



IMPACT REPORT 2021





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PREFACE

MESSAGE FROM THE FUND MANAGER

Dear reader,

The 2021 Impact Report for the Canadian Co-operative Investment Fund (CCIF) is our third report in this series. A CCIF cornerstone is making capital available to co-operatives to pursue their mission. We catalyze and support social impact. Measuring this impact is a work in progress. We have, over the past 10 years, developed measurement methodologies that are appropriate for our work, and refined our impact measurement and management framework.

Three years ago, we felt we were at a point where we could share this data and report on the impact that CCIF and its investees are having across Canada. We acknowledge that the measurement and reporting are not complete – it is illustrative and intended to provide some insight into the results being achieved through the provision of capital to qualified organizations.

While our investees are constantly creating an impact in their communities, this report is part of maintaining accountability to our mission and demonstrating our impact to current and future investors, partners, and investees. This report provides an assessment of loans in the CCIF portfolio as of December 31st, 2021.

The past two years have been particularly challenging for the co-operative sector, for individuals, and organizations alike. The challenges of the pandemic have led to a more precarious economy, which continues well into 2022. Many of our investees are community-facing and closed their doors for prolonged periods of time or were required to reduce services. As an impact fund that is based on collaborating with community organizations, and that adapts its services to their needs, it was important to us that we support our investees however we could during the pandemic. We continue to monitor the impacts of the pandemic on investees and seek ways to support them as we start a long journey to a more habitual state of affairs.

We offer great thanks to our investors for the continued support we receive in pursuing the CCIF mission. I also wish to thank the CCIF and New Market Funds teams for their extraordinary efforts – at all times, but in particular, the past two years of disruption and challenge.

As always, we welcome any feedback you may have on the findings in this report.

Sincerely,



Derek Ballantyne, CEO

METHODOLOGY

METHODOLOGY

CCIF holds a diverse portfolio of loans. In order to track the impact of our investees, we categorize investments in one of eight sectors based on the investee's core mission or business. These are the Arts; Food & Beverage; Environment; Financial Services; Health; Housing; Social Enterprise, and Social Services.

Within each sector noted above, one to four standard metrics are identified as relevant to the investment. These metrics are selected from IRIS+, an initiative of the Global Impact Investing Network (GIIN) that is dedicated to increasing the scale and effectiveness of impact investing. IRIS+ created standardized impact measurement metrics in order to support the transparency, credibility, and accountability of organizations making a difference (IRIS+, 2018).

These impact metrics have also been designed to align with the United Nations Sustainable Development Goals (SDGs) and offer an aggregated view of the impacts of CCIF investments using a framework that allows a qualitative assessment against other impact investment reports that track progress toward the SDGs.

In addition to the standardized, sectoral metrics, each co-operative identifies up to three organization- or project-specific goals and metrics that they will track. These organization- or project-specific metrics provide the individual co-operatives with the flexibility to showcase other goals that are important and specific to the core of their mission that otherwise would have been missed with the standardized measures. These are highlighted in individual case studies.

Loans in the portfolio that are renewed are subject to a full underwriting process, including the review and assessment of the impact metrics originally established for the loan. These metrics may be adjusted at the time of renewal. Loan renewal amounts are included in the total loans issued in the year of renewal.

PREFACE & METHODOLOGY

IMPACT MATRIX

Many of CCIF's investees are impacting their communities across a range of different sectors. In order to account for this impact but also not overstate it, we have categorized our investees by both the sector in which they primarily operate ("investee's sector"), as well as the sector(s) in which their financed project has an impact ("project sector"). On the sector-specific pages of this report, the '2021 Investing' data reflects our investees' sectors. The '2021 Impact' data aggregates impact across all project sectors.

	Arts	Environment	Food & Beverage	Housing	Social Enterprise
Compass Nova Scotia Co-operative Homes				◆◇	
Alfred Haenchen Co-operative Homes				◆◇	
Co-opérative d'aliments naturels Alina de Rimouski			◆◇		
Corktown Co-operative Homes				◆◇	
Four Feathers Housing Co-operative				◆◇	
Fredericton Boulderling Co-operative					◆◇
Halam Park Housing Co-operative				◆◇	
Inn Roads Housing Co-operative				◆◇	
Noel's Funeral Homes					◆◇
Peg City Car Co-operative		◇			◆◇
Sudbury Downtown Independent Cinema Co-operative	◆◇				◇
Sumac Community Worker Co-operative			◆◇		◇

Legend

- ◆ Investee sector: sector in which the organization primarily operates; investee's core mission or business
- ◇ Project sector: sector in which the financed project produced impact

Note:

Where possible, Canadian Co-operative Investment Fund has reported the direct impact proportional to its contributed financing. However, in several cases, where the Canadian Co-operative Investment Fund provided essential and catalytic financing, the reported impact reflects that of the entirety of the project.

FUND OVERVIEW: 2018 - 2021

The Canadian Co-operative Investment Fund was established in 2018 to provide innovative financing to co-operatives across Canada. CCIF provides financing to co-operatives to enable their mission of providing long-term community benefit.

HIGHLIGHTS

\$4,889,528

loaned to co-operatives



loans placed in 7 provinces



18 loan transactions to 12 unique co-operatives

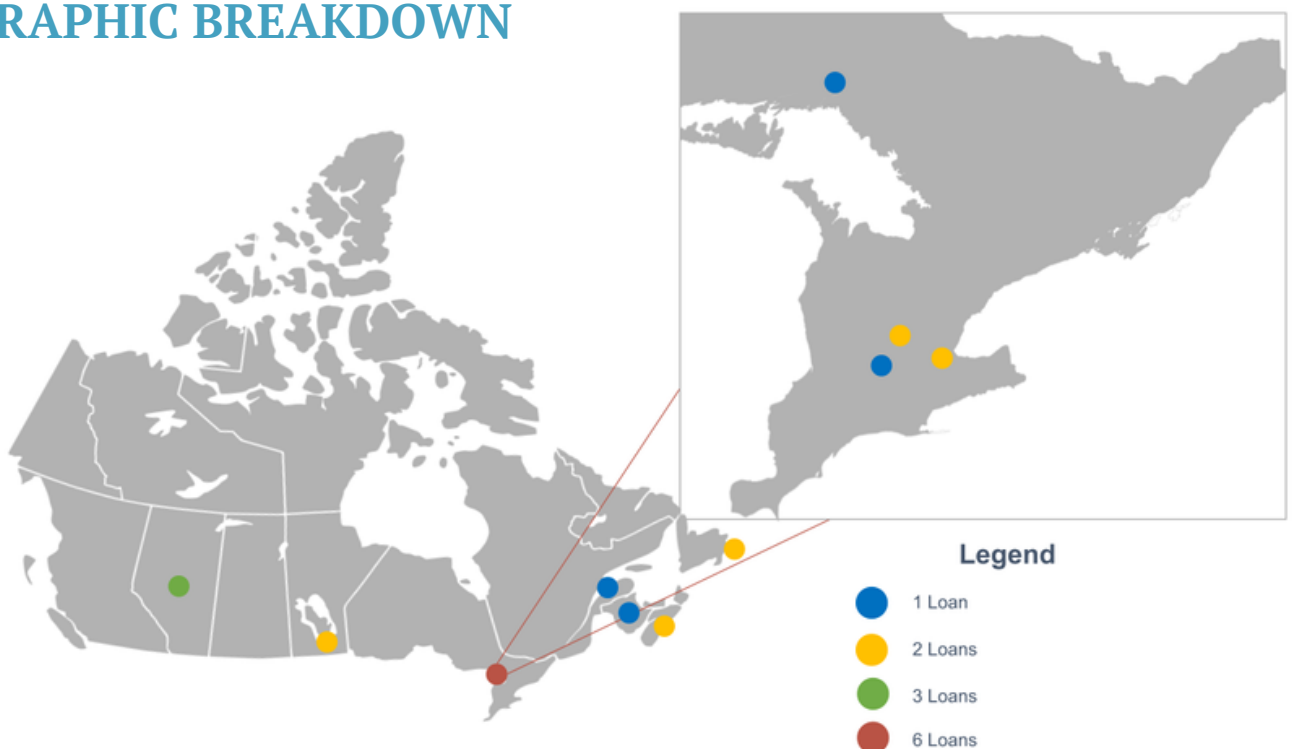
INVESTEESector BREAKDOWN



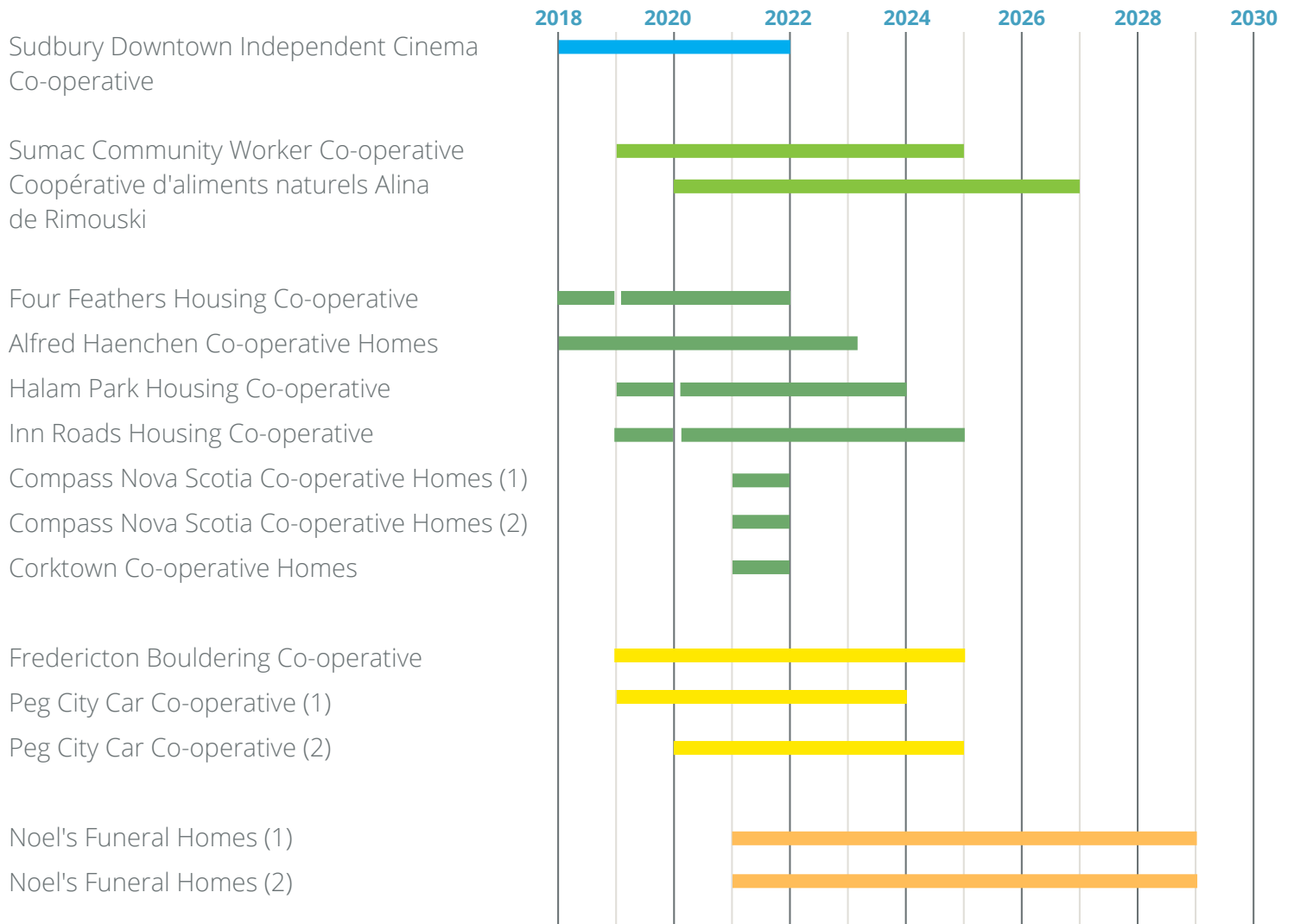
- 3% Arts
- 5% Food & Beverage
- 26% Social Enterprise
- 66% Housing

**Based on borrower sector as defined on page 4.*

GEOGRAPHIC BREAKDOWN



FUND HISTORY





IMPACT BY SECTOR

- Arts
- Environment
- Food & Beverage
- Housing
- Social Enterprise



ARTS

Since fund inception, CCIF has placed \$150,000 in loans to 1 co-operative in the Arts. The loan has supported a capital project, acquisition of space, renovations, and operations in 1 province.

2021 INVESTING

\$150,000

loaned to current investees



1 co-operative supported



loans placed in 1 province

2021 IMPACT

10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



550

extracurricular programs offered to the community

202

individuals with new access to programs

CASE STUDY



The Project: Sudbury Independent Cinema Co-operative

The Mission: Established in 2014, Sudbury Indie Cinema Co-op, affectionately nicknamed “The Indie” is Northern Ontario’s first cinema dedicated to festival quality programming year-round. It does so by screening the best in independent cinema with a focus on Canadian, documentary and foreign film. The Indie also supports the local filmmaking industry by screening locally-made films, making the cinema available for post-production activities in off-hours, and hosting out-of-town filmmakers to interact with local audiences and engage the next generation of Northern filmmakers.

The Challenge: The Sudbury Cinema Co-op secured an empty gymnasium and retrofit it into a state-of-the-art digital cinema with 170 seats. The co-op held a successful capital campaign to raise funds for the retrofitting project but fell short of the amount of funding required.

The CCIF Solution: CCIF was able to provide the Sudbury Cinema Co-op with a loan to bridge its capital campaign funding for leasehold improvements as well as to support its working capital needs.

The Outcomes: The Indie opened in February 2019 and was afforded 1 year of operations before closing due to the pandemic. However, the co-op took a leadership role in the city by engaging the community in virtual film programming when closed and becoming an artistic hub for cultural events when permitted open. Now, they run a program of arthouse films 7 days/week, and in the past 12 months, they have hosted 3 regional film festivals: the Sudbury Outdoor Adventure Reels, Queer North Film Festival, and Junction North International Documentary Film Festival which they also produce.

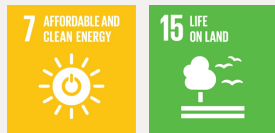
ENVIRONMENT

CCIF has not placed any loans to co-operatives whose primary impact is in the Environment sector. It has placed 1 loan to a social enterprise that is having a positive impact on the environment in 1 province.

2021 INVESTING

CCIF had no loans to co-operatives whose primary sector is Environment in 2021.

2021 IMPACT



4,222 tonnes
of greenhouse gas emissions reduced¹

CASE STUDY



The Project: Peg City Car Co-operative

The Mission: Peg City Car Co-op based in Winnipeg, Manitoba, was established in 2011 to provide the community with more affordable and environmentally friendly transportation options. Peg City allows its members to live car-free or car-lite with all the benefits of occasional vehicle access. Peg City has grown to almost 78 vehicles and 2,500+ members.

The Challenge: As the demand for its services increased, Peg City was looking to grow its fleet of vehicles but needed a loan.

The CCIF Solution: CCIF has provided Peg City with two loans to help it purchase new vehicles for its fleet and continue accommodating its growth. Peg City first approached CCIF in 2019 for a loan to purchase 3 vehicles, which the Fund provided in fall of 2019. When needing additional financing for 3 more cars in late 2020, Peg City again approached CCIF for a new loan, which the Fund provided and the cars were all acquired by January 2021.

The Outcomes: With more cars in its fleet and some improved financing rates, Peg City can better serve its members (and non-members) and grow its business of providing more environmentally friendly and cost-effective transportation options in Winnipeg. Peg City's fleet gives co-op members (and non-members) the mobility of having a car while reducing costs and environmental impact. Although initially impacted by the COVID-19 pandemic in 2020, Peg City has since reintroduced all vehicles which were temporarily removed from service and has added over 30 new vehicles.

FOOD & BEVERAGE

Since fund inception, CCIF has placed \$254,126 in loans to 2 co-operatives in the Food & Beverage sector. The loans have supported working capital, growth strategy and operations in 2 provinces.

2021 INVESTING

\$254,126

loaned to current investees



2 co-operatives supported



loans placed in 2 provinces

2021 IMPACT



108,294 pounds

of units purchased from local suppliers

100%

sourced from smallholder farmers

100%

certified units

CASE STUDY



The Project: Sumac Community Worker Co-operative

The Mission: The Sumac Community Worker Co-operative wholly owns Planet Bean, a 100% organic and Certified Fairtrade coffee roaster that was established in 1997. The co-op has three coffee retail shops and also sells its coffee wholesale to over 200 commercial customers in Southern Ontario.

The Challenge: Sumac was looking to refinance three of its outstanding loans that were held with a traditional financial institution. They hoped to secure a fixed-rate term loan in order to free up monthly cash flow and improve their financial and growth capacity.

The CCIF Solution: CCIF was able to refinance Sumac's debt with flexible and affordable terms to allow it to improve its monthly cash flows and start planning for future growth.

The Outcomes: With its debt refinanced, Sumac plans to look into future growth opportunities, including the purchase of its own warehouse.

**Impact data for 2021 was not available for Co-operative d'aliments naturels Alina de Rimouski.*

HOUSING

Since fund inception, CCIF has placed \$3,213,695 in loans to 6 co-operatives in the Housing sector. The loans have supported affordable housing for low-income families and Indigenous communities in 3 provinces.

2021 INVESTING

\$3.21M

loaned to current investees



6 co-operatives supported



loans placed in 3 provinces

2021 IMPACT



138 individuals

housed²

69

new affordable units constructed³

CASE STUDY



The Project: Compass Nova Scotia Co-operative Homes Ltd.

The Mission: Compass Nova Scotia Co-operative Homes Ltd. ("Compass NS") is a non-profit co-operative created in 2016 by the Co-operative Housing Federation of Canada (CHF Canada) to address the challenges faced by housing co-operatives in Nova Scotia and to explore opportunities for growth. Compass NS consolidated eight existing co-operatives and is currently comprised of 114 affordable co-operative housing units.

The Challenge: Compass NS looked to acquire land through the Federal Lands Initiative to build new affordable housing in Halifax. The co-op received financing from CMHC to cover part of the land purchase for the project but had a gap in available capital to complete the land acquisition.

The CCIF Solution: CCIF structured a financing product that enabled the co-op to purchase the land for its new affordable housing project through an interest-only bridge loan that will be repaid from construction financing. In the summer of 2021, as the cooperative needed predevelopment financing to advance to the construction stage, they reached out to CCIF for a second bridge loan.

The Outcomes: As a result of the CCIF loans, Compass NS has successfully acquired the project land and has almost completed predevelopment work for the project. Once complete, the new project will provide 57 affordable homes to the community of Halifax. The majority of the units will be 2- and 3-bedroom affordable units to accommodate families.

SOCIAL ENTERPRISE

Since fund inception, CCIF has placed \$1.27M in loans to 3 co-operatives in the Social Enterprise sector. The loans have supported a bouldering gym and a carshare in 2 provinces.

2021 INVESTING

\$1.27M

loaned to current investees



3 co-operatives supported



loans placed in 3 provinces

2021 IMPACT*



6,329

individuals served

47 jobs

created

**Impact data for 2021 was not available for Fredericton Bouldering Co-operative*

CASE STUDY



The Project: FCFQ/Noel's Funeral Home

The Mission: FCFQ was founded in 1987 and is a cooperative federation of funeral cooperatives in Quebec. In 2019, FCFQ put in place a new model to support the growth of cooperatives outside of Quebec, and in 2021 FCFQ acquired Noel's Funeral Home in Newfoundland as part of this model with the purpose of converting it to a cooperative within 4-5 years. Noel's

Funeral Home has 3 locations in Newfoundland, servicing 22 small towns across 3 municipalities.

The Challenge: Noel's owners were looking to retire, however, due to the funeral home being in a rural area in Newfoundland, they had limited options to sell the business. Without an FCFQ acquisition, it may have resulted in the closing of the funeral home and the layoff of its employees. The closing would also result in reduced choice and competition in funeral services in the area.

The CCIF Solution: CCIF worked with FCFQ and other lenders to structure financing for the acquisition of the funeral home. CCIF provided two loans, secured by property, which allowed for the acquisition.

The Outcomes: Noel's Funeral Home was at risk of closing due to limited options for selling the business when the former owner was looking to retire, and thanks to the acquisition, FCFQ was able to preserve a business that provides employment and affordable funeral services to members of the community, all while developing the cooperative sector in rural Newfoundland.

NOTES & ASSUMPTIONS

1 - Switching to carsharing reduces greenhouse gas (GHG) emissions by 90% compared to owning a private car. One carshare vehicle takes 13 private cars off the road and an average private vehicle emits 4.6m/t of greenhouse gases per year. Peg City Car Co-op's current fleet size is 78 vehicles which equates to a total of 1,020 private vehicles removed. $1,020 \text{ private vehicles} \times 4.6\text{m/t of GHG} \times 90\% = 4,222\text{m/t of GHG reduced}$.

2 - For housing projects in which the exact number of occupants per unit is unknown, estimates were used. It is assumed that shelters and transitional housing accommodate one person per unit; one-bedroom units accommodate two people; two- and three-bedroom units accommodate three to four people.

3 - Projects may still be under construction.



