

# PORTLAND GLOBAL SUSTAINABLE EVERGREEN LP

(as at March 31, 2025)



Performance (as at March 31, 2025)	3 Months	6 Months	Year to Date	1 Year	3 year*	5 year*	Since Inception*
Portland Global Sustainable Evergreen LP - Series A	2.97%	5.45%	2.97%	7.11%	7.96%	6.37%	6.20%
Portland Global Sustainable Evergreen LP - Series F	3.26%	6.05%	3.26%	8.33%	9.19%	7.58%	7.19%

## INVESTMENT OBJECTIVE

- The investment objective of Portland Global Sustainable Evergreen LP (the “Partnership”) is to preserve capital and provide above average long-term returns.
- The strategy intends to be focused on investments initially in the following:
  - Private equities believed to be in sustainable systems including farmland.
  - Private equities in renewable energy and energy efficiency.
  - Other equity or debt securities, a portion of which may have provisions resulting in equity ownership of the issuer of the debt or the underlying asset if certain events occur.

## HOW THE FUND IS MANAGED

- The Partnership invests in:
  - The Portland Global Energy Efficiency and Renewable Energy Fund LP (“PGEEREF”), which invests in the B units of the Global Energy Efficiency and Renewable Energy Fund (“GEEREF”), advised by the European Investment Fund (“EIF”) and sub-advised by the European Investment Bank (“EIB”).
  - Bonnefield Canadian Farmland LP V, advised by Bonnefield Financial Inc. (“Bonnefield”).
  - Complementary public securities, preferred shares and debt securities and investment funds, exchange traded funds and mutual funds which may or may not be managed by the Manager.
- The Partnership may borrow up to 20% of the total assets after giving effect to the borrowing.

## KEY REASONS TO INVEST

- Doing Well, by Doing Good - this element forms part of the investment decisions that the Manager makes and will make in the Partnership.
- Selecting Specialty Investment Managers with track records and a focus on:
  - Attractive risk adjusted returns and sustainable processes, in particular.
  - Targeting ~10% returns per annum.
  - Sustainable Development Goals recognized by domestic and international groups like the United Nations.
- Sustainable investing comprises investment strategies that integrate environmental, social, and governance (“ESG”) practices into investment decisions when assessing risk and opportunities within a portfolio.

## FUND DETAILS

Inception Date	April 30, 2018
Fund Type	Private Equity
Risk Rating	Medium
Legal Type	Limited Partnership
Eligible for Registered Plans	No
Eligible for PAC Plans	Yes
Purchases	Quarterly Available for Canadian residents only
Notice Period For Redemptions	60 days Available for Canadian residents only
Redemption Fee	0 - 24 months - 2.5%
Manager	Portland Investment Counsel Inc.
Specialty Investment Managers	European Investment Bank Bonnefield Financial Inc.
Administrator	CIBC Mellon Global Securities Services Company
Prime Broker	RBC Dominion Securities Inc.
Custodian	CIBC Mellon Trust Company

CLASS	A	F**
Net asset value per unit (CAD\$)	\$37.3455	\$40.4206
Min. initial investment, accredited investor <sup>1</sup>	\$10,000	\$10,000
Min. Initial Investment, non-accredited investor	\$150,000	\$150,000
Min. subsequent investment <sup>2</sup>	\$500	\$500
Management fee	1.45%	0.45%

Please see the Offering Memorandum for fees and specific details on the offering.

FUNDSERV CODES	A	F**
Portland Global Sustainable Evergreen LP Subscription Code	PTL535	PTL545
Portland Global Sustainable Evergreen LP	PTL540	PTL548

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## GEEREF

- A private equity and infrastructure fund of funds, investing in regional funds, providing equity or quasi equity primarily for energy efficiency and renewable energy projects in developing countries and economies in transition.
  - CO-INVEST with the EU with downside protected by public sector capital with a 10% per annum preferred return mechanism for B unitholders.
  - Provides ACCESS to specialized infrastructure funds/geographies exposed to high growth.
  - Provide access to renewable and affordable energy to underserved communities in emerging nations.
  - Institutional quality oversight and governance by the EIB and EIF.

## BONNEFIELD CANADIAN FARMLAND LP V

- Investments in high-quality “core” farmland primarily through non-leveraged sale-leasebacks with progressive farmers.
  - ACCESS to a diversified portfolio of high-quality crop-growing farmland across Canada’s farming regions with differing agricultural characteristics and crops via multiple tenants.
  - Bonnefield received an “A” rating from the United Nations-supported Principles for Responsible Investment whose goal is to incorporating ESG issues and support those who incorporate these issues into their investment decision making and ownership practices.
  - Targeting ~8% – 12% return per annum.
  - Oversight through the Standards of Care program, a leading set of industry best practices in the Canadian agricultural sector.
  - Similar attributes to a real return bond, by way of providing a hedge against inflation and global water shortage given Canada’s abundance of water.

## POTENTIAL RISKS

While the Manager, EIF and EIB and Bonnefield exercise due diligence throughout the investing process, no guarantees can be given to offset a risk of loss and investors should consult with their Financial Advisor prior to investing in the Partnership. The Manager believes that given the character of the private investments that are making up the majority of the Partnership’s holdings, the Partnership has less exposure to the market risk than a similar fund invested in publicly listed securities. The Manager believes the following risks are key to the Partnership’s performance: failure to meet commitments, risks related to the private portfolio investments, agriculture industry risk, equity risk, general economic and market conditions, liquidity risk and marketability and transferability of units risk. Please read the “Risk Factors” section in the Offering Memorandum for a more detailed description of all the relevant risks.

## FUND COMMENTARY (As at March 31, 2025)

The Partnership’s return from December 31, 2024 to March 31, 2025 was 2.97% for Series A and 3.26% for Series F units. The Partnership has delivered annualized and cumulative returns since inception on July 31, 2018 for Series A units of 6.20% and 49.38% and since inception on April 30, 2018 for Series F units of 7.19% and 61.68%, respectively. As at March 31, 2025, the asset allocation of the Partnership was 86.56% in Bonnefield Canadian Farmland LP V (“Bonnefield V”), 13.29% in Portland Global Energy Efficiency and Renewable Energy Fund LP (“PGEEREF”), and 0.15% in other assets and liabilities. On November 12, 2019, Bonnefield Financial Inc. (“Bonnefield”) announced the first close of Bonnefield V and as at December 31, 2024 Bonnefield V has CA\$268 million of commitments. Bonnefield V is an open-ended fund targeted at institutional and accredited investors. The Partnership has committed \$2,350,000. Bonnefield believes that many of the investors are interested in gaining exposure to the attractive attributes of Canadian farmland, such as its ability to hedge against inflation and its low correlation with stocks, bonds and traditional real estate. The Partnership has therefore via Bonnefield V participated in the purchase of 70 farms across at least five provinces. The fair value of Bonnefield V will include annual appraisals of the underlying assets completed on a quarterly rolling basis. Going forward in 2025, the Partnership will look to increase its commitment to Bonnefield V. Pending new investments and additional capital calls into Bonnefield V, the assets of the Partnership are being invested in short-term investments offered by large banks.

## RECENT DEVELOPMENTS

Farmland values continued steady growth with an average farmland value increase of 9.3% in 2024<sup>7</sup> despite the volume of farmland transactions slowing due to higher interest rates and a decrease in commodity prices from the peak levels experienced in 2022. While growth decelerated in 2024 compared with the previous three years, Bonnefield continues to see sales of desirable land parcels trade at strong values, with an increasing number of farmers looking for alternative financing to assist with their expansion or transition plans. As the age of the average Canadian farmer continues to rise, and consolidation and succession planning are top of mind for many operators, Bonnefield are well-positioned to be selective and opportunistic in acquiring high-quality farmland with high-quality operators as they continue to scale.

With a growing global population, contracting availability of arable land in developed countries, and growing conditions impacted by climate change, Canadian agriculture is expected to become increasingly important to meeting global food demand. Globally, the amount of arable land is expected to decline by 50 million hectares between 2009 and 2050 in favour of other uses. Canada also boasts a significant water resource advantage relative to other parts of the globe, with approximately 20% of the world’s freshwater reserves. Estimates suggest that approximately 11% of

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existing cropland globally could be vulnerable to lost productivity due to water scarcity by 2050. In contrast, it is thought that only 1% of Canada's cropland is potentially vulnerable.

Bonnefield focuses on investing in regions with relatively low water risk and farms that are operated in a sustainable manner, and regularly discuss capital expenditure projects with their tenants which could include investments in optimizing water usage on cultivated acres. By implementing, and investing in, sustainable practices that prioritize soil health, farmers help mitigate the impacts of extreme weather events and ensure the long-term viability of their operations. Bonnefield's focus on sustainability was recognized through their achievement of a perfect absolute grading (100 out of 100) and a five-star rating in their latest United Nations-supported Principles for Responsible Investment (PRI) assessment.

Bonnefield has been successful in introducing annual rental rate escalators across many of the new and renewed leases starting in 2025. For those leases renewed during the year, the average annual rent over the term of the lease is expected to increase by 32% over the annual rent for 2024, primarily driven by recent favourable market conditions and elevated interest rates. All rental revenue collections in 2024 have been successfully completed without any collections issues.

A sought-after feature of farmland investment is its outperformance against inflation. During inflationary periods, increased food and commodity prices generally result in increased farmer revenues. With more money in their pockets, farmers are better positioned to reinvest in their operations – often by acquiring additional acreage. These periods of high inflation tend to see greater farmland transactions at higher values which then becomes the new baseline value for similar land in that region. For investors, these dynamics create an opportunity to gain exposure to a resilient asset class that offers a safe haven for long-term wealth preservation during periods of economic uncertainty and inflation.

We believe that Canadian farmland's favourable long-term trends will remain intact, despite trade and tariff disruptions, and that overall, the Partnership is currently well positioned to meet its investment objectives for the medium to long term, with Bonnefield's farmer partners well-positioned to navigate economic and geopolitical challenges, supported by strong balance sheets and operational experience.



\* Annualized. Series A inception date is July 31, 2018. Series F inception date is April 30, 2018.

\*\* Generally only available through dealers who have entered into a Portland Series F Dealer Agreement

1. Accredited Investors as defined under National Instrument 45-106.
2. For investors who are not Accredited Investors, the additional investment must be in an amount that is not less than \$500 if the investor initially acquired Units for an acquisition cost of not less than \$150,000 and, at the time of the additional investment, the Units then held by the investor have an acquisition cost or a net asset value equal to at least \$150,000, or another exemption is available.
3. The Canadian Hedge Fund Awards are based solely on quantitative performance data of Canadian hedge funds with Fundata Canada managing the collection and tabulation of the data to determine the winners. There is no nomination process or subjective assessment in identifying the winning hedge funds. The 2023 awards are based on 264 Canadian hedge funds to June 30, 2023.
4. Government of Canada, S. C. Census of agriculture. Government of Canada, Statistics Canada. <https://www.statcan.gc.ca/en/census-agriculture>
5. Canada, E. and C. C. (2024, July 5). Government of Canada. Canada.ca. <https://www.canada.ca/en/environment-climate-change/services/climate-change/federal-sustainable-development-strategy/goals/clean-water-sanitation.html>
6. N. Fitton et al, "The vulnerabilities of agricultural land and food production to future water scarcity", Global Environmental Change, Volume 58. 2019
7. 2024 farmland values in Canada: Continued, Steady Growth. FCC. <https://www.fcc-fac.ca/en/knowledge/economics/2024-farmland-values-canada-steady-growth>

Commission, trailing commissions, management fee and expenses may be associated with investments. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. The Portland Global Sustainable Evergreen LP (the "Fund") being discussed is not publicly offered. The Fund is only available under prospectus exemptions and other exemptions available to investors who meet certain eligibility or minimum purchase requirements. Currently these exemptions include the accredited investor exemption and the \$150,000 minimum purchase exemption for non-individual investors. The offering of Units of the Fund is made pursuant to an Offering Memorandum and the information contained herein is a summary only and is qualified by the more detailed information in the Offering Memorandum. Please read the offering documents before investing. Any reference to a company is for illustrative purposes only; it is not a recommendation to buy or sell nor is it necessarily an indication of how the Fund is invested.

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