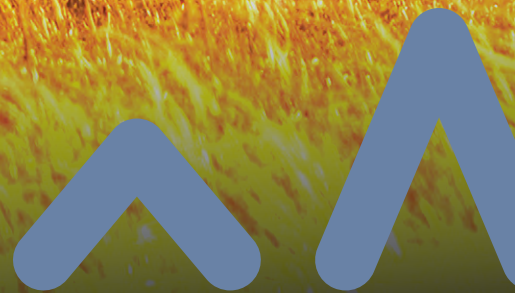


# Growing for tomorrow

## 2021 Highlights



KALEIDO



## Message from management

# Delivering on our forward-looking vision

After two years of pandemic and confinement, parents and children face many challenges. These unusual circumstances have made Kaleido even more aware of the need to provide support to families, with emphasis on the importance of sound financial planning for the future of young people.

For Kaleido, 2021 was a year of achievements that helped us realize our vision. Thanks to our know-how and committed management team, we succeeded in mobilizing all our resources to achieve ambitious goals.



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Driven by our desire to do more for families, we responded to their needs by improving our support offer with the addition of recognized partners. This promising approach has resulted in an unrivalled offer in the industry in terms of practical advice and tools.

After making a commitment to a major digital shift in 2019, last year we also began deploying new tools to give our clients a stronger voice and to drive a culture designed to improve the client experience. We look forward to continuing these efforts in the years to come.

As for investment strategies, we continued our efforts to manage environmental, social and governance (ESG) issues. Sustainable investing has become an integral part of our culture, not only because it is important to investors, but also because we think that investing in a sustainable future helps us manage risk better and build a greener future for our children.

Finally, we pursued our social involvement by continuing to support organizations whose missions are an extension of ours, with their focus on education and collective wealth.

Kaleido is proud to be a major financial health driver for families. In line with our values of humanity, performance and responsibility, we will keep striving to create sustainability and prosperity for the greater benefit of future generations. As we begin 2022, we are confident that it will be a year of promising projects and ambitious targets in the spirit of **growing for tomorrow**.

Isabelle Grenier, LL.B.

President and Chief Executive Officer



In the past year, Kaleido surpassed the billion-dollar mark in terms of cumulative educational assistance payments (EAPs) and savings refunds. This historic milestone confirms our contribution to the socio-economic development of Quebec and New Brunswick, and is concrete evidence that we are making good on our promise of giving families the financial means to realize their children’s full potential through post-secondary education.

# 2021 in numbers

<p><b>\$1 billion+</b> Cumulative EAP payments and savings refunds</p>	<p><b>\$1.8 billion</b> Assets under management</p>
<p><b>\$90 million</b> EAPs and returned savings issued</p>	<p><b>236,000+</b> Beneficiaries with an RESP</p>

	FLEX RESP	UNIVERSITAS	INDIVIDUAL
Net return over 5 years	<b>2.65%</b>	<b>3.95%</b>	<b>4.89%</b>
Net return over 10 years	<b>2.85%</b>	<b>3.93%</b>	<b>3.03%</b>

Annualized net returns as at December 31, 2021.

## Kaleido's exclusive services

# Helping families at every stage

At Kaleido, your RESP does more because **growing for tomorrow** goes far beyond saving for education. Our exclusive services set us apart so that we can support families throughout their children's school career. Guided by our clients and their real needs, we have designed a one-stop-shop for family support, including a range of varied resources and tools to create a scalable, relevant offering.

### In 2021, we expanded our offering with new services and recognized partners:

- Advice and tools for finance, taxation and budget planning with financial planner Catherine Lévesque
- A new health and wellness offer, including access to telemedicine in collaboration with TELUS Health Virtual Care
- Tutorax, a tutoring service for young people of all ages
- Several new coaching and family life partners: Kairos, Nanny Secours, Melanie Bilodeau, Psychoeducator and SOS Nancy
- Futur proche, a new career guidance podcast for teens, in collaboration with the Ordre des conseillers et conseillères d'orientation du Québec



This complete range of services responds to several pressing development and academic success issues. We also accelerated our digital transformation, making our social media platforms and Client Space even more useful and attractive, with a wealth of advice and practical resources.

## Kaleido's exclusive services

				
<b>Family finances</b> Advice from family finance experts in the form of video clips, web conferences and practical tools.	<b>Coaching and family life</b> Support to better understand behaviours, from birth to adolescence, with qualified partners in psycho-education and family coaching. Offered in the form of individual consultations, video vignettes, web conferences, podcasts and training at preferential rates.	<b>Tutoring and academic support</b> Tutoring, homework help, speech therapy, remedial education, summer school and other services at preferential rates to optimize your child's learning.	<b>Health and wellness</b> Free annual telemedicine consultation, nutrition videos, tools on healthy eating habits and access to an online training platform at a privileged rate to promote physical activity.	<b>Career exploration</b> A podcast offering concrete help for youth to explore their career choices and a video toolkit with a guidance counsellor.
				

## Sustainable investment

# Investing responsibly to build a better future

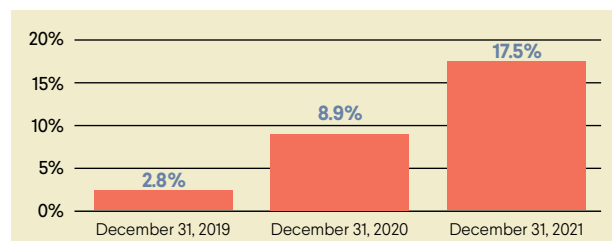
At Kaleido, we think that, by focusing our investments on companies that consider environmental, social and governance (ESG) aspects, we can contribute to a better future for our children. We have been committed to sustainable investing since 2017 and have made steady progress in this area. The adoption of a **Sustainable Investment Policy** in 2020 allowed us to formalize our convictions, while the recent publication of our first **Sustainable Investment Annual Report** was an opportunity to provide transparent disclosure on our progress.

### Our 2021 achievements

- **100%** of our assets are managed by portfolio management firms that are signatories to the Principles for Responsible Investment
- **17.5%** of our fixed income portfolio assets are invested in green bonds
- **2x** more green bonds in our fixed income portfolios versus the end of 2020<sup>1</sup>
- **87 tonnes less carbon intensity** for our portfolios versus their benchmarks<sup>2</sup>.

### Green bond weighting in our bond portfolios: strong and steady growth

We have chosen to invest more in green bonds because we are driven by the idea of creating a greener world for future generations.



Building on this progress, we will continue our efforts to build the society of tomorrow for young people, who are our source of daily inspiration. In 2022, we will increase the benefits of our approach, refine our assessment methodology and launch a new scholarship plan focused on impact objectives.

### Industries excluded from our portfolios

We prohibit investments in two industries whose activities are deemed harmful to humans:

- Tobacco
- Armaments<sup>3</sup>

### Our responsible portfolio managers



Kaleido relies solely on managers who share its beliefs in sustainable investing. We ensure they incorporate ESG factors into their investment processes and maintain active dialogue with issuers. In 2021, our managers collectively achieved the following:

- Significantly reduced the carbon footprint of our portfolios
- Exercised our voting rights at 165 shareholder meetings<sup>4</sup>
- Engaged with 66 companies in our portfolios to improve their ESG practices

<sup>1</sup> Growth based on the value, in Canadian dollars, of assets invested in green bonds.

<sup>2</sup> Carbon intensity measures a portfolio's exposure to companies with high carbon emissions intensity. It is expressed in tonnes of CO2 emissions per million dollars of revenue. It is the metric recommended by the Task Force on Climate-Financial Disclosures (TCFD). Average unweighted carbon intensity based on data provided by each portfolio manager.

<sup>3</sup> Military or offensive weapons, namely weapons used primarily to cause injury to individuals.

<sup>4</sup> Please note that some of our portfolio managers may have exercised our voting rights at one or more of the same shareholder meetings.

## Social involvement

# Youth are central to our social involvement

Beyond stimulating savings by offering scholarships and personalized advice, we focus on initiatives that move Quebec toward a more prosperous economy to benefit the community as a whole. Kaleido supports causes whose common denominator is their commitment to youth, thus stimulating collective wealth.

## éducaide

Founded by the leaders of Kaleido, Éducaide's mission is to equip young people so that, through their perseverance in school, they can reach their full potential and actively participate in building the society to which they aspire. In addition to contributing to the direct funding of Éducaide, in particular through deductions from its employees' pay and by participating in its fundraising activities, Kaleido also provides it with material resources and premises.

**Over the past 20 years, Éducaide has given more than \$2.5 million to young people from disadvantaged backgrounds.**

- 604 young people received perseverance scholarships totalling \$317,000 in 2021
- 20 iPads were donated to YMCAs to help struggling students

## allopof

This organization's mission is to support school perseverance in Quebec. Allopof promotes an objective that is near and dear to us: academic success from the start of primary school

- 500,000 students received free homework help
- 60 million telephone, online and text-based coaching sessions were offered

## Fondation pour l'alphabétisation

Kaleido is proud to collaborate with this foundation whose mission is to ensure adults and children can develop the reading and writing skills they need to participate fully in society.

- 113,364 new children's books were given to as many children from underprivileged backgrounds during the 23<sup>rd</sup> edition of Reading as a Gift, presented by Kaleido
- 3,302 response actions were recorded as part of the Info Learn education help and referral service

## Kaleido and Éducaide in support of CFPs

Launched in 2020 to counter the difficult conditions created by COVID-19, School Relaunch is a joint campaign by Kaleido and Éducaide aimed at financing projects by vocational training centres (CFPs) to promote school perseverance and the return to school. A new edition of the campaign was launched in 2021 to meet the still urgent needs caused by the pandemic and to continue preventing school dropout and precariousness among young people in vocational training.



With a mission to recognize, honour and promote student involvement in projects that contribute to the development of conscious, responsible, active and persevering citizens, Forces AVENIR shares one of Kaleido's strong convictions: education has the power to root young people to their community while opening them up to the world.

- \$114,000 in scholarships was awarded to university students
- 170 university students were involved in projects recognized by Forces AVENIR



## Diversity and equal opportunity: at the heart of our practices

Kaleido promotes diversity and equal employment.

- > Most of our executive positions are held by women
- > Our Board of Directors is comprised of women and men from a variety of industries
- > The Kaleido Foundation's Board of Directors is 36% women, a proportion that far exceeds the Canadian average, which is 18% according to Statistics Canada.

### About Kaleido

**We make it easier for children to reach their full potential by supporting them on their journey to invent the society of tomorrow.**

Kaleido Growth Inc. ("Kaleido") acts as a promoter and distributor of scholarship plans and manages the assets held in such plans. A pioneer in its field, Kaleido supports families in Quebec and New Brunswick in reaching their children's full potential. As at December 31, 2021, Kaleido had more than \$1.8 billion in assets under management, benefiting more than 238,000 young people. Every day, its 200 employees and representatives dedicate themselves to offering education savings and family support solutions that serve as a springboard for young people who will build the society of tomorrow.

# KALEIDO

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