



Goodwood Inc. : an alternative to passive investment management

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Canadian Investment  
Regulatory Organization

**CIIPF**  
Canadian Investor Protection Fund  
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## **Goodwood Inc.:** an alternative to passive investment management

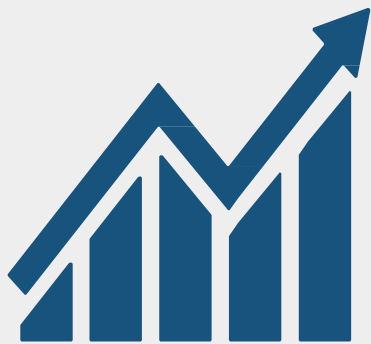
At Goodwood, our primary objective is to increase wealth by investing in undervalued fixed-income and equity securities. We seek to achieve our objective by consistently adhering to our unique and successful investment approach with a strong focus on equity special events and credit opportunities. Our strategy aims to generate idiosyncratic return profiles with low correlation to the broader market over the long term. Our investment approach focuses on preserving capital through rigorous investment analysis on a position and portfolio basis.

- Fixed-Income Management  
(SMA and Funds)
- Equity Management  
(SMA and Funds)
- Special Situations Investing  
(Limited Partnerships and Funds)

We take great pride in our ability to fulfill the needs of our institutional, advisor, private and corporate client base.

## 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 -**

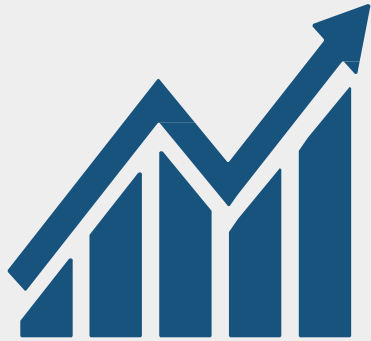
long only segregated managed accounts, customized, investment-grade bonds

#### **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

- 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 bond and to a lesser extent, 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.)



# Goodwood Milford Fund – Fundserv Pooled Fund



**CHRIS CURRIE**

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Compound Return (%) April 30, 2024	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
<b>Goodwood Milford Fund LP</b>	<b>1.91</b>	<b>-1.16</b>	<b>-0.11</b>	<b>3.50</b>	<b>4.43</b>	<b>10.00</b>
iShares Core Canadian Universe Bond ETF	-3.26	-1.01	-2.29	-0.20	1.58	-
iShares Canadian Corporate Bond ETF	-1.25	2.66	-0.59	1.13	2.25	-
S&P/TSX Composite TR Index	4.68	8.73	7.59	8.86	7.22	6.73

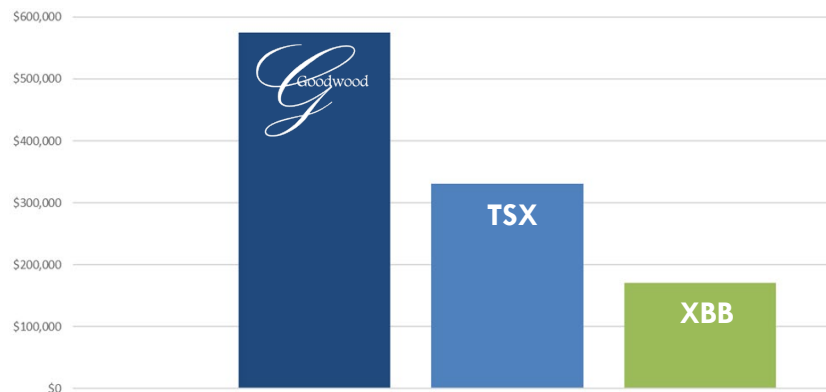
Performance returns above are calculated for the founding Class of Units for the Goodwood Milford Fund LP - Class S Units. Other class or series, including the Goodwood Milford Fund Trust may charge different fees and/or have different holdings and therefore returns between classes and Funds may vary. 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 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-Grade Bonds – Segregated Account (SMA)

- 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 well 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 manages 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

## INVESTMENT-GRADE BONDS – SEGREGATED ACCOUNT

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



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Security	Weight	Moody's	Fitch	S&P	DBRS	Sector	YTM	Effective Duration
Altagas Ltd 4.638% 05/15/2026	4%		BBB	BBB-		Utilities	5.25%	1.88
Bell Canada 4.55% 09/02/2030	4%	Baa1		BBB+	BBB (high)	Technology	5.02%	4.92
BMW Canada 4.76% 02/10/2025	4%	A2		A		Consumer	5.11%	0.75
BP Capital Markets 3.47% 05/15/2025	4%	A2	A+	A-		Energy	5.09%	0.99
CAE INC C28 5.541% 06/12/2028	4%			BBB-		Industrials	5.38%	3.51
Canada Housing Trust FRN 03/15/2027	4%	Aaa			AAA	Financials	5.07%	0.22
Canada Post 4.08% 07/16/2025	4%	Aaa			AAA	Industrials	4.68%	1.15
Choice Properties REIT 6.003% 06/24/2032	4%			BBB	BBB (high)	Real Estate	5.42%	6.20
CI Financial Corp 3.759% 05/26/2025	4%	Baa2			BBB	Financials	6.39%	1.01
CNHI Capital Canada Ltd. 5.50% 08/11/2026	4%	Baa2	BBB+	BBB		Industrials	5.11%	2.10
Dollarama 5.084% 10/27/2025	4%				BBB	Consumer	5.15%	1.42
George Weston Ltd 4.115% 06/17/2024	4%			BBB-	BBB	Consumer	5.44%	0.13
Hydro One 4.39% 03/01/2034	4%	A3			A (high)	Utilities	4.92%	7.70
Merc-Benz CA 5.14% 06/29/2026	4%	A2	A	A	A	Consumer	4.93%	1.99
Ontario Power Generation 4.922% 07/19/2032	4%	A3		BBB+	A (low)	Utilities	4.87%	6.52
Province of B.C. MTN 5% 06/18/2031	4%	Aaa		AA	AA (high)	Government Activity	4.41%	5.87
RBC 5.235% 11/02/2026	4%	A1	AA-	A	AA	Financials	4.89%	2.26
Rogers Communications 4.25% 04/15/2032	4%	Baa3	BBB-	BBB-	BBB (low)	Technology	5.30%	6.57
Saputo CB-29 5.25% 11/29/2029	4%	Baa1			BBB	Consumer	5.00%	4.62
South Coast BC Transportation Authority 3.05% 06/04/2025	4%	Aa2			AA	Industrials	4.74%	1.05
Telus Corp 3.75% 01/17/2025	4%	Baa2	BBB	BBB	BBB	Technology	5.25%	0.69
Toronto Dominion 4.344% 01/27/2026	4%	A1		A	AA	Financials	5.04%	1.63
Toyota Credit Canada 5.29% 07/13/2026	4%	A1		A+		Financials	4.87%	2.03
TransCanada Pipeline FRN 06/09/2024	4%	Baa2	BBB+	BBB+	BBB (high)	Energy	6.10%	0.11
VW Credit Canada Inc. 5.8% 11/17/2025	4%	A3		BBB+		Consumer	5.22%	1.42

Compound Return (%) April 30, 2024	1 Mo	3 Mo	6 Mo	YTD	1 Yr	2 Yr	Yield to Maturity	Effective Duration
<b>Investment Grade Corporate Bonds SMA</b>	<b>-0.2</b>	<b>0.4</b>	<b>2.8</b>	<b>0.4</b>	<b>2.9</b>	<b>2.7</b>	<b>5.0</b>	<b>2.7</b>
iShares Core Canadian Universe Bond ETF	-2.0	-1.9	4.4	-3.3	-1.0	0.7	4.5	7.0
iShares Canadian Corporate Bond ETF	-1.3	-0.5	5.9	-1.3	2.7	3.2	5.2	5.6

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. 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. Portfolio holdings subject to change. Investment-Grade Bond UMA Yield to Maturity and Effective Duration as of May 8, 2024. Portfolio holdings subject to change. See full disclosure page.



## ESG-Conscious Investment-Grade Bonds – Segregated Account

- 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



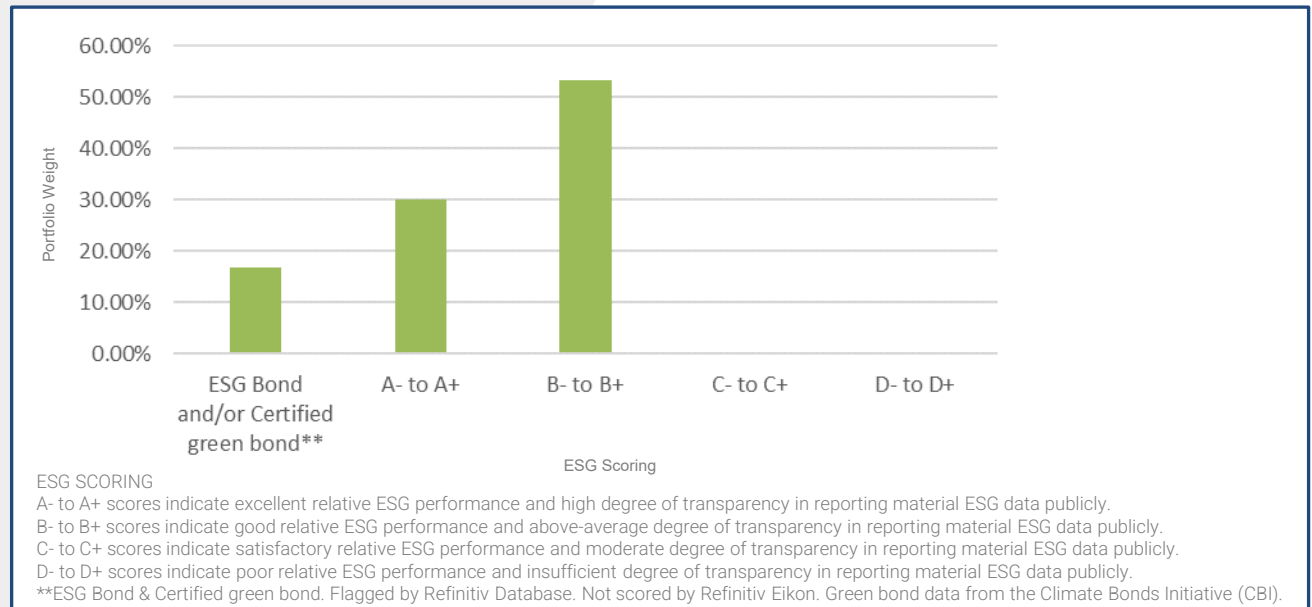
## ESG-CONSCIOUS INVESTMENT-GRADE BONDS – SEGREGATED ACCOUNT

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



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Compound Return (%) April 30, 2024	1 Mo	3 Mo	6 Mo	YTD	1 Yr	Yield to Maturity*	Effective Duration*
<b>ESG-Conscious Investment-Grade Bonds UMA</b>	<b>-0.6</b>	<b>-0.1</b>	<b>4.2</b>	<b>-0.1</b>	<b>3.2</b>	<b>4.9</b>	<b>3.3</b>
iShares Core Canadian Universe Bond ETF**	-2.0	-1.9	4.4	-3.3	-1.0	4.5	7.0
iShares Canadian Corporate Bond ETF**	-1.3	-0.5	5.9	-1.3	2.7	5.2	5.6

Performance returns above are displayed for the founding ESG-Conscious Investment-Grade Corporate Bond Mandate 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. \*\*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 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 May 8, 2024 based on target portfolio weightings. ESG-Conscious Investment-Grade Bond UMA Yield to Maturity and Effective Duration as of April 2, 2024. Portfolio holdings subject to change. See full disclosure page.

## 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/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 not found in the market index. As a result, no market indices are directly comparable to the results of the Fund or strategy.

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