



# Goodwood Inc.: an alternative to passive investment management

## *Goodwood Fixed-Income*

*Presented by:*

**Chris Currie, CFA**

Portfolio Manager, Goodwood Inc.

T: 416-203-2127

[ccurrie@goodwoodfunds.com](mailto:ccurrie@goodwoodfunds.com)

**Curt Cumming**

President, Goodwood Inc.

T: 416-203-2522

[ccumming@goodwoodfunds.com](mailto:ccumming@goodwoodfunds.com)

**Sarah Van Aaken**

Vice President, Client Services

T: 416-203-0850

[svanaaken@goodwoodfunds.com](mailto:svanaaken@goodwoodfunds.com)



Regulated by CIRO  
Canadian Investment  
Regulatory Organization

**CIIPF**  
Canadian Investor Protection Fund  
MEMBER

## Goodwood Inc.: an alternative to passive investment management

Our investment process covers multiple fixed income mandates that offer unique risk-adjusted investment return profiles focused on the preservation of capital through extensive and rigorous investment analysis on a position and portfolio basis



### Fixed Income & Balanced Mandates

#### **Goodwood Milford Fund LP**

long/short corporate bond strategy with equity exposure

#### **Goodwood Milford Fund Trust**

RSP eligible, long/short corporate bond strategy with equity exposure

#### **Investment Grade Bond**

long only segregated managed accounts, customized, investment-grade bonds

#### **ESG-Conscious Investment Grade Bond**

long only segregated managed accounts, customized, ESG-conscious investment-grade bonds

#### **Managed Account Solutions**

retail or institutional, customized, long only investment-grade bonds



# Goodwood Milford Fund – Fundserv Pooled Fund



**CHRIS CURRIE**

Portfolio Manager | CFA  
[ccurrie@goodwoodfunds.com](mailto:ccurrie@goodwoodfunds.com)

Compound Return (%) November 30, 2024	YTD	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	Inception
<b>Goodwood Milford Fund LP</b>	<b>10.8</b>	<b>11.9</b>	<b>0.8</b>	<b>4.1</b>	<b>4.6</b>	<b>10.0</b>	<b>10.2</b>
iShares Core Canadian Universe Bond ETF	4.9	8.5	0.1	0.6	2.0	2.9	-
iShares Canadian Corporate Bond ETF	7.0	10.5	1.9	2.0	2.7	3.5	-
S&P/TSX Composite TR Index	25.8	30.7	10.9	11.9	9.0	8.7	7.6

Performance returns above are calculated for the founding Class of Units for the Goodwood Milford Fund LP - Class S Units. Other class or series, including the Goodwood Milford Fund Trust may charge different fees and/or have different holdings and therefore returns between classes and Funds may vary. Performance data from certain market indices/ETFs are provided in this presentation for information purposes only. See full disclosure page.

- Goodwood Milford Fund LP
- S&P/TSX Composite TR Index
- iShares Core Canadian Universe Bond Index ETF

## Investment Performance Awards:

- 2021 - GMR Top Performer Award: Alternatives – Credit-Focused 3-Year Return
- 2021 - GMR Top Performer Award: Alternatives – Credit Focused 1 Year Return
- 2019 - Canadian Hedge Fund Awards: Overall Best Hedge Fund Category
- 2019 - Canadian Hedge Fund Awards: Best 1-Year Return Category
- 2018 - Canadian Hedge Fund Awards: Best 5-Year Return Category
- 2017 - Canadian Hedge Fund Awards: Best 5-Year Return Category
- 2016 - Canadian Hedge Fund Awards: Best 5-Year Sharpe Ratio Category
- 2015 - Canadian Hedge Fund Awards: Best 5-Year Sharpe Ratio Category
- 2014 - Canadian Hedge Fund Awards: Best 5-Year Return Category
- 2012 - Canadian Hedge Fund Awards: Best 3-Year Sharpe Ratio Category
- 2012 - Canadian Hedge Fund Awards: Best 3-Year Return Category

## Growth of \$100,000 Invested Jan 1, 2006



Investment Performance awards received were calculated from the returns of the founding Class of Units for the Goodwood Milford Fund LP - Class S Units. Other class or series or Funds, including the Goodwood Milford Fund Trust may charge different fees and/or have different holdings and therefore returns between classes and Funds may vary and past performance may not guarantee future results.



## Goodwood Milford Fund – Fundserv Pooled Fund

- An alternative to traditional fixed-income strategies
- Established in 2006, the Fund combines multiple asset classes to produce an uncorrelated return profile throughout the economic and interest rate cycle
- Long/short credit mandate focused on utilizing income and equity analysis to identify corporate bonds and equity opportunities, that represent the greatest reward for the respective capital structure risk
- Core strategy of investing in corporate bonds selected to provide higher levels of coupon income and potential capital gains from credit upgrades and credit-enhancing events
- Long/short credit-focused strategy has a flexible mandate, allowing the Fund to generate returns in a rising or falling interest rate environment
- The Fund offers weekly liquidity and is available for purchase in registered accounts (RRSP, RESP, RRIF, RDSP, TFSA, etc.)

## INVESTMENT-GRADE BONDS – SEGREGATED ACCOUNT

long only segregated managed accounts, customized, investment-grade bonds



**CURT CUMMING**

President, Chief Financial Officer  
[cscumming@goodwoodfunds.com](mailto:cscumming@goodwoodfunds.com)

Security	Weight	Moody's	Fitch	S&P	DBRS	Sector	YTM	Effective Duration
407 International CB 3.43% 06/01/2033	4%			A	A	Industrials	3.99%	7.14
Bell Canada 4.55% 09/02/2030	4%	Baa1		BBB+	BBB (high)	Technology	4.06%	4.43
BMW Canada Inc 4.41% 02/10/2027	4%	A2		A		Consumer Cyclical	3.55%	2.01
CAE INC C28 5.541% 06/12/2028	4%			BBB-		Industrials	4.38%	3.09
Canada Housing Trust 3.65% 06/15/2033	4%	Aaa		AAA	AAA	Financials	3.44%	7.27
Choice Properties REIT 6.003% 06/24/2032	4%			BBB+	BBB (high)	Real Estate	4.44%	5.81
CPPIB Capital Inc 2.25% 12/01/2031	4%	Aaa		Aaa	AAA	Financials	3.48%	6.34
Dollarama C29 2.443% 07/09/2029	4%				BBB	Consumer	3.74%	4.21
Granite REIT Holdings LP 6.074% 04/12/2029	4%	Baa2			BBB (high)	Real Estate	4.15%	3.71
Honda Canada Financial 4.899% 02/21/2029	4%	A3			A (high)	Financials	3.75%	3.72
Hydro One 4.39% 03/01/2034	4%	A3		A	A (high)	Utilities	4.01%	7.36
Hyundai CB 4.895% 01/31/2029	4%	A3	A-	BBB+		Financials	3.91%	3.61
Loblaw Co CB 4.488% 12/11/2028	4%			BBB+	BBB (high)	Consumer	3.68%	3.44
Magna International C30 4.95% 01/31/2031	4%	A3		A-	A (low)	Consumer Cyclical	4.19%	5.04
Manulife Bank 4.546% 03/08/2029	4%			A+	AA (low)	Financials	3.65%	3.79
Ontario Power Generation 4.922% 07/19/2032	4%	A3		BBB+	A (low)	Utilities	4.01%	6.10
Province of B.C. MTN 5% 06/18/2031	4%	Aaa		AA-	AA (high)	Government Activity	3.41%	5.46
RBC 4.632% 05/01/2028	4%	A1	AA-	A	AA	Financials	3.69%	3.09
Rogers Comm CB 4.25% 04/15/2032	4%	Baa3	BBB-	BBB-	BBB (low)	Technology	4.42%	6.12
Saputo CB-29 5.25% 11/29/2029	4%	Baa1			BBB	Consumer	4.02%	4.25
Suncor Energy 5% 04/09/2030	4%	Baa1	BBB+	BBB	A (low)	Energy	4.26%	4.46
Telus Corp 4.95% 02/18/2031	4%			BBB		Technology	4.22%	5.22
Toyota Credit Canada 4.44% 06/27/2029	4%	A1		A+		Financials	3.69%	4.00
Vancouver Airport Authority CB 1.76% 09/20/2030	4%			AA-	AA (low)	Industrials	3.72%	5.36
Veren Inc. 5.505% 06/21/2034	4%				BBB (low)	Utilities	4.98%	7.21

Model Portfolio: Portfolio holdings are subject to change

Compound Return (%) November 30, 2024	1 Mo	YTD	1 Yr	3 Yr	Since Inception*	Yield to Maturity	Effective Duration
<b>Investment-Grade Corporate Bonds SMA</b>	<b>1.2</b>	<b>6.5</b>	<b>7.7</b>	<b>2.8</b>	<b>2.2</b>	<b>3.8</b>	<b>4.9</b>
iShares Core Canadian Universe Bond ETF	1.7	4.9	8.5	0.1	0.1	3.6	7.4
iShares Canadian Corporate Bond ETF	1.7	7.0	10.5	1.9	1.7	4.1	5.8

Performance returns above are displayed for the founding Investment-Grade Corporate Bond Mandate, gross of fees, referencing sources believed to be reliable. Performance is not guaranteed, and past performance is not indicative of future results and may not be repeated. Performance data from certain market indices/ETFs is provided for information purposes only (Source: iShares by Blackrock). These ETFs are not a benchmark of the Mandate's portfolio but rather are displayed for comparison purposes to the broad market. \*Inception: June 22, 2021. Since inception performance for iShares Core Canadian Universe Bond Index ETF & iShares Canadian Corporate Bond Index ETF calculated from June 30, 2021. The Investment Grade Bond Mandate is part of a third-party investment manager SMA account program for which Goodwood Inc. acts as sub-advisor. The UMA mandates are only available to clients of the third-party manager's advisors who are part of the third-party UMA account program. Investment-Grade Bond UMA Yield to Maturity and Effective Duration as of December 10, 2024. Portfolio holdings subject to change. See full disclosure page.



## Investment-Grade Bonds – Segregated Account

- The Goodwood investment-grade bond mandate's objective is to preserve capital and provide a high rate of cash coupon income and capital gains due to credit improvements and credit rating upgrades
- The strategy is diversified in position size, industry sectors and term-to-maturity. The portfolio invests in very liquid issues; for safety, the portfolio may invest in Canadas or Provincials and manage duration exposure rather than create a perpetual short-duration portfolio. The flexible, tactical approach allows the mandate to capitalize on inefficiencies in fixed-income markets
- The SMA mandate invests in approximately 25 investment-grade fixed-income securities, targeting 150-200 basis points returns over 5-year Canadas
- ETFs and mutual funds cannot provide the term structure of owning the actual bond (i.e. \$1000 Par received upon maturity); this mandate invests directly in investment-grade corporate bonds, which flows income and maturity proceeds directly into the segregated account

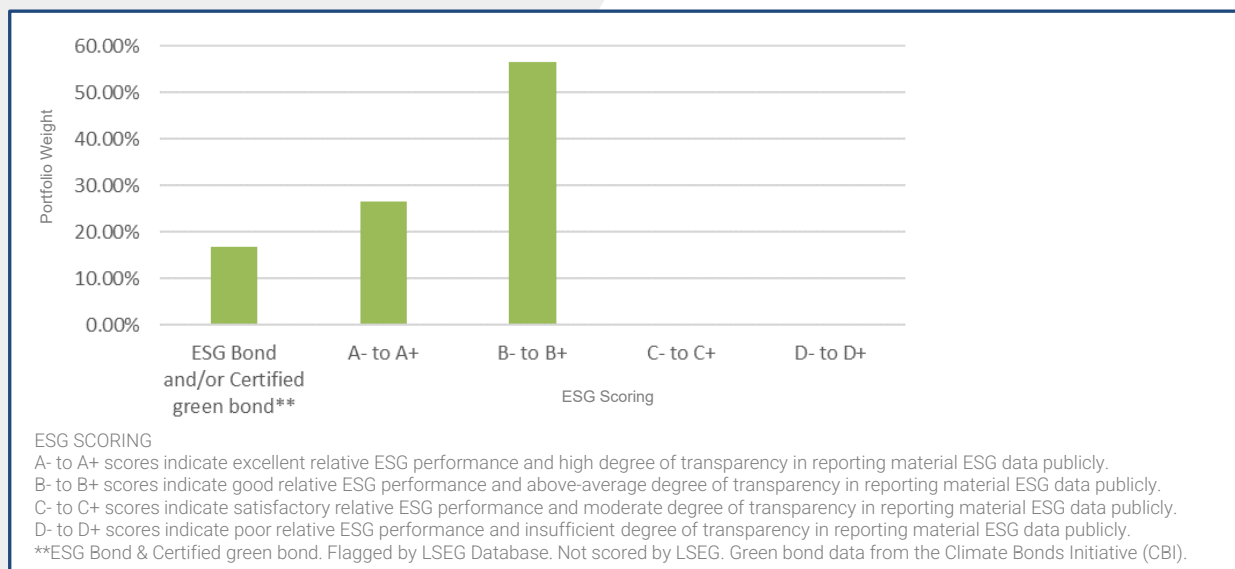
## ESG-CONSCIOUS INVESTMENT-GRADE BONDS – SEGREGATED ACCOUNT

ESG-conscious investment-grade bonds, long-only segregated managed accounts, customized



**CURT CUMMING**

President, Chief Financial Officer  
[ccumming@goodwoodfunds.com](mailto:ccumming@goodwoodfunds.com)



Model Portfolio: Portfolio holdings are subject to change

Compound Return (%) November 30, 2024	1 Mo	YTD	1 Yr	Since Inception*	Yield to Maturity*	Effective Duration*
<b>ESG-Conscious Investment-Grade Bonds UMA</b>	<b>1.1</b>	<b>6.8</b>	<b>9.1</b>	<b>6.6</b>	<b>3.8</b>	<b>4.1</b>
iShares Core Canadian Universe Bond ETF**	1.7	4.9	8.5	4.7	3.6	7.4
iShares Canadian Corporate Bond ETF**	1.7	7.0	10.5	7.0	4.1	5.8

Performance returns above are displayed for the founding ESG-Conscious Investment-Grade Corporate Bond Mandate, gross of fees, referencing sources believed to be reliable. Performance is not guaranteed, and past performance is not indicative of future results and may not be repeated. \*ESG-Conscious Investment-Grade Bond UMA Inception: February 14, 2023. Since inception performance for iShares Core Canadian Universe Bond Index ETF & iShares Canadian Corporate Bond Index ETF calculated from February 28, 2023. Performance data from certain market indices/ETFs is provided for information purposes only (Source: iShares by Blackrock). These ETFs are not a benchmark of the Mandate’s portfolio but rather are displayed for comparison purposes to the broad market. \*\*ETF is not ESG focused. The ESG-Conscious Investment Grade Bond Mandate is part of a third-party investment manager SMA account program for which Goodwood Inc. acts as sub-advisor. The UMA mandates are only available to clients of the third-party manager’s advisors who are part of the third-party UMA account program. All ESG Score data is collected from LSEG (formerly Refinitiv Eikon), a third-party source believed to be reliable, but the accuracy or completeness of the information is not guaranteed. ESG score ratings as of December 10, 2024 based on target portfolio weightings. ESG-Conscious Investment-Grade Bond UMA Yield to Maturity and Effective Duration as of December 10, 2024. Portfolio holdings subject to change. See full disclosure page.



## ESG-Conscious Investment-Grade Bonds

- The Goodwood environmental, social and (corporate) governance (“ESG”) conscious investment-grade bond mandate's objective is to preserve capital and generate income by investing in bonds with good relative ESG performance and attractive coupons
- Goodwood uses a disciplined, fundamental approach to constructing investment-grade bond portfolios that they believe may reward investors with capital gains due to credit improvements and credit rating upgrades
- The ESG-conscious strategy is diversified in position size, industry sectors and term-to-maturity
- The SMA mandate invests in approximately 30-40 fixed-income securities issued by companies that have achieved good scores in a third-party ESG valuation process; for safety, the mandate may also invest in green bonds issued by the Federal and Provincial governments and their agencies
- The return target is 50-200 basis points over 5-year Canadas



# GOODWOOD COMPLIANCE & RISK MANAGEMENT STRATEGY



## Compliance & Regulatory Oversight

- Member of Canadian Investment Regulatory Organization (CIRO)
- High Standards of Compliance, Monitoring & Management of Investment, Operational and Regulatory Risk
- Comprehensive Policies & Procedures Manual & Compliance Regime
- Daily Chief Compliance Officer Oversight: Katie Sherkey, CFA
- Member of CIPF - Canadian Investor Protection Fund (CIPF) Coverage



## Investment/Portfolio Risk Management

- Highly successful management team with extensive investment experience & proven track records
- Monthly Investment Policy Statement Review and KYC/Suitability Investment Review
- Third Party Fund Administrator – independent price verification
- Daily Portfolio Monitoring: market, liquidity, leverage, diversification, etc.
- Daily Concentration, Exposure & Sector Analysis, and Trade Review (Daily Risk Reports)



## Operational Risk Management

- Internal Control Processes & Procedures (AML/BCP/Cyber/Outsourcing etc.)
- Weekly Investment Committee Meetings - Investment Committee Chairman: Peter Puccetti, CFA
- Regular Internal/External Regulatory & Operational Audits (KPMG LLP, Fund Auditor)



## Conflicts of Interest

- Best interest of clients
- Alignment of Interest
- Avoidance/Control/Disclosure
- Appointment of Independent Review Committee (IRC) for relevant funds

Strong Focus on Compliance, Portfolio Oversight & Risk Management

# DISCLOSURE

Goodwood Inc., is an investment dealer and manages the Goodwood Funds and may provide investment advisory services to other investment vehicles, and segregated managed accounts, each a client. Commissions, trailing commissions, management fees and expenses all may be associated with fund investments. Please read the offering memorandum or prospectus before investing. Past performance of the Goodwood Funds does not guarantee future results. No assurances or guarantees can be given or implied concerning future investment results or any investment index. Future returns may differ significantly from the past due to economic and market conditions and other factors. Investments within portfolios, and therefore, portfolios, involve risk and the possibility of loss, including a permanent loss of principal. No representation is being made that any investment will or is likely to achieve profits or losses similar to those described. There can be significant differences between hypothetical performance results and the actual results subsequently achieved by any particular trading program. **Performance returns within are calculated for the founding Class of Units for the Goodwood Milford Fund LP. Other class or series or strategies, may charge different fees and/or have different holdings and therefore returns between classes and Funds may vary. Fund returns are net of all fees. Past performance is not indicative of future results. The returns are net of all management fees, expenses and incentive performance fees. The Investment Grade Bond Mandate and ESG-Conscious Investment Grade Bond Mandate are part of a third-party investment manager SMA account program for which Goodwood Inc. acts as sub-advisor. The UMA mandates are only available to clients of the third-party manager's advisors who are part of the third-party UMA account program.** Performance data from certain market indices/ETFs (S&P/TSX Composite TRI, iShares Core Canadian Universe Bond ETF and iShares Canadian Corporate Bond ETF) are provided in this presentation for information purposes only. A comparison of the Fund's performance to such market indices/ETFs is of limited use because the composition of the Fund's portfolio may contain other securities and asset classes not found in the market index. As a result, no market indices are directly comparable to the results of the Fund or strategy.

The information contained herein is delivered on a strictly confidential basis to each recipient solely to enable the persons receiving this presentation to learn about Goodwood Inc. and the Goodwood Funds and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire any securities offered or managed by Goodwood Inc. The information contained herein is drawn from sources believed to be reliable, but the accuracy or completeness of the information is not guaranteed. This is not a solicitation or an offer to buy or sell the securities mentioned herein. This is not a recommendation and does not take into account whether any product or transaction is suitable for any particular investor. **The information contained herein is based upon our analysis and interpretation and drawn from sources believed to be reliable, but the accuracy or completeness of the information is not guaranteed. The Goodwood Funds and/or the principals, officers, directors, employees of Goodwood Inc. may have a position in the securities mentioned herein and may make purchase and/or sales of these securities from time to time. Our valuations may contain forward-looking information which is subject to change. Actual results or performance may differ materially from those expressed or implied in this document as a result of unforeseen events and their effects on our valuations and opinions. The Goodwood Milford Fund LP and Goodwood Milford Fund Trust are offered by Offering Memorandum which contain important information about the funds, including management fees, other charges and expenses and should be read carefully before investing.**

Distribution of this information to any person other than the original recipient thereof or those persons, if any, retained to advise the recipients thereof with respect to these materials is unauthorized, and any disclosure of any of this information without Goodwood Inc.'s prior written consent is prohibited. Each recipient of these materials, by accepting delivery of this information, agrees to the foregoing and further agrees to make no photocopies of this information, or of any documents delivered in connection with or attached to this presentation. Distribution of this information in certain jurisdictions may be restricted by law. Persons into whose possession this information comes must inform themselves about and observe any such restrictions.

**CONFLICTS OF INTEREST:** Principals of Goodwood Inc. ("Goodwood") may, from time to time, accept officer positions and/or directorships and/or provide services to or have other relationships with companies unrelated to Goodwood, including issuers in which clients are invested. In this circumstance, that company would be considered under relevant securities law to be a "connected issuer" to Goodwood. **Currently, Goodwood MVR Investors, Inc. and MV Realty Holdings, LLC ("MVR") are considered connected issuers to Goodwood.** Goodwood may also provide services to other issuers in which clients are not invested.