fair value of the Plan's equity holdings, net income, comprehensive income and net assets attributable to contracts. In practice, actual results may differ materially from this analysis. The sensitivity analysis on the fair value of the bonds is described in the "Interest rate risk" section.

- **Concentration risk**

Concentration risk arises from having positions concentrated within a same category, whether that category is geographical location, product type, market sector or type of counterparty.

## Notes

for the years ended December 31, 2022 and 2021

(in thousands of Canadian \$)

### 11. Financial instruments (continued)

#### Risk management related to financial instruments (continued)

- **Concentration risk**

The following table summarizes the Plan's concentration risk in relation to the total carrying amount of equity investments:

<b>Market sectors</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
	%	%
Energy	2.9	3.6
Materials	7.7	9.3
Communication Services	7.7	2.6
Utilities	1.9	3.6
Financials	17.7	20.6
Consumer Staples	10.8	17.9
Consumer Discretionary	12.9	10.0
Health	10.3	4.9
Industrials	12.0	14.1
Technology	16.0	13.4

- **Offsetting**

The following table presents the financial instruments that have been offset in the Plan's financial statements:

<b>Canada Education Savings Grant (CESG) receivable</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Gross financial assets	304	577
Financial liabilities offset	(72)	(85)
	<b>232</b>	492

The Plan has no other financial instrument subject to an enforceable master netting agreement or similar agreement.

The Plan does not hold assets that can be used as a guarantee for the CESG receivable.

### 12. Economic situation

The consequences of the pandemic, the Russian invasion in Ukraine and the Chinese zero tolerance policy towards Covid (leading to numerous shortages) have weighed heavily in the slowdown of the world economy in 2022. This has led to strong inflationary pressure with multiple rate hikes in a relatively short period of time and a de facto effect on prices. All of these factors have had an impact on the Plan's annual return on both variable income securities (correlated to market fluctuations) and fixed income securities, whose bond market had a disastrous year.

The Plan continues to manage its assets in accordance with established investment and risk policies.

## Scholarship Agreements (unaudited)

as at December 31, 2022

(in thousands of Canadian \$)

Group	Number of units as at Dec. 31 2021	Number of subscribed units	Number of cancelled or expired units	Number of units as at Dec. 31 2022	Subscribers' Savings	Sales Charge Refund Obligation at Maturity	EAP Account	CESG and Accumulated Income on CESG	QESI and Accumulate d Income on QESI
2023	224,466	70	(4,022)	220,514	150,415	13,073	60,934	71,104	22,252
2024	25,720	67	(63)	25,724	46,960	4,716	2,645	17,979	6,797
2025	26,163	87	(76)	26,174	44,090	4,660	805	16,501	6,218
2026	19,367	63	(47)	19,383	29,939	3,349	(681)	10,870	4,053
2027	11,382	37	(19)	11,400	16,029	1,900	(1,066)	5,457	2,101
2028	5,319	22	(53)	5,288	6,817	851	(538)	2,306	886
2029	3,171	11	(29)	3,152	3,647	491	(412)	1,130	453
2030	806	3	-	809	889	123	(102)	257	102
2031	63	-	3	66	67	9	(9)	20	7
2032	24	-	18	43	25	3	(6)	10	3
2033	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-
	<b>316,481</b>	<b>360</b>	<b>(4,288)</b>	<b>312,553</b>	<b>298,878</b>	<b>29,175</b>	<b>61,570</b>	<b>125,634</b>	<b>42,872</b>

## Educational assistance payments (unaudited)

for the years ended December 31, 2022 and 2021

(in Canadian \$)

As at December 31, 20 <sup>(1)(2)</sup>	Year of qualification <sup>(5)</sup>	Units	EAP unit value \$	Total \$
	2022	3,759.192	558	2,097,629
	2021	5,454.783	558	3,043,769
	2020	4,073.889	558	2,273,230
	2019	2,745.015	558	1,531,719
	2018	2,245.345	558	1,252,903
	2017	1,451.756	558	810,080
	2016	1,008.138	558	562,541
	2015	556.952	558	310,779
	2014	306.165	558	170,840
	2013	216.834	558	120,993
	2012	119.909	558	66,909
	2011	85.473	558	47,694
	2010	58.277	558	32,518
	2009	60.365	558	33,683
	2008	46.229	558	25,796
	2007	12.629	558	7,047
	2006	13.106	558	7,313
	2005	39.295	558	21,927
Experience refunds <sup>(3)</sup>		21,180.669	53	1,122,575
Grants and their income paid				22,516,740
Other income paid				180,994
				36,237,680

<sup>(1)</sup> The EAP unit amount does not include government grants or the income earned thereon.

<sup>(2)</sup> The EAP unit amounts are established on July 1 of each year.

<sup>(3)</sup> The insurance experience refund is payable only for units purchased before December 8, 2009 and for which the subscriber paid premiums for the mandatory life and disability insurance. Before 2014, this refund was included in the EAP unit amount since all qualified beneficiaries were

<sup>(4)</sup> The "Other income paid" item refers to income received from other promoters and income on savings after plan maturity.

<sup>(5)</sup> Since July 1, 2014, a freeze on the second and third EAP has been applied. This means that, if a beneficiary qualifies for a first EAP, he or she will receive the unit value of the second and third EAP calculated for the current year of qualification, regardless of when the beneficiary applies for it. Prior to July 1, 2014, any beneficiary who qualified for a second or third EAP received the unit amount in force at the time of application.

## Educational assistance payments (unaudited)

for the years ended December 31, 2022 and 2021

(in Canadian \$)

As at December 31, 20. <sup>(1)(2)</sup>	Year of qualification <sup>(5)</sup>	Units	EAP unit value \$	Total \$
	2021	3,214.435	607	1,951,162
	2020	4,892.163	607	2,969,543
	2019	3,677.908	607	2,232,490
	2018	2,887.626	607	1,752,789
	2017	2,014.944	607	1,223,071
	2016	1,671.748	607	1,014,751
	2015	940.687	607	570,997
	2014	573.316	607	348,003
	2013	321.861	607	195,369
	2012	207.274	607	125,815
	2011	141.438	607	85,853
	2010	88.171	607	53,520
	2009	73.851	607	44,828
	2008	62.270	607	37,798
	2007	40.239	607	24,425
	2006	28.742	607	17,446
	2005	30.269	607	18,373
	2004	32.449	607	19,697
Experience refunds <sup>(3)</sup>		18,985.973	65	1,234,088
Grants and their income paid				22,328,007
Other income paid				216,096
				36,464,122

<sup>(1)</sup> The EAP unit amount does not include government grants or the income earned thereon.

<sup>(2)</sup> The EAP unit amounts are established on July 1 of each year.

<sup>(3)</sup> The insurance experience refund is payable only for units purchased before December 8, 2009 and for which the subscriber paid premiums for the mandatory life and disability insurance. Before 2014, this refund was included in the EAP unit amount since all qualified beneficiaries were

<sup>(4)</sup> The "Other income paid" item refers to income received from other promoters and income on savings after plan maturity.

<sup>(5)</sup> Since July 1, 2014, a freeze on the second and third EAP has been applied. This means that, if a beneficiary qualifies for a first EAP, he or she will receive the unit value of the second and third EAP calculated for the current year of qualification, regardless of when the beneficiary applies for it. Prior to July 1, 2014, any beneficiary who qualified for a second or third EAP received the unit amount in force at the time of application.

## **Kaleido Growth Inc.**

Distributor and manager of the scholarship plans  
promoted by Kaleido Foundation

1035 Wilfrid-Pelletier Ave., Suite 500  
Quebec QC G1W 0C5

Phone: 1 877 710-7377  
Fax: 418 651-8030  
Email: [info@kaleido.ca](mailto:info@kaleido.ca)

