

# The RESP that does MORE

2023 HIGHLIGHTS



KALEIDO



## A WORD FROM THE CEO

# Evolution and growth

Evolution and growth: two words to describe the year 2023 at Kaleido Croissance Inc. (hereinafter referred to as “Kaleido”).

By continuing to deploy digital tools, family support services and new offers for our customers, we are fully realizing our ambition to contribute to the educational success of all young people in Quebec and New Brunswick.



### Commitment to sustainable finance

Since launching the **new IDEO+ individual RESPs** in May 2022, we have continued our sustainable investment efforts by raising the share of green and sustainable bonds to unprecedented heights across all our portfolios and reducing their carbon footprint, as reflected in our most recent [Sustainable Investment Report](#).

Kaleido also welcomed world-renowned manager Amundi Canada Inc. and expanded the management mandates entrusted to AlphaFixe Capital Inc., which won another award in 2023 for its performance in sustainable bond management. Their expertise, combined with that of our other renowned portfolio managers, enabled our plans to deliver highly enviable returns in spite of the volatility and bumps the markets experienced in 2023.

Indeed, through the ups and downs of the bond market, the rebound of world stock markets and the rise in interest rates, our managers have stayed the course and generated **positive returns in all our plans**, in line with our [Sustainable Investment Policy](#).

### A sought-after benefit now available to companies

Attracting and retaining staff is always a core challenge for companies, while raising children is a major preoccupation for their employees—not to mention the financial stress that more and more families are experiencing. Yet Quebec companies didn't offer RESPs as part of their employee benefits package until today! Kaleido now offers companies and their employees a simple and exclusive way to invest in what matters most to them: their children's education. Kaleido's exclusive [Corporate RESP](#) offer is available as a payroll deduction through an existing benefits program, as an addition to a health and wellness program, or as a customized formula, with or without an employer contribution.



## A WORD FROM THE CEO (Continued)

# Evolution and growth

### A mobilized team

Another point of pride for 2023: Internal surveys conducted in conjunction with [Humance Inc.](#) once again ranked Kaleido in the **zone of excellence for corporate engagement**. The flexibility of its working methods, its genuine concern for the well-being of its employees and its formative and unifying activities are some of the ingredients that make Kaleido attractive to its staff and enable it to highlight the contribution of colleagues celebrating 20, 25 or even 30 years of service.

### Educational success for all young people

As we approach our 60th anniversary, our desire to contribute to a better-educated society is stronger than ever. Our ongoing involvement with the **Éducaide** educational assistance fund (hereinafter referred to as “Éducaide”), created by Kaleido executives and dedicated to helping high school students stay in school, continues to help raise graduation rates in Secondary 5 and enable hundreds of young people to look further. Our renewed support for Alloprof, the Musée de la civilisation de Québec and Forces AVENIR will also enable young people of all ages to broaden their horizons, paving their way to academic success and commitment.

Since the first contribution in 1964, Kaleido has continued to grow. Now with close to \$1.9 billion in assets under management, Kaleido has distributed over \$1 billion in savings repayments and Education Assistance Payments (“EAPs”) over the years, benefiting more than 236,000 young people.

So we’re proud to say that for 60 years, Kaleido has been **the education savings company that does more!** More for families, with support and advice from birth to post-secondary education; more for young people, with concrete actions for a sustainable future; more for our teams, with employment conditions and management practices that are humane, efficient and responsible.



Isabelle Grenier, LL.B.  
President and Chief Executive Officer



# 2023 in figures

Nearly  
**\$1.9 G**  
in assets under management

More than **236 000**  
RESP beneficiaries

Over **\$158 M**  
in EAPs and savings refunds disbursed in 2023

## Back to the markets

Despite challenges such as inflation and rate hikes, the Canadian economy showed some resilience in 2023, thanks in particular to a strong job market and sustained demographic growth.

Three increases in the key rate totalling 0.75% were made during the year, bringing the rate to 5.00%. In the United States, the Federal Reserve (Fed) raised the key interest rate four times to counter inflation and stabilize a buoyant job market.

Overall, the bond market recorded gains of 6.69% in 2023 according to the FTSE Universe bond index, which contrasts positively with the 11.69% decline observed in 2022.

In Canada, the S&P/TSX Composite Index rose by 11.80% over the year as a whole, marking an improvement on the previous year's decline of 5.80%. Global indices also recorded significant gains; in the United States, the S&P 500 index in Canadian dollars approached its all-time high, rising by 22.90% in 2023.

Read the [full commentary](#) on our blog.

## Returns table

Annualized net return	REFLEX	UNIVERSITAS	INDIVIDUAL
2023	5.83%	7.20%	6.13%
5 years	2.04%	3.74%	5.44%
10 years	2.26%	3.12%	3.02%

Annualized net return	IDEO+ Conservative	IDEO+ Responsible	IDEO+ Responsible
2023	4.40%	6.57%	6.68%

\* The IDEO+ products were launched on May 1, 2022.



## SPOTLIGHT ON THE IDEO+ RANGE

# A distinctive, turnkey education savings solution

The May 2022 launch of the [IDEO+ individual RESPs](#) range marked an important milestone in Kaleido's history. Parents looking for new, flexible, turnkey solutions to save for post-secondary education benefit from the multiple advantages offered by IDEO+ RESPs: adaptive management, active management and total independence. Let's take a closer look!



### Adaptive management

When it comes to investing, it's essential to match the diversification of our investments to our tolerance for risk and the time it takes our child to reach post-secondary education. This allows us to avoid depriving ourselves of years of growth when our children are young, and to avoid investments that are too volatile when the time comes to withdraw. However, when you lack the time or the knowledge, it's not always easy to keep an eye on your investments.

Want to simplify your life? IDEO+ RESP's adaptive management gives you peace of mind by automatically adjusting the asset allocation in your portfolio according to your child's age! You get the best risk/return ratio without having to worry about constantly reviewing your investments.

### Active management

Our award-winning portfolio managers put all their expertise to work to help you "beat the market." Their know-how and experience enable us to control portfolio volatility, while aiming for returns superior to those obtained with exchange-traded funds (ETFs) or other index-based management tools.

### Management independence

Kaleido works with reputable, well-established and totally independent institutional managers. So you can rest assured that investment decisions are made with complete freedom and in your best interests.



## THE KALEIDO SUPPORT OFFER

# Beyond education savings

"The RESP that does more" means that we provide support that goes far beyond education savings. Divided into five themes based on the concerns of families, our exclusive support service includes a multitude of resources and tools in various forms. By surrounding ourselves with qualified partners, we support families through the challenges of everyday life and help each child reach his or her full potential.



### Family Finances

Budgeting, financial education, RESPs: a host of tools and tips from the experts for sound management of family finances.



### Tutoring and Academic Support

Services at preferential rates (tutoring, speech therapy, remedial education and language stimulation) and discounts on summer classes.



### Career Guidance

Resources, tools and podcasts to help young people make career choices.



### Health and Well-Being

Nutritional advice and tools, plus privileged access to Quebec's most comprehensive online training platform.



### Coaching and Family Life

Screen management, anxiety and education: exclusive training, free tools and privileged consultations to support parents.

## In 2023...

- > Our customers benefited from **more than 2,650 hours of consultation** at preferential rates thanks to our partner [Tutorax](#).
- > We launched new family finance content and welcomed a **new partner specializing in financial education**: [Fric et fortune](#).
- > We continued our collaboration with host Meggie Bélanger to launch season 2 of the **podcast** [À la hauteur de nos tout-petits](#).

## Our support service partners





## SUSTAINABLE INVESTMENT

# Getting involved for a greener future

We firmly believe that we can build a sustainable future while generating strong, competitive financial returns for our customers. Accordingly, we are committed to investing in companies and projects that create long-term value and embrace environmental, social and governance (ESG) principles.

Our portfolio managers **reduced their carbon footprint by 53%** on average compared with their benchmark.

We exclude the tobacco and arms industries from our portfolios.<sup>1</sup>

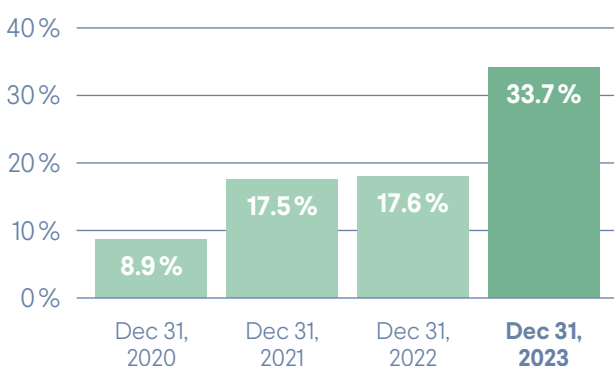
**100 % of our assets** are entrusted to portfolio managers who are signatories to the UN'S Principles for Responsible Investment initiative.

Kaleido welcomed world-renowned manager **Amundi Canada Inc.** and expanded the management mandates entrusted to **AlphaFixe Capital Inc.**, which won another award in 2023 for its performance in sustainable bond management.

Our portfolio managers collectively exercised our voting rights at **182 shareholder meetings**<sup>2</sup>.

## Proportion of green and sustainable bond assets

We continue to invest in green bonds to help create a better future for future generations.



Since December 31, 2023, we have included both green and sustainable bonds. Before 2023, only green bonds were considered in this chart.

## Our sustainable portfolio managers

MONTRUSCO  
BOLTON

AlphaFixe  
Capital

FIERA CAPITAL

JARISLOWSKY FRASER  
GESTION MONDIALE DE PLACEMENTS

Amundi  
ASSET MANAGEMENT

1. Military or offensive weapons, i.e., weapons that are primarily used to cause injury to individuals.
2. In 2023, 2,492 resolutions were passed on various topics at these meetings. Some portfolio managers may have exercised our voting rights at one or more of shareholder meetings.



## INVOLVEMENT AND COMMITMENT

# Promoting the educational success of all young people

Every day, we work to pursue our mission of helping each child achieve their full potential by accompanying them on their journey towards imagining a brighter future. In addition to offering families an attractive savings vehicle, we are committed to supporting causes that benefit young people. Here are some of the causes we contributed to in 2023.

### educaide

For over 20 years, Éducaide has been helping young people to stay in high school so that they can reach their full potential and play an active part in building the society they aspire to live in. Founded by Kaleido executives in 2002, Éducaide has helped thousands of young people with limited financial means.

**Over \$3 million awarded in persistence scholarships.**



Kaleido is a major partner in the Forces AVENIR program at the college level, which aims to recognize, honour and promote student involvement in projects that contribute to the development of conscious, responsible, active and determined citizens.

### alloprof

An organization dedicated to supporting students on their educational journey, **Alloprof has helped more than 1 million students and provided 290 million educational support services** over the past 25 years.



## Major contributions to support academic achievement

At Kaleido, we believe that every child can reach his or her full potential if given the means to do so, no matter which route they take. We have therefore chosen to **support the Université de Sherbrooke by making a major donation to the 2022-2028 Campaign**. Kaleido's contribution to the **Observatory's Sustainable Development Management Fund** will support research activities and help accelerate sustainable economic transition, in line with our ambition to build a better future for our youth.





# About Kaleido

**Our mission: to help every child reach their full potential by accompanying them on their journey to invent the society of tomorrow.**

Kaleido Growth Inc. (hereinafter referred to as “Kaleido”) acts as a promoter and distributor of scholarship plans and manages the assets held in those plans. A pioneer in its field, Kaleido helps families in Quebec and New Brunswick give their children a leg up on future success. As at December 31, 2023, Kaleido held nearly \$1.9 billion in assets under management, benefiting over 236,000 young people. Nearly 200 employees and representatives create brighter opportunities for youth through education savings and family support services.

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