

# NEI Canadian Impact Bond Fund

Make impact a core part of your fixed income portfolio

NEI

## Measurable Solutions

Portfolio securities are selected to address some of Canada's major social and environmental challenges.

## Core fixed income

Predominantly investment-grade portfolio designed to provide risk-return profile of core global fixed income.

## Competitive price<sup>1</sup>

Cost-effective exposure to issuers and secular themes not typically found in traditional fixed income strategies.

## Portfolio composition<sup>2</sup>

### Thematic allocation

	%
Climate Change	68.5
Community Development	16.9
Education	5.2
Health and Wellness	3.1
Water	1.4
Non-Impact	4.9

### Sector allocation

	%
Cash and money market	0.8
Federal and supranational bonds	24.7
Provincial bonds	31.4
Municipal bonds	7.4
Corporate bonds	35.6
Preferred shares	0.0

### Characteristics (key metrics)

Modified duration (years)	7.3
Average yield to maturity (%)	3.8
Average credit quality	AAL
Number of holdings	98

## Addenda's proprietary process to identify impact bonds, based on extensive research and experience

- All bonds must fit into one of 13 investment themes grouped under four broad impact categories
- All bonds must meet strict eligibility criteria around materiality, additionality and measurability
- Bonds are then added to the portfolio based on suitable risk-return characteristics.

## Composition of the Fund<sup>2</sup>

Asset class / Sector limits & other constraints	Minimum %	Maximum %
Fixed income	90	100
Allocation to below BBB-rated securities	0	20
Preferred shares	0	5
Unrated securities	0	10
Foreign securities	0	30
Impact-related securities	80	100
Cash and money market securities	0	10

<sup>1</sup>Based on year-end 2024 management and/or administrative fees of other Canadian Fixed Income Mutual Funds as per The Investment Funds Institute of Canada (IFIC), ISS Market Intelligence Simfund Canada data as of December 31, 2024; For more information about the SimFund Report contact us by calling 1-888-809-3333, email at [NEIclientservices@NEIinvestments.com](mailto:NEIclientservices@NEIinvestments.com), or by writing us at Northwest & Ethical Investments L.P., 151 Yonge Street Suite 1200, Toronto ON M5C 2W7.

<sup>2</sup>As of December 31, 2024.

# Addenda's assessment framework

## Climate change

- Renewable energy
- Clean transportation
- Energy efficiency

## Community development

- Credit unions and financial services co-operatives
- Development finance
- Affordable housing
- Indigenous economy

## Education

- Universities
- School boards
- School service centres

## Health and wellness

- Hospitals
- Non-profit seniors' housing

## Fast facts

- ✓ Managed by **Addenda Capital**, a Canadian specialist in responsible investing
- ✓ **Measurable solutions** addressing social and environment Canadian challenges
- ✓ Predominantly **investment-grade** portfolio designed to provide a risk-return profile of core Canadian fixed income
- ✓ Annual fixed distribution of **4%**, paid monthly\*
- ✓ **Potential downside protection** via stable underpinning of high-quality bonds
- ✓ **Competitively priced** with a cost-effective exposure

## Performance

As of December 31, 2024

	Annualized returns %			Inception date
	1 yr	SI	MER <sup>3</sup> %	
NEI Canadian Impact Bond A	3.8	5.6	1.25	2023-07-17
NEI Canadian Impact Bond F	4.3	6.2	0.68	2023-07-17

## Fund codes and fees

Prefix: NWT

Series	FE	NL
<b>A</b>	154	–
<b>F</b>	–	554
<b>P</b>	8154	–
<b>PF</b>	–	8554

<sup>3</sup> As of September 30, 2024.

\* The Portfolio will seek to pay a monthly distribution, consisting of income and/or return of capital of a fixed amount per unit determined as of December 31 in the previous year. The distribution policy is reviewed annually.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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