

# Interim Financial Statements

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**ADDENDA CAPITAL FUNDS**

June 30, 2023

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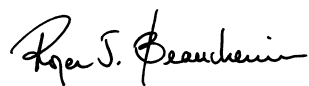
# Management's Responsibility for Financial Reporting

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The accompanying financial statements of the Funds (as described in Note 1) have been prepared by Addenda Capital Inc., the manager of the Funds (the "Manager"). The Manager is responsible for the information and representations contained in these financial statements.

The Manager maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. The significant accounting policies which management believes are appropriate for the Funds are described in Note 3 to the financial statements.

August 25, 2023



**Roger J. Beauchemin**  
*President &  
Chief Executive Officer  
Addenda Capital Inc.*



**Janick Boudreau**  
*Executive Vice-President,  
Business Development  
& Client Partnerships  
Addenda Capital Inc.*

## Notice | Unaudited Interim Financial Statements

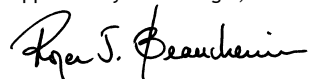
The following Addenda Capital Funds' Interim Financial Statements have not been subject to a review by the Funds' external auditors.

# Addenda Income Focus Fund

## Statement of financial position (unaudited)

As at	June 30 2023 \$	December 31 2022 \$
<b>Assets</b>		
<b>Current assets</b>		
Investments in non-derivative financial assets	95,706,895	93,093,817
Cash	59,607	32,905
Receivable for investments sold	958,025	—
Interest receivable	472,708	405,795
Dividends receivable	28,814	32,782
<b>Total assets</b>	<b>97,226,049</b>	<b>93,565,299</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Payable for investments purchased	611,012	—
Accrued management fees	39,357	40,524
Accrued administration fees	15,743	16,210
Accrued harmonized sales tax and other taxes	8,421	8,579
Other accrued expenses	5,526	301
<b>Total liabilities</b>	<b>680,059</b>	<b>65,614</b>
<b>Net assets attributable to holders of redeemable units</b>	<b>96,545,990</b>	<b>93,499,685</b>
<b>Net assets attributable to holders of redeemable units per series</b>		
Series A	72,826	2,430
Series F	96,473,164	93,497,255
<b>Units outstanding</b>		
Series A	7,873	264
Series F	9,945,604	9,819,275
<b>Net assets attributable to holders of redeemable units per unit</b>		
Series A	9.25	9.20
Series F	9.70	9.52

Approved by the Manager,



Roger J. Beauchemin  
President and  
Chief Executive Officer



Janick Boudreau  
Executive Vice-President,  
Business Development  
& Client Partnerships

## Statement of comprehensive income (unaudited)

Six-month periods ended June 30	2023 \$	2022* \$
<b>Income</b>		
Interest for distribution purposes	1,151,924	461,988
Dividend income	249,992	254,525
Income from funds	155,644	—
Net other gain (loss)	(1,599)	(1,078)
Change in unrealized on foreign exchange gain (loss) on cash	6	—
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on investments	(823,024)	(534,161)
Change in unrealized appreciation (depreciation)	2,705,052	(7,159,208)
<b>Total income (net)</b>	<b>3,437,995</b>	<b>(6,977,934)</b>
<b>Expenses (Note 8)</b>		
Management fees	238,891	112,487
Administration fees	95,543	47,795
Independent review committee fees	13,899	1,541
Registration and other filing fees	44	146
Trailer fees	44	—
Harmonized sales tax and other taxes	50,842	23,834
Tax liability	47,001	—
Commissions and other portfolio transaction costs	7,741	32,348
Withholding expenses	7,626	5,533
<b>Total expenses</b>	<b>461,631</b>	<b>223,684</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	<b>2,976,364</b>	<b>(7,201,618)</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units per series</b>		
Series A	460	(1)
Series F	2,975,904	(7,201,617)
<b>Increase (decrease) in net assets attributable to holders of redeemable units per unit</b>		
Series A	0.19	(0.73)
Series F	0.30	(0.80)
<b>Weighted average units outstanding for the period</b>		
Series A	2,483	1
Series F	9,871,331	8,995,099

\* For the period from March 28, 2022 (beginning of operations) to June 30, 2022.  
The accompanying notes are an integral part of the financial statements.

## Addenda Income Focus Fund

### Statement of changes in net assets attributable to holders of redeemable units (unaudited)

Six-month periods ended June 30	2023 \$	2022* \$
Net assets attributable to holders of redeemable units at beginning of period	93,499,685	—
Increase (decrease) in net assets attributable to holders of redeemable units	2,976,364	(7,201,618)
Distributions paid or payable to holders of redeemable units		
From net investment income	(1,233,835)	(469,174)
Total distributions to holders of redeemable units	(1,233,835)	(469,174)
Redeemable unit transactions		
Amount received from the issuance of units	72,941	100,000,011
Amount received from reinvestment of distributions	1,233,835	469,174
Amount paid on redemptions of units	(3,000)	—
Net increase (decrease) from redeemable unit transactions	1,303,776	100,469,185
Net increase (decrease) in net assets attributable to holders of redeemable units	3,046,305	92,798,393
Net assets attributable to holders of redeemable units at end of period	96,545,990	92,798,393

### Statement of changes in net assets attributable to holders of redeemable units (unaudited)

Six-month periods ended June 30 Series F	2023 \$	2022* \$
Net assets attributable to holders of redeemable units at beginning of period	93,497,255	—
Increase (decrease) in net assets attributable to holders of redeemable units	2,975,904	(7,201,617)
Distributions paid or payable to holders of redeemable units		
From net investment income	(1,233,428)	(469,174)
Total distributions to holders of redeemable units	(1,233,428)	(469,174)
Redeemable unit transactions		
Amount received from the issuance of units	5	100,000,001
Amount received from reinvestment of distributions	1,233,428	469,174
Net increase (decrease) from redeemable unit transactions	1,233,433	100,469,175
Net increase (decrease) in net assets attributable to holders of redeemable units	2,975,909	92,798,384
Net assets attributable to holders of redeemable units at end of period	96,473,164	92,798,384

### Statement of changes in net assets attributable to holders of redeemable units (unaudited)

Six-month periods ended June 30 Series A	2023 \$	2022* \$
Net assets attributable to holders of redeemable units at beginning of period	2,430	—
Increase (decrease) in net assets attributable to holders of redeemable units	460	(1)
Distributions paid or payable to holders of redeemable units		
From net investment income	(407)	—
Total distributions to holders of redeemable units	(407)	—
Redeemable unit transactions		
Amount received from the issuance of units	72,936	10
Amount received from reinvestment of distributions	407	—
Amount paid on redemptions of units	(3,000)	—
Net increase (decrease) from redeemable unit transactions	70,343	10
Net increase (decrease) in net assets attributable to holders of redeemable units	70,396	9
Net assets attributable to holders of redeemable units at end of period	72,826	9

\* For the period from March 28, 2022 (beginning of operations) to June 30, 2022.  
The accompanying notes are an integral part of the financial statements.

# Addenda Income Focus Fund

## Statement of cash flows (unaudited)

Six-month periods ended June 30	2023 \$	2022* \$
<b>Cash flows from operating activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	2,976,364	(7,201,618)
Adjustments for:		—
Change in unrealized on foreign exchange (gain) loss on cash	(6)	—
Net realized (gain) loss on sale of investments	823,024	534,161
Net change in unrealized (appreciation) depreciation of investments and derivatives	(2,705,052)	7,159,208
Change in interest accrual on discount notes and Treasury bills	8,679	(790)
Distributions from underlying funds	(155,644)	—
Purchase of investments	(48,378,881)	(141,426,376)
Proceeds from the sale of investments	47,447,783	41,551,240
Interest receivable	(66,913)	(364,801)
Dividends receivable	3,968	(32,897)
Other liabilities	3,433	60,840
<b>Net cash from operating activities</b>	<b>(43,245)</b>	<b>(99,721,033)</b>
<b>Cash flows from financing activities</b>		
Amount received from the issuance of units	72,941	100,000,011
Amount paid on redemptions of units	(3,000)	—
<b>Net cash used in financing activities</b>	<b>69,941</b>	<b>100,000,011</b>
Change in unrealized on foreign exchange gain (loss) on cash	6	—
Increase (decrease) in cash during the period	26,696	278,978
Cash at beginning of period	32,905	—
<b>Cash at end of period</b>	<b>59,607</b>	<b>278,978</b>
<b>Supplemental information on cash flows from (used in) Operating Activities</b>		
Interest received	1,093,690	96,397
Dividends received, net of withholding taxes	246,334	216,095

\* For the period from March 28, 2022 (beginning of operations) to June 30, 2022.  
The accompanying notes are an integral part of the financial statements.

# Addenda Income Focus Fund

## Schedule of investment portfolio (unaudited) as at June 30, 2023

	Number of shares	Cost \$	Fair value \$		Number of shares	Cost \$	Fair value \$
<b>EQUITIES (16.6%)</b>				<b>Canada (continued)</b>			
<b>Preferred Equities (0.1%)</b>				Wheaton Precious Metals Corp.			
<b>Consumer Staples (0.0%)</b>				WSP Global Inc.			
Loblaws Cos. Ltd.							
Series B, 5.300%	500	12,890	10,645				
		12,890	10,645			9,474,604	8,922,936
<b>Financials (0.0%)</b>				<b>France (0.8%)</b>			
Bank of Montreal				Capgemini SE			
Class B, Series 27, 4.000%	300	6,974	5,376	EssilorLuxottica			
Brookfield Corp.				LVMH Moët Hennessy			
Series 46, Variable rate	500	13,378	9,595	Louis Vuitton SE			
Great-West Lifeco Inc.				Schneider Electric SE			
Series Y, 4.500%	1,000	21,254	17,350	Worldline SA			
Royal Bank of Canada						741,997	776,438
Series AZ, Variable rate	1,100	25,323	19,228	<b>Germany (0.4%)</b>			
		66,929	51,549	Adidas AG			
<b>Utilities (0.1%)</b>				Fresenius SE & Co. KGaA			
AltaGas Ltd.				SAP SE			
Series E, Variable rate	1,600	40,352	31,920	Symrise AG			
Series G, Variable rate	600	14,454	10,350			420,488	410,200
Brookfield Renewable Partners L.P.				<b>Ireland (0.1%)</b>			
Class A, Series 7, Variable rate	600	15,666	12,798	Kerry Group PLC, Class A			
Emera Inc.						126,880	113,293
Series J, Variable rate	400	10,277	7,902			126,880	113,293
Series L, 4.600%	800	18,047	13,680	<b>Japan (0.5%)</b>			
		98,796	76,650	Air Water Inc.			
<b>Total Preferred Equities</b>		178,615	138,844	Daifuku Co. Ltd.			
<b>Common Equities (16.5%)</b>				Hoya Corp.			
<b>Canada (9.3%)</b>				Nidec Corp.			
Air Canada	2,160	52,925	53,978	Nippon Sanso Holdings Corp.			
Bank of Montreal	2,580	321,116	308,671	Terumo Corp.			
Bank of Nova Scotia	4,330	399,876	286,993			476,533	485,243
BCE Inc.	1,100	66,388	66,440	<b>Netherlands (0.1%)</b>			
Brookfield Asset Management Ltd.				Heineken NV			
Class A	1,975	104,802	85,399			122,266	133,925
Brookfield Corp., Class A	10,130	591,282	451,798	<b>Spain (0.1%)</b>			
Cameco Corp.	2,690	87,164	111,608	Grifols SA, Class A			
Canadian National Railway Co.	2,570	434,984	412,280			132,160	103,895
Canadian Natural Resources Ltd.	6,630	510,751	493,803			132,160	103,895
Canadian Pacific Kansas City Ltd.	4,240	437,167	453,680	<b>Switzerland (0.4%)</b>			
CCL Industries Inc., Class B	2,653	150,944	172,763	Coca-Cola HBC AG			
CGI Inc., Class A	3,290	335,703	459,613	DSM-Firmenich AG			
Colliers International Group Inc.	450	58,305	58,500	Nestlé SA, Registered			
Dollarama Inc.	4,300	296,450	385,796	Sika AG, Registered			
Enbridge Inc.	8,600	494,251	423,464			297,667	338,629
Franco-Nevada Corp.	1,811	353,969	341,935	<b>United Kingdom (0.6%)</b>			
iA Financial Corp. Inc.	1,120	86,027	101,080	Diageo PLC			
Loblaws Cos. Ltd.	2,740	308,281	332,307	Experian PLC			
Magna International Inc.	1,450	121,834	108,445	Linde PLC			
Manulife Financial Corp.	6,880	185,681	172,275	Prudential PLC			
Nutrien Ltd.	2,270	288,052	177,537	RELX PLC			
Open Text Corp.	6,850	374,158	377,435			586,367	599,855
Quebecor Inc., Class B				<b>United States (4.2%)</b>			
Subordinate Voting Shares	3,550	110,072	115,908	Adobe Inc.			
Restaurant Brands International Inc.	1,990	177,309	204,393	Akamai Technologies Inc.			
Rogers Communications Inc., Class B	3,680	254,298	222,419	Alphabet Inc., Class C			
Royal Bank of Canada	3,670	519,312	464,328	Amphenol Corp., Class A			
Shopify Inc., Class A	2,180	198,185	186,652	Apple Inc.			
Suncor Energy Inc.	3,620	145,656	140,673	Ball Corp.			
TC Energy Corp.	5,190	361,888	277,873	Becton, Dickinson and Co.			
Teck Resources Ltd., Class B	2,240	125,086	124,857	Booking Holdings Inc.			
Toronto-Dominion Bank	8,660	884,241	711,073	Broadcom Inc.			
Tourmaline Oil Corp.	1,520	100,244	94,878	Broadridge Financial Solutions Inc.			
				Charles Schwab Corp.			
				Church & Dwight Co. Inc.			

# Addenda Income Focus Fund

## Schedule of investment portfolio (unaudited) (continued) as at June 30, 2023

	Number of shares	Cost \$	Fair value \$		Par value \$	Cost \$	Fair value \$
<b>United States (continued)</b>				<b>Provincial governments and Crown corporations (continued)</b>			
Costco Wholesale Corp.	162	115,622	115,410	Hydro-Québec			
CVS Health Corp.	718	92,415	65,680	Series JG, 6.000%, 2031-08-15	750,000	921,450	852,418
Danaher Corp.	211	78,174	67,010	Series 20, 6.000%, 2040-02-15	4,150,000	5,449,847	5,056,203
F5 Inc.	206	52,977	39,869	Province of Ontario			
Fiserv Inc.	504	65,307	84,132	Series DMTN244, 1.850%			
Fortive Corp.	722	56,177	71,434	2027-02-01	1,225,000	1,155,408	1,129,697
Global Payments Inc.	450	74,308	58,665	Series DMTN251, 1.550%			
Honeywell International Inc.	366	90,556	100,494	2029-11-01	8,500,000	7,565,018	7,361,937
Hormel Foods Corp.	624	39,687	33,210	Series DMTN257, 4.050%			
International Flavors and Fragrances Inc.	291	41,939	30,647	2032-02-02	4,555,000	4,528,321	4,582,060
Intuit Inc.	136	82,212	82,457	Series DMTN236, 2.900%			
IQVIA Holdings Inc.	326	86,809	96,961	2049-06-02	1,175,000	971,890	955,226
Johnson & Johnson	324	72,132	70,964	Province of Québec			
JPMorgan Chase & Co.	581	102,754	111,815	3.650%, 2032-05-20	1,875,000	1,875,476	1,834,771
Lowe's Cos. Inc.	297	81,676	88,701	Ryerson University			
Microsoft Corp.	712	281,235	320,841	Series B, 3.542%, 2061-05-04	350,000	286,500	275,094
Middleby Corp.	334	56,645	65,336	University of Toronto			
Mondelez International Inc., Class A	666	52,648	64,281	Series B, 5.841%, 2043-12-15	846,000	1,091,746	979,787
Moody's Corp.	81	34,450	37,270			25,951,635	24,946,703
Nike Inc., Class B	607	105,802	88,651	<b>Municipalities and semi-public institutions (1.3%)</b>			
PepsiCo Inc.	269	56,671	65,930	City of Ottawa			
PNC Financial Services Group Inc.	282	68,544	46,999	3.250%, 2047-11-10	625,000	586,187	522,105
Stryker Corp.	151	51,621	60,960	South Coast British Columbia Transportation Authority			
Thermo Fisher Scientific Inc.	175	129,915	120,821	Series TL-7, 3.250%, 2028-11-23	725,000	736,963	696,683
TJX Cos. Inc.	1,091	87,953	122,408			1,323,150	1,218,788
Union Pacific Corp.	173	59,280	46,842	<b>Corporates (18.0%)</b>			
United Parcel Service Inc., Class B	248	69,095	58,824	Brookfield Renewable Partners ULC			
UnitedHealth Group Inc.	164	105,468	104,305	Series 11, 4.250%, 2029-01-15	1,600,000	1,626,400	1,528,567
Visa Inc., Class A	408	116,568	128,212	Series 12, 3.380%, 2030-01-15	1,100,000	1,049,917	993,581
VMware Inc., Class A	343	51,236	65,217	Series 14, 3.330%, 2050-08-13	500,000	420,590	357,483
Walt Disney Co.	477	79,429	56,352	Canadian National Railway Co.			
Warner Bros. Discovery Inc.	2,729	77,890	45,284	4.700%, 2053-05-10	615,000	613,956	621,320
		3,938,213	4,029,442	Canadian Pacific Railway Co.			
<b>Total Common Equities</b>		<b>16,317,175</b>	<b>15,913,856</b>	2.540%, 2028-02-28	500,000	468,550	452,739
<b>TOTAL EQUITIES</b>		<b>16,495,790</b>	<b>16,052,700</b>	Capital Power Corp.			
				7.950%, 2082-09-09	250,000	250,000	244,916
				Central 1 Credit Union			
				Series 17, 2.584%, 2023-12-06	905,000	897,163	893,551
				5.417%, 2025-09-29	200,000	200,000	197,424
				Series 7, 2.391%, (Floating rate starting in 2026), 2031-06-30	1,300,000	1,219,725	1,140,407
				Coast Capital Savings Federal Credit Union			
				Series 3, 8.875%, (Floating rate starting in 2028), 2033-05-02	350,000	350,000	341,819
				Comber Wind L.P.			
				Series 1, 5.132%, 2030-11-15	533,321	546,964	518,310
				Connect six G.P.			
				Series A, 6.112%, 2046-11-30	60,000	60,000	63,015
				Dream Industrial REIT			
				Series E, 3.968%, 2026-04-13	600,000	601,938	570,219
				Fédération des caisses Desjardins du Québec			
				2.417%, 2024-10-04	1,250,000	1,222,512	1,201,746
				5.200%, 2025-10-01	160,000	159,909	159,044
				1.992%, (Floating rate starting in 2026), 2031-05-28	550,000	508,492	491,430
				5.035%, (Floating rate starting in 2027), 2032-08-23	400,000	395,128	388,325
<b>Provincial governments and Crown corporations (25.7%)</b>							
55 School Board Trust							
Series A, 5.900%, 2033-06-02	800,000	927,592	901,489				
Hospital For Sick Children							
Series B, 3.416%, 2057-12-07	1,250,000	1,178,387	1,018,021				



# Addenda Income Focus Fund

## Schedule of investment portfolio (unaudited) (continued) as at June 30, 2023

	Par value \$	Cost \$	Fair value \$
<b>Corporates (continued)</b>			
FortisBC Energy Inc.			
Series 33, 2.540%, 2050-07-13	1,450,000	1,128,013	989,443
Granite REIT Holdings L.P.			
Series 4, 3.062%, 2027-06-04	500,000	479,715	458,553
Hydro One Inc.			
Series 55, 4.460%, 2053-01-27	90,000	89,986	88,496
Lower Mattagami Energy L.P.			
Series 21-1, 2.433%, 2031-05-14	2,500,000	2,282,603	2,158,275
National Bank of Canada			
5.296%, 2025-11-03	150,000	150,000	149,440
1.534%, 2026-06-15	400,000	368,940	359,853
Ontario Power Generation Inc.			
Series 3, 4.248%, 2049-01-18	1,250,000	1,270,912	1,148,443
RioCan Real Estate Investment Trust			
Series AE, 2.829%, 2028-11-08	375,000	342,049	322,489
Sun Life Financial Inc.			
Series 2019-1, 2.380% (Floating rate starting in 2024)			
2029-08-13	1,250,000	1,216,875	1,202,417
5.500%, 2035-07-04	300,000	299,691	301,232
		18,220,028	17,342,537
<b>Total Canadian issuers</b>		68,188,877	65,575,319
<b>Foreign issuers (0.7%)</b>			
<b>Supranational Bonds (0.7%)</b>			
International Bank for Reconstruction and Development			
Series 101383, 1.200%, 2026-07-22	725,000	678,143	658,794
<b>Total Foreign issuers</b>		678,143	658,794
<b>TOTAL BONDS</b>		68,867,020	66,234,113
<b>MONEY MARKET SECURITIES (5.7%)</b>			
<b>Government of Canada (5.7%)</b>			
Canada Treasury Bills			
2023-08-03	370,000	365,645	368,533
2023-08-31	2,290,000	2,262,395	2,272,655
2023-09-14	2,090,000	2,063,758	2,069,764
2023-09-28	190,000	187,507	187,759
2023-10-12	630,000	621,294	621,377
<b>TOTAL MONEY MARKET SECURITIES</b>		5,500,599	5,520,088
	Number of units	Cost \$	Fair value \$
<b>INVESTMENT FUNDS (8.2%)</b>			
NEI Global High Yield Bond Fund			
Series 1	439,011	3,040,328	3,091,780
NEI Global Impact Bond Fund			
Series 1	559,987	4,753,839	4,808,214
<b>TOTAL INVESTMENT FUNDS</b>		7,794,167	7,899,994
Portfolio transaction costs included in securities cost			
		(4,656)	—
<b>TOTAL INVESTMENTS IN NON-DERIVATIVE FINANCIAL ASSETS (99.1%)</b>		98,652,920	95,706,895
<b>OTHER NET ASSETS (0.9%)</b>			839,095
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (100%)</b>			96,545,990

# Addenda Income Focus Fund

## Financial instrument disclosures (unaudited) as at June 30, 2023

The investment objective of this Fund is to provide income while focusing on capital preservation and providing some potential for capital growth by investing primarily in a mix of domestic and foreign fixed income-oriented securities and to a lesser extent, domestic and foreign equity securities through a sustainable investment approach. Such investments may be made by the Fund either directly or indirectly through investments in other mutual funds, including ETFs.

### Financial instruments risks

(For a description of the various risks, refer to Note 5.)

#### Credit risk

As at June 30, 2023 and December 31, 2022, the Fund invested in debt instruments, whose credit ratings are provided by DBRS, Moody's or S&P or an equivalent credit rating agency. In the event of one or more ratings differing from the others, the majority rating will prevail, or, in the event of more than two ratings differing, the median rating shall prevail. In the event that there are only two ratings available, the more conservative rating will prevail. The credit rating is then converted to DBRS format.

Debt instruments by credit rating	Net assets attributable to holders of redeemable units as at June 30, 2023 (%)	Net assets attributable to holders of redeemable units as at December 31, 2022 (%)
AAA	23.5	20.4
AA	26.2	23.9
A	12.8	15.3
BBB	5.5	7.1
Below BBB	0.6	0.3

As at June 30, 2023 and December 31, 2022, the Fund invested in short-term financial instruments with the following credit ratings from DBRS:

Short-term financial instruments by credit rating	Net assets attributable to holders of redeemable units as at June 30, 2023 (%)	Net assets attributable to holders of redeemable units as at December 31, 2022 (%)
R1-high	5.7	4.7

The Fund is also exposed to indirect credit risk to the extent the underlying funds have exposure to it.

According to the Fund's investment policy, short-term instruments must have a minimum credit rating of R1-low at the time of purchase; other fixed-income securities must have a minimum credit rating of BB-low at the time of purchase.

For Canadian bonds, the Fund's maximum holding, calculated on the Fund's Canadian bonds total fair value at the time of purchase, in securities of a given issuer shall not exceed 10% when the issuer has a credit rating greater than BBB-high, 5% when the issuer has a credit rating lower than A-low and greater than BB-high; and 2% when the issuer has a credit rating lower than BBB-low. Notwithstanding the foregoing, where the weight of an issuer within the Reference Index exceeds the limits defined above, the Fund may hold a position in the issuer's securities that is equal to, but no higher than, the issuer's weight within the FTSE Canada Universe Index, up to 10%. The limits do not apply to securities issued or guaranteed by the Government of Canada, its agencies and Crown corporations, by a supranational body, by any province of Canada, its agencies and Crown Corporations, by foreign governments and any commingled investment vehicle. Derivative products can be used for hedging credit exposure.

Futures contracts, forward contracts, swaps, options, buy/sell back transactions, sell/buy back transactions and other derivatives transactions must be initiated with a bank rated at least A-low at the time of the initial transaction, or its broker-dealer affiliates, or negotiated on a recognized exchange.

#### Liquidity risk

The Fund is exposed to liquidity risk because of daily cash redemptions of units. It therefore invests the majority of its assets in liquid investments that can be readily disposed of. Also, the Fund retains enough positions in cash and short-term financial instruments to maintain the level of liquidity required. The Fund is therefore not exposed to significant liquidity risk.

According to the Fund's investment policy, no more than 10% of the total fair value of the financial instruments can be invested in illiquid investments.

#### Currency risk

The Fund's exposure to foreign currencies is as follows:

Currency	Non-monetary (\$'000)	Monetary (\$'000)	Net exposure (\$'000)	Net assets attributable to holders of redeemable units (%)
Euro	1,591	5	1,596	1.7
Pound Sterling	701	—	701	0.7
Japanese Yen	485	—	485	0.5
Swiss Franc	144	1	145	0.2
U.S. Dollar	4,070	7	4,077	4.2

Impact on net assets attributable to holders of redeemable units (\$'000) **70**

Currency	Non-monetary (\$'000)	Monetary (\$'000)	Net exposure (\$'000)	Net assets attributable to holders of redeemable units (%)
Euro	1,501	2	1,503	1.6
Pound Sterling	674	—	674	0.7
Japanese Yen	321	—	321	0.3
Swiss Franc	147	—	147	0.2
U.S. Dollar	3,657	5	3,662	3.9

Impact on net assets attributable to holders of redeemable units (\$'000) **63**

The Fund is also exposed to indirect currency risk to the extent the underlying funds have exposure to it.

As at June 30, 2023 and December 31, 2022, if the Canadian dollar had strengthened or weakened by 1% in relation to all currencies, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased, respectively, according to the amounts indicated in the table. In practice, the actual results may differ from this sensitivity analysis and the differences could be material.

According to the Fund's investment policy, no more than 35% of the total fair value of the financial instruments can be invested in foreign securities. Derivative products can be used for hedging currency exposure.

# Addenda Income Focus Fund

## Financial instrument disclosures (unaudited) (continued) as at June 30, 2023

### Financial instruments risks (continued)

#### Interest rate risk

As at June 30, 2023 and December 31, 2022, the Fund is exposed to interest rate risk due to its investments in debt instruments.

The Fund's exposure to debt instruments by maturity date is as follows:

Debt instruments by maturity date	As at	
	June 30, 2023 (\$'000)	December 31, 2022 (\$'000)
Less than 1 year	6,566	6,801
1 – 5 years	9,534	5,366
5 – 10 years	40,834	38,818
More than 10 years	14,820	16,023
<b>Impact on net assets attributable to holders of redeemable units (\$'000)</b>	<b>1,342</b>	<b>1,309</b>

This table summarizes the Fund's direct exposure to interest rate risk. It includes the Fund's financial assets and liabilities at fair value which are exposed to interest rate risk, categorized by the earlier of contractual re-pricing or maturity dates. The Fund is also exposed to indirect interest rate risk to the extent the underlying funds have exposure to interest rate risk.

As at June 30, 2023 and December 31, 2022, an increase or decrease in the interest rates of 0.25%, with all other variables held constant, would have decreased or increased net assets attributable to holders of redeemable units, respectively, according to the amounts indicated in the table. In practice, actual results may differ from this sensitivity analysis and the differences could be material.

#### Price risk

As at June 30, 2023 and December 31, 2022, the impact on the net assets attributable to holders of redeemable units of an increase or decrease in the reference index of 1% cannot be established according to the historical correlation between the return of the Fund and that of the reference index, with all other variables held constant, is as follows:

Reference index	Impact on net assets attributable to holders of redeemable units as at June 30, 2023 (\$'000)	Impact on net assets attributable to holders of redeemable units as at December 31, 2022* (\$'000)
• 70% FTSE Canada Universe Bond		
• 10% Bloomberg US High Yield 2% Issuer Capped Index (CAD hedged), expressed in Canadian dollars		
• 10% S&P/TSX Composite		
• 5% S&P 500, expressed in Canadian dollars		
• 5% MSCI EAFE Net, expressed in Canadian dollars	1,342	N/A

- 70% FTSE Canada Universe Bond
- 10% Bloomberg US High Yield 2% Issuer Capped Index (CAD hedged), expressed in Canadian dollars
- 10% S&P/TSX Composite
- 5% S&P 500, expressed in Canadian dollars
- 5% MSCI EAFE Net, expressed in Canadian dollars

\* As at December 31, 2022, the impact on the net assets attributable to holders of redeemable units of an increase or decrease in the reference index of 1% cannot be established according to the historical correlation between the return of the Fund and that of the reference index, due to the short period since beginning of operations on March 28, 2022.

In practice, actual results may differ from this sensitivity analysis and the differences could be material.

### Concentration risk

The following table is a summary of the Fund's concentration risk:

	June 30, 2023 (%)	December 31, 2022 (%)
<b>EQUITIES</b>		
<b>Preferred Equities</b>		
Communication services	—	0.1
Consumer staples	—	0.1
Energy	—	0.8
Financial	—	2.2
Utilities	0.1	0.7
<b>Total Preferred Equities</b>	<b>0.1</b>	<b>3.9</b>
<b>Common Equities</b>		
<i>By Country</i>		
Canada	9.3	9.2
France	0.8	0.8
Germany	0.4	0.3
Ireland	0.1	0.1
Japan	0.5	0.3
Netherlands	0.1	0.1
Spain	0.1	0.1
Switzerland	0.4	0.3
United Kingdom	0.6	0.8
United States	4.2	3.9
	<b>16.5</b>	<b>15.9</b>
<i>By Sector</i>		
Government		
Communication Services	0.7	0.6
Consumer Discretionary	1.4	1.3
Consumer Staples	1.3	1.2
Energy	1.6	1.8
Financials	3.5	3.4
Health Care	1.2	1.3
Industrials	2.3	2.5
Information Technology	2.8	2.6
Materials	1.6	1.2
Real Estate	0.1	—
	<b>16.5</b>	<b>15.9</b>
<b>Total Common Equities</b>	<b>16.5</b>	<b>15.9</b>
<b>TOTAL EQUITIES</b>	<b>16.6</b>	<b>19.8</b>
<b>BONDS</b>		
<b>Canadian issuers</b>		
Government of Canada	22.9	19.8
Provincial governments and Crown corporations	25.7	23.6
Municipalities and semi-public institutions	1.3	1.3
Corporates	18.0	21.6
<b>Total Canadian issuers</b>	<b>67.9</b>	<b>66.3</b>
<b>Foreign issuers</b>		
Supranational Bonds	0.7	0.7
<b>Total Foreign issuers</b>	<b>0.7</b>	<b>0.7</b>
<b>TOTAL BONDS</b>	<b>68.6</b>	<b>67.0</b>

# Addenda Income Focus Fund

Financial instrument disclosures (unaudited) (continued) as at June 30, 2023

## Financial instruments risks (continued)

### Concentration risk (continued)

	June 30, 2023 (%)	December 31, 2022 (%)
<b>MONEY MARKET SECURITIES</b>		
Government of Canada	5.7	4.7
<b>TOTAL MONEY MARKET SECURITIES</b>	<b>5.7</b>	<b>4.7</b>
<b>INVESTMENT FUNDS</b>		
NEI Global Impact Bond Fund – Series I	3.2	5.0
NEI Global High Yield Bond Fund – Series I	5.0	3.1
<b>TOTAL INVESTMENT FUNDS</b>	<b>8.2</b>	<b>8.1</b>
<b>TOTAL INVESTMENTS IN NON-DERIVATIVE FINANCIAL ASSETS</b>	<b>99.1</b>	<b>99.6</b>
<b>OTHER NET ASSETS</b>	<b>0.9</b>	<b>0.4</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>100.0</b>	<b>100.0</b>

## Fair value measurement

(For a description of the financial instruments classification, refer to Note 6.)

The following table illustrates the classification of the Fund's assets and liabilities measured at fair value within the fair value as at June 30, 2023 and December 31, 2022:

As at June 30, 2023	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)	Total (\$'000)
<b>Financial assets</b>				
Equities	16,053	–	–	16,053
Bonds	–	66,234	–	66,234
Money market	–	5,520	–	5,520
Investment funds	–	7,900	–	7,900
<b>Total</b>	<b>16,053</b>	<b>79,654</b>	<b>–</b>	<b>95,707</b>
<b>As at December 31, 2022</b>	<b>Level 1 (\$'000)</b>	<b>Level 2 (\$'000)</b>	<b>Level 3 (\$'000)</b>	<b>Total (\$'000)</b>
<b>Financial assets</b>				
Equities	18,198	270	–	18,468
Bonds	–	62,624	–	62,624
Money market	–	4,385	–	4,385
Investment funds	–	7,617	–	7,617
<b>Total</b>	<b>18,198</b>	<b>74,896</b>	<b>–</b>	<b>93,094</b>

## Transfers between levels

There were no securities transferred between levels during the periods ended June 30, 2023 and December 31, 2022.

## Redeemable units

(Refer to Note 7.)

For periods ended June 30, 2023 and December 31, 2022, the number of units issued, redeemed, and outstanding was as follows:

		Units outstanding beginning of period	Units issued	Reinvested units	Redeemed units	Units outstanding end of period
Series A	2023	264	7,883	44	318	7,873
	2022	–	263	1	–	264
Series F	2023	9,819,275	–	126,329	–	9,945,604
	2022	–	9,657,592	161,683	–	9,819,275

## Management fees and administration fees

(Refer to Note 8.)

Management fees and administration fees of each series of the Fund are payable to the Manager and calculated at the following annual percentages, before GST/HST/QST, of the daily NAV of each series of the Fund.

	Management Fees (%)	Administration Fees (%)
Series A	1.20	0.20
Series F	0.50	0.20

## Related party transactions

(Refer to Note 9.)

As at June 30, 2023 and December 31, 2022, the Manager held units of the Fund as follows:

	June 30, 2023		December 31, 2022	
	Fair value of units held (\$)	Ownership of Fund units (%)	Fair value of units held (\$)	Ownership of Fund units (%)
Series A	10	–	9	–
Series F	10	–	10	–

# Addenda Income Focus Fund

Financial instrument disclosures (unaudited) (continued) as at June 30, 2023

## Related party transactions (continued)

Related party transactions of the Manager with the Fund during the periods ended June 30, 2023 and December 31, 2022, are as follows:

		Purchased units (\$)	Redeemed units (\$)	Income distribution (\$)	Gain distribution (return on capital) (\$)	Reinvested units (\$)
Series A	2023	—	—	—	—	—
	2022	10	—	—	—	—
Series F	2023	—	—	—	—	—
	2022	10	—	—	—	—

Other related party transactions presented in the financial statements incurred by the Fund with the Manager are as follows:

	June 30, 2023 (\$)	December 31, 2022 (\$)
Accrued management fees	39,357	40,524
Management fees	238,891	339,922
Accrued administration fees	15,743	16,210
Administration fees	95,543	142,607

As at June 30, 2023 and December 31, 2022, associated entities under common control or common significant influence (the “Co-operators group of entities”) held units of the Fund as follows:

	June 30, 2023		December 31, 2022	
	Fair value of units held (\$)	Ownership of Fund units (%)	Fair value of units held (\$)	Ownership of Fund units (%)
Series F	96,473,341	99.9	93,493,235	100.0

Related party transactions of the Co-operators group of entities with the Fund during the periods ended June 30, 2023 and December 31, 2022, are as follows:

	Purchased units (\$)	Redeemed units (\$)	Income distribution (\$)	Gain distribution (return on capital) (\$)	Reinvested units (\$)
Series F	2023	—	1,233,432	—	1,233,432
	2022	99,999,990	—	1,564,000	—

## Interest in unconsolidated structured entities

(Refer to Note 10.)

The table below sets out interests held by the Fund in unconsolidated structured entities as at June 30, 2023 and December 31, 2022:

Investee Funds	June 30, 2023		December 31, 2022	
	Carrying amount included in Investments in non-derivative financial assets (\$)	Ownership of Fund units (%)	Carrying amount included in Investments in non-derivative financial assets (\$)	Ownership of Fund units (%)
NEI Global High Yield Bond – Series I	3,091,780	1.2	2,951,346	1.2
NEI Global Impact Bond – Series I	4,808,214	1.1	4,665,771	1.0

The Funds can redeem units in the above investment funds on a daily basis. Once a Fund has disposed of its shares in an Investee Fund, it ceases to be exposed to any risk from that Investee Fund.

During the periods ended June 30, 2023 and December 31, 2022, income and net gains (losses) incurred on investments in Investee Funds were as follows:

Investee Funds	June 30, 2023			December 31, 2022		
	Income (\$)	Realized net gains (losses) (\$)	Unrealized net gains (losses) (\$)	Income (\$)	Realized net gains (losses) (\$)	Unrealized net gains (losses) (\$)
NEI Global High Yield Bond – Series I	94,209	(21)	46,246	46,140	—	5,206
NEI Global Impact Bond – Series I	61,435	(13)	81,021	92,417	—	(26,646)

# Addenda Income Focus Fund

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## Financial instrument disclosures (unaudited) (continued) as at June 30, 2023

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### Taxes

(Refer to Note 3.)

Capital and non-capital losses determined for tax purposes as at December 31, 2022, which is the fiscal year-end, are as follows:

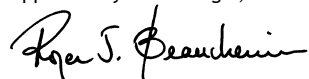
Capital losses		Non-capital losses	
Amount (\$)	Amount (\$)	Expiration	
2,280,610	—	—	

# Addenda Global Balanced Fund

## Statement of financial position (unaudited)

As at	June 30 2023 \$	December 31 2022 \$
<b>Assets</b>		
<b>Current assets</b>		
Investments in non-derivative financial assets	96,770,570	91,458,375
Cash	194,587	30,288
Receivable for investments sold	278,568	—
Subscriptions receivable	1,000	—
Interest receivable	225,329	174,680
Dividends receivable	95,339	79,545
<b>Total assets</b>	<b>97,565,393</b>	<b>91,742,888</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Payable for investments purchased	266,591	—
Accrued management fees	39,448	39,659
Accrued administration fees	15,779	15,863
Accrued harmonized sales tax and other taxes	8,558	8,396
Other accrued expenses	5,895	301
<b>Total liabilities</b>	<b>336,271</b>	<b>64,219</b>
<b>Net assets attributable to holders of redeemable units</b>	<b>97,229,122</b>	<b>91,678,669</b>
<b>Net assets attributable to holders of redeemable units per series</b>		
Series A	244,071	77,196
Series F	96,985,051	91,601,473
<b>Units outstanding</b>		
Series A	25,717	8,521
Series F	10,322,138	10,213,018
<b>Net assets attributable to holders of redeemable units per unit</b>		
Series A	9.49	9.06
Series F	9.40	8.97

Approved by the Manager,



**Roger J. Beauchemin**  
President and  
Chief Executive Officer



**Janick Boudreau**  
Executive Vice-President,  
Business Development  
& Client Partnerships

## Statement of comprehensive income (unaudited)

Six-month periods ended June 30	2023 \$	2022* \$
<b>Income</b>		
Interest for distribution purposes	561,063	183,860
Dividend income	708,217	507,974
Income from funds	149,147	—
Other income	48	—
Net other gain (loss)	(6,622)	(11,855)
Change in unrealized on foreign exchange gain (loss) on cash	19	(2)
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on investments	(486,215)	(354,875)
Change in unrealized appreciation (depreciation)	4,938,180	(10,418,872)
<b>Total income (net)</b>	<b>5,863,837</b>	<b>(10,093,770)</b>
<b>Expenses (Note 8)</b>		
Management fees	238,441	110,569
Administration fees	95,096	47,024
Independent review committee fees	13,900	1,541
Registration and other filing fees	44	146
Trailer fees	412	—
Harmonized sales tax and other taxes	50,763	23,432
Tax liability	34,292	—
Commissions and other portfolio transaction costs	12,061	89,624
Withholding expenses	30,187	22,540
<b>Total expenses</b>	<b>475,196</b>	<b>294,876</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	<b>5,388,641</b>	<b>(10,388,646)</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units per series</b>		
Series A	5,051	(1)
Series F	5,383,590	(10,388,645)
<b>Increase (decrease) in net assets attributable to holders of redeemable units per unit</b>		
Series A	0.22	(0.99)
Series F	0.53	(1.11)
<b>Weighted average units outstanding for the period</b>		
Series A	22,852	1
Series F	10,254,326	9,376,424

\* For the period from March 28, 2022 (beginning of operations) to June 30, 2022.  
The accompanying notes are an integral part of the financial statements.

## Addenda Global Balanced Fund

### Statement of changes in net assets attributable to holders of redeemable units (unaudited)

Six-month periods ended June 30	2023 \$	2022* \$
Net assets attributable to holders of redeemable units at beginning of period	91,678,669	—
Increase (decrease) in net assets attributable to holders of redeemable units	5,388,641	(10,388,646)
Distributions paid or payable to holders of redeemable units		
From net investment income	(1,022,816)	(377,786)
Total distributions to holders of redeemable units	(1,022,816)	(377,786)
Redeemable unit transactions		
Amount received from the issuance of units	182,103	100,000,012
Amount received from reinvestment of distributions	1,022,804	377,786
Amount paid on redemptions of units	(20,279)	—
Net increase (decrease) from redeemable unit transactions	1,184,628	100,377,798
Net increase (decrease) in net assets attributable to holders of redeemable units	5,550,453	89,611,366
Net assets attributable to holders of redeemable units at end of period	97,229,122	89,611,366

### Statement of changes in net assets attributable to holders of redeemable units (unaudited)

Six-month periods ended June 30 Series F	2023 \$	2022* \$
Net assets attributable to holders of redeemable units at beginning of period	91,601,473	—
Increase (decrease) in net assets attributable to holders of redeemable units	5,383,590	(10,388,645)
Distributions paid or payable to holders of redeemable units		
From net investment income	(1,021,612)	(377,786)
Total distributions to holders of redeemable units	(1,021,612)	(377,786)
Redeemable unit transactions		
Amount received from the issuance of units	—	100,000,002
Amount received from reinvestment of distributions	1,021,600	377,786
Net increase (decrease) from redeemable unit transactions	1,021,600	100,377,788
Net increase (decrease) in net assets attributable to holders of redeemable units	5,383,578	89,611,357
Net assets attributable to holders of redeemable units at end of period	96,985,051	89,611,357

### Statement of changes in net assets attributable to holders of redeemable units (unaudited)

Six-month periods ended June 30 Series A	2023 \$	2022* \$
Net assets attributable to holders of redeemable units at beginning of period	77,196	—
Increase (decrease) in net assets attributable to holders of redeemable units	5,051	(1)
Distributions paid or payable to holders of redeemable units		
From net investment income	(1,204)	—
Total distributions to holders of redeemable units	(1,204)	—
Redeemable unit transactions		
Amount received from the issuance of units	182,103	10
Amount received from reinvestment of distributions	1,204	—
Amount paid on redemptions of units	(20,279)	—
Net increase (decrease) from redeemable unit transactions	163,028	10
Net increase (decrease) in net assets attributable to holders of redeemable units	166,875	9
Net assets attributable to holders of redeemable units at end of period	244,071	9

\* For the period from March 28, 2022 (beginning of operations) to June 30, 2022.  
The accompanying notes are an integral part of the financial statements.



# Addenda Global Balanced Fund

## Statement of cash flows (unaudited)

Six-month periods ended June 30	2023 \$	2022* \$
<b>Cash flows from operating activities</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	5,388,641	(10,388,646)
Adjustments for:		
Change in unrealized on foreign exchange (gain) loss on cash	(19)	2
Net realized (gain) loss on sale of investments	486,215	354,875
Net change in unrealized (appreciation) depreciation of investments and derivatives	(4,938,180)	10,418,872
Change in interest accrual on discount notes and Treasury bills	640	(572)
Distributions from underlying funds	(149,147)	—
Purchase of investments	(40,183,355)	(123,764,560)
Proceeds from the sale of investments	39,459,655	24,166,045
Interest receivable	(50,649)	(144,014)
Dividends receivable	(15,794)	(77,638)
Other liabilities	5,461	59,485
<b>Net cash from operating activities</b>	<b>3,468</b>	<b>(99,376,151)</b>
<b>Cash flows from financing activities</b>		
Amount received from the issuance of units	181,103	100,000,012
Amount paid on redemptions of units	(20,279)	—
Distributions paid to unitholders	(12)	—
<b>Net cash used in financing activities</b>	<b>160,812</b>	<b>100,000,012</b>
Change in unrealized on foreign exchange gain (loss) on cash	19	(2)
Increase (decrease) in cash during the period	164,280	623,861
Cash at beginning of period	30,288	—
<b>Cash at end of period</b>	<b>194,587</b>	<b>623,859</b>
<b>Supplemental information on cash flows from (used in) Operating Activities</b>		
Interest received	511,054	39,274
Dividends received, net of withholding taxes	662,236	407,796

\* For the period from March 28, 2022 (beginning of operations) to June 30, 2022.  
The accompanying notes are an integral part of the financial statements.

# Addenda Global Balanced Fund

## Schedule of investment portfolio (unaudited) as at June 30, 2023

	Number of shares	Cost \$	Fair value \$		Number of shares	Cost \$	Fair value \$
<b>EQUITIES (56.7%)</b>				<b>Japan (2.3%)</b>			
<b>Common Equities (56.7%)</b>				Air Water Inc.			
<b>Canada (28.9%)</b>				Daifuku Co. Ltd.			
Air Canada	6,770	165,881	169,182	Hoya Corp.	2,200	297,332	343,916
Bank of Montreal	8,170	1,016,813	977,459	Nidec Corp.	6,300	596,424	452,483
Bank of Nova Scotia	14,660	1,353,851	971,665	Nippon Sanso Holdings Corp.	11,400	255,894	324,798
BCE Inc.	3,480	210,036	210,192	Terumo Corp.	12,300	470,841	513,723
Brookfield Asset Management Ltd.						2,158,853	2,211,879
Class A	6,190	328,466	267,655	<b>Netherlands (0.6%)</b>			
Brookfield Corp., Class A	31,070	1,850,830	1,385,722	Heineken NV			
Cameco Corp.	8,440	273,476	350,176	4,265	529,404	579,889	
Canadian National Railway Co.	8,060	1,364,193	1,292,985		529,404	579,889	
Canadian Natural Resources Ltd.	19,880	1,531,490	1,480,663	<b>Spain (0.5%)</b>			
Canadian Pacific Kansas City Ltd.	13,320	1,373,364	1,425,240	Grifols SA, Class A			
CCL Industries Inc., Class B	8,323	473,541	541,993	26,552	572,559	450,020	
CGI Inc., Class A	10,300	1,050,986	1,438,910		572,559	450,020	
Colliers International Group Inc.	1,440	186,788	187,200	<b>Switzerland (1.5%)</b>			
Dollarama Inc.	13,480	929,338	1,209,425	Coca-Cola HBC AG			
Enbridge Inc.	26,980	1,550,568	1,328,495	15,543	430,692	613,175	
Franco-Nevada Corp.	5,806	1,135,444	1,096,231	1,653	290,494	235,345	
iA Financial Corp. Inc.	3,540	271,823	319,485	Nestlé SA, Registered	2,411	392,543	383,706
Loblaws Cos. Ltd.	8,620	969,909	1,045,434	Sika AG, Registered	631	179,597	238,643
Magna International Inc.	4,530	380,625	338,799		1,293,326	1,470,869	
Manulife Financial Corp.	21,580	582,412	540,363	<b>United Kingdom (2.6%)</b>			
Nutrien Ltd.	7,090	899,695	554,509	Diageo PLC			
Open Text Corp.	21,500	1,174,365	1,184,650	5,691	365,977	323,507	
Quebecor Inc., Class B				14,326	724,295	727,363	
Subordinate Voting Shares	11,200	347,292	365,680		280	118,584	141,194
Restaurant Brands International Inc.	6,260	557,765	642,965	35,737	670,572	666,440	
Rogers Communications Inc.				16,056	633,929	707,964	
Class B	11,540	797,444	697,478		2,513,357	2,566,468	
Royal Bank of Canada	11,460	1,621,613	1,449,919	<b>United States (14.5%)</b>			
Shopify Inc., Class A	6,760	614,554	578,791	Adobe Inc.			
Suncor Energy Inc.	12,990	522,671	504,791	591	330,409	382,410	
TC Energy Corp.	16,280	1,135,127	871,631	1,797	265,066	213,700	
Teck Resources Ltd., Class B	7,120	397,591	396,869	Akamai Technologies Inc.	4,172	725,860	667,827
Toronto-Dominion Bank	27,190	2,776,273	2,232,571	Alphabet Inc., Class C	2,126	206,126	238,984
Tourmaline Oil Corp.	4,800	316,634	299,616	Amphenol Corp., Class A	4,312	966,570	1,106,764
Wheaton Precious Metals Corp.	16,380	958,283	938,410	Apple Inc.	2,679	238,790	206,354
WSP Global Inc.	4,370	726,749	764,838	Ball Corp.	2,679	238,790	206,354
		29,845,890	28,059,992	Becton, Dickinson and Co.	551	186,157	192,492
				Booking Holdings Inc.	90	267,277	321,589
<b>France (3.5%)</b>				Broadcom Inc.	776	623,299	890,714
Capgemini SE	2,753	764,896	689,759	Broadridge Financial Solutions Inc.	1,084	209,976	237,580
EssilorLuxottica	2,887	682,966	719,373	Charles Schwab Corp.	3,632	399,503	272,407
LVMH Moët Hennessy				Church & Dwight Co. Inc.	1,574	196,868	208,759
Louis Vuitton SE	641	601,574	798,612	Costco Wholesale Corp.	565	403,249	402,512
Schneider Electric SE	3,180	687,507	764,194	CVS Health Corp.	2,511	323,175	229,697
Worldline SA	8,093	478,003	391,400	Danaher Corp.	738	273,423	234,374
		3,214,946	3,363,338	F5 Inc.	721	185,459	139,541
				Fiserv Inc.	1,762	228,310	294,127
<b>Germany (1.8%)</b>				Fortive Corp.	2,526	196,550	249,921
Adidas AG	1,686	477,143	432,720	Global Payments Inc.	1,575	260,108	205,327
Fresenius SE & Co. KGaA	12,761	588,931	467,382	Honeywell International Inc.	1,279	316,450	351,181
SAP SE	3,530	508,478	637,731	Hormel Foods Corp.	2,185	138,969	116,288
Symrise AG	1,754	251,191	243,141	International Flavors and Fragrances Inc.	1,019	146,890	107,318
		1,825,743	1,780,974	Intuit Inc.	476	287,785	288,599
				IQVIA Holdings Inc.	1,141	303,977	339,364
<b>Ireland (0.5%)</b>				Johnson & Johnson	1,134	252,463	248,374
Kerry Group PLC, Class A	3,821	551,990	493,042	JPMorgan Chase & Co.	2,031	359,198	390,873
		551,990	493,042	Lowe's Cos. Inc.	1,036	284,902	309,409
				Microsoft Corp.	2,490	983,534	1,122,043
				Middleby Corp.	1,168	198,027	228,480
				Mondelez International Inc., Class A	2,329	184,110	224,790

# Addenda Global Balanced Fund

## Schedule of investment portfolio (unaudited) (continued) as at June 30, 2023

	Number of shares	Cost \$	Fair value \$		Par value \$	Cost \$	Fair value \$
<b>United States (continued)</b>				<b>Provincial governments and Crown corporations (continued)</b>			
Moody's Corp.	282	119,936	129,754	University of Toronto			
Nike Inc., Class B	2,119	369,349	309,474	Series B, 5.841%, 2043-12-15	125,000	161,310	144,768
PepsiCo Inc.	943	198,666	231,122	Series E, 4.251%, 2051-12-07	225,000	240,646	213,444
PNC Financial Services Group Inc.	988	240,146	164,663			12,202,426	11,824,978
Stryker Corp.	522	178,450	210,737	<b>Municipalities and semi-public institutions (0.5%)</b>			
Thermo Fisher Scientific Inc.	612	454,333	422,528	City of Ottawa			
TJX Cos. Inc.	3,814	307,470	427,925	3.250%, 2047-11-10	250,000	234,475	208,842
Union Pacific Corp.	605	207,309	163,812	South Coast British Columbia Transportation Authority			
United Parcel Service Inc., Class B	869	242,110	206,120	Series TL-7, 3.250%, 2028-11-23	275,000	279,537	264,259
UnitedHealth Group Inc.	574	369,251	365,068			514,012	473,101
Visa Inc., Class A	1,429	408,274	449,057	<b>Corporates (7.9%)</b>			
VMware Inc., Class A	1,200	179,251	228,165	Brookfield Renewable Partners ULC			
Walt Disney Co.	1,667	277,636	196,939	Series 11, 4.250%, 2029-01-15	550,000	559,075	525,445
Warner Bros. Discovery Inc.	9,541	272,452	158,319	Series 12, 3.380%, 2030-01-15	500,000	477,235	451,628
		13,767,113	14,085,481	Series 14, 3.330%, 2050-08-13	200,000	168,236	142,993
<b>Total Common Equities</b>		56,273,181	55,061,952	Canadian National Railway Co. 4.700%, 2053-05-10	350,000	349,625	353,597
<b>TOTAL EQUITIES</b>		56,273,181	55,061,952	Canadian Pacific Railway Co. 2.540%, 2028-02-28	200,000	187,420	181,096
				Capital Power Corp. 7.950%, 2082-09-09	100,000	100,000	97,967
	Par value \$	Cost \$	Fair value \$	Central 1 Credit Union			
<b>BONDS (30.6%)</b>				Series 17, 2.584%, 2023-12-06	385,000	381,666	380,129
<b>Canadian issuers (30.4%)</b>				Series 7, 2.391%, (Floating rate starting in 2026), 2031-06-30	150,000	150,000	148,068
<b>Government of Canada (9.8%)</b>				Choice Properties REIT			
Series N340, 1.500%, 2025-04-01	395,000	378,864	374,468	Series Q, 2.456%, 2026-11-30	250,000	234,622	227,511
Series L518, 0.250%, 2026-03-01	240,000	216,379	216,280	Coast Capital Savings Federal Credit Union			
Series P576, 3.500%, 2028-03-01	695,000	694,691	689,708	Series 3, 8.875%, (Floating rate starting in 2028), 2033-05-02	150,000	150,000	146,494
Series N670, 2.250%, 2029-12-01	6,675,000	6,425,825	6,239,724	Comber Wind L.P.			
Series K379, 1.250%, 2030-06-01	135,000	116,593	117,407	Series 1, 5.132%, 2030-11-15	207,995	213,316	202,140
Series N597, 2.000%, 2032-06-01	150,000	139,160	134,993	Connect 6ix G.P.			
Series Q236, 2.750%, 2033-06-01	415,000	409,259	397,208	Series A, 6.112%, 2046-11-30	30,000	30,000	31,508
Series H722, 2.000%, 2051-12-01	40,000	30,120	31,670	Dream Industrial REIT			
Series M680, 1.750%, 2053-12-01	1,375,000	1,056,625	1,014,834	Series E, 3.968%, 2026-04-13	250,000	250,808	237,591
Canada Housing Trust No. 1				Fédération des caisses			
Series 58, 2.900%, 2024-06-15	80,000	78,798	78,389	Desjardins du Québec			
CPPIB Capital Inc.				2.417%, 2024-10-04	500,000	489,005	480,698
Series 8, 3.000%, 2028-06-15	250,000	240,920	238,576	5.200%, 2025-10-01	70,000	69,960	69,582
		9,787,234	9,533,257	1.992%, (Floating rate starting in 2026), 2031-05-28	200,000	184,906	178,702
<b>Provincial governments and Crown corporations (12.2%)</b>				5.035%, (Floating rate starting in 2027), 2032-08-23	600,000	592,692	582,487
55 School Board Trust				FortisBC Energy Inc.			
Series A, 5.900%, 2033-06-02	325,000	376,834	366,230	Series 33, 2.540%, 2050-07-13	550,000	427,867	375,306
Hospital For Sick Children				Hydro One Inc.			
Series B, 3.416%, 2057-12-07	500,000	471,355	407,208	Series 55, 4.460%, 2053-01-27	40,000	39,994	39,332
Hydro-Québec				Lower Mattagami Energy L.P.			
Series JG, 6.000%, 2031-08-15	375,000	460,725	426,209	Series 21-1, 2.433%, 2031-05-14	1,000,000	912,880	863,310
Series 20, 6.000%, 2040-02-15	1,850,000	2,401,948	2,253,970	National Bank of Canada			
Province of Ontario				5.296%, 2025-11-03	60,000	60,000	59,776
Series DMTN244, 1.850% 2027-02-01	550,000	518,754	507,211	1.534%, 2026-06-15	350,000	316,617	314,871
Series DMTN251, 1.550% 2029-11-01	3,700,000	3,277,658	3,204,608	Ontario Power Generation Inc.			
Series DMTN257, 4.050% 2032-02-02	3,130,000	3,111,028	3,148,595	Series 3, 4.248%, 2049-01-18	500,000	508,365	459,377
Series DMTN236, 2.900% 2049-06-02	375,000	312,471	304,859				
Province of Québec							
3.650%, 2032-05-20	750,000	751,004	733,909				
Ryerson University							
Series B, 3.542%, 2061-05-04	145,000	118,693	113,967				

# Addenda Global Balanced Fund

## Schedule of investment portfolio (unaudited) (continued) as at June 30, 2023

	Par value \$	Cost \$	Fair value \$
<b>Corporates (continued)</b>			
RioCan Real Estate Investment Trust Series AE, 2.829%, 2028-11-08	125,000	114,016	107,496
Sun Life Financial Inc. Series 2019-1, 2.380% (Floating rate starting in 2024) 2029-08-13	400,000	389,400	384,773
5.500%, 2035-07-04	150,000	149,846	150,616
		8,070,501	7,718,835
<b>Total Canadian issuers</b>		30,574,173	29,550,171
<b>Foreign issuers (0.2%)</b>			
<b>Supranational Bonds (0.2%)</b>			
International Bank for Reconstruction and Development Series 101383, 1.200% 2026-07-22	275,000	257,227	249,887
<b>Total Foreign issuers</b>		257,227	249,887
<b>TOTAL BONDS</b>		30,831,400	29,800,058
<b>MONEY MARKET SECURITIES (4.3%)</b>			
<b>Government of Canada (4.3%)</b>			
Canada Treasury Bills 2023-08-03	2,010,000	1,986,393	2,002,009
2023-08-31	710,000	701,545	704,611
2023-09-14	1,530,000	1,510,800	1,515,173
<b>TOTAL MONEY MARKET SECURITIES</b>		4,198,738	4,221,793
	Number of units	Cost \$	Fair value \$
<b>INVESTMENT FUNDS (7.9%)</b>			
NEI Global High Yield Bond Fund Series 1	408,734	2,830,650	2,878,553
NEI Global Impact Bond Fund Series 1	559,987	4,753,839	4,808,214
<b>TOTAL INVESTMENT FUNDS</b>		7,584,489	7,686,767
<b>Portfolio transaction costs included in securities cost</b>		(24,504)	—
<b>TOTAL INVESTMENTS IN NON-DERIVATIVE FINANCIAL ASSETS (99.5%)</b>		98,863,304	96,770,570
<b>OTHER NET ASSETS (0.5%)</b>			458,552
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (100%)</b>			97,229,122

# Addenda Global Balanced Fund

## Financial instrument disclosures (unaudited) as at June 30, 2023

The investment objective of this Fund is to provide long-term capital growth and generate dividend and interest income by investing in domestic and foreign equity as well as fixed income securities through a sustainable investment approach. Such investments may be made by the Fund either directly or indirectly through investments in other mutual funds, including ETFs.

### Financial instruments risks

(For a description of the various risks, refer to Note 5.)

#### Credit risk

As at June 30, 2023 and December 31, 2022, the Fund invested in debt instruments, whose credit ratings are provided by DBRS, Moody's or S&P or an equivalent credit rating agency. In the event of one or more ratings differing from the others, the majority rating will prevail, or, in the event of more than two ratings differing, the median rating shall prevail. In the event that there are only two ratings available, the more conservative rating will prevail. The credit rating is then converted to DBRS format.

Debt instruments by credit rating	Net assets attributable to holders of redeemable units as at	Net assets attributable to holders of redeemable units as at
	June 30, 2023 (%)	December 31, 2022 (%)
AAA	10.0	8.4
AA	12.2	10.3
A	5.9	6.9
BBB	2.2	2.9
Below BBB	0.3	0.1

As at June 30, 2023 and December 31, 2022, the Fund invested in short-term financial instruments with the following credit ratings from DBRS:

Short-term financial instruments by credit rating	Net assets attributable to holders of redeemable units as at	Net assets attributable to holders of redeemable units as at
	June 30, 2023 (%)	December 31, 2022 (%)
R1-high	4.3	5.1

The Fund is also exposed to indirect credit risk to the extent the underlying funds have exposure to it.

According to the Fund's investment policy, short-term instruments must have a minimum credit rating of R1-low at the time of purchase; other fixed-income securities must have a minimum credit rating of BB-low at the time of purchase.

For Canadian bonds, the Fund's maximum holding, calculated on the Fund's Canadian bonds total fair value at the time of purchase, in securities of a given issuer shall not exceed 10% when the issuer has a credit rating greater than BBB-high, 5% when the issuer has a credit rating lower than A-low and greater than BB-high, and 2% when the issuer has a credit rating lower than BBB-low. Notwithstanding the foregoing, where the weight of an issuer within the Reference Index exceeds the limits defined above, the Fund may hold a position in the issuer's securities that is equal to, but no higher than, the issuer's weight within the FTSE Canada Universe Index, up to 10%. The limits do not apply to securities issued or guaranteed by the Government of Canada, its agencies and Crown corporations, by a supranational body, by any province of Canada, its agencies and Crown Corporations, by foreign governments and any commingled investment vehicle. Derivative products can be used for hedging credit exposure.

Futures contracts, forward contracts, swaps, options, buy/sell back transactions, sell/buy back transactions and other derivatives transactions must be initiated with a bank rated at least A-low at the time of the initial transaction, or its broker-dealer affiliates, or negotiated on a recognized exchange.

#### Liquidity risk

The Fund is exposed to liquidity risk because of daily cash redemptions of units. It therefore invests the majority of its assets in liquid investments that can be readily disposed of. Also, the Fund retains enough positions in cash and short-term financial instruments to maintain the level of liquidity required. The Fund is therefore not exposed to significant liquidity risk.

According to the Fund's investment policy, no more than 10% of the total fair value of the financial instruments can be invested in illiquid investments.

#### Currency risk

The Fund's exposure to foreign currencies is as follows:

Currency	Non-monetary (\$'000)	Monetary (\$'000)	Net exposure (\$'000)	Net assets attributable to holders of redeemable units
				(%)
As at June 30, 2023				
Euro	6,903	18	6,921	7.1
Pound Sterling	3,038	—	3,038	3.1
Japanese Yen	2,212	—	2,212	2.3
Swiss Franc	622	5	627	0.6
U.S. Dollar	14,227	26	14,253	14.7

Impact on net assets attributable to holders of redeemable units (\$'000) **271**

Currency	Non-monetary (\$'000)	Monetary (\$'000)	Net exposure (\$'000)	Net assets attributable to holders of redeemable units
				(%)
December 31, 2022				
Euro	6,507	8	6,515	7.0
Pound Sterling	2,923	—	2,923	3.0
Japanese Yen	1,400	—	1,400	2.0
Swiss Franc	636	3	639	1.0
U.S. Dollar	12,782	19	12,801	14.0

Impact on net assets attributable to holders of redeemable units (\$'000) **243**

The Fund is also exposed to indirect currency risk to the extent the underlying funds have exposure to it.

As at June 30, 2023 and December 31, 2022, if the Canadian dollar had strengthened or weakened by 1% in relation to all currencies, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased, respectively, according to the amounts indicated in the table. In practice, the actual results may differ from this sensitivity analysis and the differences could be material.

According to the Fund's investment policy, no more than 60% of the total fair value of the financial instruments can be invested in foreign securities. Derivative products can be used for hedging currency exposure.

# Addenda Global Balanced Fund

## Financial instrument disclosures (unaudited) (continued) as at June 30, 2023

### Financial instruments risks (continued)

#### Interest rate risk

As at June 30, 2023 and December 31, 2022, the Fund is exposed to interest rate risk due to its investments in debt instruments.

The Fund's exposure to debt instruments by maturity date is as follows:

Debt instruments by maturity date	As at June 30, 2023 (\$'000)	As at December 31, 2022 (\$'000)
Less than 1 year	4,680	5,736
1 – 5 years	3,995	2,292
5 – 10 years	19,003	16,063
More than 10 years	6,344	6,927
<b>Impact on net assets attributable to holders of redeemable units (\$'000)</b>	<b>659</b>	<b>617</b>

This table summarizes the Fund's direct exposure to interest rate risk. It includes the Fund's financial assets and liabilities at fair value which are exposed to interest rate risk, categorized by the earlier of contractual re-pricing or maturity dates. The Fund is also exposed to indirect interest rate risk to the extent the underlying funds have exposure to interest rate risk.

As at June 30, 2023 and December 31, 2022, an increase or decrease in the interest rates of 0.25%, with all other variables held constant, would have decreased or increased net assets attributable to holders of redeemable units, respectively, according to the amounts indicated in the table. In practice, actual results may differ from this sensitivity analysis and the differences could be material.

#### Price risk

As at June 30, 2023 and December 31, 2022, the impact on the net assets attributable to holders of redeemable units of an increase or decrease in the reference index of 1% cannot be established according to the historical correlation between the return of the Fund and that of the reference index, with all other variables held constant, is as follows:

Reference index	Impact on net assets attributable to holders of redeemable units as at June 30, 2023 (\$'000)	Impact on net assets attributable to holders of redeemable units as at December 31, 2022* (\$'000)
• 30% FTSE Canada Universe Bond		
• 10% Bloomberg US High Yield 2% Issuer Capped Index (CAD hedged), expressed in Canadian dollar		
• 30% S&P/TSX Composite		
• 15% S&P 500, expressed in Canadian dollars		
• 15% MSCI EAFE Net, expressed in Canadian dollars	659	N/A

\* As at December 31, 2022, the impact on the net assets attributable to holders of redeemable units of an increase or decrease in the reference index of 1% cannot be established according to the historical correlation between the return of the Fund and that of the reference index, due to the short period since beginning of operations on March 28, 2022.

In practice, actual results may differ from this sensitivity analysis and the differences could be material.

### Concentration risk

The following table is a summary of the Fund's concentration risk:

	June 30, 2023 (%)	December 31, 2022 (%)
<b>EQUITIES</b>		
<b>Preferred Equities</b>		
Consumer Staples	—	0.1
Energy	—	0.5
Financials	—	1.4
Utilities	—	0.4
<b>Total Preferred Equities</b>	<b>—</b>	<b>2.4</b>
<b>Common Equities</b>		
<i>By Country</i>		
Canada	28.9	29.2
France	3.5	3.5
Germany	1.8	1.4
Ireland	0.5	0.5
Japan	2.3	1.5
Netherlands	0.6	0.6
Spain	0.5	0.4
Switzerland	1.5	1.2
United Kingdom	2.6	3.5
United States	14.5	13.8
	<b>56.7</b>	<b>55.6</b>
<i>By Sector</i>		
Communication Services	2.4	2.1
Consumer Discretionary	4.9	4.5
Consumer Staples	4.8	4.8
Energy	5.0	5.6
Financials	11.4	11.0
Health Care	4.9	5.1
Industrials	8.3	9.0
Information Technology	9.4	9.3
Materials	5.4	4.0
Real Estate	0.2	0.2
	<b>56.7</b>	<b>55.6</b>
<b>Total Common Equities</b>	<b>56.7</b>	<b>55.6</b>
<b>TOTAL EQUITIES</b>	<b>56.7</b>	<b>58.0</b>
<b>BONDS</b>		
<b>Canadian issuers</b>		
Government of Canada	9.8	8.2
Provincial governments and Crown corporations	12.2	10.1
Municipalities and semi-public institutions	0.5	0.5
Corporates	7.9	9.5
<b>Total Canadian issuers</b>	<b>30.4</b>	<b>28.3</b>
<b>Foreign issuers</b>		
Supranational Bonds	0.2	0.3
<b>Total Foreign issuers</b>	<b>0.2</b>	<b>0.3</b>
<b>TOTAL BONDS</b>	<b>30.6</b>	<b>28.6</b>
<b>MONEY MARKET SECURITIES</b>		
Provincial governments and Crown corporations	4.3	5.1
<b>TOTAL MONEY MARKET SECURITIES</b>	<b>4.3</b>	<b>5.1</b>

# Addenda Global Balanced Fund

Financial instrument disclosures (unaudited) (continued) as at June 30, 2023

## Financial instruments risks (continued)

### Concentration risk (continued)

	June 30, 2023 (%)	December 31, 2022 (%)
<b>INVESTMENT FUNDS</b>		
NEI Global Impact Bond Fund – Series I	4.9	5.1
NEI Global High Yield Bond Fund – Series I	3.0	3.0
<b>TOTAL INVESTMENT FUNDS</b>	<b>7.9</b>	<b>8.1</b>
<b>TOTAL INVESTMENTS IN NON-DERIVATIVE FINANCIAL ASSETS</b>		
	<b>99.5</b>	<b>99.8</b>
<b>OTHER NET ASSETS</b>		
	<b>0.5</b>	<b>0.2</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
	<b>100.0</b>	<b>100.0</b>

## Fair value measurement

(For a description of the financial instruments classification, refer to Note 6.)

The following table illustrates the classification of the Fund's assets and liabilities measured at fair value within the fair value as at June 30, 2023 and December 31, 2022:

As at June 30, 2023	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)	Total (\$'000)	As at December 31, 2022	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)	Total (\$'000)
<b>Financial assets</b>					<b>Financial assets</b>				
Equities	55,062	–	–	55,062	Equities	53,027	159	–	53,186
Bonds	–	29,800	–	29,800	Bonds	–	26,192	–	26,192
Money market	–	4,222	–	4,222	Money market	–	4,667	–	4,667
Investment funds	–	7,687	–	7,687	Investment funds	–	7,413	–	7,413
<b>Total</b>	<b>55,062</b>	<b>41,709</b>	<b>–</b>	<b>96,771</b>	<b>Total</b>	<b>53,027</b>	<b>38,431</b>	<b>–</b>	<b>91,458</b>

### Transfers between levels

There were no securities transferred between levels during the periods ended June 30, 2023 and December 31, 2022.

## Redeemable units

(Refer to Note 7.)

For periods ended June 30, 2023 and December 31, 2022, the number of units issued, redeemed, and outstanding was as follows:

		Units outstanding beginning of period	Units issued	Reinvested units	Redeemed units	Units outstanding end of period
Series A	2023	8,521	19,230	127	2,161	25,717
	2022	–	8,476	45	–	8,521
Series F	2023	10,213,018	–	109,120	–	10,322,138
	2022	–	10,071,299	141,719	–	10,213,018

## Management fees and administration fees

(Refer to Note 8.)

Management fees and administration fees of each series of the Fund are payable to the Manager and calculated at the following annual percentages, before GST/HST/QST, of the daily NAV of each series of the Fund.

	Management Fees (%)	Administration Fees (%)
Series A	1.50	0.20
Series F	0.50	0.20

# Addenda Global Balanced Fund

## Financial instrument disclosures (unaudited) (continued) as at June 30, 2023

### Related party transactions

(Refer to Note 9.)

As at June 30, 2023 and December 31, 2022, the Manager held units of the Fund as follows:

	June 30, 2023		December 31, 2022	
	Fair value of units held (\$)	Ownership of Fund units (%)	Fair value of units held (\$)	Ownership of Fund units (%)
Series A	10	—	9	—
Series F	10	—	9	—

Related party transactions of the Manager with the Fund during the periods ended June 30, 2023 and December 31, 2022, are as follows:

		Purchased units (\$)	Redeemed units (\$)	Income distribution (\$)	Gain distribution (return on capital) (\$)	Reinvested units (\$)
		Series A	2023	—	—	—
	2022	10	—	—	—	—
Series F	2023	—	—	—	—	—
	2022	10	—	—	—	—

Other related party transactions presented in the financial statements incurred by the Fund with the Manager are as follows:

	June 30, 2023 (\$)	December 31, 2022 (\$)
Accrued management fees	39,448	39,659
Management fees	238,441	331,656
Accrued administration fees	15,779	301
Administration fees	95,096	139,334

As at June 30, 2023 and December 31, 2022, associated entities under common control or common significant influence (the “Co-operators group of entities”) held units of the Fund as follows:

	June 30, 2023		December 31, 2022	
	Fair value of units held (\$)	Ownership of Fund units (%)	Fair value of units held (\$)	Ownership of Fund units (%)
Series F	96,984,738	99.7	91,600,545	99.9

Related party transactions of the Co-operators group of entities with the Fund during the periods ended June 30, 2023 and December 31, 2022, are as follows:

		Purchased units (\$)	Redeemed units (\$)	Income distribution (\$)	Gain distribution (return on capital) (\$)	Reinvested units (\$)
		Series F	2023	—	—	1,021,600
	2022	99,999,990	—	1,280,738	—	1,280,738



# Addenda Global Balanced Fund

## Financial instrument disclosures (unaudited) (continued) as at June 30, 2023

### Interest in unconsolidated structured entities

(Refer to Note 10.)

The table below sets out interests held by the Fund in unconsolidated structured entities as at June 30, 2023 and December 31, 2022:

Investee Funds	June 30, 2023		December 31, 2022	
	Carrying amount included in Investments in non-derivative financial assets (\$)	Ownership of Fund units (%)	Carrying amount included in Investments in non-derivative financial assets (\$)	Ownership of Fund units (%)
NEI Global High Yield Bond – Series I	2,878,553	1.1	2,747,804	1.1
NEI Global Impact Bond – Series I	4,808,214	1.1	4,665,771	1.0

The Funds can redeem units in the above investment funds on a daily basis. Once a Fund has disposed of its shares in an Investee Fund, it ceases to be exposed to any risk from that Investee Fund.

During the the periods ended June 30, 2023 and December 31, 2022, income and net gains (losses) incurred on investments in Investee Funds were as follows:

Investee Funds	June 30, 2023			December 31, 2022		
	Income (\$)	Realized net gains (losses) (\$)	Unrealized net gains (losses) (\$)	Income (\$)	Realized net gains (losses) (\$)	Unrealized net gains (losses) (\$)
NEI Global High Yield Bond – Series I	87,712	(20)	43,057	92,417	—	(26,646)
NEI Global Impact Bond – Series I	61,435	(13)	81,021	42,958	—	4,846

### Taxes

(Refer to Note 3.)

Capital and non-capital losses determined for tax purposes as at December 31, 2022, which is the fiscal year-end, are as follows:

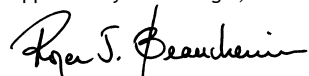
Capital losses		Non-capital losses	
Amount (\$)	Amount (\$)	Expiration	
2,587,777	—	—	

# Addenda Global Diversified Equity Fund

## Statement of financial position (unaudited)

As at	June 30 2023 \$	December 31 2022 \$
<b>Assets</b>		
<b>Current assets</b>		
Investments in non-derivative financial assets	97,672,940	90,215,275
Cash	128,343	35,969
Subscriptions receivable	500	—
Interest receivable	49,295	22,414
Dividends receivable	141,745	107,992
<b>Total assets</b>	<b>97,992,823</b>	<b>90,381,650</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accrued management fees	39,562	39,058
Accrued administration fees	15,825	15,623
Accrued harmonized sales tax and other taxes	8,503	8,269
Other accrued expenses	5,662	301
<b>Total liabilities</b>	<b>69,552</b>	<b>63,251</b>
<b>Net assets attributable to holders of redeemable units</b>	<b>97,923,271</b>	<b>90,318,399</b>
<b>Net assets attributable to holders of redeemable units per series</b>		
Series A	122,302	55,938
Series F	97,800,969	90,262,461
<b>Units outstanding</b>		
Series A	12,590	6,180
Series F	12,819,334	12,718,560
<b>Net assets attributable to holders of redeemable units per unit</b>		
Series A	9.71	9.05
Series F	7.63	7.10

Approved by the Manager,



**Roger J. Beauchemin**  
President and  
Chief Executive Officer



**Janick Boudreau**  
Executive Vice-President,  
Business Development  
& Client Partnerships

## Statement of comprehensive income (unaudited)

Six-month periods ended June 30	2023 \$	2022* \$
<b>Income</b>		
Interest for distribution purposes	177,371	24,244
Dividend income	1,042,483	623,963
Net other gain (loss)	(11,332)	(15,171)
Change in unrealized on foreign exchange gain (loss) on cash	60	(1)
Net realized gain (loss) on investments	(344,197)	(276,449)
Change in unrealized appreciation (depreciation)	7,171,917	(13,058,535)
<b>Total income (net)</b>	<b>8,036,302</b>	<b>(12,701,949)</b>
<b>Expenses (Note 8)</b>		
Management fees	236,960	116,740
Administration fees	94,678	46,297
Independent review committee fees	13,898	1,541
Registration and other filing fees	44	146
Trailer fees	179	—
Harmonized sales tax and other taxes	50,443	24,246
Tax liability	24,416	—
Commissions and other portfolio transaction costs	16,389	133,969
Withholding expenses	55,222	40,843
<b>Total expenses</b>	<b>492,229</b>	<b>363,782</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	<b>7,544,073</b>	<b>(13,065,731)</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units per series</b>		
Series A	5,565	(1)
Series F	7,538,508	(13,065,730)
<b>Increase (decrease) in net assets attributable to holders of redeemable units per unit</b>		
Series A	0.61	(1.12)
Series F	0.59	(1.11)
<b>Weighted average units outstanding for the period</b>		
Series A	9,114	1
Series F	12,753,488	11,723,106

\* For the period from March 28, 2022 (beginning of operations) to June 30, 2022.  
The accompanying notes are an integral part of the financial statements.

## Addenda Global Diversified Equity Fund

### Statement of changes in net assets attributable to holders of redeemable units (unaudited)

Six-month periods ended June 30	2023 \$	2022* \$
Net assets attributable to holders of redeemable units at beginning of period	90,318,399	—
Increase (decrease) in net assets attributable to holders of redeemable units	7,544,073	(13,065,731)
Distributions paid or payable to holders of redeemable units		
From net investment income	(759,603)	(277,553)
Total distributions to holders of redeemable units	(759,603)	(277,553)
Redeemable unit transactions		
Amount received from the issuance of units	60,799	100,000,015
Amount received from reinvestment of distributions	759,603	277,553
Net increase (decrease) from redeemable unit transactions	820,402	100,277,558
Net increase (decrease) in net assets attributable to holders of redeemable units	7,604,872	86,934,284
Net assets attributable to holders of redeemable units at end of period	97,923,271	86,934,284

### Statement of changes in net assets attributable to holders of redeemable units (unaudited)

Six-month periods ended June 30 Series A	2023 \$	2022* \$
Net assets attributable to holders of redeemable units at beginning of period	55,938	—
Increase (decrease) in net assets attributable to holders of redeemable units	5,565	(1)
Distributions paid or payable to holders of redeemable units		
From net investment income	(345)	—
Total distributions to holders of redeemable units	(345)	—
Redeemable unit transactions		
Amount received from the issuance of units	60,799	10
Amount received from reinvestment of distributions	345	—
Net increase (decrease) from redeemable unit transactions	61,144	10
Net increase (decrease) in net assets attributable to holders of redeemable units	66,364	9
Net assets attributable to holders of redeemable units at end of period	122,302	9

### Statement of changes in net assets attributable to holders of redeemable units (unaudited)

Six-month periods ended June 30 Series F	2023 \$	2022* \$
Net assets attributable to holders of redeemable units at beginning of period	90,262,461	—
Increase (decrease) in net assets attributable to holders of redeemable units	7,538,508	(13,065,730)
Distributions paid or payable to holders of redeemable units		
From net investment income	(759,258)	(277,553)
Total distributions to holders of redeemable units	(759,258)	(277,553)
Redeemable unit transactions		
Amount received from the issuance of units	—	100,000,005
Amount received from reinvestment of distributions	759,258	277,553
Net increase (decrease) from redeemable unit transactions	759,258	100,277,558
Net increase (decrease) in net assets attributable to holders of redeemable units	7,538,508	86,934,275
Net assets attributable to holders of redeemable units at end of period	97,800,969	86,934,275

\* For the period from March 28, 2022 (beginning of operations) to June 30, 2022.  
The accompanying notes are an integral part of the financial statements.

## Addenda Global Diversified Equity Fund

### Statement of cash flows (unaudited)

Six-month periods ended June 30	2023 \$	2022* \$
Cash flows from operating activities		
Increase (decrease) in net assets attributable to holders of redeemable units	7,544,073	(13,065,731)
Adjustments for:		
Change in unrealized on foreign exchange (gain) loss on cash	(60)	1
Net realized (gain) loss on sale of investments	344,197	276,449
Net change in unrealized (appreciation) depreciation of investments and derivatives	(7,171,917)	13,058,535
Change in interest accrual on discount notes and Treasury bills	6,812	(569)
Purchase of investments	(27,899,658)	(113,504,719)
Proceeds from the sale of investments	27,262,901	14,103,434
Interest receivable	(26,881)	(14,935)
Dividends receivable	(33,753)	(105,183)
Other liabilities	6,301	60,439
Net cash from operating activities	32,015	(99,192,279)
Cash flows from financing activities		
Amount received from the issuance of units	60,299	100,000,015
Net cash used in financing activities	60,299	100,000,015
Change in unrealized on foreign exchange gain (loss) on cash	60	(1)
Increase (decrease) in cash during the period	92,314	807,736
Cash at beginning of period	35,969	—
Cash at end of period	128,343	807,735
<b>Supplemental information on cash flows from (used in) Operating Activities</b>		
Interest received	157,302	8,740
Dividends received, net of withholding taxes	953,508	477,937

\* For the period from March 28, 2022 (beginning of operations) to June 30, 2022.  
The accompanying notes are an integral part of the financial statements.

# Addenda Global Diversified Equity Fund

## Schedule of investment portfolio (unaudited) as at June 30, 2023

	Number of shares	Cost \$	Fair value \$		Number of shares	Cost \$	Fair value \$
<b>EQUITIES (88.8%)</b>				<b>Japan (4.0%)</b>			
Common Equities (88.8%)				Air Water Inc.			
Canada (37.7%)				Daifuku Co. Ltd.			
Air Canada	8,950	219,296	223,660	Hoya Corp.	4,000	540,332	625,302
Bank of Montreal	10,790	1,342,853	1,290,916	Nidec Corp.	11,200	1,060,482	804,414
Bank of Nova Scotia	19,370	1,788,820	1,283,844	Nippon Sanso Holdings Corp.	20,200	453,321	575,519
BCE Inc.	4,610	278,248	278,444	Terumo Corp.	21,900	838,332	914,678
Brookfield Asset Management Ltd.						3,851,602	3,948,949
Class A	8,177	433,903	353,573	<b>Netherlands (1.0%)</b>			
Brookfield Corp., Class A	41,060	2,445,931	1,831,276	Heineken NV			
Cameco Corp.	11,180	362,284	463,858	7,544	936,418	1,025,716	
Canadian National Railway Co.	10,640	1,800,870	1,706,869		936,418	1,025,716	
Canadian Natural Resources Ltd.	24,320	1,873,542	1,811,354	<b>Spain (0.8%)</b>			
Canadian Pacific Kansas City Ltd.	17,590	1,813,624	1,882,130	Grifols SA, Class A			
CCL Industries Inc., Class B	10,996	625,623	716,059	46,970	1,012,824	796,077	
CGI Inc., Class A	13,620	1,389,751	1,902,714		1,012,824	796,077	
Colliers International Group Inc.	1,910	247,848	248,300	<b>Switzerland (2.7%)</b>			
Dollarama Inc.	17,820	1,228,547	1,598,811	Coca-Cola HBC AG			
Enbridge Inc.	35,660	2,049,416	1,755,898	27,490	761,741	1,084,488	
Franco-Nevada Corp.	7,654	1,496,863	1,445,152	DSM-Firmenich AG	2,928	514,571	416,872
iA Financial Corp. Inc.	4,680	359,253	422,370	Nestlé SA, Registered	4,269	695,050	679,402
Loblaws Cos. Ltd.	11,400	1,282,703	1,382,592	Sika AG, Registered	1,116	317,639	422,069
Magna International Inc.	6,000	504,139	448,740		2,289,001	2,602,831	
Manulife Financial Corp.	28,520	769,712	714,141	<b>United Kingdom (4.7%)</b>			
Nutrien Ltd.	9,380	1,190,282	733,610	Diageo PLC			
Open Text Corp.	28,420	1,552,346	1,565,942	10,066	647,324	572,206	
Quebecor Inc., Class B				Experian PLC	25,281	1,278,160	1,283,573
Subordinate Voting Shares	14,770	457,903	482,241	Linde PLC	541	229,177	272,807
Restaurant Brands International Inc.	8,240	734,182	846,330	Prudential PLC	63,277	1,187,334	1,180,018
Rogers Communications Inc.				RELX PLC	28,440	1,122,879	1,254,017
Class B	15,260	1,054,506	922,314		4,464,874	4,562,621	
Royal Bank of Canada	15,160	2,145,170	1,918,043	<b>United States (27.7%)</b>			
Shopify Inc., Class A	8,870	806,375	759,449	Adobe Inc.			
Suncor Energy Inc.	17,360	698,504	674,610	1,140	637,408	737,644	
TC Energy Corp.	21,520	1,500,521	1,152,181	Akamai Technologies Inc.	3,468	511,480	412,416
Teck Resources Ltd., Class B	9,370	523,252	522,284	Alphabet Inc., Class C	8,048	1,401,301	1,288,272
Toronto-Dominion Bank	35,930	3,668,683	2,950,212	Amphenol Corp., Class A	4,100	397,515	460,881
Tourmaline Oil Corp.	6,350	418,916	396,367	Apple Inc.	8,318	1,864,547	2,134,988
Wheaton Precious Metals Corp.	21,630	1,265,460	1,239,182	Ball Corp.	5,169	460,690	398,149
WSP Global Inc.	5,800	964,564	1,015,116	Becton, Dickinson and Co.	1,063	359,137	371,361
				Booking Holdings Inc.	174	516,735	621,739
	39,293,890	36,938,582		Broadcom Inc.	1,497	1,202,421	1,718,297
				Broadridge Financial Solutions Inc.	2,091	405,001	458,284
<b>France (6.1%)</b>				Charles Schwab Corp.	7,006	770,615	525,463
Capgemini SE	4,871	1,353,277	1,220,420	Church & Dwight Co. Inc.	3,036	379,727	402,663
EssilorLuxottica	5,113	1,209,426	1,274,041	Costco Wholesale Corp.	1,090	777,950	776,528
LVMH Moët Hennessy				CVS Health Corp.	4,844	623,451	443,111
Louis Vuitton SE	1,134	1,064,251	1,412,832	Danaher Corp.	1,424	527,580	452,234
Schneider Electric SE	5,615	1,213,947	1,349,355	F5 Inc.	1,390	357,557	269,018
Worldline SA	14,315	845,505	692,314	Fiserv Inc.	3,400	440,558	567,555
		5,686,406	5,948,962	Fortive Corp.	4,873	379,166	482,132
				Global Payments Inc.	3,039	501,859	396,184
<b>Germany (3.2%)</b>				Honeywell International Inc.	2,466	610,138	677,100
Adidas AG	2,983	844,207	765,602	Hormel Foods Corp.	4,214	268,017	224,274
Fresenius SE & Co. KGaA	22,571	1,041,671	826,681	International Flavors			
SAP SE	6,244	899,415	1,128,043	and Fragrances Inc.	1,967	283,524	207,160
Symrise AG	3,106	444,812	430,556	Intuit Inc.	919	555,559	557,189
		3,230,105	3,150,882	IQVIA Holdings Inc.	2,202	586,630	654,934
				Johnson & Johnson	2,186	486,671	478,787
<b>Ireland (0.9%)</b>				JPMorgan Chase & Co.	3,917	692,751	753,840
Kerry Group PLC, Class A	6,749	975,137	870,856	Lowe's Cos. Inc.	1,998	549,454	596,718
		975,137	870,856	Microsoft Corp.	4,803	1,897,154	2,164,326
				Middleby Corp.	2,254	382,186	440,919
				Mondelez International Inc., Class A	4,492	355,098	433,558

# Addenda Global Diversified Equity Fund

## Schedule of investment portfolio (unaudited) (continued) as at June 30, 2023

	Number of shares	Cost \$	Fair value \$		Par value \$	Cost \$	Fair value \$
<b>United States (continued)</b>				<b>MONEY MARKET SECURITIES (4.2%)</b>			
Moody's Corp.	544	231,366	250,306	<b>Government of Canada (4.2%)</b>			
Nike Inc., Class B	4,088	712,552	597,040	Canada Treasury Bills			
PepsiCo Inc.	1,819	383,216	445,823	2023-08-03			
PNC Financial Services Group Inc.	1,906	463,279	317,660	2,250,000	2,223,681	2,241,057	
Stryker Corp.	1,007	344,252	406,536	2023-08-31			
Thermo Fisher Scientific Inc.	1,181	876,743	815,369	990,000	978,042	982,510	
TJX Cos. Inc.	7,358	593,175	825,556	2023-09-14			
Union Pacific Corp.	1,167	399,884	315,981	690,000	681,311	683,350	
United Parcel Service Inc., Class B	1,675	466,668	397,297	2023-09-28			
UnitedHealth Group Inc.	1,107	712,146	704,060	160,000	157,901	158,113	
Visa Inc., Class A	2,757	787,692	866,375	<b>TOTAL MONEY MARKET SECURITIES</b>			
VMware Inc., Class A	2,314	345,656	439,979		4,040,935	4,065,030	
Walt Disney Co.	3,217	535,642	380,056	<b>Portfolio transaction costs included in securities cost</b>			
Warner Bros. Discovery Inc.	18,405	525,495	305,404		(61,329)	—	
		26,559,646	27,173,166	<b>TOTAL INVESTMENTS IN NON-DERIVATIVE FINANCIAL ASSETS (99.7%)</b>			
<b>Total Common Equities</b>		88,299,903	87,018,642		98,953,235	97,672,940	
<b>TOTAL EQUITIES</b>		88,299,903	87,018,642	<b>OTHER NET ASSETS (0.3%)</b>			
						250,331	
				<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (100%)</b>			
						97,923,271	
	Par value \$	Cost \$	Fair value \$				
<b>BONDS (6.7%)</b>							
<b>Government of Canada (3.4%)</b>							
Series P576, 3.500%, 2028-03-01	50,000	49,945	49,619				
Series N670, 2.250%, 2029-12-01	2,915,000	2,751,883	2,724,913				
Series N597, 2.000%, 2032-06-01	55,000	50,753	49,498				
Series Q236, 2.750%, 2033-06-01	390,000	385,023	373,280				
Series H722, 2.000%, 2051-12-01	175,000	131,773	138,556				
Series M680, 1.750%, 2053-12-01	30,000	21,838	22,142				
Canada Housing Trust No. 1							
Series 58, 2.900%, 2024-06-15	20,000	19,700	19,597				
		3,410,915	3,377,605				
<b>Provincial governments and Crown corporations (3.3%)</b>							
<b>Hydro-Québec</b>							
Series 20, 6.000%, 2040-02-15	600,000	785,057	731,018				
<b>Province of Ontario</b>							
Series DMTN251, 1.550%							
2029-11-01	1,000,000	882,828	866,110				
Series DMTN257, 4.050%							
2032-02-02	1,605,000	1,594,926	1,614,535				
		3,262,811	3,211,663				
<b>TOTAL BONDS</b>		6,673,726	6,589,268				

# Addenda Global Diversified Equity Fund

## Financial instrument disclosures (unaudited) as at June 30, 2023

The investment objective of this Fund is to achieve long-term capital growth by investing primarily in a diversified portfolio of domestic and foreign equity securities, Canadian preferred share securities, and to a lesser extent, fixed income and money market instruments and/or cash equivalents through a sustainable investment approach. Such investments may be made by the Fund either directly or indirectly through investments in other mutual funds, including ETFs.

### Financial instruments risks

(For a description of the various risks, refer to Note 5.)

#### Credit risk

As at June 30, 2023 and December 31, 2022, the Fund invested in debt instruments, whose credit ratings are provided by DBRS, Moody's or S&P or an equivalent credit rating agency. In the event of one or more ratings differing from the others, the majority rating will prevail, or, in the event of more than two ratings differing, the median rating shall prevail. In the event that there are only two ratings available, the more conservative rating will prevail. The credit rating is then converted to DBRS format.

Debt instruments by credit rating	Net assets attributable to holders of redeemable units as at June 30, 2023 (%)	Net assets attributable to holders of redeemable units as at December 31, 2022 (%)
AAA	3.4	2.4
AA	3.3	1.9

As at June 30, 2023 and December 31, 2022, the Fund invested in short-term financial instruments with the following credit ratings from DBRS:

Short-term financial instruments by credit rating	Net assets attributable to holders of redeemable units as at June 30, 2023 (%)	Net assets attributable to holders of redeemable units as at December 31, 2022 (%)
R1-high	4.2	5.2

According to the Fund's investment policy, short-term instruments must have a minimum credit rating of R1-low at the time of purchase; other fixed-income securities must have a minimum credit rating of BB-low at the time of purchase.

For Canadian bonds, the Fund's maximum holding, calculated on the Fund's Canadian bonds total fair value at the time of purchase, in securities of a given issuer shall not exceed 10% when the issuer has a credit rating greater than BBB-high, 5% when the issuer has a credit rating lower than A-low and greater than BB-high, and 2% when the issuer has a credit rating lower than BBB-low. Notwithstanding the foregoing, where the weight of an issuer within the Reference Index exceeds the limits defined above, the Fund may hold a position in the issuer's securities that is equal to, but no higher than, the issuer's weight within the FTSE Canada Universe Index, up to 10%. The limits do not apply to securities issued or guaranteed by the Government of Canada, its agencies and Crown corporations, by a supranational body, by any province of Canada, its agencies and Crown Corporations, by foreign governments and any commingled investment vehicle. Derivative products can be used for hedging credit exposure.

Futures contracts, forward contracts, swaps, options, buy/sell back transactions, sell/buy back transactions and other derivatives transactions must be initiated with a bank rated at least A-low at the time of the initial transaction, or its broker-dealer affiliates, or negotiated on a recognized exchange.

#### Liquidity risk

The Fund is exposed to liquidity risk because of daily cash redemptions of units. It therefore invests the majority of its assets in liquid investments that can be readily disposed of. Also, the Fund retains enough positions in cash and short-term financial instruments to maintain the level of liquidity required. The Fund is therefore not exposed to significant liquidity risk.

According to the Fund's investment policy, no more than 10% of the total fair value of the financial instruments can be invested in illiquid investments.

#### Currency risk

The Fund's exposure to foreign currencies is as follows:

Currency	Non-monetary (\$'000)	Monetary (\$'000)	Net exposure (\$'000)	Net assets attributable to holders of redeemable units (%)
Euro	12,209	33	12,242	12.5
Pound Sterling	5,374	—	5,374	5.5
Japanese Yen	3,949	—	3,949	4.0
Swiss Franc	1,101	10	1,111	1.1
U.S. Dollar	27,446	49	27,495	28.1
<b>Impact on net assets attributable to holders of redeemable units (\$'000)</b>				<b>502</b>

Currency	Non-monetary (\$'000)	Monetary (\$'000)	Net exposure (\$'000)	Net assets attributable to holders of redeemable units (%)
Euro	11,508	17	11,525	12.8
Pound Sterling	5,169	—	5,169	5.7
Japanese Yen	2,503	—	2,503	2.8
Swiss Franc	1,126	4	1,130	1.3
U.S. Dollar	24,658	30	24,688	27.3
<b>Impact on net assets attributable to holders of redeemable units (\$'000)</b>				<b>450</b>

As at June 30, 2023 and December 31, 2022, if the Canadian dollar had strengthened or weakened by 1% in relation to all currencies, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased, respectively, according to the amounts indicated in the table. In practice, the actual results may differ from this sensitivity analysis and the differences could be material.

According to the Fund's investment policy, no more than 70% of the total fair value of the financial instruments can be invested in foreign securities. Derivative products can be used for hedging currency exposure.

# Addenda Global Diversified Equity Fund

## Financial instrument disclosures (unaudited) (continued) as at June 30, 2023

### Financial instruments risks (continued)

#### Interest rate risk

As at June 30, 2023 and December 31, 2022, the Fund is exposed to interest rate risk due to its investments in debt instruments.

The Fund's exposure to debt instruments by maturity date is as follows:

Debt instruments by maturity date	As at June 30, 2023 (\$'000)	As at December 31, 2022 (\$'000)
Less than 1 year	4,085	4,889
1 – 5 years	50	—
5 – 10 years	5,627	2,595
More than 10 years	892	1,090
<b>Impact on net assets attributable to holders of redeemable units (\$'000)</b>	<b>122</b>	<b>97</b>

This table summarizes the Fund's direct exposure to interest rate risk. It includes the Fund's financial assets and liabilities at fair value which are exposed to interest rate risk, categorized by the earlier of contractual re-pricing or maturity dates.

As at June 30, 2023 and December 31, 2022, an increase or decrease in the interest rates of 0.25%, with all other variables held constant, would have decreased or increased net assets attributable to holders of redeemable units, respectively, according to the amounts indicated in the table. In practice, actual results may differ from this sensitivity analysis and the differences could be material.

#### Price risk

As at June 30, 2023 and December 31, 2022, the impact on the net assets attributable to holders of redeemable units of an increase or decrease in the reference index of 1%, established according to the historical correlation between the return of the Fund and that of the index, with all other variables held constant, is as follows:

Reference index	Impact on net assets attributable to holders of redeemable units as at June 30, 2023 (\$'000)	Impact on net assets attributable to holders of redeemable units as at December 31, 2022* (\$'000)
• 40% S&P/TSX Composite		
• 30% S&P 500, expressed in Canadian dollars		
• 30% MSCI EAFE Net, expressed in Canadian dollars	122	N/A

\* As at December 31, 2022, the impact on the net assets attributable to holders of redeemable units of an increase or decrease in the reference index of 1% cannot be established according to the historical correlation between the return of the Fund and that of the reference index, due to the short period since beginning of operations on March 28, 2022.

In practice, actual results may differ from this sensitivity analysis and the differences could be material.

### Concentration risk

The following table is a summary of the Fund's concentration risk:

	June 30, 2023 (%)	December 31, 2022 (%)
<b>EQUITIES</b>		
<b>Preferred Equities</b>		
Energy	—	0.3
Financials	—	0.9
Utilities	—	0.4
<b>Total Preferred Equities</b>	<b>—</b>	<b>1.6</b>
<b>Common Equities</b>		
<i>By Country</i>		
Canada	37.7	39.0
France	6.1	6.3
Germany	3.2	2.5
Ireland	0.9	0.8
Japan	4.0	2.8
Netherlands	1.0	1.1
Spain	0.8	0.8
Switzerland	2.7	2.2
United Kingdom	4.7	6.2
United States	27.7	27.1
	<b>88.8</b>	<b>88.8</b>
<i>By Sector</i>		
Communication Services	3.7	3.4
Consumer Discretionary	7.9	7.4
Consumer Staples	8.1	8.2
Energy	6.4	7.3
Financials	16.6	15.9
Health Care	8.9	9.6
Industrials	13.1	14.2
Information Technology	15.8	16.3
Materials	8.0	6.3
Real Estate	0.3	0.2
	<b>88.8</b>	<b>88.8</b>
<b>Total Common Equities</b>	<b>88.8</b>	<b>88.8</b>
<b>TOTAL EQUITIES</b>	<b>88.8</b>	<b>90.4</b>
<b>BONDS</b>		
Government of Canada	3.4	2.4
Provincial governments and Crown corporations	3.3	1.9
<b>Total Canadian issuers</b>	<b>6.7</b>	<b>4.3</b>
<b>MONEY MARKET SECURITIES</b>		
Government of Canada	4.2	5.2
<b>TOTAL MONEY MARKET SECURITIES</b>	<b>4.2</b>	<b>5.2</b>
<b>TOTAL INVESTMENTS IN NON-DERIVATIVE FINANCIAL ASSETS</b>	<b>99.7</b>	<b>99.9</b>
<b>OTHER NET ASSETS</b>	<b>0.3</b>	<b>0.1</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>100.0</b>	<b>100.0</b>



# Addenda Global Diversified Equity Fund

## Financial instrument disclosures (unaudited) (continued) as at June 30, 2023

### Fair value measurement

(For a description of the financial instruments classification, refer to Note 6.)

The following table illustrates the classification of the Fund's assets and liabilities measured at fair value within the fair value as at June 30, 2023 and December 31, 2022:

As at June 30, 2023	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)	Total (\$'000)	As at December 31, 2022	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)	Total (\$'000)
<b>Financial assets</b>					<b>Financial assets</b>				
Equities	87,019	—	—	87,019	Equities	81,530	111	—	81,641
Bonds	—	6,589	—	6,589	Bonds	—	3,849	—	3,849
Money market	—	4,065	—	4,065	Money market	—	4,725	—	4,725
<b>Total</b>	<b>87,019</b>	<b>10,654</b>	<b>—</b>	<b>97,673</b>	<b>Total</b>	<b>81,530</b>	<b>8,685</b>	<b>—</b>	<b>90,215</b>

### Transfers between levels

There were no securities transferred between levels during the periods ended June 30, 2023 and December 31, 2022.

### Redeemable units

(Refer to Note 7.)

For periods ended June 30, 2023 and December 31, 2022, the number of units issued, redeemed, and outstanding was as follows:

	Units outstanding beginning of period	Units issued	Reinvested units	Redeemed units	Units outstanding end of period	
Series A	2023	6,180	6,374	36	—	12,590
	2022	—	6,159	21	—	6,180
Series F	2023	12,718,560	—	100,774	—	12,819,334
	2022	—	12,598,015	120,545	—	12,718,560

### Management fees and administration fees

(Refer to Note 8.)

Management fees and administration fees of each series of the Fund are payable to the Manager and calculated at the following annual percentages, before GST/HST/QST, of the daily NAV of each series of the Fund.

	Management Fees (%)	Administration Fees (%)
Series A	1.50	0.20
Series F	0.50	0.20

### Related party transactions

(Refer to Note 9.)

As at June 30, 2023 and December 31, 2022, the Manager held units of the Fund as follows:

	June 30, 2023		December 31, 2022	
	Fair value of units held (\$)	Ownership of Fund units (%)	Fair value of units held (\$)	Ownership of Fund units (%)
Series A	10	—	9	—
Series F	8	—	7	—

Related party transactions of the Manager with the Fund during the periods ended June 30, 2023 and December 31, 2022, are as follows:

	Purchased units (\$)	Redeemed units (\$)	Income distribution (\$)	Gain distribution (return on capital) (\$)	Reinvested units (\$)
Series A	2023	—	—	—	—
	2022	10	—	—	—
Series F	2023	—	—	—	—
	2022	10	—	—	—

# Addenda Global Diversified Equity Fund

Financial instrument disclosures (unaudited) (continued) as at June 30, 2023

## Related party transactions (continued)

Other related party transactions presented in the financial statements incurred by the Fund with the Manager are as follows:

	June 30, 2023 (\$)	December 31, 2022 (\$)
Accrued management fees	39,562	39,058
Management fees	236,960	342,614
Accrued administration fees	15,825	15,623
Administration fees	94,678	136,648

As at June 30, 2023 and December 31, 2022, associated entities under common control or common significant influence (the “Co-operators group of entities”) held units of the Fund as follows:

	June 30, 2023		December 31, 2022	
	Fair value of units held (\$)	Ownership of Fund units (%)	Fair value of units held (\$)	Ownership of Fund units (%)
Series F	97,801,255	99.9	90,263,610	99.9

Related party transactions of the Co-operators group of entities with the Fund during the periods ended June 30, 2023 and December 31, 2022, are as follows:

		Purchased units	Redeemed units	Income distribution	Gain distribution	Reinvested units
		(\$)	(\$)	(\$)	(return on capital) (\$)	(\$)
Series F	2023	—	—	759,258	—	759,258
	2022	99,999,990	—	851,613	—	851,613

## Taxes

(Refer to Note 3.)

Capital and non-capital losses determined for tax purposes as at December 31, 2022, which is the fiscal year-end, are as follows:

Capital losses		Non-capital losses	
Amount (\$)	Amount (\$)	Expiration	
2,104,739	—	—	

# Notes to Financial Statements

Period ended June 30, 2023

## 1. General information

The Addenda Funds (the “Funds”) are open-ended perpetual private funds established under the laws of Québec, and governed by the trust agreements dated as follows:

Addenda Income Focus Fund*	March 21, 2022
Addenda Global Balanced Fund*	March 21, 2022
Addenda Global Diversified Equity Fund*	March 21, 2022

\* Beginning of operations on March 28, 2022

The information provided in these financial statements and notes thereto is as at June 30, 2023, and December 31, 2022, as applicable, and for the six-month periods ended June 30, 2023 and 2022, as applicable. For those Funds established in 2022, the “period” represents the period from the beginning of operations, as indicated above, to June 30 of the fiscal year.

The trust agreements appoint CIBC Mellon Trust Company as Trustee and Addenda Capital Inc. (“Addenda”) as Manager of the Funds. Addenda is 96.52% owned by Co-operators Financial Services Limited, which in turn is owned 100% by The Co-operators Group Limited.

The address of the Funds’ registered office is 800 René-Lévesque Blvd. West, Suite 2750, Montréal, Québec H3B 1X9.

The financial statements are presented in Canadian dollars. These financial statements were authorized for issue by Addenda Capital Inc., the Manager, on August 25, 2023.

## 2. Basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), including International Accounting Standard (“IAS”) 34: Interim Reporting, as published by the International Accounting Standards Board (“IASB”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value.

## 3. Significant accounting policies

### Classification and Measurement of Financial Assets, Liabilities and Derivatives

The Funds classify their investment and derivative portfolio based on the business model for managing the portfolio and the contractual cash flow characteristics. The investment portfolio of financial assets, liabilities and derivatives is managed and performance is evaluated on a fair value basis. The contractual cash flows of certain of the Funds’ debt securities are principal and interest; however, these securities are neither held for the purpose of collecting contractual cash flows nor for sale. The collection of contractual cash flows is only incidental to achieving the Funds’ business model objectives. Consequently, all investments and derivative contracts are measured at FVTPL.

The Funds’ obligation for net assets attributable to holders of redeemable units represents a financial liability and is measured at the redemption amount, which approximates fair value as of the reporting date. All other financial assets and liabilities are measured at amortized cost.

The following table presents the classification and measurement of the Funds’ financial instruments by category:

Assets	Classification
Investments in non-derivative financial assets	FVTPL
Cash	Amortized cost
Margin	Amortized cost
Receivable for investments sold	Amortized cost
Subscriptions receivable	Amortized cost
Interest receivable	Amortized cost
Dividends receivable	Amortized cost
Derivative assets	FVTPL
Liabilities	Classification
Investments in non-derivative financial liabilities	FVTPL
Bank overdraft	Amortized cost
Margin	Amortized cost
Payable for investments purchased	Amortized cost
Redemptions payable	Amortized cost
Accrued management fees	Amortized cost
Other accrued expenses	Amortized cost
Accrued interest payable	Amortized cost
Distributions payable to holders of redeemable units	Amortized cost
Derivative liabilities	FVTPL
Net assets attributable to holders of redeemable units	Amortized cost

### Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is an unconditional and legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets, such as publicly traded derivatives and marketable securities, are based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day’s bid-ask spread. In cases where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Investments include equities, listed derivatives, bonds, asset-backed securities and other debt instruments.

The fair value of financial assets and liabilities that are not traded in an active market, including commercial mortgages and over-the-counter derivatives, is determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques include reference to other instruments that are substantially the same, discounted cash flow analysis, and others commonly used by market participants and which make the maximum use of observable inputs. Investments in other pooled funds are valued at the net asset value per unit reported by each pooled fund. Refer to note 6 for further information about the Funds’ fair value measurements.

# Notes to Financial Statements (continued)

Period ended June 30, 2023

## 3. Significant accounting policies (continued)

### Investment income

Investment transactions are recorded on the trade date. Interest for distribution purposes from investments in bonds and short-term investments represents the coupon interest received by the Funds accounted for on an accrual basis, dividend income is recognized on the ex-dividend date, and distributions from investment funds are recorded on the distribution date. The cost of investments is determined using the average cost method. Realized gains and losses from investment transactions are calculated on a weighted average cost basis. Average cost does not include amortization of premiums or discounts on fixed-income securities with the exception of zero coupon bonds. Income, realized gains (losses) and unrealized gains (losses) are allocated among the series on a pro-rata basis.

The Funds generally incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the statement of comprehensive income.

### Transaction costs

Transaction costs are expensed and are included in “Commissions and other portfolio transaction costs” in the statement of comprehensive income for financial instruments at FVTPL. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties.

There are no soft dollar commissions in the Funds.

### Foreign currency translation

A Fund's subscriptions and redemptions are denominated in Canadian dollars, the Funds' functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates the transactions occur. Foreign currency assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the measurement date.

Foreign currency denominated investments and derivatives are translated into the functional currency at the prevailing exchange rate on each valuation date with related unrealized foreign exchange gains or losses included in the statement of comprehensive income under “Change in unrealized appreciation (depreciation)”.

Foreign exchange gains and losses relating to cash and those relating to other financial assets and liabilities are represented within “Other net gain (loss)” in the statement of comprehensive income. The change in unrealized on foreign exchange gains and losses on cash are included in the statement of comprehensive income under “Change in unrealized on foreign exchange gain (loss) on cash”.

### Cash

Cash is comprised of deposits with financial institutions.

### Derivative financial instruments

Certain Funds may use foreign currency forward contracts, foreign currency futures contracts, interest rate futures contracts, bond futures contracts and options, either to hedge exchange risk relating to assets and liabilities in the statement of financial position or implement active management for the Canadian and international markets. The fair value of these contracts corresponds to the gain or loss that would result from the transfer on the valuation date. This value is recorded in “Derivative assets” and “Derivative liabilities” in the statement of financial position.

Gains and losses realized when derivative financial instruments are transferred or expire are recorded in the “Net realized gain (loss) on derivatives” in the statement of comprehensive income. The change in fair value of derivative instruments that are pending settlement is recorded in the “Change in unrealized appreciation (depreciation)” in the statement of comprehensive income.

The futures contracts are guaranteed by margin deposits on futures contracts which include cash or securities. The Funds have sufficient margin deposits to cover their full obligations with regard to these contracts.

### Investments entities and structured entities

An investment entity is an entity that obtains funds from one or more investors for the purpose of providing them with investment management services, its business purpose is to invest funds solely for returns from capital appreciation, income, or both, and measures and evaluates the performance of substantially all of its investments on a fair value basis. The Funds have determined that they are investment entities and as such, they account for investments in other funds, including exchange-traded funds, (“Investee Funds”) at fair value. See note 10.

The change in fair value of each Investee Fund is included in the “Change in unrealized appreciation (depreciation)” in the statement of comprehensive income. These investments are included in “Investments in non-derivative financial assets” in the statement of financial position.

### Increase (decrease) in net assets attributable to holders of redeemable units per unit

Increase (decrease) in net assets attributable to holders of redeemable units per unit, presented in the statement of comprehensive income, is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the weighted average number of units outstanding (of that series where applicable) during the period.

### Classification of redeemable units issued by the Funds

The Funds' units do not meet the criteria in IAS 32 for classification as equity instruments as the units issued for each series have different features or unitholders can ask for the mandatory distribution of taxable income to be made in cash or in another financial asset. Therefore, Funds' units have been classified as financial liabilities.

### Securities lending activities

Certain Funds may enter into securities lending through the securities lending program of the Funds' custodian, CIBC Mellon Trust Company (“CIBC Mellon”) and its securities lending agent Bank of New York Mellon (“BNY Mellon”) in order to earn additional income.

The securities loaned are not derecognized in the statement of financial position as substantially all the risks and rewards of ownership of these securities are retained.

# Notes to Financial Statements (continued)

Period ended June 30, 2023

## 3. Significant accounting policies (continued)

To limit the risk that the counterparty fails to fulfill its obligations, the Funds obtain collateral, with an approved credit rating of at least A, representing at least 102% of the contract amount, determined daily based on the fair value of the previous business day's securities loaned. Securities received in collateral are not recognized in the statement of financial position as substantially all the risk and rewards of ownership of these securities have not been transferred to the Funds.

Revenue generated through CIBC Mellon's securities lending program is shared by the Funds and BNY Mellon at the rate presented in the section "Securities lending activities" of each Fund. This revenue is included in "Revenue from securities lending activities" in the statement of comprehensive income.

### Income taxes

Under the *Income Tax Act* (Canada) (the "Act"), all the Funds are defined as unit trusts.

The Funds are subject to tax on their net income, including net taxable realized capital gains for the fiscal year that are not paid or payable to their unitholders as at the end of the fiscal year. As per the Trust Agreement, the Funds will automatically distribute to the unitholders all their income and net taxable capital gains so that no income will be subject to tax in the Funds. As a result, the Funds do not record income taxes. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the statement of financial position as a deferred income tax asset and, accordingly, no provision for income taxes is recorded.

Capital losses can be carried forward indefinitely to reduce future capital gains. Non-capital losses may be carried forward 20 years to reduce future investment income and capital gains. To know the amounts of capital and non-capital losses determined for tax purposes, please refer to the section "Taxes" of each Fund.

## 4. Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements.

### Fair value measurement of derivatives and securities not quoted in an active market

The Funds hold financial instruments that are not quoted in active markets, including commercial mortgages and over-the-counter derivatives. Fair values of such instruments are determined using valuation techniques and may be determined using reputable pricing sources or indicative prices from market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. Where no market data is available, the Funds may value positions using their own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by the Manager, independent of the party that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk, volatility and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Funds

consider observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. See note 6 for more information on the Funds' fair value measurements.

### Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Funds, the Manager is required to make significant judgments in determining the most appropriate classification under IFRS 9. The Manager has evaluated the Fund's business model and determined that all investment assets and liabilities are managed as a group to achieve overall performance evaluated on a fair value basis, and as such concluded that those assets and liabilities must be measured and classified under IFRS 9 as fair value through profit or loss (FVTPL).

## 5. Financial instruments risk

### Risk factors

The Funds' activities expose them to a variety of financial risks, among which are credit risk, liquidity risk, market risk (including currency risk, interest rate risk and price risk), and concentration risk. Each Fund's exposure depends on the investment objective of the Fund and the nature of permitted investments.

The Funds' overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Funds' rate of return. The Manager has established a risk management process to monitor, evaluate and minimize the main risks inherent in carrying out its activities. The Manager ensures that the different risks related to financial markets are monitored by rigorous internal controls.

For bond mandates, the holdings of the Funds are monitored daily by the management team with the use of an internal system developed by management and specifically designed for fixed-income management and its risk control. This system allows for the monitoring of the Funds' portfolios and the simulation of trades. The output generated by these simulations includes, among others, the impact on cash, modified duration and sector/issuer allocation of the Funds.

For equity mandates, the holdings of the Funds are monitored daily by the equity portfolio management team with the use of a number of internal systems developed and designed for management of equity specific mandates. These systems allow for the monitoring of the Funds' portfolios relative to their appropriate benchmark and relative to all equity mandates managed by the Manager.

For each Fund, the holdings, issuers, credit rating, issues, and foreign currency exposures are monitored daily against the Funds' investment policies and reference indices by the compliance team.

In addition, the Manager has access to several tools and external systems to quantify and manage the risk related to financial markets. Market risk is the most important. Quantitative and qualitative measures are used to limit the risks inherent to the Funds.

### Credit risk

Credit risk is the risk that the counterparty to a financial instrument fails to fulfil an obligation and leads the other party to suffer a financial loss.

The Funds are exposed to credit risk when investing in debt instruments.

# Notes to Financial Statements (continued)

Period ended June 30, 2023

## 5. Financial instruments risk (continued)

All transactions are done through approved brokers. The risk of default is considered minimal as securities sold are delivered only once the broker has made payment, whereas payment on a purchase is made to the broker only once the securities have been delivered. The trade will fail if either party defaults on its obligation.

### Liquidity risk

Liquidity risk is the risk that a Fund may not be able to settle or meet its obligation on time or at a reasonable price.

The Funds are exposed to liquidity risk because of cash redemptions of units. Units are redeemable on demand at the holder's option. However, the Manager does not expect that this contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer period. All other financial liabilities of the Funds are payable within three months.

### Market Risk

#### 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 Funds are exposed to the currency risk in holding assets and/or liabilities denominated in currencies other than the Funds' functional currency, as the value of the investments denominated in other currencies will fluctuate in accordance with the applicable exchange rates in effect. When the Canadian dollar, the functional and reporting currency of the Funds, decreases in relation to the foreign currencies, then the value of foreign investments increases. When the value of the Canadian dollar increases, the value of foreign investments decreases.

The Funds' exposure to currency risk is shown based on the carrying value of monetary (including derivatives and the notional amount of forward currency contracts, if any) and non-monetary assets. Equity instruments are classified according to the currency in which they were purchased.

#### 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.

Interest rate risk occurs when the Funds invest in interest-bearing financial instruments and derivatives with interest rate underlying instruments. The Funds are exposed to the risk that the value of such financial instruments will fluctuate due to changes in market interest rates. Generally, the value of these instruments increases if interest rates decrease and decreases if interest rates increase. The Funds also hold a limited amount of cash subject to variable interest rates which expose the Funds to cash flow interest rate risk. Changes in interest rates have little impact on cash and other assets and liabilities, which are short-term in nature and/or non-interest bearing.

#### Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The Funds are exposed to market risk since their investments are exposed to the volatility of market factors and the risk of capital loss.

The market price risk is managed through diversification of the investment portfolio's exposure ratio, and careful selection of investments.

### Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type.

It is managed through diversification of the investment portfolio.

For further information regarding the specific risk exposure of each Fund, please refer to the section "Financial instruments disclosures—Financial instruments risks" of each Fund.

## 6. Fair value measurement

The Funds present their financial instruments at fair value according to a three-level hierarchy that reflects the significance of the inputs used to determine such fair value measurements. The fair value hierarchy consists of the three following levels:

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., as derived from prices);
- Level 3: Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.

All fair value measurements are recurring. The carrying value of financial instruments measured at amortized cost approximates their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

### Bonds and short-term investments

Bonds and short-term instruments include primarily government and corporate bonds and Treasury bills and discount notes respectively, which are valued using models with inputs including interest rate curves, credit spreads and volatility. The inputs that are significant to valuation are generally observable and therefore the Funds' bonds and short-term investments have been classified as Level 2.

### Equities

The Funds' equity positions are classified as Level 1 when the security is actively traded and a reliable price is observable. It could happen that certain of the Funds' equities do not trade frequently and therefore observable prices may not be available. In such cases, fair value is determined using observable market data (e.g., transactions for similar securities of the same issuer) and the fair value is classified as Level 2, unless the determination of fair value requires significant unobservable data, in which case the measurement is classified as Level 3.

# Notes to Financial Statements (continued)

Period ended June 30, 2023

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## 6. Fair value measurement (continued)

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### Commercial mortgages

Commercial mortgages are recorded at the present value of discounted future cash flows. The discount rate is based on the equivalent Government of Canada rate (time to maturity) and an additional spread to compensate for a loan's particular risk (insured or conventional).

The Government of Canada rates are obtained from an independent external source at the bond market prevailing at 11:00 am Regina time. The bond rates are interpolated where necessary based on the yield. The Canada Treasury Bill rates are used for terms less or equal to one year.

The additional loan spread is that provided monthly in the CMLS Financial Commercial Mortgage Spread Matrix for mortgages of similar risk and term.

Due to the use of unobservable data and their limited liquidity, commercial mortgages are classified as Level 3.

### Investment funds

The Funds' position in units of other investment funds that are not exchange-traded funds are recorded at the net asset value per unit on each valuation date and have been classified as Level 2 as they are not considered quoted in an active market.

### Exchange-traded funds

Exchange-traded funds are classified as Level 1 when the security is actively traded and a reliable price is observable.

### Listed derivative assets and liabilities

The Funds' listed derivative assets and liabilities position, consisting of standardized and transferable exchange-traded contracts such as options and futures, are classified as Level 1 when the security is actively traded and a reliable price is observable, and is readily and regularly available from the exchange or market on which the corresponding security is principally traded.

### Foreign currency forward contracts

Foreign currency forward contracts are valued using foreign exchange spot rates adjusted with forward currency rates. The inputs that are significant to valuation are observable market data and therefore the Funds' foreign currency forward contracts have been classified as Level 2.

For further information regarding the classification of financial instruments measured at fair value of each Fund, please refer to the section "Fair Value Measurement" of each Fund.

## 7. Redeemable units

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Each Fund can issue an unlimited number of units. Each unit has no par value and the net asset value per unit is calculated daily by dividing the net asset value by the number of units outstanding for all the Funds at the close of each business day. In accordance with their investment strategies and risk management policies, the Funds endeavour to invest their subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions.

For Funds with multiple series, the net asset value of a particular series is computed by calculating the value of that series' proportionate share of the assets and liabilities common to all series, less other liabilities of the Fund attributable only to that series. Expenses directly attributable to a series are charged directly to that series. Income, realized and unrealized gains and losses from investment transactions and other expenses are allocated proportionately to each series based upon the relative net asset value of each series.

## 8. Expenses

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### Management fees

The Manager receives, from each Fund, monthly management fees, before taxes, calculated on the net asset value of each class of units on each valuation date.

Certain Funds may invest in other underlying funds in order to achieve their investment objectives. There are fees payable by the underlying funds in addition to the fees payable by the investing Fund. No management fees or incentive fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the underlying fund for the same service.

### Administration fees

The Manager pays all of Funds' operating expenses, excluding certain fees, in exchange for payment of the fixed-rate annual administration fees determined by the Funds (fixed administration fees) for each class of the Funds.

The fixed administration fee payable in respect of units of a Fund correspond to a specific percentage of the net asset value of the class, calculated and compounded daily and paid monthly.

### Operating expenses

Each Fund assumes certain operating expenses not covered by the Administration Fees, which can include taxes, including, without limitation, GST and PST or HST, capital taxes, income taxes and withholding taxes; bank charges, borrowing and interest; termination fees; regulatory filing fees; costs related to the Independent Review Committee (IRC) or other advisory committee fees and expenses; fees, costs and expenses relating to operating expenses that will be paid by the Manager beyond the usual course of business of the Funds; costs that may be imposed on the Funds to comply with newly adopted securities regulations; and costs associated with portfolio transactions, brokerage fees and other trading expenses, including but not limited to forward contracts, foreign exchange transaction, research and execution costs, as applicable and including any taxes applicable to such costs (the Portfolio Transaction Costs).

The Manager may in certain cases absorb a series' Management Fees, Administration Fees, Portfolio Transaction Costs or Operating Expenses. The decision to absorb the expenses, or a portion thereof, is reviewed annually and determined at the discretion of the Manager, without notice to Unitholders.

For more information regarding the management fees and other expenses each Fund incurs, please refer to the section "Management fees and administration fees" of each Fund.

# Notes to Financial Statements (continued)

Period ended June 30, 2023

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## 9. Related party transactions

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The Manager ensures the daily administration of the Funds. It provides the Funds or makes sure they are provided with all services (accounting, custodial, portfolio management, record maintenance, transfer agent) required to function properly. The Funds pay management and administration fees to the Manager, which are calculated on a daily basis with the net asset value of the Funds and paid monthly at the annual rate specified under section “Management fees and administration fees” of each Fund.

In accordance with their investment objectives, certain associated entities under common control or common significant influence (the “Co-operators group of entities”), some of which have their investment portfolios actively managed by the Manager, may invest in the Funds.

The transactions between the Funds and related entities are traded at net asset value on the valuation date in the normal course of operations.

## 10. Interest in unconsolidated structured entities

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A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, and the relevant activities are directed by means of contractual arrangements.

The Funds have determined that all of their investments in other funds, including exchange-traded funds, (“Investee Funds”) are investments in unconsolidated structured entities. The Funds invest in Investee Funds whose objectives range from maximizing interest income to achieving medium- to long-term capital growth. The Investee Funds apply various investment strategies to accomplish their respective investment objectives. The Investee Funds finance their operations by issuing redeemable shares which are puttable at the holder’s option and entitle the holder to a proportional stake in the respective fund’s net assets. The Funds hold redeemable shares in each of their Investee Funds.

Investments in asset-backed securities and mortgaged-backed securities, as disclosed in the fair value measurement section of the financial instrument disclosures of the specific notes of each fund, are also considered as unconsolidated structured entities.

The Funds’ investment strategies may entail trading in other funds on a regular basis, and they intend to continue opportunistic trading in other funds.

For the period ended June 30, 2023, the Funds did not provide financial or other support to unconsolidated structured entities and have no intention of doing so.



