

Financial statements

UNIVERSITAS Plan

for the years ended December 31, 2023 and 2022



KALEIDO

The UNIVERSITAS Plan

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Independent Auditor's Report

To the subscribers of
the UNIVERSITAS Plan

Opinion

We have audited the financial statements of the UNIVERSITAS Plan (the "Plan"), which comprise the statements of financial position as at December 31, 2023 and 2022, and the statements of net income and comprehensive income, changes in net assets attributable to contracts and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Other Information

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Deloitte LLP

Quebec City, Quebec

March 21, 2024

¹ CPA auditor, public accountancy permit No. A149702

Statements of financial position

(in thousands of Canadian \$)

	Notes	December 31, 2023	December 31, 2022
Assets			
Cash		1,490	1,463
Sales pending settlement		116	864
Dividends receivable		134	195
Interest receivable		3,129	2,758
Canada Education Savings Grant (CESG) receivable	10	144	232
Quebec Education Savings Incentive (QESI) receivable		1,353	1,821
Investments	4, 10	526,719	553,108
		533,085	560,441
Liabilities			
Purchases pending settlement		152	875
Accounts payable and other liabilities	6	1,649	1,070
Quebec Education Savings Incentive (QESI) refundable		404	367
		2,205	2,312
Net assets attributable to contracts		530,880	558,129

Approved by

[François Lavoie] Chairman of the Board of Directors

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

The notes are an integral part of these financial statements.

Statements of net income and comprehensive income
for the years ended December 31
(in thousands of Canadian \$)

	Notes	2023	2022
Revenues from ordinary activities			
Interest income for educational assistance payments		16,613	12,171
Dividends		2,186	2,998
Realized gain on disposal of investments		11,951	1,484
Change in unrealized appreciation (depreciation) of investments		16,695	(51,646)
		47,445	(34,993)
Operating expenses			
Brokerage fees		60	101
U.S. tax expenses		77	149
Portfolio management fees		744	639
Trustee fees		12	13
Custodian fees		119	143
Administration fees	8	8,110	8,430
Independent Review Committee fees		10	12
		9,132	9,487
Net income and comprehensive income attributable to contracts		38,313	(44,480)

The notes are an integral part of these financial statements.

**Statements of changes in net assets attributable to contracts
for the years ended December 31**
(in thousands of Canadian \$)

	Subscriber savings	SCROM	EAP account	CESG	Accumulated income CESG	QESI	Accumulated income QESI	Total
Net assets as at December 31, 2022	298,878	29,175	61,570	91,926	33,708	34,843	8,030	558,129
Net income and comprehensive income	-	-	28,035	-	7,956	-	2,322	38,313
Increase								
Subscriber savings	13,659	-	-	-	-	-	-	13,659
Change in the SCROM	-	824	-	-	-	-	-	824
Grants received from the government	-	-	-	2,256	-	1,256	-	3,512
	13,659	824	-	2,256	-	1,256	-	17,995
Decrease								
Refund of savings at maturity	(40,299)	-	-	-	-	-	-	(40,299)
Pre-maturity withdrawal of savings	(404)	-	-	-	-	-	-	(404)
Refund of unclaimed savings	-	-	(5)	-	-	-	-	(5)
Refund of sales charges at maturity	-	(3,790)	-	-	-	-	-	(3,790)
Change in the SCROM	-	-	(824)	-	-	-	-	(824)
Transfers between plans	-	-	-	(1)	-	-	-	(1)
Grants returned to the government	-	-	-	-	-	(172)	-	(172)
Transfers to other promoters	-	-	-	(21)	(6)	(8)	(1)	(36)
Grants and income on grants	-	-	-	(12,449)	(5,739)	(4,659)	(1,366)	(24,213)
Outflow of accumulated income on grants for payments to a designated educational institution	-	-	(7)	-	(67)	-	(3)	(77)
Paiement de revenus accumulés (PRA)	-	-	(4)	-	-	-	-	(4)
Educational assistance payments (EAPs)	-	-	(13,732)	-	-	-	-	(13,732)
	(40,703)	(3,790)	(14,572)	(12,471)	(5,812)	(4,839)	(1,370)	(83,557)
Net assets as at December 31, 2023	271,834	26,209	75,033	81,711	35,852	31,260	8,982	530,880

**Statements of changes in net assets attributable to contracts
for the years ended December 31**
(in thousands of Canadian \$)

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

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

	2023	2022
Cash flows from operational activities		
Income received		
Interest	16,241	11,586
Dividends	2,190	3,280
	18,431	14,866
Operating expenses paid		
Brokerage fees	(60)	(101)
U.S. tax expenses	(77)	(149)
Portfolio management fees	(793)	(679)
Trustee fees	(12)	(13)
Custodian fees	(131)	(130)
Administration fees	(7,514)	(8,513)
Independent Review Committee fees	(10)	(12)
	(8,597)	(9,597)
Other operational activities		
Disposal of investments	516,376	761,441
Acquisition of investments	(461,259)	(714,733)
	55,117	46,708
Net cash flows from operational activities	64,951	51,977
Cash flows from financing activities		
Savings received	13,767	19,937
Savings paid to other promoters	(67)	(181)
Refunds of savings to subscribers	(40,798)	(37,603)
CESG and income on CESG received	2,316	3,733
QESI and income on QESI received	1,724	2,320
QESI and income on QESI paid	(144)	(169)
Transfers between plans	(1)	(1)
Sales charge refunds	(3,793)	(3,469)
Educational assistance payments (EAPs)	(37,928)	(36,288)
Withholding Tax	(1)	-
Net cash flows used in financing activities	(64,925)	(51,721)
Net increase in cash	26	256
Cash, beginning of year	1,464	1,207
Cash, end of year	1,490	1,463

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Short-term investments					
93,565	Cash	-	-	93,565	93,565
2,651	Cash sweep	-	-	2,883	2,859
1,400	407 INTERNATIONAL INC	16 May 2024	3.350	1,486	1,390
2,000	BCI QUADREAL REALTY	12 Mar 2024	1.056	1,960	1,984
1,300	NATIONAL BANK OF CANADA	12 Jul 2024	2.545	1,329	1,282
400	TELUS CORP	1 Apr 2024	3.350	395	398
475	TMX GROUP LTD	11 Dec 2024	2.997	469	466
Total - Short-term investments				102,087	101,944
Bonds					
Bonds issued or guaranteed by a Canadian province					
11,153	PROV OF ONTARIO	2 Feb 2032	4.050	11,038	11,443
9,216	PROV OF ONTARIO	1 Nov 2029	1.550	8,541	8,264
2,600	PROV OF ONTARIO	1 Feb 2027	1.850	2,381	2,464
551	PROV OF ONTARIO	2 Jun 2025	2.600	536	538
5,500	PROV OF ONTARIO	5 Feb 2025	2.650	5,358	5,392
3,796	PROV OF QUEBEC	22 Nov 2032	3.900	3,760	3,858
6,029	PROV OF QUEBEC	20 May 2032	3.650	5,992	6,025
5,527	PROV OF QUEBEC	27 May 2031	2.100	5,422	4,995
3,368	PROV OF QUEBEC	13 Feb 2027	1.850	3,216	3,194
915	PROV OF QUEBEC	6 Jul 2025	2.600	949	894
4,712	PROVINCE OF ONTARIO	1 Feb 2027	1.850	4,826	4,465
660	PROV OF NEWFOUNDLAND & LABRA	2 Jun 2033	4.150	636	670
				52,655	52,202
Bonds issued or guaranteed by a municipality					
1,307	AUTORITE REGIONALE DE TRANS	1 Aug 2028	4.750	1,290	1,326
100	AUTORITE REGIONALE DE TRANS	1 Nov 2025	1.250	98	94
1,472	LAVAL QUEBEC	21 Mar 2028	3.000	1,462	1,416
410	LEVIS QUEBEC	5 Jun 2028	3.250	404	391
410	MONT TREMBLANT QUEBEC	30 Nov 2028	4.700	403	415
910	MUNICIPAL FINANCE AUTH OF BC	23 Oct 2028	3.050	907	889
535	MUNICIPALITE REGIONALE DE	6 Feb 2028	4.000	525	527
1,185	QUEBEC CITY QUEBEC	20 Dec 2027	2.650	1,156	1,134
2,500	RESEAU DE TRANS DE LA CAPITALE	18 Nov 2025	1.000	2,471	2,334
200	RESEAU DE TRANS MET QUEBEC	3 Dec 2025	1.500	195	188
175	ROUYN NORANDA QUEBEC	27 Feb 2028	3.100	180	167
375	SAINT JEROME QUEBEC	14 Nov 2029	2.450	366	337
180	SAINTE AGATHE DES MONTS QUEBEC	2 Dec 2027	4.450	177	180
162	ST HYACINTHE QUEBEC	28 Feb 2028	3.100	167	154
2,000	TERREBONNE MASCOUCHE REGIE	9 Sep 2025	1.000	1,966	1,878

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Bonds (continued)					
Bonds issued or guaranteed by a municipality (continued)					
840	TROIS RIVIERES QUEBEC	18 Apr 2028	3.000	826	795
140	BELOEIL QUEBEC	8 Dec 2027	4.350	138	140
435	SAINTE BRIGITTE DE LAVAL QUE	2 Feb 2028	4.150	429	431
196	SALABERRY DE VALLEYFIELD QUE	2 Dec 2027	4.450	193	196
448	SAINTE LIN LAURENTIDES QUEBEC	20 Dec 2027	4.250	446	446
92	MUNICIPALITE DE SAINT-PAUL QUE	15 Dec 2027	4.200	91	91
1,445	RIVIERE-DU-LOUP QUEBEC	1 Dec 2027	4.600	1,426	1,456
126	DRUMMONDVILLE QUEBEC	2 Dec 2027	4.450	124	126
75	SAINTE MARTIN PAROISSE QUEBEC	8 Dec 2027	4.400	74	75
375	BEAUHARNOIS QUEBEC	9 Dec 2027	4.450	371	376
195	ST BASILE LE GRAND QUEBEC	8 Dec 2027	4.500	193	196
311	SAINTE EUSTACHE QUEBEC	9 Dec 2027	4.450	308	312
200	SAINTE GEORGES QUEBEC	8 Dec 2027	4.350	197	200
1,180	SAINTE GABRIEL QUEBEC	16 Feb 2028	4.250	1,166	1,174
428	VILLE DE RIVIERE ROUGE QUEBEC	13 Feb 2028	4.100	420	423
855	SAINTE HONORE QUEBEC	2 Feb 2028	4.100	842	846
750	GRANDE RIVIERE QUEBEC	2 Feb 2028	4.150	738	743
435	RIGAUD QUEBEC	2 Feb 2028	4.150	429	431
450	MUNICIPALITE DE LA PAROISSE DE	2 Feb 2028	4.150	443	446
510	LAC BROME QUEBEC	16 Feb 2028	4.100	501	504
561	LACHUTE QUEBEC	17 Feb 2028	4.250	554	558
824	CITY OF ST-LAMBERT CANADA	28 Jul 2028	4.750	817	836
880	SAINTE GENEVIEVE DE BATISCAN	12 Jul 2028	4.500	865	884
365	SAINTE-SAUVEUR QUEBEC	30 Nov 2028	4.700	359	370
				<u>23,717</u>	<u>23,485</u>
Bonds issued or guaranteed by a corporation					
1,300	407 INTERNATIONAL INC	25 May 2032	2.590	1,129	1,158
650	407 INTERNATIONAL INC	27 Jul 2029	6.470	856	720
1,980	407 INTERNATIONAL INC	22 May 2025	1.800	1,883	1,907
1,100	ALIMENTATION COUCHE-TARD INC	25 Sep 2030	5.592	1,100	1,170
600	ALLIED PROPERTIES REIT	6 Feb 2032	3.095	600	469
325	ALLIED PROPERTIES REIT	15 Aug 2029	3.394	331	281
210	ALLIED PROPERTIES REIT	15 May 2028	3.131	210	186
135	ALLIED PROPERTIES REIT	8 Apr 2027	3.113	136	123
775	ALLIED PROPERTIES REIT	12 Feb 2026	1.726	730	712
1,000	ALTALINK L P	29 May 2026	2.747	1,025	968
370	ATHENE GLOBAL FUNDING REGS	9 Jun 2028	2.470	370	329
750	BANK OF MONTREAL	26 Nov 2082	7.325	750	746
179	BANK OF MONTREAL	27 Oct 2032	6.534	179	189
1,500	BANK OF MONTREAL	22 Jul 2031	1.928	1,305	1,393
3,525	BANK OF MONTREAL	7 Dec 2027	4.709	3,499	3,553
2,500	BANK OF MONTREAL	1 Jun 2027	4.309	2,439	2,485
2,200	BANK OF MONTREAL	28 May 2026	1.551	1,957	2,062
3,800	BANK OF NOVA SCOTIA	1 Nov 2027	1.400	3,341	3,420
550	BANK OF NOVA SCOTIA	3 Feb 2025	2.160	524	533

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Bonds (continued)					
Bonds issued or guaranteed by a corporation (continued)					
1,500	BCI QUADREAL REALTY	24 Jun 2026	2.551	1,480	1,436
150	BCIMC REALTY CORP	31 Mar 2027	3.000	159	144
800	BCIMC REALTY CORP	3 Jun 2025	2.840	840	779
1,575	BELL CANADA	17 Mar 2031	3.000	1,378	1,428
1,050	BELL CANADA	14 May 2030	2.500	900	938
400	BELL CANADA	10 Sep 2029	2.900	352	371
2,300	BELL CANADA	29 May 2028	2.200	2,135	2,112
300	BELL CANADA	29 Sep 2027	3.600	303	292
200	BELL CANADA	16 Aug 2027	1.650	176	184
1,370	BROOKFIELD ASSET MGMT INC	16 Mar 2027	3.800	1,319	1,343
1,874	BROOKFIELD RENEWABLE ENERGY	28 Oct 2033	5.292	1,874	1,924
325	BROOKFIELD RENEWABLE ENERGY	15 Jan 2029	4.250	341	320
649	BROOKFIELD RENEWABLE PARTNERS	15 Jan 2030	3.380	636	605
325	CANADIAN IMPERIAL BANK OF COMM	29 Jun 2027	4.950	328	329
835	CANADIAN IMPERIAL BANK OF COMM	7 Mar 2025	2.750	804	814
2,000	CANADIAN IMPERIAL BK OF COMM	7 Oct 2027	5.050	2,000	2,034
4,075	CANADIAN IMPERIAL BK OF COMM	17 Apr 2025	2.000	3,954	3,926
1,153	CDP FINANCIAL INC	2 Jun 2027	3.800	1,153	1,156
900	CDP FINANCIAL INC	19 Oct 2026	1.500	898	845
2,480	CHOICE PROPERTIES REIT	1 Mar 2033	5.400	2,489	2,539
400	CHOICE PROPERTIES REIT	24 Jun 2032	6.003	400	428
1,242	CHOICE PROPERTIES REIT	4 Mar 2030	2.981	1,128	1,123
1,225	CHOICE PROPERTIES REIT	30 Nov 2026	2.456	1,142	1,154
700	CHOICE PROPERTIES REIT	10 Jan 2025	3.546	736	688
650	CT REIT	5 Feb 2029	3.029	603	592
750	CT REIT	1 Jun 2026	3.289	784	722
2,718	DOLLARAMA INC	26 Apr 2030	5.165	2,799	2,821
625	DOLLARAMA INC	9 Jul 2029	2.443	600	568
900	DOLLARAMA INC	27 Oct 2025	5.084	900	907
300	ENBRIDGE GAS INC	17 Aug 2032	4.150	299	296
1,323	ENBRIDGE GAS INC	1 Apr 2030	2.900	1,282	1,231
665	ENBRIDGE GAS INC	9 Aug 2029	2.370	665	609
1,000	ENBRIDGE INC	27 Sep 2077	5.375	913	941
1,487	ENBRIDGE INC	21 Sep 2033	3.100	1,372	1,283
369	ENBRIDGE INC	9 Nov 2032	6.100	379	400
550	ENBRIDGE INC	3 Oct 2029	2.990	481	508
2,509	ENBRIDGE INC	9 Nov 2027	5.700	2,618	2,613
1,900	ENBRIDGE INC	8 Jun 2027	3.200	1,837	1,824
286	ENBRIDGE PIPELINES INC	22 Feb 2029	3.520	262	274
1,625	FAIRFAX FINANCIAL HOLDINGS LTD	3 Mar 2031	3.950	1,566	1,528
689	FEDERATION DES CAISSES	23 Aug 2032	5.035	660	688
2,085	FEDERATION DES CAISSES	28 May 2031	1.992	1,835	1,942
500	FEDERATION DES CAISSES	17 Nov 2028	5.467	500	521
1,200	FEDERATION DES CAISSES	16 Aug 2028	5.475	1,200	1,250
3,550	FEDERATION DES CAISSES	10 Sep 2026	1.587	3,284	3,309
500	FEDERATION DES CAISSES	1 Oct 2025	2.370	500	504
2,229	GRANITE REIT HOLDINGS LP	30 Aug 2028	2.194	2,229	1,988

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Bonds (continued)					
Bonds issued or guaranteed by a corporation (continued)					
328	GRANITE REIT HOLDINGS LP	4 Jun 2027	3.062	328	310
750	GREAT WEST LIFECO INC	31 Dec 2081	3.600	750	575
1,875	GREATER TORONTO AIRPORTS AUTH	3 Apr 2029	2.730	1,965	1,776
1,000	GREAT-WEST LIFECO INC	14 May 2030	2.379	1,000	899
350	GREAT-WEST LIFECO INC	28 Feb 2028	3.337	330	338
371	H&R REAL ESTATE INVT TR	19 Feb 2027	2.633	371	341
1,700	HYDRO ONE INC	28 Feb 2030	2.160	1,479	1,533
500	HYDRO ONE INC	30 Nov 2029	3.930	500	500
3,606	HYDRO ONE INC	27 Jan 2028	4.910	3,711	3,722
1,025	HYDRO ONE INC	24 Feb 2026	2.770	1,065	996
364	HYDRO QUEBEC	15 Aug 2031	6.000	484	420
1,096	IA FINANCIAL CORP INC	30 Jun 2082	6.611	1,096	1,082
1,469	IA FINANCIAL CORPORATION INC	20 Jun 2033	5.685	1,469	1,509
2,000	IA FINANCIAL CORPORATION INC	25 Feb 2032	3.187	1,983	1,899
500	INTACT FINANCIAL CORP	16 Dec 2030	1.928	500	427
175	INTACT FINANCIAL CORP	7 Jun 2027	2.850	183	167
650	INTACT FINANCIAL CORP	24 Mar 2025	3.691	650	641
700	INTACT FINANCIAL CORPORATION	30 Jun 2083	7.338	690	703
325	LOBLAW COMPANIES LTD	13 Sep 2032	5.008	325	336
975	LOBLAW COMPANIES LTD	7 May 2030	2.284	867	866
1,360	MANULIFE FINANCIAL CORP	19 Jun 2082	7.117	1,346	1,355
1,000	MANULIFE FINANCIAL CORP	13 May 2035	2.818	854	888
1,526	MANULIFE FINANCIAL CORP	10 Mar 2033	5.409	1,526	1,557
1,300	MANULIFE FINANCIAL CORP	12 May 2030	2.237	1,300	1,252
125	METRO INC	6 Dec 2027	3.390	114	122
3,164	NATIONAL BANK OF CANADA	16 Aug 2032	5.426	3,164	3,197
1,500	NATIONAL BANK OF CANADA	7 Dec 2026	4.968	1,500	1,519
3,100	NATIONAL BANK OF CANADA	15 Jun 2026	1.534	2,966	2,896
1,696	NATIONAL BANK OF CANADA	3 Nov 2025	5.296	1,727	1,711
1,000	NATIONAL BANK OF CANADA	3 Feb 2025	2.580	960	973
500	NORTH WEST REDWTR PARTNERSHIP	1 Jun 2033	4.150	462	486
1,410	NORTH WEST REDWTR PARTNERSHIP	1 Jun 2031	2.800	1,188	1,263
1,578	NORTH WEST REDWTR PARTNERSHIP	1 Jun 2029	4.250	1,678	1,575
775	NORTH WEST REDWTR PARTNERSHIP	1 Jun 2027	2.800	719	739
428	OMERS FINANCE TRUST	14 May 2029	2.600	427	405
395	OMERS FINANCE TRUST	21 Apr 2027	1.550	388	368
2,450	OMERS REALTY CORP	14 Nov 2028	5.381	2,501	2,547
2,979	ONTARIO POWER GENERATION INC	8 Apr 2030	3.215	2,853	2,811
700	ONTARIO POWER GENERATION INC	13 Sep 2029	2.977	653	659
448	ONTARIO TEACHERS FINANCE TR	19 Oct 2027	1.100	430	407
243	OPB FINANCE TRUST	25 Jan 2027	2.980	247	236
267	OPB FINANCE TRUST	2 Feb 2026	2.950	273	260
647	PEMBINA PIPELINE CORP	27 Mar 2028	4.020	692	632
1,600	PEMBINA PIPELINE CORP	15 Jun 2027	4.240	1,541	1,585
2,807	ROGERS COMMUNICATIONS INC	1 May 2029	3.250	2,739	2,635
300	ROGERS COMMUNICATIONS INC	2 Nov 2028	4.400	278	299
2,578	ROGERS COMMUNICATIONS INC	21 Sep 2028	5.700	2,575	2,703

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Bonds (continued)					
Bonds issued or guaranteed by a corporation (continued)					
465	ROGERS COMMUNICATIONS INC	1 Mar 2027	3.800	449	455
500	ROYAL BANK OF CANADA	24 Nov 2080	4.500	500	475
3,071	ROYAL BANK OF CANADA	1 Feb 2033	5.010	3,030	3,075
2,100	ROYAL BANK OF CANADA	3 May 2032	2.940	1,860	1,971
263	ROYAL BANK OF CANADA	30 Jun 2030	2.088	246	252
2,973	ROYAL BANK OF CANADA	24 Jun 2030	5.228	2,964	3,099
2,800	ROYAL BANK OF CANADA	31 Jul 2028	1.833	2,436	2,525
975	ROYAL BANK OF CANADA	17 Jan 2028	4.642	975	982
1,450	ROYAL BANK OF CANADA	26 Jul 2027	4.612	1,450	1,458
170	ROYAL BANK OF CANADA	28 Jan 2027	2.328	165	160
800	ROYAL BANK OF CANADA	2 Nov 2026	5.235	800	816
500	ROYAL BANK OF CANADA	29 Sep 2025	3.369	477	489
450	SAPUTO INC	20 Nov 2030	5.492	450	472
970	SAPUTO INC	16 Jun 2027	2.242	972	902
1,087	SMARTCENTRES REIT	20 Dec 2029	3.526	937	991
833	SUN LIFE FINANCIAL INC	1 Oct 2035	2.060	656	699
2,792	SUN LIFE FINANCIAL INC	4 Jul 2035	5.500	2,771	2,884
1,270	SUN LIFE FINANCIAL INC	10 Aug 2034	4.780	1,255	1,269
717	SUN LIFE FINANCIAL INC	21 Nov 2033	2.800	717	657
1,100	SUN LIFE FINANCIAL INC	13 Aug 2029	2.380	1,052	1,079
488	TELUS CORP	15 Nov 2032	5.250	490	504
2,801	TELUS CORP	13 Nov 2031	2.850	2,500	2,467
1,535	TELUS CORP	2 May 2029	3.300	1,427	1,455
1,851	TELUS CORP	8 Jul 2026	2.750	1,771	1,781
1,200	THE BANK OF NOVA SCOTIA	27 Jul 2082	7.023	1,200	1,179
4,519	THE BANK OF NOVA SCOTIA	3 May 2032	3.934	4,271	4,363
4,904	THE BANK OF NOVA SCOTIA	8 May 2026	5.500	4,949	5,006
490	TMX GROUP LIMITED	5 Jun 2028	3.779	493	480
900	TORONTO DOMINION BANK	31 Oct 2082	7.283	898	898
593	TORONTO DOMINION BANK	26 Jan 2032	3.060	568	562
1,075	TORONTO DOMINION BANK	4 Mar 2031	4.859	1,126	1,075
1,065	TORONTO DOMINION BANK	22 Apr 2030	3.105	1,069	1,036
1,300	TORONTO DOMINION BANK	8 Jan 2029	4.680	1,300	1,314
4,980	TORONTO DOMINION BANK	8 Mar 2028	1.888	4,350	4,535
656	TORONTO DOMINION BANK	27 Jan 2026	4.344	642	653
850	TORONTO HYDRO CORP	14 Jun 2033	4.610	850	875
2,000	TORONTO HYDRO CORP	20 Oct 2031	2.470	1,778	1,777
500	TORONTO-DOMINION BANK	1 Jun 2027	4.210	500	496
1,180	TRANSCANADA PIPELINES LTD	9 Jun 2031	2.970	999	1,047
450	TRANSCANADA PIPELINES LTD	18 Sep 2029	3.000	396	416
4,904	TRANSCANADA PIPELINES LTD	5 Apr 2027	3.800	4,741	4,805
100	TRANSCANADA PIPELINES LTD	15 Jan 2027	7.310	126	106
1,400	WELLS FARGO & CO	18 Feb 2027	2.493	1,400	1,313
1,000	IVANHOE CAMBRIDGE II INC	2 Jun 2028	4.994	1,000	1,021
750	LOWER MATTAGAMI ENERGY LP	31 Oct 2033	4.854	776	786
200	LOWER MATTAGAMI ENERGY LP	21 Oct 2026	2.307	181	190
1,630	ONTARIO TEACHERS FINANCE TRUST	2 Jun 2032	4.450	1,647	1,696
1,499	ONTARIO TEACHERS FINANCE TRUST	1 Nov 2029	4.150	1,498	1,536
2,606	ALTAGAS LTD	30 May 2028	2.075	2,279	2,348
516	ALTAGAS LTD	7 Apr 2026	4.120	498	511
1,600	ENERGIR LP	27 Sep 2032	4.670	1,615	1,635

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Par value	Security	Maturity	Rate (%)	Cost	Carrying amount
Bonds (continued)					
Bonds issued or guaranteed by a corporation (continued)					
475	ALTALINK LP	28 Nov 2032	4.692	475	491
2,840	BROOKFIELD FINANCE II INC	14 Dec 2032	5.431	2,842	2,910
450	FAIRFAX FINL HOLDINGS LTD	16 Dec 2026	4.700	441	450
751	RIOCAN REAL ESTATE INVT TR	10 Mar 2027	2.361	751	690
608	PROLOGIS LP	15 Jan 2031	5.250	608	630
1,527	HYUNDAI CAPITAL CANADA INC	8 Mar 2028	5.565	1,527	1,571
2,071	CENTRAL 1 CREDIT UNION	7 Feb 2028	4.648	2,036	2,032
600	AEROPORTS DE MONTREAL	17 Sep 2035	5.170	615	637
1,774	ROYAL OFFICE FINANCE LP	12 Nov 2037	5.209	1,829	1,873
233	OTTAWA MACDONALD-CARTIER INTL	25 May 2032	6.973	248	250
379	407 EAST DEVELOPMENT GROUP	23 Jun 2045	4.473	363	372
2,185	EDF S A	23 May 2030	5.993	2,185	2,283
1,100	VERIZON COMMUNICATIONS INC	22 Mar 2028	2.375	966	1,017
1,200	BRITISH COLUMBIA INVESTMENT	2 Jun 2033	4.900	1,196	1,297
1,500	PSP CAPITAL INC	2 Dec 2030	4.400	1,499	1,569
3,658	WEST EDMONTON MALL PROPERTY	4 Oct 2027	7.791	3,658	3,862
850	INDEPENDENT ORDER OF FORESTERS	15 Oct 2035	2.885	674	723
				<u>225,117</u>	<u>225,988</u>
Total - Bonds				301,489	301,675
Equities					
Number of shares	Security			Cost	Carrying amount
Energy					
653	CHEVRON CORP			138	128
933	EXXON MOBIL CORP			128	123
18,294	TC ENERGY CORP			1,052	946
7,908	TOURMALINE OIL CORP			483	471
8,999	VALERO ENERGY CORP			1,404	1,542
2,057	WILLIAMS COS INC/THE			91	94
266	CHENIERE ENERGY INC			59	60
177	MARATHON PETROLEUM CORP			37	35
479	PHILLIPS 66			79	84
				<u>3,471</u>	<u>3,483</u>
Materials					
6,936	FRANCO-NEVADA CORP			1,188	1,015
1,580	LINDE PLC			631	856
17,858	WINPAK LTD			699	730
2,369	BARRICK GOLD CORP			51	57
29,216	TRIPLE FLAG PRECIOUS METALS			498	515
518	CORTEVA INC			39	33
2,472	NEWMONT CORP			135	135
188	RELIANCE STEEL & ALUMINUM CO			67	69
				<u>3,308</u>	<u>3,410</u>

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Number of shares	Security	Cost	Carrying amount
Equities (continued)			
Communication Services			
9,719	ALPHABET INC	1,451	1,790
4,709	BCE INC	278	246
3,318	META PLATFORMS INC	966	1,549
10,469	QUEBECOR INC	322	330
1,700	ROGERS COMMUNICATIONS INC	97	105
18,052	TELUS CORP	487	426
7,950	THOMSON REUTERS CORPORATION	1,389	1,538
1,079	FOX CORP	48	42
11,881	ROLLINS INC	669	684
1,774	T-MOBILE US INC	317	375
9,917	VERIZON COMMUNICATIONS INC	458	493
1,565	ELECTRONIC ARTS INC	260	282
		6,742	7,860
Utilities			
2,032	ATMOS ENERGY CORP	314	311
2,772	CONSOLIDATED EDISON INC	345	332
3,188	EVERSOURCE ENERGY	288	259
4,500	HYDRO ONE LIMITED	170	178
722	ESSENTIAL UTILITIES INC	39	36
3,698	EXELON CORP	203	175
1,300	PUBLIC SERVICE ENTERPRISE GROU	108	105
1,400	CANADIAN UTILITIES LTD	44	44
967	AMERICAN WATER WORKS CO INC	179	168
247	CONSTELLATION ENERGY CORP	37	38
1,292	EDISON INTERNATIONAL	123	122
2,093	PG&E CORP	49	50
768	SEMPRA	76	76
		1,975	1,894
Financials			
3,409	BANK OF MONTREAL	419	447
18,271	BANK OF NOVA SCOTIA	1,104	1,178
3,588	CME GROUP INC	905	996
6,082	CULLEN/FROST BANKERS INC	895	870
25,119	DEFINITY FINANCIAL CORP	897	941
5,586	EQB INC	354	487
100	FAIRFAX FINANCIAL HOLDINGS LTD	114	122
900	GREAT WEST LIFECO INC	37	39
6,847	IA FINANCIAL CORP INC	407	617
1,200	IGM FINANCIAL INC	45	42
7,161	INTACT FINANCIAL CORP	1,059	1,456
27,055	MANULIFE FINANCIAL CORP	592	791
6,598	MARSH & MCLENNAN COS INC	1,588	1,648

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Number of shares	Security	Cost	Carrying amount
Equities (continued)			
Financials (continued)			
3,407	MASTERCARD INC	1,642	1,916
10,377	NATIONAL BANK OF CANADA	951	1,047
6,189	ROYAL BANK OF CANADA	776	829
17,090	TMX GROUP LTD	488	548
4,739	TORONTO DOMINION BANK	403	406
29,018	BROOKFIELD CORPORATION	1,150	1,540
513	CHUBB LTD	135	153
1,327	W R BERKLEY CORP	112	124
1,323	CBOE GLOBAL MARKETS INC	250	311
95	ERIE INDEMNITY CO	29	42
369	ARTHUR J GALLAGHER & CO	111	109
1,111	TRAVELERS COS INC/THE	255	279
654	VISA INC	200	225
106	EVEREST GROUP LTD	55	49
863	AMERICAN FINANCIAL GROUP INC/O	132	135
72	AMERIPRISE FINANCIAL INC	34	36
912	BERKSHIRE HATHAWAY INC	454	429
933	EQUITABLE HOLDINGS INC	37	41
597	HARTFORD FINANCIAL SERVICES GR	60	63
27	MARKEL GROUP INC	55	51
509	PROGRESSIVE CORP/THE	99	107
		15,844	18,074
Consumer Staples			
438	CHURCH & DWIGHT CO INC	56	55
2,328	COLGATE-PALMOLIVE CO	234	245
23,626	EMPIRE CO LTD	785	827
806	HORMEL FOODS CORP	46	34
600	J M SMUCKER CO/THE	101	100
929	KIMBERLY-CLARK CORP	167	149
6,415	LAMB WESTON HOLDINGS INC	750	915
3,702	LOBLAW COMPANIES LTD	438	475
15,973	METRO INC	901	1,094
1,451	PEPSICO INC	342	325
10,607	PREMIUM BRANDS HOLDINGS CORP	1,024	996
1,972	PROCTER & GAMBLE CO/THE	357	381
8,424	SAPUTO INC	267	226
8,915	WALMART INC	1,713	1,853
1,516	CAMPBELL SOUP CO	92	86
1,127	COCA-COLA CO/THE	90	88
3,797	GENERAL MILLS INC	403	326
990	HERSHEY CO/THE	324	243
4,026	KEURIG DR PEPPER INC	179	177
814	KRAFT HEINZ CO/THE	40	40
3,989	KELLANOVA	322	294
2,386	KROGER CO/THE	149	144
505	MONDELEZ INTERNATIONAL INC	49	48
997	WK KELLOGG CO	18	17
		8,847	9,138

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Number of shares	Security	Cost	Carrying amount
Equities (continued)			
Health			
695	ABBOTT LABORATORIES	95	101
2,204	ABBVIE INC	350	450
4,781	AMGEN INC	1,564	1,816
2,849	CHARLES RIVER LABORATORIES INT	841	888
4,800	DANAHER CORP	1,375	1,465
2,076	JOHNSON & JOHNSON	452	429
1,611	ROYALTY PHARMA PLC	67	60
570	BECTON DICKINSON & CO	199	183
5,678	BRISTOL-MYERS SQUIBB CO	477	384
4,429	GILEAD SCIENCES INC	454	473
184	HUMANA INC	124	111
3,361	INCYTE CORP	273	278
3,117	MERCK & CO INC	455	448
6,700	PFIZER INC	336	254
545	UNITEDHEALTH GROUP INC	359	378
359	VERTEX PHARMACEUTICALS INC	169	193
3,060	ZOETIS INC	705	797
5,078	VITALHUB CORP	19	21
325	CENCORA INC	80	88
120	ELI LILLY & CO	93	92
260	MCKESSON CORP	152	159
725	NEUROCRINE BIOSCIENCES INC	111	126
316	QUEST DIAGNOSTICS INC	54	57
143	REGENERON PHARMACEUTICALS INC	159	166
240	UNITED THERAPEUTICS CORP	71	70
4,266	VIATRIS INC	57	61
		9,091	9,548
Consumer Discretionary			
12,434	ALIMENTATION COUCHE-TARD INC	535	969
9,811	AMAZON.COM INC	1,503	1,966
4,028	BOYD GROUP SERVICES INC	773	1,120
18,266	CCL INDUSTRIES INC	1,009	1,086
53,007	D2L INC	392	568
7,479	DOLLARAMA INC	608	714
4,578	FIVE BELOW INC	1,049	1,286
15,735	GILDAN ACTIVEWEAR INC	575	688
9,264	MAGNA INTL INC	646	724
1,048	MCDONALD'S CORP	359	410
16,981	PET VALU HOLDINGS LTD	514	489
12,774	RESTAURANT BRANDS INTL INC	1,052	1,320
11,881	RICHELIEU HARDWARE LTD	463	570

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Number of shares	Security	Cost	Carrying amount
Equities (continued)			
Consumer Discretionary (continued)			
7,636	TJX COS INC/THE	816	944
10,730	RICHARDS PACKAGING INCOME FD	444	372
2,744	RB GLOBAL INC	211	243
40	AUTOZONE INC	133	136
184	GENUINE PARTS CO	37	34
77	O'REILLY AUTOMOTIVE INC	94	96
765	YUM! BRANDS INC	133	132
476	PULTEGROUP INC	51	65
128	TRACTOR SUPPLY CO	36	36
		<u>11,433</u>	<u>13,968</u>
Industrials			
12,195	ANDLAUER HEALTHCARE GROUP INC	574	500
702	AUTOMATIC DATA PROCESSING INC	184	216
23,096	CAE INC	532	659
13,299	CANADIAN NATIONAL RAILWAY CO	1,462	2,211
480	CH ROBINSON WORLDWIDE INC	57	55
1,774	EXPEDITORS INTERNATIONAL OF WA	273	298
492	FASTENAL CO	34	42
6,282	FINNING INTERNATIONAL INC	227	241
1,057	ROCKWELL AUTOMATION INC	334	433
37,030	SAVARIA CORP	545	562
30,541	SNC-LAVALIN GROUP INC	811	1,301
10,441	STANTEC INC	544	1,108
4,862	TOROMONT INDUSTRIES LTD	524	564
14,329	WASTE CONNECTIONS INC	2,528	2,823
4,319	WSP GLOBAL INC	482	799
6,344	ATS CORPORATION	268	362
6,194	CANADIAN PACIFIC KANSAS CITY	611	649
8,021	GDI INTEGRATED FAC SVCS INC	344	293
634	BOOZ ALLEN HAMILTON HOLDING CO	94	107
82	CINTAS CORP	55	65
2,088	WASTE MANAGEMENT INC	458	493
2,459	CARRIER GLOBAL CORP	181	186
1,302	EMERSON ELECTRIC CO	173	167
363	PACCAR INC	43	47
376	PAYCHEX INC	59	59
1,315	RTX CORP	161	146
1,847	REPUBLIC SERVICES INC	376	402
328	UNITED PARCEL SERVICE INC	70	68
3,993	VERALTO CORP	419	433
		<u>12,423</u>	<u>15,289</u>

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Number of shares	Security	Cost	Carrying amount
Equities (continued)			
Information Technology			
1,976	ADOBE INC	1,308	1,555
218,936	ALITHYA GROUP INC	581	385
9,752	APPLE INC	1,955	2,474
13,680	CGI INC	1,428	1,939
499	CONSTELLATION SOFTWARE INC	578	762
47,198	COVEO SOLUTIONS INC	327	453
13,031	DESCARTES SYS GROUP INC	980	1,447
21,446	ENGHOUSE SYSTEMS LTD	802	752
2,097	INTERNATIONAL BUSINESS MACHINE	365	452
5,680	KINAXIS INC	826	844
7,612	MICROSOFT CORP	2,783	3,773
19,734	OPEN TEXT CORPORATION	767	1,095
70,460	REAL MATTERS INC	378	444
6,529	SHOPIFY INC	553	672
84,457	SYLOGIST LTD	575	630
19,054	TECSYS INC	599	625
3,086	TEXAS INSTRUMENTS INC	681	694
1,502	TOPICUS.COM INC	128	134
4,211	WORKDAY INC	1,118	1,533
893	LUMINE GROUP INC	16	27
144,609	TINY LTD	469	320
446	AMPHENOL CORP	49	58
5,980	CISCO SYSTEMS INC	398	398
5,098	JUNIPER NETWORKS INC	204	198
979	MOTOROLA SOLUTIONS INC	374	404
325	VERISIGN INC	95	88
342	ACCENTURE PLC	147	158
956	GARMIN LTD	141	162
656	ARROW ELECTRONICS INC	112	106
157	BROADRIDGE FINANCIAL SOLUTIONS	39	43
446	F5 INC	98	105
2,093	GEN DIGITAL INC	55	63
2,461	NVIDIA CORP	1,577	1,607
371	PTC INC	73	86
676	ROPER TECHNOLOGIES INC	460	486
		21,039	24,972
Real Estate			
18,534	ALTUS GROUP LTD	845	780
6,409	COLLIERS INTL GROUP INC	974	1,072
2,371	PUBLIC STORAGE	949	954
		2,768	2,806

Schedule of investment portfolio

as at December 31, 2023

(in thousands of Canadian \$)

Number of shares	Security	Cost	Carrying amount
Equities (continued)			
ETF			
138,500	ISHARES MSCI EAFE MIN VOL FA	12,457	12,658
		<u>12,457</u>	<u>12,658</u>
Total - Equities		<u>109,398</u>	<u>123,100</u>
Total - Schedule of investment portfolio		<u>512,974</u>	<u>526,719</u>

Notes

for the years ended December 31, 2023 and 2022

(in thousands of Canadian \$)

1. General information about the Plan

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

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

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

The publication of these financial statements was authorized by the Board of Directors on **March 21, 2024**.

2. Material accounting policy information

Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) applicable as at December 31, 2023.

Basis of preparation

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

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

Investment entity

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

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

Therefore, the Plan does not prepare consolidated financial statements.

Notes

for the years ended December 31, 2023 and 2022

(in thousands of Canadian \$)

2. Material accounting policy information (continued)

Revenue recognition

- **Interest income for educational assistance payments**

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

Dividends

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

Recognition of expenses

- **Brokerage fees**

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

- **Portfolio management fees**

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

- **Trustee fees**

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

- **Custodian fees**

Fees paid to custodians represent 0.009% (0.009% in 2022) of the average annual assets under management. Transaction fees for the purchase and sale of securities are also charged.

- **Administration fee**

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

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

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

Independent Review Committee fees

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

Financial instruments

- **Classification and measurement of financial assets**

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

2. Material accounting policy information (continued)

Financial instruments (continued)

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

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

- **Contractual cash flow characteristics**

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

- **Business model**

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

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

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

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

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

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

Notes

for the years ended December 31, 2023 and 2022

(in thousands of Canadian \$)

2. Material accounting policy information (continued)

Financial instruments (continued)

- **Business model (continued)**

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

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

Cash

Cash consists of deposits made in financial institutions.

Sales and purchases pending settlement

Sales pending settlement are investments sold with a transaction date prior to year-end 2023 but a settlement date in 2024. Purchases pending settlement are investments purchased with a transaction date prior to year-end 2023 but a settlement date in 2024.

Quebec Education Savings Incentive (QESI) receivable

The QESI is generally received in the month of May following the tax year in which the contributions were received. As of the reporting date of the financial statements, the QESI amount receivable is estimated based on all subscriber contributions made during the year ended December 31, 2023. This amount is estimated by first applying the methodology of the basic grant. If a subscriber is eligible for the additional grant, a supplementary grant amount receivable is then estimated in accordance with the applicable methodology. The total basic grant and the total additional grant are subject to the annual and lifetime limits, which are also factored into the estimated amount of QESI receivable.

Net assets attributable to contracts

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

- **Subscriber savings**

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

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

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

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

2. Material accounting policy information (continued)

Financial instruments (continued)

- **EAP account**

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

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

Since January 1, 1998, the Government of Canada has been adding 20% to contributions made to a registered education savings plan (RESP), up to the eligible limit, by a subscriber who meets all the Canada Education Savings Program (CESP) requirements and submits the necessary information to the Plan. The annual CESG limit is set at \$500 per beneficiary (i.e., \$2,500 x 20% = \$500). Moreover, since January 1, 2005, the CESG rate that applies to the first \$500 of the annual RESP contribution increased from 20% to 40% for beneficiaries whose adjusted family net income in 2023 does not exceed \$53,359 and to 30% for beneficiaries whose adjusted family net income in 2023 falls between \$53,360 and \$106,717. These amounts are indexed every year. Beneficiaries born on or after January 1, 2004, from financially eligible families also qualify for the Canada Learning Bond (CLB), which consists of an initial payment of \$500 into the beneficiary's RESP. Subsequently, this beneficiary can also qualify for additional CLB payments of \$100 each year of eligibility for a maximum of 15 years. The grant is paid as part of the EAPs made to the beneficiary.

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

On February 20, 2007, the Government of Quebec introduced the Quebec Education Savings Incentive (QESI), a program to encourage education savings that took the form of a refundable tax credit paid directly in an RESP opened with an RESP provider offering the QESI. The grant's annual limit is set at \$250 per beneficiary (i.e., \$2,500 x 10% = \$250). Moreover, the QESI rate on the first \$500 contributed annually to an RESP is 20% for beneficiaries whose adjusted family net income in 2023 does not exceed \$49,275. The rate is 15% for beneficiaries whose 2023 adjusted family net income falls between \$49,276 and \$98,540. These amounts are indexed each year. The credit applies as of the 2007 taxation year to contributions to RESPs after February 20, 2007, for a calendar year after 2006. The cumulative QESI lifetime limit per beneficiary is set at \$3,600. The grant is paid as part of the EAPs made to the beneficiary.

Taxation

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

Calculation of educational assistance payment (EAP) amounts per unit

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

The effect of this methodology is to amortize gains (losses) on investments over a four-year period, thereby protecting EAP amounts per unit from any major market fluctuations. For the period between September 30, 2023 and January 1, 2024, the net return generated by the securities of portfolio in which the EAP account is invested is added. The amount of EAPs paid during this same period is also deducted, thereby establishing the AFMV as at January 1st. The latter is then distributed among the units held by the beneficiaries eligible to receive an EAP by applying a claim factor. This way, only a portion of these units is considered, since some beneficiaries will not meet the requirements to qualify for EAPs.

Notes

for the years ended December 31, 2023 and 2022

(in thousands of Canadian \$)

3. Significant accounting judgements, estimates and assumptions

When applying the Plan's accounting policies, as described in Note 2 to the financial statements for the year ended December 31, 2023, management must make judgement as well as estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and underlying assumptions are based on historical experience and other factors considered relevant. Actual results may differ from these estimates.

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

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

4. Investments

	December 31, 2023	December 31, 2022
Short-term investments	101,944	94,857
Bonds	301,675	331,244
Equities	123,100	127,007
	526,719	553,108

5. Current assets and liabilities

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

6. Accounts payable and other liabilities

	Notes	December 31, 2023	December 31, 2022
Amount payable to Kaleido Growth Inc.	8	1,124	617
Amount payable to the Kaleido Foundation	8	240	119
Accumulated income on grants for payment to a designated educational institution		73	63
Other		212	271
		1,649	1,070

Notes

for the years ended December 31, 2023 and 2022

(in thousands of Canadian \$)

7. Sales charge refund obligation at maturity (SCROM)

	December 31, 2023	December 31, 2022
Discounted value of the SCROM	26,209	29,175
Non-discounted value of the SCROM	27,692	31,424

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

Impact of a change in the discount rate	December 31, 2023	December 31, 2022
Discount rate applied	2.54%	2.75%
Increase of 1.0%	(509)	(733)
Decrease of 1.0%	569	775

8. Related party transactions

Kaleido Growth Inc.

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

Kaleido Foundation

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

Administration fees	December 31, 2023	December 31, 2022
Kaleido Growth Inc.	8,110	8,430
	8,110	8,430

Amount payable	December 31, 2023	December 31, 2022
Kaleido Growth Inc.	(1,124)	(617)
Kaleido Foundation	(240)	(119)
	(1,364)	(736)

Notes

for the years ended December 31, 2023 and 2022

(in thousands of Canadian \$)

9. Capital management

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

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

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

For the year ended December 31, 2023, the following policies and procedures were applied:

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

During the year ended December 31, 2023, the Plan maintained the same strategy of prudent portfolio management as that of previous reporting periods by maintaining the investment philosophy adopted by the Investment Committee and portfolio managers.

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

10. Financial instruments

Fair value

- **Establishing fair value**

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

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

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

- **Fair value hierarchy**

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

Notes

for the years ended December 31, 2023 and 2022

(in thousands of Canadian \$)

10. Financial instruments (continued)

Fair value (continued)

- **Fair value hierarchy (continued)**

The fair value hierarchy consists of the following levels:

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

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

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

As at December 31, 2023	Level 1	Level 2	Level 3	Total
Short-term investments	96,424	5,520	-	101,944
Bonds	-	301,675	-	301,675
Equities	123,100	-	-	123,100
	219,524	307,195	-	526,719

As at December 31, 2022	Level 1	Level 2	Level 3	Total
Short-term investments	90,967	3,990	-	94,857
Bonds	-	331,244	-	331,244
Equities	127,007	-	-	127,007
	217,974	335,234	-	553,108

Over the course of the years ended ended December 31, 2023 and December 31, 2022, there was no significant transfer between Levels 1 and 2.

Risk management related to financial instruments

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

Notes

for the years ended December 31, 2023 and 2022

(in thousands of Canadian \$)

10. Financial instruments (continued)

Risk management related to financial instruments (continued)

- **Credit risk**

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

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

- **Credit risk (continued)**

As at December 31, 2023 and as at December 31, 2022, the Plan invested in fixed-income securities that are neither past due nor impaired and that had the following credit ratings:

Credit rating	Percentage of total debt securities*	
	December 31, 2023	December 31, 2022
	%	%
AAA	2.6	1.5
AA	29.7	27.2
A	40.4	46.2
BBB	27.3	25.1

*Excludes short-term investments

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

- **Liquidity risk**

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

The following table presents the contractual maturities of the Plan's financial liabilities as at December 31, 2023, assuming the subscribers claim their savings at contract maturity (subscribers are also entitled to claim these at any time by cancelling part or all of their units):

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for the years ended December 31, 2023 and 2022

(in thousands of Canadian \$)

10. Financial instruments (continued)

Risk management related to financial instruments (continued)

- Liquidity risk (continued)

Maturity	Purchases pending settlement	Accounts payable and other liabilities	QESI refundable	Net assets attributable to contracts	Total
2024 ⁽¹⁾	152	1,649	404	349,053	351,258
2025				81,250	81,250
2026				53,620	53,620
2027				27,570	27,570
2028				11,695	11,695
2029				6,076	6,076
2030				1,454	1,454
2031				106	106
2032				56	56
	152	1,649	404	530,880	533,085

(1) Includes beneficiary groups with plans that reached maturity before 2024

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

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

* Includes beneficiary groups with plans that reached maturity before 2023

- Market risk

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

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

Notes
for the years ended December 31, 2023 and 2022
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10. Financial instruments (continued)

Risk management related to financial instruments (continued)

• **Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Plan carries out transactions denominated in foreign currencies and is therefore exposed to currency risk when selling and buying investments in U.S. currencies and when the Plan has U.S. currencies in its cash. As at December 31, 2022, the Plan had \$321.2 in U.S. currency (\$214.8 as at December 31, 2022), representing \$423.5 in cash (\$291.1 as at December 31, 2022). The Plan also had shares in U.S. currency totalling \$54.1M (\$38.1M as at December 31, 2022), representing \$71.3M in investments (\$51.7M as at December 31, 2022). In the money market, the plan had \$686.5 in U.S. currency, representing \$905.2 in cash in 2023 (vs. 0 at end-2022).

Lastly, the Plan had sales pending settlement receivable of \$70.5 in U.S. currency (\$598.8 as at December 31, 2022), representing \$93 in assets (\$811.3 as at December 31, 2022) and purchases pending settlement of \$71.1 in U.S. currency (\$242.5 as at December 31, 2022), representing \$93.8 in liabilities (\$328.6 as at December 31, 2022). The Plan had no dividends receivable in U.S. currency at December 31, 2023 (\$75.1 as at December 31, 2022 representing \$101).

• **Interest rate risk**

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

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

As at December 31, 2023, a 100-basis-point change in market interest rates, assuming a parallel shift in the yield curve and all other variables remaining constant, would cause the fair value of the bonds held in the Plan's investment portfolio, net income, comprehensive income and net assets attributable to contracts to change by approximately \$12.8M (\$19.1M as at December 31, 2022). In practice, actual results may differ materially from this analysis.

Investments that present interest rate risk are as follows:

	December 31, 2023	December 31, 2022
	%	%
Maturing in less than one year	25.3	22.3
Maturing in one to five years	37.5	43.5
Maturing after five years	37.2	34.2

• **Price risk**

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

A 10% change in the market index, with all other variables remaining constant, would create a change of approximately \$12.3M as at December 31, 2022 (\$12.7M as at December 31, 2022) in the fair value of the Plan's equity holdings, net income, comprehensive income and net assets attributable to contracts. In practice, actual results may differ materially from this analysis. The sensitivity analysis on the fair value of the bonds is described in the "Interest rate risk" section.

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(in thousands of Canadian \$)

10. Financial instruments (continued)

Risk management related to financial instruments (continued)

- **Concentration risk**

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

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

Market sectors	December 31, 2023	December 31, 2022
	%	%
Energy	2.8	2,9
Materials	2.8	7,7
Communication Services	6.4	7,7
Utilities	1.5	1,9
Financials	14.7	17,7
Consumer Staples	7.4	10,8
Consumer Discretionary	11.3	12,9
Health	7.8	10,3
Industrials	12.4	12,0
Information Technology	20.3	16,0
Real Estate	2.3	0,0
ETF	10.3	0,0

- **Offsetting**

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

Canada Education Savings Grant (CESG) receivable	December 31, 2023	December 31, 2022
Gross financial assets	223	304
Financial liabilities offset	(79)	(72)
	144	232

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

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

Scholarship Agreements (unaudited)

as at December 31, 2023

(in thousands of Canadian \$)

Group	Number of subscribed units as at December 31, 2022	Number of subscribed units	Number of cancelled or expired units	Number of subscribed units as at December 31, 2023	Subscribers' Savings	Sales Charge Refund Obligation at Maturity	EAP Account	CESG and Accumulated Income on CESG	QESI and Accumulated Income on QESI
2024	246,238	18	(5,779)	240,477	162,768	14,380	69,882	77,093	24,930
2025	26,173	4	(21)	26,157	47,164	4,814	4,221	18,183	6,868
2026	19,383	3	(49)	19,338	32,138	3,473	1,420	12,104	4,485
2027	11,400	-	(19)	11,381	17,306	1,984	(76)	6,025	2,331
2028	5,288	5	(33)	5,260	7,391	893	(129)	2,554	986
2029	3,153	-	12	3,165	3,994	520	(217)	1,267	512
2030	809	-	7	816	976	131	(56)	288	115
2031	66	-	-	66	74	10	(7)	22	7
2032	43	-	(10)	32	23	4	(6)	27	8
	312,553	30	(5,892)	306,692	271,834	26,209	75,032	117,563	40,242

Educational Assistance Payments (unaudited)

for the years ended December 31, 2023 and 2022

(in thousands of Canadian \$)

As at December 31, 2023	(1)(2)	Year of Qualification ⁽⁵⁾	Units	EAP unit Value	Total
				\$	\$
		2023	4,682.155	573	2,682,875
		2022	5,348.687	573	3,064,798
		2021	3,901.363	573	2,235,481
		2020	2,550.604	573	1,461,496
		2019	1,741.348	573	997,792
		2018	1,277.460	573	731,985
		2017	750.642	573	430,118
		2016	434.518	573	248,979
		2015	198.975	573	114,013
		2014	101.128	573	57,946
		2013	122.878	573	70,409
		2012	76.004	573	43,550
		2011	54.964	573	31,494
		2010	36.495	573	20,911
		2009	27.652	573	15,845
		2008	14.188	573	8,130
		2007	12.224	573	7,004
		2006	33.350	573	19,109
Experience refunds (3)			22,810.995	47	1,072,117
Grants and their income paid					24,213,585
Other income paid (4)					418,313
					37,945,950

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

(2) The EAP unit amounts are established on July 1 of each year

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

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

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

Educational Assistance Payments (unaudited)

for the years ended December 31, 2023 and 2022

(in thousands of Canadian \$)

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

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

(2) The EAP unit amounts are established on July 1 of each year

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

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

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

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