



PRESS RELEASE  
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## Addenda Capital's New Impact Fixed Income Fund Improves Society while Delivering Market-Like Returns

Montréal (Québec), Canada – January 22, 2018. Addenda Capital announced today that its new Addenda Impact Fixed Income Pooled Fund is seeded and ready to take in new investors, making it one of the first domestically-focused fixed income impact investment funds in Canada.

A sustainable investing leader and forward-looking asset manager, Addenda Capital currently manages over \$1.4 billion of investments with measurable environmental or social outcomes for its clients. Building on the Firm's expertise and reputation, Addenda designed the Fund to generate positive impacts while delivering market-like returns. The investment solution meets the needs of Canadian institutional investors and high net worth clients who wish to improve society through their investments.

"More and more, investors are looking to effect change while achieving financial returns. Some pensions and endowments want to align better their investments with their mission and their values. We are making impact investing accessible to investors as they can simply substitute some or all of their traditional fixed income allocation with our Impact Fixed Income Fund," stated Roger Beauchemin, President and Chief Executive Officer of Addenda Capital. "As Canada is getting ready to host the G7 Summit later this year, our Fund is the perfect opportunity for investors to take a concrete action towards some of Canada's G7 Presidency priorities, namely sustainable and inclusive growth, gender equality and climate change."

### Profit with a Purpose

Initially established in December 2017, the Fund seeks income and long-term capital growth. It includes mainly Canadian securities such as investment grade public debt, loans and commercial mortgages. The Fund's investments are currently focused on four broad themes: Climate Change, Health and Wellness, Education and Community Development.

Focus areas within each theme are approved by Addenda's Sustainable Investing Committee which is comprised of senior company executives. In addition, each individual investment is researched by Addenda's Sustainable Investing team. For example, Addenda Capital was a key investor of the World Bank's Sustainable Development Bond issued in January 2018 to help eliminate extreme poverty and boost shared prosperity.

### Going a Step Further

Impact Investing extends beyond environmental, social and governance ("ESG") factors which are already included in all investment decision processes at Addenda since the Firm is focused on long-term value creation. Impact investments require outcomes to be *intentional, measured, tracked and reported*. In its [2016 Canadian Impact Investment Trends Report](#), the

Responsible Investing Association stated that impact investing in Canada grew 123% from 2013 to 2015 due in part to increasing demand. This trend is expected to continue upwards.

Addenda Capital is strongly supported by its major shareholder, Canadian insurance co-operative [The Co-operators, which has pledged to invest 6 to 10% of its assets in impact investing by the end of 2018](#). Addenda's impact investing approach, which combines thematic (top-level) research with bottom-up individual assessment, is predicated upon the Company's long-time expertise in fundamental analysis. The team who will manage Addenda's Impact Fixed Income Fund will be supported by the Firm's [Corporate Bond team](#), one of the largest of its kind in Canada.

### About Addenda Capital

Addenda Capital is a solution-driven privately-owned investment management firm with more than \$27 billion in assets under management. The Firm offers a broad range of strategies that can be customized to meet the evolving needs of its clients, which include institutional clients such as pension funds, corporations, insurance companies and not-for-profit organizations, as well as high net worth clients. Addenda Capital aims to add value through deep fundamental analysis, active management, innovation, discipline and integrity. It prides itself on exceptional client relationships built on open and transparent communications. Its approach to sustainable investment focuses on integrating environmental, social and governance issues into all of its investment processes to deliver higher-quality portfolios.

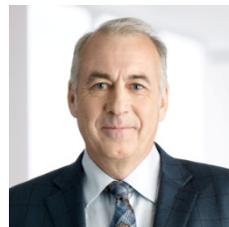
Headquartered in Montréal (Québec), Canada, Addenda Capital has offices in Toronto, Guelph and Regina. It is co-owned by Co-operators Financial Services, a subsidiary of Canadian insurance co-operative The Co-operators Group Limited, by labour-sponsored firm *Fonds de Solidarité* FTQ, and by Employee Shareholders. Addenda Capital is a Sustaining Member of the Responsible Investment Association (RIA), an Investor Member of the Green Bond Principles, and a signatory of the United Nations' Principles for Responsible Investment (UN PRI) and of the Montréal Carbon Pledge. Thanks to exceptional employee engagement, Addenda Capital was awarded Aon Hewitt's highest recognition in its 2018 Canadian Small and Medium Enterprise ranking as a Platinum-level Employer of Choice. To learn more, visit [addendacapital.com](http://addendacapital.com).

SOURCE Addenda Capital Inc.

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