ONE JIB

Regular Board Meeting

Agenda

Date: May 28 2026, 10:00 a.m.

Location: AMO Office

155 University Avenue - Suite 800, Toronto, ON M5H 3B7

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12.a Eckler Ltd. Presentation - Confidential Commercial or Financial Information - s. 239 (2) (i) (j) of the Municipal Act

12.b Education Session under s. 239 (3.1) of the Municipal Act - Sinking Funds

12.c Education Session under s. 239 (3.1) of the Municipal Act - ONE JIB Pipeline Update

13. Reconvene in Public Session

14. Other Business

15. Meeting Outcomes

16. Authorizing Motion

17. Adjournment

18. Next Meeting

18.a ONE JIB Regular Meeting - September 10, 2026 (10:00 a.m. - 3:00 p.m.), subject to Board confirmation

ONE JIB

Regular Board Meeting

Minutes

Meeting #:	2026-01
Date:	February 26, 2026, 10:00 a.m.
Location:	AMO Office (In Person and Virtual) / Zoom 155 University Avenue - Suite 800, Toronto, ON M5H 3B7

Members Present:
Board Chair B. Hughes
Board Vice-Chair G. James
J. Dowty
C. Dyer
H. Franken
C. Fraser
J. Giles
D. Leckman
S. Pountney
S. Rettie
R. Wainwright-van Kessel

Staff:
D. Herridge, Co-President/Co-CEO, ONE Investment
A. Majidi, Interim Co-President/Co-CEO, ONE Investment
H. Douglas, WeirFoulds LLP, Legal Counsel
E. Foo, Chief Compliance Officer, ONE Investment
J. Hagan, Program Manager, LAS/ONE Investment
J. Hess, Manager of Investment Services, MFOA
D. Kelly, Board Secretary
J. Song, Board Coordinator, ONE Investment
M. Takishita, Client Services Representative, ONE Investment
K. Taylor, Chief Investment Officer, ONE Investment

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Outsourced Chief Investment Officer (OCIO), PH&N Institutional:
M. Leclair, CFA, Vice President and Institutional Portfolio Manager
P. Purcell, CFA, Managing Director and Institutional Portfolio Manager
D. Rae, CFA, Institutional Portfolio Manager
M. Belkoura, Lead Quantitative Research Analyst, RBC Global Asset Management
L. Bensafi, Fund Manager & Deputy Head of Emerging Markets Equity, RBC Global Asset Management
D. Jelic, Product Specialist, Emerging Markets Equity, RBC Global Asset Management
O. McMahon, CFA, Senior Portfolio Manager, RBC Global Asset Management

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1. Land Acknowledgement and Introduction

Board Chair Hughes made the following statement on behalf of the Board:

We recognize that our work as the ONE Joint Investment Board and the work of municipalities take place on traditional Indigenous territories across Ontario. We recognize and we respect the history, languages, and cultures of the First Nations, Metis, Inuit, and all Indigenous peoples whose presence continues to enrich our communities.

Board Chair Hughes. introduced Nicole Pincombe, Commissioner of Finance/Regional Treasurer, who would be attending virtually as an observer and Afshin Majidi, Interim Co-President/Co-CEO of ONE Investment, who joined today's meeting.

2. Disclosures of Pecuniary Interest

There were no disclosures of pecuniary interest.

3. Minutes of Previous Meeting

3.a Approval of November 25, 2025 Meeting Minutes

Moved by Board Member Wainwright-van Kessel

THAT the Minutes of the November 25, 2025, ONE JIB Meeting be approved as circulated.

Carried

3.b Business Arising from November 25, 2025 ONE JIB Meeting Minutes

There was no business arising from the November 25, 2025, ONE JIB Minutes.

4. Communications

4.a ONE Investment Staff Updates

In considering this matter, the Board had before it two communications:

1. E-mail (February 4, 2026) from Donna Herridge, Co-President and CEO of ONE Investment to Investors, indicating that Judy Dezell, Co-President and

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Co-Chair of ONE Investment, left ONE Investment on January 26, 2026, and thanking Judy for her leadership and commitment. The email also indicated that Afshin Majidi, Secretary-Treasurer of ONE Investment, would be taking on Ms. Dezell's former role on an interim basis.

2. February 6, 2026 from Lindsay Jones, Executive Director of the Association of Municipalities of Ontario (AMO), to AMO staff, indicating that as of February 23, 2026, Christina Pavone would be joining AMO as Director of Business Services. It also indicated that Afshin Majidi had agreed to stay on as Co-President and Co-CEO of ONE Investment, which includes responsibilities relating to the ONE Joint Investment Board, on an interim basis until Ms. Pavone is up to speed, specifically with the Local Authority Services (LAS) side of the business.

Moved by Board Vice-Chair James

THAT the Board:

1. receive the emails dated February 4, 2026 and February 6, 2026 providing updates regarding ONE Investment staff, and
2. express its gratitude to Judy Dezell for all her excellent work relating to the creation and success of the Board.

Carried

5. Delegation

5.a Township of Georgian Bay

Jas Rattigan, Director of Finance, Township of Georgian Bay, made a presentation on behalf of the Township, outlining some of its characteristics, financial challenges, its investment portfolio, and its path to the Prudent Investor program. The Township joined the ONE JIB as one of its Participating Municipalities in November 2025.

Moved by Board Member Rettie

THAT the Board receive the presentation from Ms. Rattigan on behalf of the Township of Georgian Bay.

Carried

6. Consent Items

Moved by Board Member Fraser

THAT the Board adopt consent items 6.a, 6.b, 6.c, 6.d, 6.e, and 6.f together with the recommendations contained in the related staff reports, as follows:

6.a Risk and Audit Committee Update – Q1 2026 (2026-009)

Recommendation: Receive the Report

6.b Strategic Plan – Q4 2025 Progress (2026-010)

Recommendation: Receive the Report

6.c Investment Plan Implementation Update (2026-005)

Recommendation: Receive the Report

6.d Compliance Report Asset and Target Weight Allocations Q4 2025 (2026-008)

Recommendation: Receive the Report

6.e Municipal Performance Reports Q4 2025 (2026-004)

Recommendation: Receive the Report

6.f Municipal Insights Report – Q1 2026 (2026-012)

Recommendation: Receive the Report

Carried

7. Investment Oversight

7.a Investment Manager's Quarterly Reporting and Analysis Q4 2025 – PH&N Institutional Presentation

The following representatives from PH&N Institutional made a presentation on the Investment Manager's Quarterly Reporting and Analysis Q4 2025:

Martin Leclair, CFA, Vice President and Institutional Portfolio Manager

Paul Purcell, CFA: Managing Director and Institutional Portfolio Manager

Dylan Rae, CFA, Institutional Portfolio Manager,

together with the following representatives from RBC Global Asset Management:

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Mariam Belkoura, Lead Quantitative Research Analyst

Laurence Bensafi, Fund Manager & Deputy Head of Emerging Markets Equity

Dijana Jelic, Senior Institutional Portfolio Manager

Oliver McMahon, CFA, Senior Portfolio Manager

Moved by Board Member Leckman

THAT the Board receive the presentations.

Carried

Moved by Board Member Giles

THAT the Board recess for 10 minutes.

Carried

The Board recessed at 10:57 a.m. and reconvened at 11:11 a.m.

Moved by Board Member Giles

THAT the Board recess for lunch.

Carried

The Board recessed at 12:16 p.m. and reconvened at 1:16 p.m.

7.b Investment Manager Oversight Q4 2025 (2026-006)

Moved by Board Member Franken

THAT the Board adopt the recommendations in the report, as follows:

1. Approve the addition of RBC QUBE Equity Fund to the approved funds list.
2. Approve administrative amendments to the Town of Bracebridge Investment Plan.

Carried

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7.c Municipality of Neebing's 2026 Investment Plan (2026-002)

Moved by Board Member Rettie

THAT the Board adopt the recommendations in the report, as follows:

1. Receive the Municipality of Neebing's Investment Policy Statement (Attachment 1)
2. Receive the Municipality of Neebing's Municipal Client Questionnaire (Attachment 2)
3. Approve the Municipality of Neebing's proposed Investment Plan (Attachment 3)

Carried

7.d City of Quinte West's 2026 Investment Plan (2026-003)

Moved by Board Member Dyer

THAT the Board adopt the recommendations in the report, as follows:

1. Receive the City of Quinte West's Investment Policy Statement (Attachment 1)
2. Receive the City of Quinte West's Municipal Client Questionnaire (Attachment 2)
3. Approve the City of Quinte West's proposed Investment Plan (Attachment 3)

Carried

8. Board Governance and Administrative Matters

8.a ONE JIB Reappointment of Members (2026-011)

Moved by Board Member Fraser

THAT the Board adopt the recommendation in the report, as follows:

That the Board reappoint the following members:

1. Bill Hughes to May 19, 2029
2. Geri James to May 19, 2029
3. James Giles to May 19, 2029

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Carried

8.b Reappointment of Integrity Commissioner and Closed Meeting Investigator (2026-013)

Moved by Board Member Giles

THAT the Board adopt the following recommendation in the report, that the Board:

1. Reappoint Aird & Berlis LLP to provide Integrity Commissioner and Closed Meeting Investigator services for a period of five years and execute the necessary Services Agreement with Aird & Berlis LLP.

Carried

8.c Prudent Investment Template Review (2026-007)

Moved by Board Vice-Chair James

THAT the Board adopt the following recommendations in the report, as amended:

That the Board:

1. Approve the Municipal Client Questionnaire template, the Investment Policy template and the Investment Plan template included in Attachments 1 to 3 in this report.
2. Direct ONE Investment staff to report back on potential revisions to the templates by Q4 2026 for implementation in 2027.

Carried

9. Strategy and Policy

9.a Update to ONE JIB's Policy for the Review of the Prudent Investment Offering External Investment Manager (2026-001)

Moved by Board Member Giles

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THAT the Board adopt the following recommendation in the report, that the Board:

1. Approve the Risk and Audit Committee's recommended update to the Policy for Reviewing the Prudent Investment Offering External Investment Manager.

Carried

10. Board Committee Reports

10.a Nominating Committee Report (2026-01) January 15, 2026

10.b Nominating Committee Report (2026-02) February 17, 2026

Moved by Board Member Leckman

THAT the Board receive the Nominating Committee Report dated January 15, 2026 and refer the Nominating Committee Report dated February 17, 2026, and the accompanying private attachment, to the Closed Session.

Carried

11. Closed Session

11.a Education Session under s. 239 (3.1) of the Municipal Act

11.b Private Attachment to Nominating Committee Report (2026-02) February 17, 2026 – personal matters about an identifiable individual – section 239 (2) (b) of the Municipal Act

Moved by Board Member Franken

THAT the Board move into closed session for the following purposes:

1. holding an education session relating to receiving a pipeline update under section 239 (3.1) of the Municipal Act, and
2. considering the confidential attachment to the Nominating Committee Report dated February 17, 2026 in Item 10.b related to personal matters about an identifiable individual, under subsection 239 (2)(b) of the Municipal Act.

Carried

The Board moved into closed session at 2:19 p.m.

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12. Reconvene in Public Session

Moved by Board Member Dowty

THAT the Board reconvene in public session.

Carried

The Board reconvened in public session at 2:56 p.m.

Moved by Board Member Dyer

THAT the Board receive the confidential presentation from the education session and confidential documents pertaining to personal matters about an identifiable individual.

Carried

Moved by Board Member Dowty

THAT the Board adopt the recommendation contained in the Nominating Committee report from February 17, 2026 and appoint Nicole Pincombe, Commissioner of Finance /Regional Treasurer for the Regional Municipality of Durham, as a Board Member for the term May 1, 2026 to May 29, 2029.

Carried

13. Other Business

There was no other business.

14. Meeting Outcomes

Board Chair Hughes outlined the outcomes from today's Board meeting.

The Board:

- Received two ONE Investment staff updates, welcomed Afshin Majidi and Christina Pavone, and expressed its appreciation to Judy Dezell for all the

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excellent work she has done relating to the creation and success of the Board.

- Approved six Consent items, and the recommendations contained in the related staff reports. The consent items related to:
    - the recent activities of the ONE Investment Risk and Audit Committee
    - strategic plan progress for Q4 2025
    - an investment plan implementation update
    - the quarterly report on compliance report asset and target weight allocations for Q4 2025
    - Municipal Performance Reports for Q4 2025
    - The Municipal insights report for Q1 2026
- Received and approved the Investment Manager's quarterly report and analysis for Q4 2025 from PH&N Institutional
- Approved the addition of the RBC QUBE International Equity Fund to the approved funds list
- Approved administrative amendments to the Town of Bracebridge Investment Plan
- Approved investment plans for the Municipality of Neebing and the City of Quinte West
- Reappointed Board Members Hughes, James and Giles to May 19, 2029
- Reappointed Aird & Berlis LLP as the Board's integrity Commissioner and Closed Meeting Investigator for another five years
- Approved prudent investment templates for the Municipal Client Questionnaire, Investment Policy Statement and Investment Plan and referred the templates back to staff for potential revisions and a report back by Q4 2026 for implementation in 2027
- Approved an update to the policy for reviewing the prudent investment offering external investment manager
- Received a confidential municipal pipeline update
- Appointed Nicole Pincombe, Commissioner of Finance/Regional Treasurer for the Regional Municipality of Durham, as a Board Member, for the term beginning May 1, 2026 and ending May 29, 2029.

15. Authorizing Motion

Moved by Board Member Pountney

THAT the appropriate staff of ONE JIB and ONE Investment be given the authority to do all things necessary, including executing any documents, to give effect to the Board's decisions today.

Carried

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16. Adjournment

Moved by Board Vice-Chair James

THAT the Board adjourn its meeting.

Carried

The meeting adjourned at 3:02 p.m.

17. Next Meeting

18.a ONE JIB Regular Meeting – May 28, 2026 (10:00 a.m. – 3:00 p.m.)

_____

Denis Kelly, Board Secretary

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AIRD BERLIS

John Mascarin
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E-mail: jmascarin@airdberlis.com

2025-2026 ANNUAL REPORT OF THE INTEGRITY COMMISSIONER

ONE JOINT INVESTMENT BOARD

John Mascarin

Aird & Berlis LLP

May 28, 2026

INTEGRITY COMMISSIONER'S MESSAGE

Introduction

Aird & Berlis LLP was originally appointed as Integrity Commissioner for ONE Joint Investment Board (the "Board") pursuant to subsection 223.3(1) of the *Municipal Act, 2001* on May 19, 2020 and was re-appointed by the Board on May 19, 2021 for an additional five (5) year term. Earlier this year the Board approved the renewal of our appointment for another term.

This is the sixth annual report that we have prepared for the Board. This report encompasses the period from May 13, 2025 to May 27, 2026 and provides an executive summary of our activities undertaken in fulfilling our duties and responsibilities as the Integrity Commissioner.

Complaints/Investigation

We have minimal activities to report for this past year. We did not receive any complaints or applications and not conduct any inquiries or investigations against any members of the Board.

During our six (6) years as Integrity Commissioner, we have not received any complaints for investigation under the Code of Conduct nor any applications for inquires under the *Municipal Conflict of Interest Act* filed against any member of the Board.

Advice-Giving

With respect to our advice-giving function as Integrity Commissioner, we provided written advice on two (2) occasions relating to potential conflicts of interest arising from a member of the Board accepting a time-limited paid consultant role with an advisory committee and with respect to reimbursement to members of expenses for travel on business.

Proposed Provincial Legislative Changes

On May 1, 2025, the provincial government announced Bill 9, re-introducing the legislation originally proposed under Bill 241, which would impose new requirements for provincial-wide uniform codes of conduct; mandatory education and training for Integrity Commissioners and for members of council and local boards; for the involvement of the Integrity Commissioner of Ontario; and for the removal from office and disqualification of members of council (but not local boards) for egregious contraventions of a code of conduct, which result in harm to the health, safety or well-being of any person.

Bill 9 was referred to the Standing Committee on Heritage, Infrastructure and Cultural Policy which held a number of public hearings on the proposed legislation from May 28 to August 25, 2025. We attended and presented as one of the committee hearings on July 24, 2025 and filed written submissions, which we have appended to our annual report.

We also presented to the AMO Board Committee of the Whole on September 25, 2025 on Bill 9 outlining a number of suggestions that could assist the provincial government with its proposed new local accountability structure.

Only minor and rather inconsequential amendments have been made to the bill despite the majority of the evidence before the Standing Committee indicating that the proposed legislation was flawed and represented a lost opportunity to actually strengthen the local government accountability framework. Bill 9 was ordered for Third Reading on October 20, 2025. The Minister of Municipal Affairs and Housing recently indicated that the statute and the accountability framework will be in place prior to the municipal elections on October 26, 2026 and the commencement of the new term for municipal councils and local boards.

Education and Training

We did not present any education sessions to the Board in the last year, nor did we believe that any additional training was required. We can certainly provide updated training to the Board and staff should the provincial government indeed implement changes to the municipal accountability framework.

Concluding Remarks

We are privileged to be of service to the Board as both its Integrity Commissioner (as well as its Closed Meeting Investigator). We look forward to continue to work with the Board, its members and staff.

Respectfully submitted,

AIRD & BERLIS LLP

John Mascarin

Integrity Commissioner for ONE Joint Investment Board

Append.

AIRD BERLIS

John Mascarin
Direct: 416.865.7721
E-mail: jmascarin@airdberlis.com

July 25, 2025

Standing Committee on Heritage, Infrastructure and Cultural Policy
Whitney Block - Queen's Park
23 Queen's Park Crescent East
Toronto, ON M7A 1W4

Attention: Laurie Scott, MPP, Chair & Tanzima Kham, Clerk

Dear Chair Scott and Members of the Committee:

Re: Bill 9 – Municipal Accountability Act, 2025

Accountability and proper ethical conduct amongst elected representatives is something that everyone wants to see, not only for municipalities but for all levels of government.

Bill 9 proposes to strengthen municipal accountability but, with respect, misses the mark, in several ways.

By way of background, I am a municipal lawyer practicing with Aird & Berlis LLP in Toronto. I am a Certified Specialist by the Law Society of Ontario in Municipal Law (Local Government & Land Use Planning and Development). I have co-authored two books in the *Municipal Act, 2001* and on the *City of Toronto Act, 2006*. I am a long-standing Adjunct Professor at Osgoode Hall Law School where I regularly teach courses on Municipal Law. I have taught "Ethics and Municipalities" for the LL.M. Program at the law school and units on municipal accountability and the *Municipal Conflict of Interest Act* are always included in my Municipal Law course. I lead all municipal accountability mandates for my firm which acts as Integrity Commissioner for approximately 70 local governments, as well as Closed Meeting Investigator, Municipal Ombudsman and Lobbyist Registrar for many municipalities.

It is important to bring the Integrity Commissioner perspective to Bill 9 because Integrity Commissioners have the experience, knowledge and understanding of the local governmental accountability framework. The current system has been pejoratively referred to as a "fragmented system of accountability for local elected officials" which ignores the historical reasons for the implementation of the original system in Part V.1 of the *Municipal Act, 2001* and the rejection of the "provincial commissioner" system that had been proposed by the never-proclaimed-into-force *Local Government Disclosure Act, 1993*.

In many ways, the current system is working very well. Municipalities have the ability to select well-qualified and knowledgeable Integrity Commissioners, to craft codes of conduct that will be responsive to local needs and distinctiveness and to respond on a timely basis on requests for written advice. I acknowledge that some municipalities have chosen unwisely and have also attempted to get away with substandard codes of conduct and complaint protocols that ignore the proper statutory independence and discretion afforded to Integrity Commissioners.

I would urge the Committee to consider the following:

1. Expand Scope of Bill 9

Bill 9 should be broadened to address more than just the most egregious ethical misconduct of officials. While the removal from office of members that contravene the ethical standards of their municipalities is, in some cases completely justified, these are rare and atypical instances. The government should expand the scope review of the local accountability framework, including, but not limited, to the range of penalties that can be imposed, akin to, but broader than, what was included in subsection 9(2) of the *Municipal Conflict of Interest Act* when it was amended in 2018, and to clarify that remedial measures and corrective actions are also permitted.

2. Depoliticize Decision-Making

The premise of the accountability regime in Part V.1 of the *Municipal Act, 2001* is the basic expectation that councils will hold their own house in order. Sadly, this is has not been the case in many instances. Instead of being enforcers, council members have become enablers of bad behaviour because of the politicized nature of the ultimate decision-making at the local level.

The remedy is to depoliticize the system and remove decision-making authority from councils. This government itself recognized this in the strong mayors legislation where 216 municipalities in Ontario have been designated as strong mayor municipalities. In introducing Bill 3 – *Strong Mayors, Building Homes Act*, the former Minister of Municipal Affairs and Housing repeatedly spoke of depoliticizing municipal decision-making to get housing built. I suggest that due consideration should be given to do the same with respect to ensuring local ethical integrity.

The current proposal requiring unanimous council approval for removal of egregiously badly behaving members is wholly unworkable and this Committee has already heard this from multiple sources. I agree that the threshold for removal should be high but it should not be so onerous that it will likely never happen. Once again, the government should look to the amendments that were made to the *Municipal Conflict of Interest Act* just a few years ago where Integrity Commissioner were imbued with the authority to make an application to a judge to determine whether a breach of the statute warranted a penalty of removal or disqualification from office.

3. Consult with Municipal Integrity Commissioners

With respect, and not to criticize the exemplary work of the provincial Integrity Commissioner, the reliance on this official and her office within the local government context is misplaced. The Ontario Integrity Commissioner knows and is the expert with respect to the provincial ethical framework – from the *Members' Integrity Act, 1994* to the *Lobbyists Registration Act, 1998* – but what does the Ontario Integrity Commissioner know about local government, codes of conduct and the *Municipal Conflict of Interest Act*?

The Ministry of Education, in developing the new school board accountability regime that was recently implemented in 2024 in the *Education Act* and its regulations consulted extensively with municipal Integrity Commissioners.

I strongly recommend, before the government starts looking at:

- standardized provincial-wide uniform codes of conduct and complaint protocols,
- at qualifications and training for local Integrity Commissioners, and
- at including an entirely unnecessary secondary investigative review by the Ontario Integrity Commissioner

that local Integrity Commissioners not only be extensively consulted but that they have a role in developing the framework that will hopefully serve to truly strengthen municipal accountability.

I greatly appreciate the opportunity to have presented before the Standing Committee on July 24, 2025 and for your consideration of this written submission on Bill 9.

Yours truly,

AIRD & BERLIS LLP

John Mascarin

JM/ke

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MUNICIPALITY OF

Lambton Shores

Community Overview

Overview & Location

To Sarnia	56 km / 35 mins
To London	67 km / 47 mins
To Windsor	197 km / 135 mins
To Toronto	274 km / 165 mins
Highway 402	24 km

*Distances based on a central location within Lambton Shores

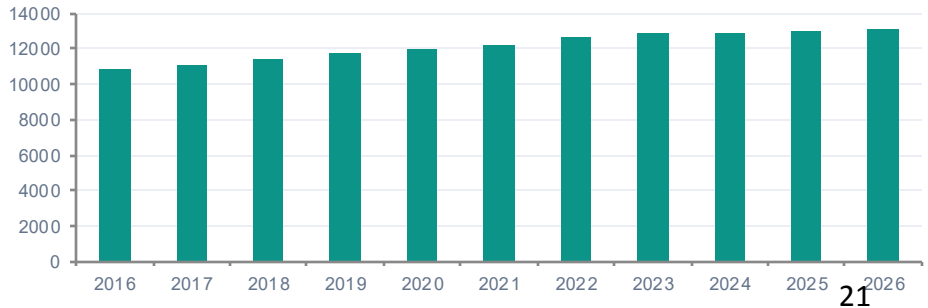
Population & Demographics

13,176
Estimated Population (2026)

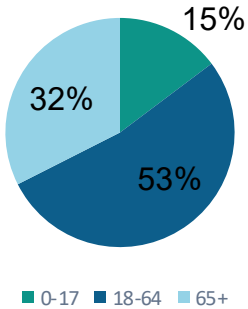
1.65%
Annual Growth Rate

331 km²
Total Municipal Area

Population Growth (2016-2026)



Age Distribution (2021 Census)



Our Communities

G Grand Bend

Premier beach destination on Lake Huron with vibrant tourism, dining, and entertainment. Home to world-class sunsets.

F Forest

The municipality's largest town and commercial hub. Houses key services, retail, and community amenities.

T Thedford

Home to the municipal office. Gateway to Pinery Provincial Park with rural charm and local businesses.

A Arkona

Historic village known for Rock Glen Conservation Area and rich fossil heritage dating back 350 million years.

P Port Franks

Quiet waterfront community at the mouth of the Ausable River. Popular for cottaging and nature enthusiasts.

I Ipperwash

Residential beach community with one of Ontario's longest beaches stretching 5.5 km along Lake Huron.

Tourism

Tourism Economy

Tens of Thousands Visitors Every Summer

Blue Flag Beach and Marinas

Thank You

For more information about Lambton Shores, please reach out to us.

Phone
(519) 243-1400

Address
9577 Port Franks Rd, Thedford, ON N0M 2N0

Website
www.lambtonshores.ca

Who We Are

Introductory Presentation to the ONE Joint Investment Board

May 28, 2026

New Tecumseth
Alliston · Beeton · Tottenham

About New Tecumseth

- Amalgamation 1991 combines Alliston, Beeton, Tottenham, and Tecumseth Township
- Small-town charm with a vibrant rural–urban lifestyle
- Over 40,000 residents, growing by 40,000-110,000 by 2051
- Strategic location: 1 hour north of Toronto, near Hwy 400 and soon to be constructed Bradford By-pass
- Major employment hub: 2,500+ businesses, 21,000+ jobs
- Strong quality of life, affordability & safety recognition
- Active community with festivals, culture & volunteerism

Community Snapshot

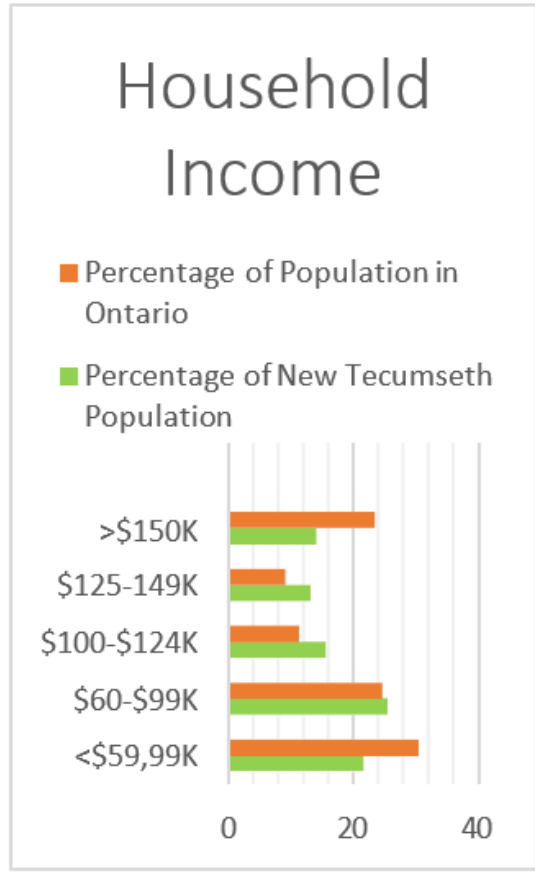
Socio-Economic

$90,000
Median Household Income

$114,900
Average Household Income

22%
of New Tecumseth's population spends 30% or more of household total income on shelter costs

+28.3%
New Tecumseth is ranked 7th in population growth for municipalities located within large and small urban centres.



65% of labour force lives outside of New Tecumseth

26.42KM of the Trans Canada Trail

Our parkland covers around 70 hectares of land.

21, 025 employed; 2,230 unemployed

Top languages other than English: French, Italian, Spanish Portuguese

Festivals and special events each year

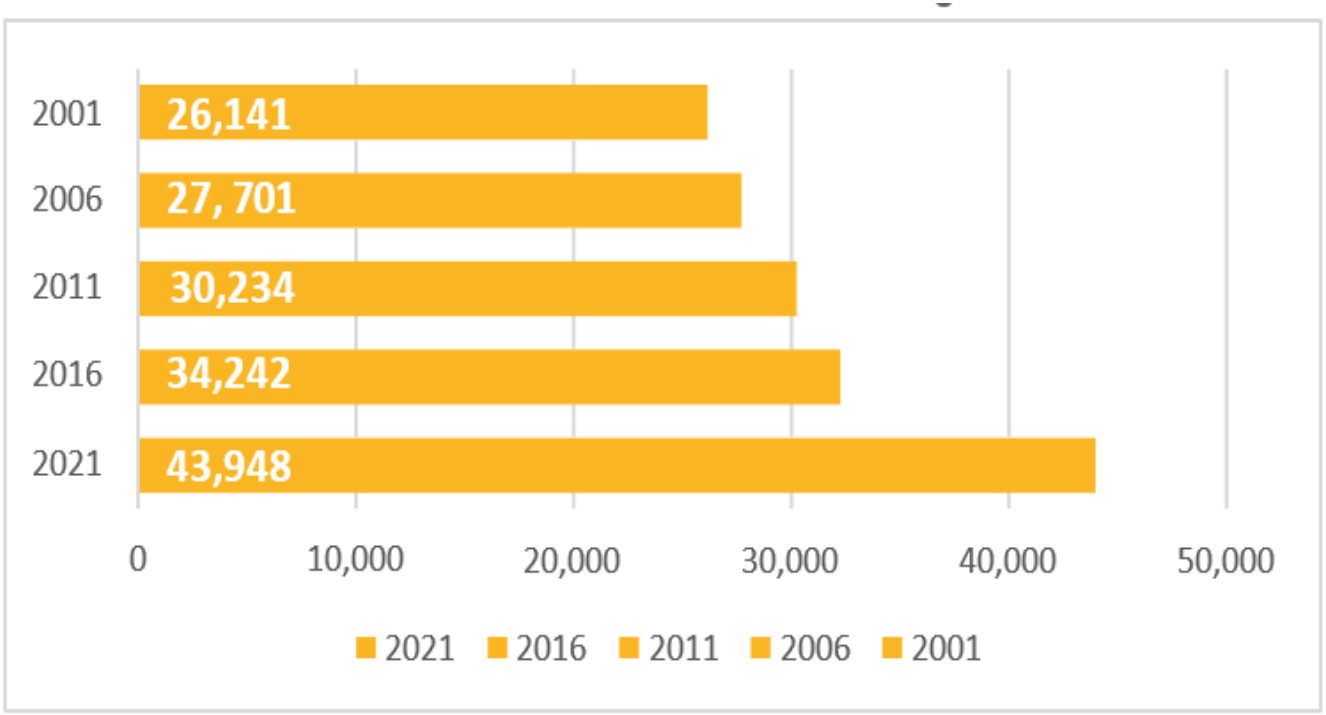
2,125 recreation registrants; 30,057 drop-in participants

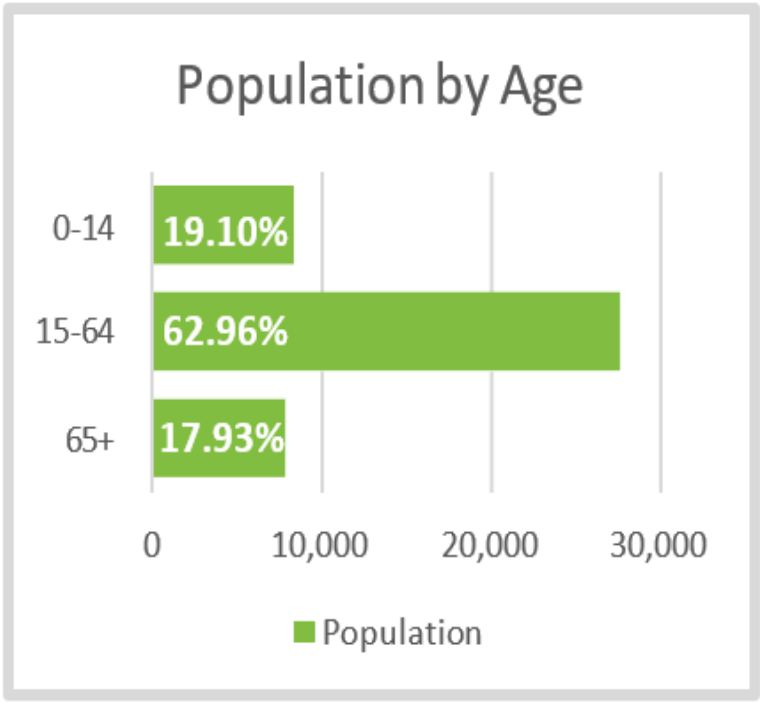
Home of the Potato Festival

Home of the Beeton Honey & Garden Festival, D.A. Jones “Bee King of Canada”

Birthplace of Sir Frederick Banting, co-discovered Insulin, Nobel Prize winner

Population





Official plan

Land: Total of 498 for community lands; 172.5 hectares for employment lands

Population: 80,590 by 2051

Employment: Approximately 31,000 by 2051

Environmental Registry No. 026-038

Potential additional growth directive 6+ projects

Land: Potentially 2,871 hectares

Homes: 30,205 being considered

Employment: Approximately 980

Simcoe Auto Mayors

Formed and led by New Tecumseth's Mayor, the Association focuses on advancing collaborative advocacy, supporting workforce stability, and influencing policy decisions that impact local manufacturers and communities.

Latest Initiative: Canada North Vehicles Concept

Purpose

- Establish a clear, recognizable national brand identity for Canadian-built vehicles
- Positions Canadian manufacturing as globally competitive
- Strengthens awareness of Canadian-built vehicles domestically and internationally
- Supports long-term competitiveness of the automotive sector
- Reinforces confidence in local manufacturing and supply chains

CANADA NORTH
VEHICLES

REPORT

To: ONE Joint Investment Board
From: Jennifer Hess, Manager of Investment Services, MFOA
Date: May 28, 2026
Re: Lambton Shores, Front of Yonge, Georgina and New Tecumseth – Request to Join ONE JIB
Report: ONE JIB 2026-022

1. RECOMMENDATIONS

It is recommended that the Board:

1. Accept the Municipality of Lambton Shores, Township of Front of Yonge, Town of Georgina and Town of New Tecumseth as Participating Municipalities with ONE JIB.
2. Authorize the Chair and Board Secretary to execute the ONE JIB agreements on behalf of ONE JIB with the Municipality of Lambton Shores, Township of Front of Yonge, Town of Georgina and Town of New Tecumseth.

2. SUMMARY

Four additional Ontario Municipalities are requesting to become Participating Municipalities with ONE JIB

The Municipality of Lambton Shores, Township of Front of Yonge, Town of Georgina, and Town of New Tecumseth have each authorized execution of the ONE JIB Agreement, subject to ONE JIB's acceptance of each as a Participating Municipality, and all four municipalities have completed the required steps to enter into the ONE JIB Agreement.

The ONE JIB Agreement is the primary operating document for municipalities that invest money not required immediately (MNRI) through ONE JIB under the prudent investor regime.

ONE Investment is also a party to the Agreement and provides administrative and support services to the other parties.

3. BACKGROUND

ONE JIB is the only joint investment board currently constituted under the Municipal Act

Historically, provincial legislation restricted municipal investment of money not required immediately (MNRI) to securities prescribed by regulation (the "Legal List"). Following amendments to municipal legislation and the establishment of ONE JIB, Participating

Municipalities may invest under the prudent investor standard. To invest with ONE JIB, a municipality must opt into the prudent investor standard by passing an authorizing by-law and executing the ONE JIB Agreement.

Municipal legislation permits ONE JIB to accept any Ontario municipality into the Prudent Investment Program

Under the *Municipal Act, 2001* and Ontario Regulation 438/97, a municipality must delegate its investment powers and duties for MNRI to an Investment Board or Joint Investment Board before investing under the prudent investor standard.

The ONE JIB Agreement is the formal document that establishes the terms and conditions under which the ONE JIB agrees to invest on behalf of a municipality

The ONE JIB Agreement sets out the terms under which ONE JIB invests MNRI on behalf of a Participating Municipality and governs the relationship between ONE JIB and each Participating Municipality. It is a foundational legal agreement that may be amended only in accordance with the procedures set out in the Agreement and was last updated and restated on January 15, 2026.

4. ANALYSIS

Four municipalities have completed all the necessary steps to join ONE JIB as a Participating Municipality

Four municipalities have recently passed the required by-law under section 418.1 of the *Municipal Act, 2001* authorizing investment of MNRI through ONE JIB's Prudent Investment Program:

- Municipality of Lambton Shores adopted By-law 56-2025 on September 9, 2025.
- Township of Front of Yonge adopted By-Law 08-2026 on February 2, 2026.
- Town of Georgina adopted By-Law 2026-0028 (BA-7) on April 1, 2026.
- Town of New Tecumseth adopted By-Law 2026-038 on April 27, 2026.

If ONE JIB accepts these municipalities as Participating Municipalities, the mutually agreed upon Prudent Effective Date will be established for each municipality, after which the legislation will apply. The approved Investment Plans can be implemented on or after that date.

Lambton Shores has adopted an investment policy with no restrictions or clauses that would limit ONE JIB's ability to manage its MNRI prudently and effectively

Lambton Shores' Investment Policy (attached to ONE JIB Report 2026-017) assigns Council responsibility for determining MNRI and the municipality established an investment committee (created in late 2025) to support that determination. The policy reflects the legislated considerations for investment objectives and was developed in consultation with ONE Investment.

In the opinion of the Chief Investment Officer, in consultation with the External Investment Manager, the policy does not conflict with the Prudent Investment Program mandates and does not limit ONE JIB's ability to manage Lambton Shores' MNRI prudently and effectively.

Lambton Shores has submitted a Municipal Client Questionnaire (MCQ) and indicated MNRI of $6.0 million. Additional details are provided in ONE JIB Report 2026-017.

Front of Yonge has adopted an investment policy with no restrictions or clauses that would limit ONE JIB's ability to manage its MNRI prudently and effectively

Front of Yonge's Investment Policy (attached to ONE JIB Report 2026-015) defines MNRI as the Township's Waste Disposal Site (WDS) Closure Cost Reserve Fund (landfill closure reserve). The policy reflects the legislated considerations for investment objectives and was developed in consultation with ONE Investment.

In the opinion of the Chief Investment Officer, in consultation with the External Investment Manager, the policy does not conflict with the Prudent Investment Program mandates and does not limit ONE JIB's ability to manage Front of Yonge's MNRI prudently and effectively.

Front of Yonge has submitted a Municipal Client Questionnaire (MCQ) and indicated MNRI of $493,962. Additional details are provided in ONE JIB Report 2026-015.

Georgina has adopted an investment policy with no restrictions or clauses that would limit ONE JIB's ability to manage its MNRI prudently and effectively

Georgina's Investment Policy (attached to ONE JIB Report 2026-021) defines MNRI as funds not required for a minimum of three years. The policy reflects the legislated considerations for investment objectives and was developed in consultation with ONE Investment.

In the opinion of the Chief Investment Officer, in consultation with the External Investment Manager, the policy does not conflict with the Prudent Investment Program mandates and does not limit ONE JIB's ability to manage Georgina's MNRI prudently and effectively.

Georgina has submitted a Municipal Client Questionnaire (MCQ) and indicated MNRI of $20.0 million. Additional details are provided in ONE JIB Report 2026-021.

New Tecumseth has adopted an investment policy with no restrictions or clauses that would limit ONE JIB's ability to manage its MNRI prudently and effectively

New Tecumseth's Investment Policy (attached to ONE JIB Report 2026-038) defines MNRI as funds not needed for at least two years. The policy reflects the legislated considerations for investment objectives and was developed in consultation with ONE Investment.

In the opinion of the Chief Investment Officer, in consultation with the External Investment Manager, the policy does not conflict with the Prudent Investment Program mandates and does not limit ONE JIB's ability to manage New Tecumseth's MNRI prudently and effectively.

New Tecumseth has submitted a Municipal Client Questionnaire (MCQ) and indicated MNRI of $8.0 million. Additional details are provided in ONE JIB Report 2026-038.

5. CONCLUSION

ONE Investment recommends that ONE JIB: (1) accept the Municipality of Lambton Shores, Township of Front of Yonge, Town of Georgina, and Town of New Tecumseth as Participating Municipalities; and (2) authorize ONE Investment to work with the Board Chair, Board Secretary, and the municipalities to execute the ONE JIB Agreements and any related documentation required to implement participation.

Drafted by: Jennifer Hess, Manager Investment Services MFOA
Approved by: Donna Herridge and Afshin Majidi (Interim), Co-Presidents/CEO ONE Investment

REPORT

To: ONE Joint Investment Board
From: Keith Taylor, Chief Investment Officer, ONE Investment
Date: May 28, 2026
Re: Township of Front of Yonge's Investment Plan 2026
Report: ONE JIB 2026-015

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the Township of Front of Yonge's Investment Policy Statement (Attachment 1)
2. Receive the Township of Front of Yonge's Municipal Client Questionnaire (Attachment 2)
3. Approve the Township of Front of Yonge's proposed Investment Plan invested in Model G (Attachment 3)

2. SUMMARY

The Township of Front of Yonge has requested to join ONE JIB as a Participating Municipality. Front of Yonge's Municipal Client Questionnaire (MCQ) provides information on its Money Not Required Immediately (MNRI) and its investment horizons, which have informed the recommended allocations. Front of Yonge's initial MNRI represents a single reserve fund for future landfill site closure costs. The initial contribution will be $493,962. It is anticipated that the landfill site has a remaining life of 35 years.

The Investment Plan's proposed investment allocation has considered the municipality's circumstances, needs, and risk tolerance. Due to its very long investment horizon, Model G, which allocates 70% to equities in a diversified portfolio, has been recommended for Front of Yonge's MNRI. A summary of this allocation is shown below:

70% EQUITY MODEL (G)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	30%	$148,189
Global Fixed Income and Credit	0%	$0
Canadian Equities	35%	$172,887
Global Equities	35%	$172,887
Alternatives	0%	$0
Total	100%	$493,962

3. BACKGROUND

Front of Yonge is a rural municipality in Ontario's United Counties of Leeds and Grenville, situated in the east along the St. Lawrence River in the 1000 Islands region

Front of Yonge is a rural Ontario township, particularly known for its scenic St. Lawrence River waterfront, the 1000 Islands Parkway, and as the home of the Thousand Islands National Park Visitor Centre. Located near Mallorytown, it is a popular summer destination featuring camping, hiking at Jones Creek, and the 1000 Islands Waterfront Trail. With a population of 2,600 and a land area of 148 square kilometers, it is sparsely populated relative to many other Ontario municipalities.

Front of Yonge will be assigned an investment allocation based on the model portfolios approved by the ONE JIB on September 4, 2025

The recommended investment allocations for Front of Yonge's MNRI were determined with consideration of the investment horizon associated with its MNRI, while also reflecting the Township's current circumstances, needs, and investment restrictions. A single allocation is recommended based on the Model Portfolios reviewed and approved at the September 4, 2025 ONE JIB meeting.

Front of Yonge will contribute $493,962 of MNRI to invest with ONE JIB, which represents reserves associated with a landfill closure reserve fund

Front of Yonge MNRI consists of a specific reserve fund. The MNRI contribution of $493,962 represents funds set aside for the future closure costs associated with its local landfill site, which represents a future liability of the municipality. The estimated remaining life of the landfill site is 35 years. On an annual basis, the funding status is reviewed by its auditor, which may inform potential annual contributions to this reserve fund. It is hoped that investment returns may help fund the future closure costs, limiting Front of Yonge's contributions over time. In prior years, annual contributions were set at $20,000 annually, which were suspended as the funding for the closure costs was above target. Table 1 below summarizes current MNRI estimates and expected spending timelines based on details in the MCQ.

Table 1: Summary of the investment horizon of MNRI, from Table 5.1 of MCQ

Description (i.e., Funding Objective, Investment Purpose, or Municipal Reserve)	Total MNRI	Investment Horizon < 5 Years	Investment Horizon 5-10 Years	Investment Horizon >10 Years
Total MNRI	496,962	$0	$0	496,962

Investment income can help provide Participating Municipalities with an additional source of revenue

Ontario municipalities are under growing pressure to deliver the kinds of infrastructure residents expect, including recreation facilities, roads, and libraries, while keeping property

tax rate increases at a reasonable level. Balancing these expectations with available revenue sources is becoming increasingly difficult as costs rise and demand grows.

When funding for capital projects cannot be secured through other channels, such as government grants or the existing tax or rate base, municipalities often have no choice but to delay or scale back their plans or resort to debt financing. Under the *Municipal Act*, municipalities are prohibited from running an operating deficit, which further limits their flexibility in responding to these demands.

Earnings from municipal investments can make a meaningful difference. By applying these returns to capital costs, municipalities can reduce the pressure on the tax base, maintain service levels, keep up with inflation, and progress with key projects in a manner that is both financially sustainable and responsible.

In Front of Yonge, each one percent increase in property tax rates yields approximately $22,705 in additional annual revenue. However, there are limits to how much municipalities can rely on tax increases to fund capital projects, which underscores the importance of investment income as a complementary source of funding.

Council has elected to permit the use of long-term alternative investments

The Investment Policy Statement (IPS) was approved by Front of Yonge's council on February 2, 2026, and is based on the most recent IPS template approved by ONE JIB. This IPS does not impose any additional restrictions on how the MNRI is to be invested beyond those specified in the IPS template. The council chose to permit the use of long-term alternative investments in the IPS. Approval of the use of alternative investments could potentially lead to their inclusion in Front of Yonge's allocation if they are deemed suitable based on the municipality's circumstances.

4. ANALYSIS

It is recommended that Front of Yonge's MNRI be invested in Model G, which has a 70 percent allocation to equity within a well-diversified portfolio

The investment allocations proposed in the Investment Plan reflect the very long investment horizon of Front of Yonge's MNRI, with drawdowns not anticipated within the next 3 decades and the potential for incremental contributions to MNRI over time. While the remaining life and funded status are evaluated annually, the MNRI of Front of Yonge is arguably the most stable and predictable of all of ONE JIB's Participating Municipalities.

The IPS permits the use of alternative investments, but they have not been included in the recommended allocation at this time. While permitted, and suitable based on the Township's circumstances and liquidity needs, Front of Yonge has limited investment experience, with no prior exposure to more complex investments, including those with limited liquidity. Current investments are limited to bank accounts, GIC's and ONE's shorter-term legal list bond portfolio. The CIO believes it is most prudent to establish the

core portfolio first. Once staff and Council gain experience under the Prudent Investor framework, the inclusion of alternative investments will be revisited.

The proposed allocation, Model G, with 70% exposure to equities, is appropriate given the very long investment horizon and lack of near-term liquidity needs. Table 2 below provides summary statistics for Model G, and Table 3 further details Front of Yonge's investment allocations.

Table 2: Summary statistics for Model G

Summary Statistics	Model G
Long-Term Return	6.79%
Annual Downside Risk[1]	-19.61%
Annual Volatility	9.77%
Sharpe Ratio	38.3

Notes:

[1] Annual Downside Risk (CVaR95) represents the expected loss during the worst 5% of return outcomes.

Hypothetical performance analyses are for illustrative purposes only and there is no guarantee that hypothetical returns or projections will be realized.

Table 3: Front of Yonge's Allocation Summary

70% EQUITY MODEL (G)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	10	30%	40
Global Fixed Income and Credit	0	0%	10
Canadian Equities	25	35%	45
Global Equities	25	35%	45
Alternatives	0	0%	0
Total		100%	

5. CONCLUSION

Front of Yonge's MNRI is based on the funds associated with a specific reserve fund intended to cover the future closing costs of a landfill site. Its investment horizon is very long, and no liquidity needs are foreseen within the next three decades. Based on these circumstances, Model G has been recommended, which has a 70% allocation to equities for the Township. The allocation will not include exposure to long-term alternative investments at this time, but they may be added in future years. This proposed asset mix and fund allocation align with Front of Yonge's IPS and MCQ's investment objectives and risk preferences. Consequently, the Investment Plan is suitable for Front of Yonge's circumstances and needs, reflecting the time horizons of its MNRI.

ATTACHMENTS

Attachment 1: Front of Yonge Township's Investment Policy Statement 2026
Attachment 2: Front of Yonge Township's Municipal Client Questionnaire 2026
Attachment 3: Front of Yonge Township's proposed Investment Plan 2026

Drafted by: Keith Taylor, Chief Investment Officer; Jennifer Hess, Manager Investment Services
Approved by: Afshin Majidi (interim) and Donna Herridge, Co-Presidents/CEOs

Attachment 1

INVESTMENT POLICY

FOR

TOWNSHIP OF FRONT OF YONGE (the "Municipality")

FEBRUARY 2, 2026

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Township of Front of Yonge

Investment Policy

1. DEFINITIONS

The following capitalized terms are defined terms which have the meanings set out below:

Act: means the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended from time to time.

Agent: means any administrator, Custodian, payment servicer, investment counsel, consultant, banker, broker, dealer or other service provider engaged or appointed by ONE JIB and authorized by ONE JIB to exercise any of the functions of ONE JIB pursuant to a written agreement, in the manner and to the extent provided in the Regulation and without limiting the generality of the foregoing, Agent includes ONE Investment, and the Sub-Investment Manager.

Alternative Assets: means investments outside traditional investments such as equities, fixed income, and cash which may include, hedge funds, private equity, natural resources, real estate and infrastructure. Alternative investments are typically less liquid than traditional investments, are appropriate only for allocations with a long investment horizon.

Asset Class: means a specific category of assets or investments, such as cash, fixed income, equities, alternative investments, real estate etc.

Asset Mix (or Asset Allocation): means the proportion of each Asset Class in a portfolio.

Authorizing By-law: means a by-law of the Municipality that authorizes it to invest its money and investments that it does not require immediately in the OCIO offering of ONE JIB pursuant to section 418.1 of the Act, to approve various documents, the entering into of agreements including a Prudent Effective Date Agreement and the delegation of certain powers and duties to ONE JIB/ONE Investment.

Benchmark: means an index that is representative of a specific securities market (e.g. the S&P/TSX Composite Index, the FTSE/TMX 91 Day T-bill Index, etc.) against which investment performance can be compared. Performance benchmarks refer to total return indices in Canadian dollar terms.

CHUMS Financing Corporation (CHUMS): means a subsidiary of Municipal Finance Officers' Association of Ontario (MFOA) which, in conjunction with LAS, established ONE Investment.

CFA Institute: refers to the global, not-for-profit professional association that administers the Chartered Financial Analyst (CFA) and the Certificate in Investment Performance Measurement (CIPM) curricula and examination programs worldwide, publishes research, conducts professional development programs, and sets voluntary, ethics-based professional and performance reporting standards for the investment industry.

Custodian: means a specialized financial institution that is responsible for safeguarding a municipality's investments and is not engaged in "traditional" commercial or consumer/retail banking. Global custodians hold securities for their clients in multiple jurisdictions around the

world, using their own local branches or other local custodian banks ("sub-custodians" or "agent banks").

Designated Funds means source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Designated Funds are listed in Schedule B of this policy.

Diversification: means a risk management technique that mixes a variety of investment types within a portfolio to help mitigate portfolio risk. A diversified portfolio holds different kinds of investments to improve the risk adjusted returns.

Derivative: means a contract between two or more parties whose value is based on an agreed-upon underlying financial asset (like a security) or set of assets (like an index). Common underlying instruments include bonds, commodities, currencies, interest rates, market indexes, and stocks.

Environmental, Social and Governance (ESG) Investing: means considering and integrating ESG factors into the investment process, rather than eliminating investments based on ESG factors alone. Integrating ESG information can lead to a more comprehensive analysis of a company.

External Portfolio Managers: means external third-party investment management firms whose investment offerings are accessed by ONE JIB directly or through services provided to a Pooled Fund. External Portfolio Managers are agents authorized by ONE JIB in accordance with Part II of the Regulation.

Internal Controls: means a system of controls that may include authorities, policies, procedures, separation and segregation of duties, compliance checks, performance measurement and attribution, reporting protocols, measures for safekeeping of property and data, and the audit process.

Investment Plan: means the investment plan applicable to the MNRI and adopted by ONE JIB under the Regulation, as it may be amended from time to time.

Investment Policy (IP): means the investment policy applicable to the Municipality's investments adopted and maintained by the Council of the Municipality for MNRI under the Regulation, and for MRI, as the same may be amended from time to time. The policy may also apply to the money and investments held by the Municipality for the benefit of persons other than the Municipality itself and may make reference to source(s) of money in which the Municipality may have an indirect interest but which the Municipality has no authority to invest.

JIB: is short for Joint Investment Board and means a joint municipal service board that is established under section 202 of the Act by two or more municipalities for the purposes of Part II of the Regulation.

Legal List Securities: means the securities and other investments and financial instruments that are included from time to time in Part I of the Regulation.

Leverage: means an investment strategy of using borrowed money—specifically, the use of various financial instruments or borrowed capital—to increase the potential return of an investment. Typically leverage also tends to increase investment risks.

Liquidity: means the ability to turn an investment into cash relatively quickly, without a substantial loss in value. For example, a savings account is more liquid than real estate.

Local Authority Services (LAS): means an entity which, in conjunction with MFOA/CHUMS, established ONE Investment.

Local Distribution Corporation or LDC: means a corporation incorporated under Section 142 of the *Electricity Act, 1998*.

Market Value: means the price at which a security is trading and could presumably be sold. Also known as Fair Value it represents the current value of the investment.

Maturity: means the date upon which the principal or stated value of an investment becomes due.

Money not Required Immediately (MNRI): means the money that is not required immediately by the Municipality that will be under the control and management of ONE JIB and as defined in this policy that will be invested in accordance with the Prudent Investor Standard.

Money Required Immediately (MRI): means the money that is required immediately by the Municipality that remains under the control and management of the Municipality and, that can be invested in accordance with the Legal List Securities or other applicable legislation.

Municipal Services Corporation (MSC): means a corporation established under section 203 of the Act in accordance with the applicable regulation (Ontario Regulation 599/06).

Municipality: means Township of Front of Yonge.

OCIO Offering: means the comprehensive investment program made available through ONE Investment as agent for ONE JIB, where a qualified investment manager is engaged to advise a Participating Municipality with regard to the investment of the Participating Municipality's MNRI and to invest and manage such MNRI in accordance with the terms and conditions set out in the ONE JIB Agreement.

ONE Investment: means the not-for-profit corporation established by CHUMS and LAS which provides certain management, administrative and other services to ONE JIB as its agent.

ONE JIB: means ONE Joint Investment Board, established by certain founding municipalities under section 202 of the Act as a JIB for purposes of Part II of the Regulation, which is the duly appointed JIB for the Municipality, as constituted from time to time and which acts in accordance with the Act, the Regulation, the ONE JIB Agreement, including the Terms of Reference, this policy and the Investment Plan.

ONE JIB Agreement: means the agreement effective as of the Prudent Effective Date, entered into in accordance with the requirements of the Regulation, pursuant to which ONE JIB has control and management of the Municipality's MNRI.

Participating Municipality: means from time to time each of the municipalities for whom ONE JIB acts as the JIB under the terms of the ONE JIB Agreement.

Pooled Fund: means a unit trust established under a trust instrument, generally not available to the public, in which institutional, sophisticated or high net worth investors contribute monies that are invested and managed by an External Portfolio Manager. Monies are pooled or combined with monies of other investors.

Portfolio: means any collection of funds that are grouped together and available to support the infrastructure needs of the Municipality.

Proxy Voting: means a legal transfer to another party of a shareholder's right to vote thereby allowing shareholders who cannot attend meetings to participate. External Portfolio Managers usually vote proxies on behalf of their clients.

Prudent Effective Date: means the mutually agreed-upon date by the Municipality and ONE Investment on which the prudent investor regime applies to the Municipality. The Prudent Effective Date shall be on or after ONE JIB approves the Municipality as a participating municipality.

Prudent Effective Date Agreement: means an agreement entered into by the Municipality and ONE Investment that sets out the day on which the prudent investor regime starts to apply to the Municipality

Prudent Investor Standard: means the standard that applies when the Municipality invests money that it does not require immediately under section 418.1 of the Act. It requires the Municipality to exercise the care, skill, diligence and judgment that a prudent investor would exercise in making such an investment and the standard does not restrict the securities in which the Municipality can invest. The Prudent Investor Standard applies the standard of prudence to the entire portfolio in respect of the Municipality's MNRI rather than to individual securities. It identifies the fiduciary's central consideration as the trade-off between risk and return as found in the CFA Institute Standards of Practice Handbook.

Rebalancing: means the process of realigning the weightings of a portfolio of assets. Rebalancing involves periodically buying or selling securities in a portfolio to maintain an original or desired level of asset allocation or risk.

Regulation: means Ontario Regulation 438/97.

Restricted Special Assets: means investments specified by this policy and held by the Municipality as of the Prudent Effective Date, where ONE JIB cannot exercise control. Restricted Special Assets are listed in Schedule A of this policy and are not considered to be MNRI.

Risk: means the uncertainty of future investment returns or chance of loss of capital.

Risk Tolerance: means the financial ability and willingness to absorb a loss in return for greater potential for gains.

Safekeeping: means the holding of assets (e.g., securities) by a financial institution.

Securities Lending: means lending a security to another market participant. The borrower is required to deliver to the lender, as security for the loan, acceptable collateral with value greater than the value of the securities loaned. The Securities Lending program is managed by the Custodian or another appointed agent on behalf of investors. A Securities Lending program is widely used by institutional investors to generate additional incremental returns on the total portfolio.

Sinking Fund: means a fund established to fulfil the requirements to make annual contributions in respect of various debenture issues wherein money is to be regularly set aside for the payment of the principal of the debentures at maturity.

Sinking Fund Required Contributions (Annual Sinking Fund Requirement): means the amount of money to be set aside each year for deposit into a sinking fund or a retirement fund, as applicable, for each sinking fund debenture issue in accordance with the Municipality's debenture by-laws.

Sinking Fund Required Earnings: means the investment earnings needed for the Sinking Fund Contributions to continue to grow to a value sufficient to repay the principal at maturity for each issue of sinking fund debentures.

Sinking Fund Excess Earnings: means the investment earnings in excess of the required earnings.

Sub-Investment Manager: means an asset management firm or investment consultant, acting as a sub-investment manager for ONE JIB that provides investment advice and professional services and is involved in the implementation and operational aspects of the OCIO Offering, and that has full responsibility for the investment and management of a Participating Municipality's MNRI through ONE Investment, based on an policy approved by the Council of the municipality.

Third-Party Trust Funds means money over which the Municipality exercises both management and policy control, but whose assets are not owned by the Municipality. These funds are governed by a variety of agreements and, in some cases, by legislation. Some funds may have externally mandated investment policies, and some may have investment policies that are determined by the Municipality. Third-Party Trust Funds are listed in Schedule B of this policy.

Trust Fund: means a fund which consists of assets that have been conveyed or assigned to a trustee to be administered as directed by agreement or statute. As a result, a trustee holds title to the assets for the purpose of providing benefits, and being accountable, to a beneficiary. The Municipality is the trustee of funds that are to be used for specific purposes by the Municipality or any related parties.

2. PURPOSE AND LEGISLATIVE FRAMEWORK

2.1 Purpose of Policy

This policy governs the investment of the Municipality's MNRI and MRI. It is intended, among other things, to direct the Treasurer in the investment of MRI and to direct ONE Joint Investment Board (ONE JIB) in the investment of MNRI by implementing the Authorizing By-law 08-26 pursuant to which the Municipality authorized the establishment of guidelines for the prudent management of the Municipality's MNRI pursuant to section 418.1 of the Act.

In addition to the Municipality's MRI and MNRI, the Municipality is from time to time entrusted with the management of money and investments for a third-party beneficiary, or Third-Party Trust Funds. The Municipality's Third-Party Trust Funds are listed in Schedule B of this policy.

There are also source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Such source(s) of money, referred to in this policy as "Designated Funds", are listed in Schedule B of this policy. The Designated Funds and the Restricted Special Assets, listed in Schedule A of this policy, are identified in this policy for the sole purpose of enabling the Municipality to better see, on an aggregated basis, the various financial assets in which the Municipality has an interest.

ONE JIB is not responsible for the investment activities or performance of Third-Party Trust Funds, Designated Funds or Restricted Special Assets.

The goals of this policy are to:

- Define and assign responsibilities for investment of MRI and MNRI;
- Describe the Municipality's responsibilities with respect to Restricted Special Assets, Third-Party Trust Funds and Designated Funds;
- Ensure compliance with the applicable legislation;
- Direct ONE JIB as to the Municipality's investment goals and risk tolerance;
- Provide guidance and limitations regarding the investments and their underlying risks;
- Establish a basis of evaluating investment performance and the underlying risks; and,
- Establish a reporting standard to Council.

This policy applies to employees of the Municipality, to ONE JIB and to the employees of ONE Investment. ONE JIB, the Treasurer, and any agent, sub-investment manager, or advisor providing services to ONE JIB in connection with the investment of the portfolio shall accept and strictly adhere to this policy.

2.2 Governing Legislation

Investments of MRI will only be made in Legal List Securities in accordance with this policy and Section 418 of the Act. Investments of MNRI are governed by the Prudent Investor Standard in accordance with Section 418.1 of the Act. This standard is similar to that which governs trustees and pension fund administrators and creates a fiduciary responsibility. Prudent investment in compliance with the Act and the Regulation enhances the potential for the Municipality to earn improved risk-adjusted rates of return.

The Act provides that the Municipality, and therefore ONE JIB, must consider the following criteria in planning investments of MNRI, in addition to other criteria relevant to the circumstances:

- General economic conditions;
- The possible effect of inflation or deflation;

- The role that each investment plays within the Municipality's total portfolio of investments;
- The expected total return from income and the appreciation of capital; and
- Needs for liquidity, regularity of income and preservation or appreciation of capital.

Money and investments that the Municipality holds as Restricted Special Assets, Third-Party Trust Funds or has an interest in as Designated Funds will be subject to applicable legislation and any related agreements or instruments.

2.3 Prudent Investor Standard

For MNRI, the standard to be used by the Municipality and ONE JIB shall be the Prudent Investor Standard as required by section 418.1 of the Act and Part II of the Regulation in the context of managing the Municipality's MNRI and investments thereof. Investments shall be made with the care, skill, diligence, and judgment, taking into account the prevailing circumstances, that persons of prudence, discretion and integrity would exercise in the management of investments, considering the necessity of preserving capital as well as the need for income and appreciation of capital. The Act includes a duty to obtain the advice that a prudent investor would obtain under comparable circumstances.

Officers, employees and investment agents acting in accordance with written procedures and the policy and exercising due diligence shall take all necessary actions to optimize performance of investments on a portfolio basis, considering the prescribed risk and other parameters set out in this policy and market factors. The Municipality's staff acting in accordance with written procedures and this policy, shall be relieved of personal responsibility for an investment's performance, provided underperformance relative to expectations is reported to Council and the liquidation or sale of investments is carried out in accordance with this policy.

3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY

3.1 Determination of MNRI and MRI

Determination of the Municipality's MNRI is the responsibility of Council. In making the determination, Council may consider:

- the time horizon within which the monies are needed to meet financial obligations;
- the purpose for which the monies have been collected or set aside and are to be used;
- the source of the money; or
- any combination of the foregoing

MNRI is defined as *100%* of the funds included in the Township's *WDS Closure Cost Reserve Fund*. The purpose of the money is to fund the municipality's future capital and contingency needs related to the closure of the landfill.

For certainty, all money and investments of the Municipality that have not been identified as MNRI (other than Restricted Special Assets, Third-Party Trust Funds and any Designated Funds referenced in Section 2.1) shall be deemed for purposes of this policy to be MRI.

Determination of the Municipality's MNRI and MRI may be modified at any time and from time to time by action of Council and with respect to specific money by the Treasurer in accordance with the provisions of Section 6.2.

Any changes in this policy regarding the Municipality's MNRI and MRI must be communicated immediately in writing to ONE JIB.

3.2 Overview of Portfolios

The Municipality's portfolios represent funds available to support Municipal needs. A high-level description of each of these portfolios and their objectives is provided in Section 5 below. This policy applies to the following money of the Municipality, its agencies, boards and commissions including:

- MRI which is invested in Legal List Securities; and/or
- MNRI which is invested under the Prudent Investor Standard.

4. ROLES AND RESPONSIBILITIES

4.1 Role of ONE JIB

ONE JIB has been appointed by the Municipality in accordance with the requirements of the Act and the Regulation and on the terms and conditions set out in the ONE JIB Agreement (Appendix 1).

ONE JIB exercises control and management of the Municipality's MNRI and the investments made by it in accordance with the objectives and risk tolerance established in this policy.

Among the responsibilities of ONE JIB are the following:

- Reviewing this policy;
- Adopting and maintaining an Investment Plan that complies with this policy;
- Engaging Custodians, administrators and other investment professionals (i.e. Agents);
- Allocating the money and investments under its control and management in compliance with this policy;
- Monitoring the performance of the OCIO Offering and Agents; and,
- Reporting to the Municipality.

The foregoing is subject to the more detailed terms and conditions contained in the ONE JIB Agreement.

4.2 Role of Municipal Staff

This policy is approved and adopted by Council with input from the Treasurer, and from ONE JIB with respect to MNRI. MRI of the Municipality, in addition to any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 2.1, remain under the control and management of the Treasurer.

Consistent with this policy the Treasurer is responsible for the implementation of the investment program and the establishment of investment procedures which shall include:

- Investment management of MRI and any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 2.1 by, or under the direction of, the Treasurer;
- The deposit or withdrawal of MNRI, under the explicit delegation of authority regarding MNRI, and the investment thereof, to ONE JIB, which is responsible for the control and management of such funds and investments; and,
- A system of controls exercised by the Treasurer to regulate the activities of subordinate officials.

No person including, without limitation, ONE JIB, may engage in an investment transaction except as provided under the terms of this policy.

In the management of MRI of the Municipality, and any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 2.1, the Treasurer may engage one or more agents and service providers. ONE Investment can assist with the investment of the Municipality's MRI, in Legal List Securities, and with the investment of Third-Party Trust Funds, in accordance with the terms of the applicable trust, if permitted, at the request of the Municipality.

4.3 Ethics and Conflicts of Interest

Individuals who are responsible for the Municipality's MRI Investment Portfolio shall comply with the Municipality's relevant policies and guidelines and any relevant professional codes of conduct (e.g., the CPA Code of Professional Conduct).

ONE JIB, in its capacity as a joint municipal service board, in addition to being a local board of each member Municipality is subject to a Code of Conduct as required by the Act. This Code of Conduct applies to the Chair and the other Members of ONE JIB acting in their capacity as Members of ONE JIB.

5. INVESTMENT

5.1 MRI

The Municipality's MRI is described in this policy consists of money that is needed to meet the short-term financial obligations of the Municipality and are controlled and managed by the Treasurer.

5.1.1 MRI: Investment Objectives

The main focus of the investment of MRI is cash management, and the interest income generated by the investment of these monies contribute to municipal revenues. To the extent possible, the Municipality shall attempt to match its investments with anticipated obligations.

Capital preservation is the paramount objective for MRI investments, and these investments need to be highly liquid. Consequently, only high-quality investments that are also Legal List Securities will be held in this portfolio. The Municipality may invest in fully liquid money market securities and deposit accounts. The Municipality aims to maximize returns subject to the constraints set out in Part I of the Regulation, as amended from time to time, with a view to preserving capital and to further manage risk through diversification by issuer and credit quality.

The investment objectives for MRI, ranked in priority, are as follows:

a) Security of Principal
The primary objective for MRI is to ensure the security of principal. To minimize the risk of loss, investments shall be subject to minimum credit ratings and shall be diversified by maturity, type of investment and issuer. Investing activities will be reviewed on a regular basis as actual, revised and forecasted operating and capital plans are completed. Maturity dates should be structured so that investment cash inflows occur when needed.

b) Liquidity Requirements
Liquidity is measured by the ease with which securities can be converted to cash to meet forecasted spending. The investments that are eligible under the Regulation possess different features and thus market prices will vary depending on market conditions, as well as the particular features of the type of investment.

To ensure adequate liquidity, the Municipality's investments shall be diversified by holding securities of various terms to maturity and by various types of investments and issuers and to the extent possible, the term of such investments shall match the forecasted requirements for such monies to meet expenditures.

c) Rate of Return
The Municipality's money shall be invested to maximize the rate of return within acceptable risk levels while respecting the security of principal, legal constraints and the liquidity needs of each investment portfolio.

The composition of each portfolio, including its term to maturity and type of investments, shall be adjusted within the guidelines of this policy to take advantage of market opportunities. Such changes shall be made with the periodic interest rate outlook and target portfolio structure approved by the Treasurer.

5.1.2 MRI: Eligible Investments

MRI may be invested in high quality, investments that are also Legal List Securities available from banks, dealers and other financial institutions. Investments issued or guaranteed by approved institutions will be permitted by this policy, as deemed eligible by the Regulation or as authorized by subsequent provincial regulations. Investments will

be limited to securities issues maintaining a minimum credit rating by an appropriate credit rating agency.

Eligible investments include, but are not limited to, the following offerings by ONE Investment:

- ONE Investment High Interest Savings Account; and
- ONE Investment Canadian Government Bond Portfolio

Investment in the foregoing is subject to the Municipality entering into the prescribed Agency Agreement with LAS and CHUMS.

5.2 MNRI

The Municipality's MNRI is described in Section 3.1. In accordance with the ONE JIB Agreement and this policy, ONE JIB has exclusive control and management of the MNRI and the investments made therewith.

From time to time, the Municipality may require money immediately to meet financial obligations and may require ONE JIB to liquidate one or more investments in order to generate money to meet those obligations. ONE JIB will select the investment(s) to be liquidated. The timing of such liquidation will be determined by ONE JIB in consultation with the Treasurer.

5.2.1 MNRI: Investment Objectives

In setting the objectives noted below, the Municipality has taken into account the following considerations:

- Preservation of capital;
- Adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements;
- Diversification by asset class, market, sector, issuer, credit quality and term to maturity;
- Income and capital appreciation; and,
- Macro risks, such as inflation, economic growth and interest rates.

Investment of MNRI is managed by ONE JIB in a way that balances investment objectives, expected returns, and risk to develop asset allocations that achieve the Municipality's financial objectives within stated risk tolerances.

The overall MNRI portfolio investment horizon shall be in line with the projected closure date of the Township's landfill which is currently greater than 25 years. The portfolio should balance risk and the benefits of higher expected returns over a longer investment horizon. Annual growth in the portfolio shall be used to offset the annual tax-based municipal contribution required under Ontario Regulation.

Investment of MNRI is to be managed by ONE JIB in a way that balances the investment objectives with a level of risk that is appropriate for the municipality. The MNRI invested

with ONE JIB will be broadly diversified to help reduce the volatility of investment returns. Returns have an impact on revenues, as well as a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. To the extent possible, the MNRI's investment horizons are aligned with the Municipality's obligations and cash flow requirements and may consist of liquid and non-liquid securities based on future cash flow requirements.

5.2.2 MNRI: Eligible Investments

Eligible investments for MNRI include any Pooled Fund or other collective investment vehicle or institutional investment management product approved or selected by ONE Investment for the Prudent Investment Program (OCIO Offering), provided always that the products and the selection of products comply in all material respects with the policy.

Additionally, nothing in this policy prevents MNRI from being held in cash, short term money market instruments, including treasuries or overnight deposits.

5.2.3 MNRI: Sinking Funds

Not Applicable to this Municipality

5.2.4 Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities

Not Applicable to this Municipality

5.2.5 Restricted Special Assets

Except for the Municipality's investments held in the ONE Investment Legal List Portfolios specified below, all existing assets, listed in Schedule A of this policy and held by the Municipality on the Prudent Effective Date, shall be considered to be Restricted Special Assets, and shall *not* be held by ONE JIB as MNRI. The Treasurer may choose to liquidate these investments and determine that the proceeds are MNRI, to be invested as per this policy and the approved ONE JIB Investment Plan.

For certainty, Restricted Special Assets are not MNRI of the Municipality, and such assets are not under the control or management of ONE JIB.

The ONE Investment Legal List Portfolio Investments, held by the Municipality, shall be considered to be MNRI and transferred to ONE JIB to be invested as MNRI, unless deemed by the Municipality to be MRI.

5.3 Third-Party Trust Funds and Designated Funds

In addition to the Municipality's own money, the Municipality is from time to time entrusted with Third-Party Trust Funds, and the Municipality's responsibilities and obligations with respect thereto may be subject to other legislation and governed by other agreements and instruments. To the extent that there is any conflict or inconsistency between the provisions of this policy and the terms and conditions

contained in such other legislation, agreements or instruments applicable to Third-Party Trust Funds, the latter shall prevail.

The Municipality's Third-Party Trust Funds, the Designated Funds are listed in Schedule B.

For certainty, the Third-Party Trust Funds and the Designated Funds are not MNRI of the Municipality, and such assets are not under the control or management of ONE JIB.

5.4 Investment Management

5.4.1 Investment Management of MRI

The investment of MRI shall be controlled and managed by the Treasurer.

5.4.2 Investment Management of MNRI

The investment of MNRI shall be controlled and managed by ONE JIB in accordance with this policy and the ONE JIB Agreement.

The selected Sub-Investment Manager shall enter into an agreement with ONE Investment related to the OCIO Offering, that complies with this policy and Part II of the Regulation and will provide compliance and performance reports to ONE JIB and One Investment. ONE JIB shall make any investment management changes deemed in the best interest of the Municipality.

5.5 Transition to Prudent Investor Regime / OCIO Offering

Until the Prudent Effective Date, the Municipality will continue to control and manage its MRI, MNRI and investments in Legal List Securities. Some Legal List investments were made with MRI and some with MNRI.

During the transition to the OCIO Offering the Chair and Vice-Chair of ONE JIB have discretionary power to approve temporary investments recommended by the Sub-Investment Manager that may not be expressly described in this policy but are, in the opinion of the Chair and Vice-Chair, in the best interests of the Municipality and are entirely consistent with their fiduciary obligations to the Municipality.

All MNRI that is not Third-Party Trust Funds, Designated Funds or Restricted Special Assets shall be provided to ONE JIB on the Prudent Effective Date.

5.6 Investment Constraints

5.6.1 Environmental, Social and Governance (ESG) Investing

The Municipality supports ESG investing for MRI and MNRI. The Municipality believes that well-managed companies are those that demonstrate high ethical and environmental standards and respect for their employees, human rights, and the communities in which they do business, and that these actions contribute to long term financial performance.

For the investment of MRI, the Municipality has chosen to monitor the developments of ESG factors and will reconsider its approach to ESG investing for the MRI Investment Portfolio as and when appropriate to do so.

For the investment of MNRI, ONE JIB is required to explore and consider how the OCIO is implementing responsible investing principles at the time of hiring and during periodic reviews. It may report on results periodically, if requested.

5.6.2 Securities Lending

For the investment of MRI, Securities Lending is not permitted.

For the investment of MNRI, the Municipality may invest in pooled funds, and other investment funds that are managed by the Sub-Investment Manager who may engage in Securities Lending if the policies of the OCIO permit such an action.

5.6.3 Derivatives

Derivatives shall not be used for the investment of MRI.

For the investment of MNRI, futures and forwards contracts, options and other derivative instruments may only be used to (a) create an asset mix position that does not leverage the portfolio, (b) replicate the performance of a capital market index, or (c) reduce risk as part of a hedging strategy

5.6.4 Use of Leverage

Nothing in this policy prevents the use of leverage, provided it is prudent to do so. Leverage is inherent in the use of certain types of investment strategies and instruments. Where leverage is employed, ONE JIB (for MNRI) and the Treasurer (for MRI) shall have in place monitoring procedures to manage overall exposure to any counterparty. Leverages should not be exercised for speculative purposes but may be used as a hedging tool.

5.6.5 Pooled Funds

Investments in open-ended pooled funds, closed-ended pooled funds, limited partnerships and other specialist corporate structures (e.g. LLCs), are permitted provided that the assets of such funds are permissible investments under this policy or provided that any non-permitted investments are disclosed by the Sub-Investment Manager. Within pooled funds, the External Portfolio Manager's policies will take precedence over this policy.

5.6.6 Currency Hedging

The MRI Investment Portfolio will not utilize currency hedging.

The Municipality's funding requirements are in Canadian dollars. However, some exposure to foreign currencies in the MNRI Investment Portfolio may be advantageous to provide diversification and potentially enhance returns. Therefore, it shall not be a

violation of this policy for investments in global mandates to be unhedged, in whole or in part, where the diversification benefits embedded in the currency exposure are considered to be beneficial or desirable by ONE JIB.

5.6.7 Alternative Asset Classes

The applicable legislation does not prevent the direct / indirect placement of the MNRI in Alternative Assets Classes; this policy permits investments in alternative investments for the purpose of management of MNRI under ONE JIB.

Alternative Asset Classes, such as infrastructure or real estate, may have uncorrelated return characteristics with traditional Asset Classes that may improve diversification within the portfolio, which may lead to better risk adjusted returns. Typically, these investments may not be fully liquid and are only appropriate for inclusion in portfolios with long investment horizons.

5.6.8 Prohibited Investments

Not Applicable

5.7 Performance Monitoring, Rebalancing and Management

5.7.1 MRI

The performance benchmarks may vary from time to time, as decided by the Treasurer, subject to the investment constraints listed in the policy.

5.7.2 MNRI

For the investment of MNRI, ONE JIB shall establish parameters for monitoring investments and rebalancing through policy or directly within the Investment Plan.

Investments are expected to achieve returns at least equal to their benchmarks measured over a rolling five-year period. At minimum, ONE JIB shall provide reporting described in Section 6.7 below that shows the Municipality's holdings, confirms compliance with this policy, and reports on the Sub-Investment Manager's performance.

6. ADMINISTRATIVE POLICIES

6.1 Flow of Money and Annual Municipal Budget

6.1.1 Transfer to ONE JIB as Part of Annual Review Process

On an annual basis, as part of the Municipality's Annual Review process, the Municipality shall identify the amount, if any, of MNRI that it holds. Any MNRI not already under the control and management of ONE JIB shall be transferred to ONE JIB as soon as practicable.

6.1.2 Transfer to Municipality as Part of Annual Review Process

On an annual basis, ONE JIB shall be notified by the Treasurer as to the amount, if any, required by the Municipality from the MNRI then under the control and management of ONE JIB for the Municipality's operational purposes. Such amount shall be deemed to be MRI and shall be returned to the Municipality in a lump sum or by way of periodic payments, as directed by the Treasurer.

6.2 Flow of Money Otherwise than through the Budget Process

6.2.1 Surplus Funds

The MRI captures revenues received by the Municipality during each year after the approval of the Municipality's budget for the year. Any amounts deemed to be MNRI by the Treasurer at any such time during the year shall be transferred to ONE JIB to be under its management and control as MNRI. Amounts so transferred will be recorded annually in the Investment Plan and allocated by ONE JIB in accordance with the Investment Plan.

6.2.2 Contingencies

The Treasurer is authorized to direct ONE JIB to return any amounts determined by the Treasurer to be required to meet expenditures for unexpected contingencies not anticipated by the Municipality's budget in force for that year, provided however that the aggregate of the amounts to be returned to the Municipality under this Section 6.2.2 during the year shall not exceed 25% of the MNRI under the control and management of ONE JIB as at the date that the Municipality approved its budget for the year (the Budgeted MNRI). In determining the Budgeted MNRI for purposes of calculating the 25% limit, any MNRI to be transferred to the control and management of ONE JIB in accordance with that year's Annual Review pursuant to Section 6.1.1 above shall be included and any amount to be returned by ONE JIB to the Municipality pursuant to Section 6.1.2 shall be excluded. ONE Investment should be made aware of material transactions in advance to ensure the orderly sale of securities to fund withdrawals.

6.3 Valuation of Investments

Investments shall be valued according to the values provided by the Custodian(s). For the investment of MNRI, values of unitized vehicles shall be valued according to the unit values published by the Custodian. Other investments shall be valued at their market value when that is available from regular public trading. If a market valuation of an investment is not available, then a fair value shall be supplied by the Sub-Investment Manager to ONE Investment no less frequently than quarterly.

6.4 Voting Rights

The Sub-Investment Manager shall assume the responsibility of exercising voting rights in respect of the Municipality's MNRI and will report its voting policies to ONE JIB annually. The Municipality may access these policies at any time.

6.5 Internal Controls

The Treasurer shall establish an annual process of review of all investments made under this policy. This review will provide internal control by assuring compliance with governing

legislation and with policies and procedures established by the Treasurer. To the extent ONE JIB's input is needed, these requirements will be communicated in advance to ONE JIB.

6.6 Custodians

All municipal investments and assets of the investment portfolios may be held by a Custodian and any of the Custodian's sub-custodians or nominees. For MNRI, the Custodian shall be acceptable to ONE Investment. For MRI the Custodian shall be acceptable to ONE Investment, if ONE Investment is administering the investment of the Municipality's MRI; otherwise, the Custodian shall be acceptable to the Municipality.

6.7 Reporting

6.7.1 MRI

For the investment of MRI, the Treasurer shall report at least annually to Council, the report to be in a form and contain such content as Council may request. The report to Council shall include investment performance during the period covered and any other information required under the Regulation and that the Treasurer may consider to be pertinent.

6.7.2 MNRI

The Regulation provides that ONE JIB shall submit an investment report to Council in respect of the investment of MNRI at least annually. This report shall include the following.

- Investment performance during the period covered by the report;
- Asset mix of the total portfolio;
- A listing of individual investments held at the fund level at the end of the reporting period showing, where appropriate, book value, market value, realized/unrealized gains/losses and actual income received;
- A list of all transactions including the security name, trade date, and the purchase and/or sale price;
- A statement by the Treasurer as to whether all investments were made in accordance with the policy and as to whether all investments were made in accordance with the Investment Plan; and
- Any other pertinent information in the opinion of the Treasurer.

All MNRI or MRI invested on behalf of the Municipality by ONE JIB or with the assistance of ONE Investment shall be held for safekeeping in the name of the Municipality by a Custodian.

7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE

7.1 Revocation / Amendment of Previous Investment Policy

This is a new policy; therefore, this section is not applicable.

7.2 Modifications to the Policy

At least annually, Council shall review the policy and update it, if required. While reviewing the policy, Council may request comments from the Treasurer with respect to the investment of MRI and from ONE JIB with respect to the investment of MNRI.

Following the Council's review of the policy, ONE JIB shall review the Investment Plan and update it, if required.

At a minimum, the annual policy review will consider:

- the adequacy of funding for capital works;
- the Municipality's ability to reduce other spending;
- flexibility of the timeframe to payout; and
- sensitivity to loss.

7.3 Effective Date

This policy is adopted by Council of the Municipality effective February 2, 2026. The Treasurer is directed to sign a copy of this policy to evidence approval and to deliver a copy of this policy to ONE JIB.

_____

Signed by:

_____

[Title: Treasurer]

_____

Date

Schedule A

Restricted Special Assets

Debt Securities

Not Applicable

Own Debt Securities

Not Applicable

LDC and other MSC Securities

Not Applicable

Other

Not Applicable

Schedule B

Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

Not Applicable

Designated Funds

Not Applicable

Appendix 1: ONE JIB Agreement

Attachment 2

Print

Clear Form

Municipal Client Questionnaire (MCQ)

The MCQ is part of the ONE Investment / ONE JIB annual Investment Plan review (approval) process. The MCQ along with the Council approved (reviewed) Investment Policy informs ONE JIB of the municipal circumstances to consider with the approval of the Investment Plan.

During the year, outside of the annual review, please update the MCQ within 90 days if the municipality experiences any significant changes, *including a significant change in your municipality's financial circumstances*, or *significant change in the amount of your municipality's "money that it does not require immediately"*. For changes between annual reviews, provide written notice of changes by using the in-year MCQ update form on the last page of this document.

Section 1 – Client Information

Name of Municipality: Corporation of the Township of Front of Yonge

Address: 1514 County Rd 2, Mallorytown ON K0E 1R0

Treasurer Information

Name: Sherry Reed

Phone Number: (613) 923-2251 Extension: 104

Email: sreed@frontofyonge.com

*Primary Day to Day Contact Information** ☑ *Check if same information as Treasurer above*

Name:

Phone Number: Extension:

Email:

*Primary day-to-day contact should have a comprehensive understanding of your Municipality's financial position and investment needs.

Section 2 - Investment Knowledge and Experience

2.1 Which statement best describes the Municipal staff (person most responsible for managing investments)'s level of investment knowledge and experience with financial markets and products? *Please check one*

- ○ Very limited knowledge
- ◉ Basic knowledge and minimal experience
- ○ Good knowledge and some experience
- ○ Strong knowledge and experience
- ○ Advanced knowledge and extensive experience

2.2 If Municipal staff have strong or advanced knowledge, please describe where this knowledge was acquired (e.g., education, designations experience).

2.3 Please indicate if your municipality has used / held any of the following investment types within the past five years. *Please check all that apply.*

- ☐ Canadian money market securities
- ☒ Locked-in Investments (e.g., GICs, PPNs etc.)
- ☐ Local Distribution Corporation Securities (LDC securities)
- ☐ Securities held in third party trusts (i.e., cemetery trust, legacy fund etc.)
- ☒ Fixed income (government and/or corporate bonds)
- ☐ Equities
- ☐ Other – Please Describe

Section 3 – General Municipal Information

This section provides some high-level demographic information on the municipality

3.1 What is the population of the Municipality? 2,595

3.2 Is your municipality a single tier, upper tier or lower tier? Lower Tier

3.3 How much does a 1% tax rate increase generate? 22,705

3.4 Is there any other demographic information about your municipality you would like the ONE JIB to know? *(optional)*

Front of Yonge is a rural municipality in Ontario's United Counties of Leeds and Grenville, situated along the St. Lawrence River within the 1000 Islands region. It covers approx 148 square kilometers.

Section 4 – Municipal MNRI Information

4.1 This section summarizes the current MNRI under the management and control of the ONE JIB and the projected change identified in the annual review. *The total value should equal the total MNRI shown in Question 5.1 Investment Objectives and Horizon*

.

Description	Value
Portfolio Value (A) - *For existing municipalities this is the amount currently invested with ONE JIB as of your last monthly statement.* - *For new municipalities this should be $0*	0
Change to MNRI: Additional contribution (+) or withdrawal (-) (B) - For existing municipalities this is the MNRI change identified during the annual review (fund transfers are typically completed with 30 days of ONE JIB's approval of the updated investment plan) - For new municipalities, this equals your initial deposit as of the Prudent effective date (TBD)	$ 493,962
Total MNRI under the management and control of ONE JIB (A + B)	$ 493,962

☐ Additional details have been included as an attachment to this MCQ (optional).

4.2 Use this *optional* box to provide any additional MNRI details related to 4.1 above (in lieu of a separate attachment)

MNRI has been defined as 100% of the Township's WDS Closure Cost Reserve Fund (WDS RF). As of December 31, 2024 the balance in this reserve was $408,789. The preparation of the 2025 Financial Statements & Audit is currently ongoing and the final MNRI valuation at December 31, 2025 is estimated to be $493,962.

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. There is a requirement for closure and post-closure care of solid waste landfill sites, the Township is required to contribute to this expected cost over the lifetime of the landfill. The Township has one active landfill site, with remaining capacity of approximately 35 years (2023). Post closure care is estimated to continue for 20 years after end of life. The estimated costs to complete post closure is $2.4M (2024).

Section 5 – MNRI Investment Objectives and Liquidity Needs

This section asks about your Municipality's MNRI, the purpose or investment objective and the expected investment horizon or when funds may be required to meet forecasted municipal obligations.

5.1 What is the Municipal *funding objective(s), investment horizon(s) and purpose(s)* for the MNRI? *The total MNRI value should equal the total MNRI shown in Question 4.1 Municipal MNRI Information*

MNRI by Investment Horizon

Description	Total MNRI ($) (A+B+C) *auto calculate*	Investment Horizon < 5 Years (A)	Investment Horizon 5-10 Years (B)	Investment Horizon >10 Years (C)
Landfill Closure	$ 493,962			$ 493,962
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 493,962	$ 0	$ 0	$ 493,962

Note – Description is up to the municipality, it could be total MNRI (one line) or broken out into the funding objective/investment purpose, or municipal reserve name/group (multiple lines)

☐ Additional details have been included as an attachment to this MCQ (optional).

5.2 Based on *current* municipal forecasts, please provide details that may help inform the ONE JIB about ***potential drawdowns/additions to MNRI*** that may be anticipated in future years.

Cash Flow Projections Potentially Affecting Future MNRI

Description	Next Year	2 years	3-5 years	5-10 years	10 years +
Anticipated MNRI Drawdowns (-)					
Anticipated MNRI Contributions (+)					
Net Change to MNRI	$ 0	$ 0	$ 0	$ 0	$ 0

5.3 Does the municipal forecasts used (above in 5.2) reflect

☐ Drawdowns of current reserve balances, or

☐ Drawdowns of current reserve balances inclusive of projected future budgetary contributions

5.4 What *assumptions or factors* do your municipality include in the MNRI cash flow projections? For example, but not limited to, inflation assumptions on capital projects, assumptions on future tax-based reserve contributions, forecasted development charge revenue etc.

The annual D&O report from Malroz Engineering determines amount to be added to reserve fund each year, all based on the life expectancy of site. Last report of Mar 28/25 states 35 years of capacity remaining.

Annual funding requirement can fluctuate, historically the Township had been contributing a fixed amount of $20,000 annually, but had stopped due to being overcontributed in the reserve. For the last couple of years, a variable calculation has been used which could mean $0 is the annual contribution. Capital gains from investments could offset annual tax based contributions.

The 2024 valuation of the estimated post-closure costs is $2.4 million, which is an increase of $600 thousand above the 2023 estimate.

See Attachment (2024 Financial Statement Note 6)

5.5 Does your municipality forecast beyond 5 years, if yes, what is the level of accuracy?

Asset Management Plan dictates infrastructure requirements for 10 years. Quite accurate.

5.6 Does your current municipal forecast include any large (or unusual) capital expenditures, which are outside of normal operations?

☐ Yes ☒ No

5.7 Do you anticipate any *potential* change in *liquidity needs* in the future (i.e. within 2 years, within 5 years or beyond 5 years) which may impact on the investment time horizon? An example could be a large capital infrastructure project with timing TBD, or with grant funding pending etc. If yes, please elaborate.

No

5.8 How does your Municipality manage unanticipated requests for funding? Can you characterize the probability that your municipality may need to draw down MNRI to fund unexpected budget shortfalls?

We currently have not had to deal with significant unanticipated funding requests.

5.9 Are there any *other unique circumstances* to your municipalitythat may impact your cash flow MNRI forecast, return objectives and risk tolerance that the Investment Plan should consider?

None that we can think of at this time.

Section 6 – Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this 14 day of April, 2026

Sherry Reed

Name and Signature of Treasurer

Second Signature (if required)

Attachment 3

INVESTMENT PLAN FOR

The Township of Front of Yonge

DATE: May 28, 2026

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1

DEFINITIONS

Definitions applicable to this Investment Plan can be found on the ONE Investment webpage under Education & Training / Glossary.

2

PURPOSE

As required under the prudent investor regime authorized by the Municipal Act, 2001 (Act), and Ontario Regulation 438/97 (Regulation), this Investment Plan (Plan) establishes how ONE JIB will invest the Township of Front of Yonge's Money Not Required Immediately (MNRI) as defined in section 5.3 of Front of Yonge's Investment Policy Statement (IPS).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Township of Front of Yonge.

3

RESPONSIBILITY FOR PLAN

This Plan is the responsibility of ONE JIB, which has authorized its agent, ONE Investment, to exercise its administrative investment functions in accordance with the Regulation. ONE JIB oversees ONE Investment staff using procedures, reports, and regular reviews to monitor compliance with the Act, the Regulation and the Township of Front of Yonge's IPS.

ONE Investment has engaged PH&N Institutional to provide OCIO services. PH&N Institutional is the business division of RBC Global Asset Management responsible for managing assets for Canadian institutional clients. PH&N Institutional will be involved in implementing the Investment Plan, monitoring and reporting investments, and providing ancillary services to support the OCIO Offering.

RBC GAM's investment professionals are committed to providing each client with investment solutions that are appropriately tailored to address the client's investment situation. This means understanding macroeconomic trends and strategies and the diverse and evolving investment needs of clients.

4

INVESTMENT GOALS AND OBJECTIVES

The Township of Front of Yonge's investment needs, as described in its IPS, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the MCQ and dialogue with the Treasurer inform ONE JIB about Front of Yonge's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Front of Yonge's MNRI in this Plan is consistent with the details as disclosed in Front of Yonge's IPS and MCQ. Section 5.5.2 of Front of Yonge's IPS provides specific information that characterizes the objectives for MNRI, as detailed in Table 1 below:

Table 1: The investment objectives for MNRI.

Category	**Objective & Risk Tolerance**
Objectives for overall MNRI	• Preservation of capital • Provide adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements • Diversification by asset class, market sector, issuer, credit quality, and term to maturity • Achieve capital appreciation and income while managing risk to an appropriate level.

The MNRI invested with ONE JIB will be broadly diversified across asset class, market, sector, issuer, credit quality, and term to maturity to help reduce investment return volatility. Returns impact revenues and have a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. The MNRI shall be invested to obtain a progressively higher rate of return for longer-term investment horizons, commensurate with stated risk tolerances.

The MNRI balances will be invested primarily to achieve capital growth over time. Achieving returns above inflation is a key investment objective, but near-term liquidity from investments likely will not be required.

5

INVESTMENT PORTFOLIO

Asset allocations are typically expected to be relatively stable until the next annual review. Any contributions or withdrawals of MNRI must be communicated to ONE JIB formally as outlined in the ONE JIB Withdrawals of Money Not Required Immediately (MNRI) Policy

5.1 Account Structure

MNRI Investment Horizon	Risk Tolerance / Model Assigned	Allocation
Consolidated MNRI Holdings	Model G (70% Equity) assigned.	$493,962

Other considerations:

- Front of Yonge will be making an initial MNRI contribution of $493,962 this year
- 100% of MNRI is associated with reserve funds to cover the future closure costs of its landfill site
- The estimated remaining life of the landfill site is 35 years
- Costs to close the site in the future represent a future liability for Front of Yonge.
- The funded status of this reserve is reviewed annually and as appropriate, the Township may need to contribute additional MNRI.
    - In the past, the annual contribution was $20,000 a year, but as the reserve was deemed to be overfunded, annual contributions were suspended.
    - Future contributions may be required, but cannot be reliably predicted
    - No drawdowns of MNRI are anticipated before closure – there are no near-term liquidity needs.
- The IPS permits the use of alternative investments
    - While alternative investments are suitable for its circumstances, the municipality has very limited investment experience.
    - It is recommended that the inclusion of alternative investments in Front of Yonge's portfolio be deferred until the council and staff have more experience with prudent investing.
- Model G has been recommended and is suitable based on the very long investment horizon and lack of near-term liquidity needs.

5.2 Allocations

70% EQUITY MODEL (G)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	10	30%	40
Global Fixed Income and Credit	0	0%	10
Canadian Equities	25	35%	45
Global Equities	25	35%	45
Alternatives	0	0%	0
Total		100%	

* Further details on holdings and benchmarks for this model are detailed in a ONE JIB report approved on September 4, 2025. (Model Portfolio Review 2025).

6

APPLICABLE ONE JIB POLICIES

The Plan adheres to the following ONE JIB Policies subject to periodic review and updating and are posted to the ONE Investment website.

- ONE Anti-Money Laundering Policy
- ONE JIB Fund Deviation Policy
- ONE JIB Principles of Good Benchmarks Policy
- ONE JIB Withdrawals of MNRI Policy
- ONE JIB In-Kind Securities Policy
- ONE JIB Responsible Investment Policy
- ONE JIB Policy for Reviewing the External Sub-Investment Manager
- ONE JIB OCIO Compliance Monitoring Policy

7

ELIGIBLE FUNDS

The eligible funds are listed under Schedule "A" of the Investment Management Agreement between RBC Global Asset Management Inc. and ONE Investment, which may be reviewed and updated periodically.

In asset classes where more than one fund is eligible for investment, the OCIO will be responsible for determining which fund(s) to include in the client portfolio after due consideration for (1) the individual characteristics of the fund, (2) prevailing market conditions impacting the fund's liquidity and capacity, and (3) its alignment with the Municipality's investment objectives and philosophy.

The Manager shall manage the RBC GAM Fund(s) according to the pooled fund investment mandate including the investment guidelines contained therein developed by the Manager in respect of each RBC GAM Fund (each, an "Investment Mandate").

Asset Classes	**Sub-Asset Classes**	**Eligible Fund Names (Schedule "A" of IMA)**
	Fixed Income	
Cash & Equivalent	Money Market	PH&N Canadian Money Market Fund
Canadian Fixed Income	Short-Term Bonds	PH&N Short Term Bond & Mortgage Fund RBC Vision Fossil Fuel Free Short Term Bond Fund
	Universe Bonds	PH&N Bond Fund PH&N Enhanced Total Return Bond Fund RBC Vision Bond Fund RBC Vision Fossil Fuel Free Bond Fund
	Corporate Bonds	PH&N Corporate Bond Trust*
	Private Placement Corporate Debt	PH&N Private Placement Corporate Debt Fund*
	Commercial Mortgages	PH&N Mortgage Pension Trust* RBC Commercial Mortgage Fund*
Global Fixed Income and Credit	High-Yield Bonds	RBC High Yield Bond Fund PH&N High Yield Bond Fund
	Global Multi-Asset Credit	BlueBay Total Return Credit Fund
	Global Bonds	RBC Global Bond Fund
	Emerging Markets Bonds	RBC Emerging Markets Bond Fund

	Equities	
Canadian Equities	Canadian Equities	PH&N Canadian Equity Value Fund PH&N Canadian Equity Fund RBC Vision Canadian Equity Fund RBC QUBE Canadian Equity Fund
	Canadian Low Volatility Equities	RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund RBC QUBE Low Volatility Canadian Equity Fund
Global Equities	U.S. Equities	PH&N US Equity Fund RBC QUBE US Equity Fund
	U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Fund
	International Equities	RBC International Equity Fund RBC International Equity Index Fund RBC QUBE International Equity Fund
	Global Equities	RBC Global Equity Focus Fund RBC Global Equity Leaders Fund RBC Vision Global Equity Fund RBC Vision Fossil Fuel Free Global Equity Fund RBC QUBE Global Equity Fund
	Global Low Volatility Equities	RBC QUBE Low Volatility Global Equity Fund
	Emerging Markets Equities	RBC Emerging Markets Equity Fund RBC Emerging Markets Dividend Fund
Alternatives	Real Estate	RBC Canadian Core Real Estate Fund
	Infrastructure	RBC Global Infrastructure Fund

8

REBALANCING

The OCIO is authorized to execute trades, as appropriate, to maintain compliance with the Investment Plan.

Rebalancing shall occur in accordance with the Participating Municipality's Investment Policy Statement and Investment Plan.

Rebalancing plans and exact timing should account for upcoming material changes that may impact the Investment Plans, such as updates to the Investment Policy Statement or the Municipal Client Questionnaire.

As appropriate, the size and frequency of trading activities shall be minimized to help reduce the administration and costs of trading.

9

IMPLEMENTATION

9.1 Custodian

All marketable investments under the control and management of ONE JIB, shall be held for safekeeping by ONE Investment's Custodian.

9.2 Implementation Plan

Timeline	Implementation Details
June 2026	• The Treasurer will liquidate holdings in the ONE Government Bond Portfolio. Additional funding required for the MNRI contribution will be drawn from the ONE HISA account. • MNRI will be remitted to ONE JIB in early June and invested in Model G.

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested as per the ONE Distribution Policy PI and cashflow needs of Front of Yonge are expected to be financed with the sale of units of the pooled funds. Payment of OCIO Fees and Governance fees will also be financed with the sale of investment pool units.

REPORT

To: ONE Joint Investment Board
From: Keith Taylor, Chief Investment Officer, ONE Investment
Date: May 28, 2026
Re: Town of Georgina's Investment Plan 2026
Report: ONE JIB 2026-021

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the Town of Georgina's Investment Policy Statement (Attachment 1)
2. Receive the Town of Georgina's Municipal Client Questionnaire (Attachment 2)
3. Approve the Town of Georgina's proposed Investment Plan invested in Model G (Attachment 3)

2. SUMMARY

The Town of Georgina has requested to join ONE JIB as a Participating Municipality. The Municipal Client Questionnaire (MCQ) provides information on its Money Not Required Immediately (MNRI) and the investment horizons associated with its reserve balances, which have informed the recommended allocations. Georgina's initial $20 million contribution to MNRI has a long investment horizon, and the Town does not anticipate MNRI drawdowns within the next ten years.

The proposed investment allocation is a result of a review of the municipality's circumstances, needs, and risk tolerance. Due to the long investment horizon involved, Model G, which allocates 70% to equities within a fully diversified portfolio, has been recommended for Georgina's MNRI. A summary of this allocation is shown below:

70% EQUITY MODEL (G)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	30%	$6,000,000
Global Fixed Income and Credit	0%	$0
Canadian Equities	35%	$7,000,000
Global Equities	35%	$7,000,000
Alternatives	0%	$0
Total	100%	$20,000,000

3. BACKGROUND

Georgina is York Region's Northern Gateway to Cottage Country

Georgina is a town in south-central Ontario, the northernmost municipality in the Regional Municipality of York, located on the south shores of Lake Simcoe. Known for its lakeside living and cottage country vibe just an hour north of Toronto, it features communities like Keswick, Sutton, and Jackson's Point, with attractions including the Georgina Pioneer Village Museum, historic churches, beaches, and year-round recreation. With its large geographic footprint in York Region, it supports a tourism-driven economy bolstered by seasonal visitors and local agriculture.

Georgina's investment allocation will be based on the model portfolios approved by the ONE JIB on September 4, 2025

The recommended investment allocations for Georgina's MNRI were determined with consideration of the investment horizon associated with its MNRI, while also reflecting the Town's circumstances, needs, and investment restrictions. A single allocation is being recommended based on the Model Portfolios reviewed and approved at the September 4, 2025, ONE JIB meeting.

Georgina will contribute $20 million to MNRI to be invested with ONE JIB, all of which has a long investment horizon

The Treasurer has provided details of the time horizons associated with reserve balances, which have informed the proposed allocations in the Investment Plan. Overall, the Town has a long investment horizon, allowing Georgina to invest to achieve long-term growth. Details on the reserve balances and estimates of the investment horizon associated with these reserves are provided in Table 5.1 of Georgina's MCQ. Table 1 below summarizes these details:

Table 1: Summary of the investment horizon of MNRI, from Table 5.1 of MCQ

Description (i.e. Funding Objective, Investment Purpose, or Municipal Reserve)	Total MNRI	Investment Horizon < 5 Years	Investment Horizon 5-10 Years	Investment Horizon >10 Years
Repair/Replacement Reserves (Roads, Facilities, Fleet, Equipment)	$ 14,100,000	-	-	$14,100,000
Capital Reserves (Corporate Capital, New Infrastructure)	1,700,000	-	-	1,700,000
Contingency Reserves Funds (Tax Rate Stabilization)	4,200,000	-	-	$4,200,000
Total MNRI	$20,000,000	-	-	$20,000,000

Investment income can help provide Participating Municipalities with an additional source of revenue

Ontario municipalities are under growing pressure to deliver the kinds of infrastructure residents expect, including recreation facilities, fire halls, roads, and libraries, while keeping property tax rate increases at a reasonable level. Balancing these expectations with available revenue sources is becoming increasingly difficult as costs rise and demand grows.

When funding for capital projects cannot be secured through other channels, such as government grants or the existing tax or rate base, municipalities often have no choice but to delay or scale back their plans or resort to debt financing. Under the *Municipal Act*, municipalities are prohibited from running an operating deficit, which further limits their flexibility in responding to these demands.

Earnings from municipal investments can make a meaningful difference. By applying these returns to capital costs, municipalities can reduce the pressure on the tax base, maintain service levels, keep up with inflation, and progress with key projects in a manner that is both financially sustainable and responsible.

In Georgina, each one percent increase in property tax rates yields approximately $629,000 in additional annual revenue. However, there are limits to how much municipalities can rely on tax increases to fund capital projects, which underscores the importance of investment income as a complementary source of funding.

Council has elected to permit the use of long-term alternative investments

The Investment Policy Statement (IPS) was approved by Georgina's council on May 1, 2026, and is based on the most recent IPS template approved by ONE JIB. This IPS does not impose any additional restrictions on how the MNRI is to be invested beyond those specified in the IPS template. The council chose to permit the use of long-term alternative investments in the IPS. Approval of the use of alternative investments could potentially lead to their inclusion in its allocation if they are deemed suitable based on the municipality's circumstances.

4. ANALYSIS

Model G is recommended for Georgina's MNRI, offering a well-diversified portfolio with 70% allocated to equities.

The investment allocations proposed in the Investment Plan reflect the long investment horizon of Georgina's MNRI. No drawdowns are anticipated within the next 10 years, and the Treasurer indicated that it is possible that additional MNRI will be committed in the coming years.

The IPS permits the use of alternative investments, but they have not been included in the

recommended allocation at this time. . Because alternative investments require long-term capital commitments, lack immediate liquidity, and carry significant penalties for early withdrawal, they are not recommended at this time. The CIO believes it is most prudent to establish the core portfolio first. Once staff and Council gain experience under the Prudent Investor framework, the inclusion of alternative investments can be re-evaluated.

The proposed allocation, Model G, with 70% exposure to equities, is appropriate given the long investment horizon and lack of near-term liquidity needs. Table 2 below provides summary statistics for Model G, and Table 3 further details Georgina's investment allocations.

Table 2: Summary statistics for Model G

Summary Statistics	Model G
Long-Term Return	6.79%
Annual Downside Risk[1]	-19.61%
Annual Volatility	9.77%
Sharpe Ratio	38.3

Notes:

[1] Annual Downside Risk (CVaR95) represents the expected loss during the worst 5% of return outcomes.

Hypothetical performance analyses are for illustrative purposes only and there is no guarantee that hypothetical returns or projections will be realized.

Table 3: Georgina's Allocation Summary

70% EQUITY MODEL (G)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	10	30%	40
Global Fixed Income and Credit	0	0%	10
Canadian Equities	25	35%	45
Global Equities	25	35%	45
Alternatives	0	0%	0
Total		100%	

5. CONCLUSION

The Town of Georgina will be joining ONE JIB as a Participating Municipality with an initial contribution of $20 million to MNRI. The Town has a long investment horizon, as all MNRI associated with reserves are identified as having an investment horizon that exceeds 10 years. Also, no near-term liquidity needs are expected within the next 10 years. Based on these circumstances, Model G has been recommended, which has a 70% allocation to equities. The allocation will not include exposure to long-term alternative investments at this time, but they may be added in future years. This proposed asset mix and fund allocation align with its IPS and MCQ's investment objectives and risk preferences. Consequently, the Investment Plan is suitable for Georgina's circumstances and needs,

reflecting the time horizons of its MNRI.

ATTACHMENTS

Attachment 1: Town of Georgina's Investment Policy Statement
Attachment 2: Town of Georgina's Municipal Client Questionnaire
Attachment 3: Town of Georgina's proposed Investment Plan

Drafted by: Keith Taylor, Chief Investment Officer; Jennifer Hess, Manager Investment Services
Approved by: Afshin Majidi (interim) and Donna Herridge, Co-Presidents/CEOs

Attachment 1

TOWN OF GEORGINA – OFFICE OF THE DCAO – FINANCIAL STRATEGY AND PLANNING

Subject: Investment Policy	**Authority, Ref. & Sec.** Version 1		
Policy No.: **DCAO-2025-XXX**	**Page:** Page **1** of **18**	**Year** 2026	**Month** 04	**Day** 01
Approved by: Council	**Contact Position for Inf.** Senior Financial Analyst, Financial Strategy and Planning		

1. POLICY STATEMENT

1.1. The Corporation of the Town of Georgina (Town) shall manage and invest funds not required for immediate use in a manner that is consistent with legislative requirements and prudent investment practices. Investments shall be undertaken with primary emphasis on the preservation of capital, the provision of sufficient liquidity to meet forecasted financial commitments, and the attainment of a reasonable rate of return within acceptable risk tolerances. All investment activities shall be carried out in compliance with the Municipal Act, 2001, Ontario Regulation 438/97, and this Investment Policy (Policy).

2. APPLICATION

2.1. This Policy applies to employees of the Municipality, to ONE JIB and to the employees of ONE Investment. ONE JIB, the Treasurer, and any agent, sub-investment manager, or advisor providing services to ONE JIB in connection with the investment of the portfolio shall accept and strictly adhere to this Policy.

3. PURPOSE

3.1. This Policy governs the investment of the Town’s money not required immediately (MNRI) and money required immediately (MRI). lt is intended, among other things, to direct the Treasurer in the investment of MRI and to direct ONE Joint Investment Board (ONE JIB) in the investment of MNRI by implementing the Authorizing Bylaw number 2026-0028 (BA-7) pursuant to which a Municipality authorized the establishment of guidelines for the prudent management of the Town's MNRI pursuant to section 418.1 of the Act.

3.2. The goals of this Policy are to:

- Define and assign responsibilities for investment of MRI and MNRI;
- Ensure compliance with the applicable legislation;
- Direct ONE JIB as to the Town’s investment goals and risk tolerance;

- Provide guidance and limitations regarding the investments and their underlying risks;
- Establish a basis of evaluating investment performance and the underlying risks; and,
- Establish a reporting standard to Council.

4. DEFINITIONS

4.1. **Act:** means the Municipal Act, 2001, S.O. 2001, c. 25, as amended from time to time.

4.2. **Agent:** means any administrator, Custodian, payment servicer, investment counsel, consultant, banker, broker, dealer or other service provider engaged or appointed by ONE JIB and authorized by ONE JIB to exercise any of the functions of ONE JIB pursuant to a written agreement, in the manner and to the extent provided in the Regulation and without limiting the generality of the foregoing, Agent includes ONE Investment, and the Sub-Investment Manager.

4.3. **Alternative Assets:** means investments outside traditional investments such as equities, fixed income, and cash which may include, hedge funds, private equity, natural resources, real estate and infrastructure. Alternative investments are typically less liquid than traditional investments, are appropriate only for allocations with a long investment horizon.

4.4. **Asset Class:** means a specific category of assets or investments, such as cash, fixed income, equities, alternative investments, real estate etc.

4.5. **Asset Mix (or Asset Allocation):** means the proportion of each Asset Class in a portfolio.

4.6. **Authorizing Bylaw:** means a bylaw of the Town that authorizes it to invest its money and investments that it does not require immediately in the OCIO offering of ONE JIB pursuant to section 418.1 of the Act, to approve various documents, the entering into of agreements including a Prudent Effective Date Agreement and the delegation of certain powers and duties to ONE JIB/ONE Investment.

4.7. **Benchmark:** means an index that is representative of a specific securities market (e.g. the S&P/TSX Composite Index, the FTSE/TMX 91 Day T-bill Index, etc.) against which investment performance can be

compared. Performance benchmarks refer to total return indices in Canadian dollar terms.

4.8. **CHUMS Financing Corporation (CHUMS):** means a subsidiary of Municipal Finance Officers' Association of Ontario (MFOA) which, in conjunction with LAS, established ONE Investment.

4.9. **CFA Institute:** refers to the global, not-for-profit professional association that administers the Chartered Financial Analyst (CFA) and the Certificate in Investment Performance Measurement (CIPM) curricula and examination programs worldwide, publishes research, conducts professional development programs, and sets voluntary, ethics-based professional and performance reporting standards for the investment industry.

4.10. **Custodian:** means a specialized financial institution that is responsible for safeguarding a municipality's investments and is not engaged in "traditional" commercial or consumer/retail banking. Global custodians hold securities for their clients in multiple jurisdictions around the world, using their own local branches or other local custodian banks ("sub-custodians" or "agent banks").

4.11. **Diversification:** means a risk management technique that mixes a variety of investment types within a portfolio to help mitigate portfolio risk. A diversified portfolio holds different kinds of investments to improve the risk adjusted returns.

4.12. **Derivative:** means a contract between two or more parties whose value is based on an agreed-upon underlying financial asset (like a security) or set of assets (like an index). Common underlying instruments include bonds, commodities, currencies, interest rates, market indexes, and stocks.

4.13. **External Portfolio Managers:** means external third-party investment management firms whose investment offerings are accessed by ONE JIB directly or through services provided to a Pooled Fund. External Portfolio Managers are agents authorized by ONE JIB in accordance with Part II of the Regulation.

4.14. **Internal Controls:** means a system of controls that may include authorities, policies, procedures, separation and segregation of duties, compliance checks, performance measurement and attribution,

reporting protocols, measures for safekeeping of property and data, and the audit process.

4.15. **Investment Plan:** means the investment plan applicable to the MNRI and adopted by ONE JIB under the Regulation, as it may be amended from time to time.

4.16. **Investment Policy (Policy):** means the investment policy applicable to the Municipality's investments adopted and maintained by the Council of the Municipality for MNRI under the Regulation, and for MRI, as the same may be amended from time to time.

4.17. **JIB:** is short for Joint Investment Board and means a joint municipal service board that is established under section 202 of the Act by two or more municipalities for the purposes of Part II of the Regulation.

4.18. **Legal List Securities:** means the securities and other investments and financial instruments that are included from time to time in Part I of the Regulation.

4.19. **Leverage:** means an investment strategy of using borrowed money. Specifically, the use of various financial instruments or borrowed capital to increase the potential return of an investment. Typically leverage also tends to increase investment risks.

4.20. **Liquidity:** means the ability to turn an investment into cash relatively quickly, without a substantial loss in value.

4.21. **Local Authority Services (LAS):** means an entity which, in conjunction with MFOA/CHUMS, established ONE Investment.

4.22. **Local Distribution Corporation (LDC):** means a corporation incorporated under Section 142 of the Electricity Act, 1998.

4.23. **Market Value:** means the price at which a security is trading and could presumably be sold. Also known as Fair Value it represents the current value of the investment.

4.24. **Maturity:** means the date upon which the principal or stated value of an investment becomes due.

4.25. **Money not Required Immediately (MNRI):** means the money that is not required immediately by the Municipality, for a period of minimum three (3) years, that will be under the control and management of ONE JIB and as defined in this Policy that will be invested in accordance with the Prudent Investor Standard.

4.26. **Money Required Immediately (MRI):** means the money that is required immediately by the Municipality that remains under the control and management of the Municipality and, that can be invested in accordance with the Legal List Securities or other applicable legislation.

4.27. **Municipality (or Town):** means the Corporation of the Town of Georgina.

4.28. **OCIO Offering:** means the comprehensive investment program made available through ONE Investment as agent for ONE JIB, where a qualified investment manager is engaged to advise a Participating Municipality with regard to the investment of the Participating Municipality's MNRI and to invest and manage such MNRI in accordance with the terms and conditions set out in the ONE JIB Agreement.

4.29. **ONE Investment:** means the not-for-profit corporation established by CHUMS and LAS which provides certain management, administrative and other services to ONE JIB as its agent.

4.30. **ONE JIB:** means ONE Joint Investment Board, established by certain founding municipalities under section 202 of the Act as a JIB for purposes of Part II of the Regulation, which is the duly appointed JIB for the Municipality, as constituted from time to time and which acts in accordance with the Act, the Regulation, the ONE JIB Agreement, including the Terms of Reference, this Policy and the Investment Plan.

4.31. **ONE JIB Agreement:** means the agreement effective as of the Prudent Effective Date, entered into in accordance with the requirements of the Regulation, pursuant to which ONE JIB has control and management of the Municipality's MNRI.

4.32. **Participating Municipality:** means from time to time each of the municipalities for whom ONE JIB acts as the JIB under the terms of the ONE JIB Agreement.

4.33. **Pooled Fund:** means a unit trust established under a trust instrument, generally not available to the public, in which institutional, sophisticated or high net worth investors contribute monies that are invested and managed by an External Portfolio Manager. Monies are pooled or combined with monies of other investors.

4.34. **Portfolio:** means any collection of funds that are grouped together and available to support the infrastructure needs of the Municipality.

4.35. **Prudent Effective Date:** means the mutually agreed-upon date by the Municipality and ONE Investment on which the prudent investor regime applies to the Municipality. The Prudent Effective Date shall be on or after ONE JIB approves the Municipality as a participating municipality.

4.36. **Prudent Effective Date Agreement:** means an agreement entered into by the Municipality and ONE Investment that sets out the day on which the prudent investor regime starts to apply to the Municipality.

4.37. **Prudent Investor Standard:** means the standard that applies when the Municipality invests money that it does not require immediately under section 418.1 of the Act. It requires the Municipality to exercise the care, skill, diligence and judgment that a prudent investor would exercise in making such an investment and the standard does not restrict the securities in which the Municipality can invest. The Prudent Investor Standard applies the standard of prudence to the entire portfolio in respect of the Municipality's MNRI rather than to individual securities. It identifies the fiduciary's central consideration as the trade-off between risk and return as found in the CFA Institute Standards of Practice Handbook.

4.38. **Rebalancing:** means the process of realigning the weightings of a portfolio of assets. Rebalancing involves periodically buying or selling securities in a portfolio to maintain an original or desired level of asset allocation or risk.

4.39. **Regulation:** means Ontario Regulation 438/97.

4.40. **Risk:** means the uncertainty of future investment returns or chance of loss of capital.

4.41. **Risk Tolerance:** means the financial ability and willingness to absorb a loss in return for greater potential for gains.

4.42. **Safekeeping**: means the holding of assets (e.g., securities) by a financial institution.

4.43. **Securities Lending:** means lending a security to another market participant. The borrower is required to deliver to the lender, as security for the loan, acceptable collateral with value greater than the value of the securities loaned. The Securities Lending program is managed by the Custodian or another appointed agent on behalf of

investors. A Securities Lending program is widely used by institutional investors to generate additional incremental returns on the total portfolio.

4.44. **Sinking Fund:** means a fund established to fulfil the requirements to make annual contributions in respect of various debenture issues wherein money is to be regularly set aside for the payment of the principal of the debentures at maturity.

4.45. **Sub-Investment Manager:** means an asset management firm or investment consultant, acting as a sub-investment manager for ONE JIB that provides investment advice and professional services and is involved in the implementation and operational aspects of the OCIO Offering, and that has full responsibility for the investment and management of a Participating Municipality's MNRI through ONE Investment, based on an approved Policy by the Council of the municipality.

5. GOVERNING LEGISLATION

5.1. Investments of MRI will only be made in Legal List Securities in accordance with this Policy and Section 418 of the Act. Investments of MNRI are governed by the Prudent Investor Standard in accordance with Section 418.1 of the Act and related regulations.

5.2. The Act provides that the Municipality, and therefore ONE JIB, must consider the following criteria in planning investments of MNRI, in addition to other criteria relevant to the circumstances:

- General economic conditions;
- The possible effect of inflation or deflation;
- The role that each investment plays within the Municipality's total portfolio of investments;
- The expected total return from income and the appreciation of capital; and
- Needs for liquidity, regularity of income and preservation or appreciation of capital.

6. PRUDENT INVESTOR STANDARD

6.1. For MNRI, the standard to be used by the Municipality and ONE JIB shall be the Prudent Investor Standard as required by section 418.1 of

the Act and Part II of the Regulation in the context of managing the Municipality's MNRI and investments thereof. Investments shall be made with the care, skill, diligence, and judgment, taking into account the prevailing circumstances, that persons of prudence, discretion and integrity would exercise in the management of investments, considering the necessity of preserving capital as well as the need for income and appreciation of capital. The Act includes a duty to obtain the advice that a prudent investor would obtain under comparable circumstances

6.2. Officers, employees and investment agents acting in accordance with written procedures and the Policy and exercising due diligence shall take all necessary actions to optimize performance of investments on a portfolio basis, taking into account the prescribed risk and other parameters set out in this Policy and market factors. They recognize that all funds invested by the municipality are public funds belonging to the residents of the Town of Georgina.

6.3. The Municipality's staff acting in accordance with written procedures and this Policy, shall be relieved of personal responsibility for an investment's performance, provided underperformance relative to expectations is reported to Council and the liquidation or sale of investments is carried out in accordance with this Policy.

7. INVESTMENT POLICY

7.1. **Investment portfolio**

The Municipality's portfolios represent funds available to support Municipal needs. This Policy applies to the following money of the Municipality, its agencies, boards and commissions including:

- MRI which is invested in Legal List Securities; and/or
- MNRI which is invested under the Prudent Investor Standard.

7.2. **Investment of MRI**

The Municipality's MRI that is described in this Policy consists of money that is needed to meet the short-term financial obligations of the Municipality. The investment of MRI shall be controlled and managed by the Treasurer.

7.2.1. MRI: Investment Objectives

The main focus of the investment of MRI is cash management, and the interest income generated by the investment of these monies contribute to municipal revenues.

Capital preservation is the paramount objective for MRI investments, and these investments need to be highly liquid. Consequently, only high quality investments that are also Legal List Securities will be held in this portfolio. The Municipality aims to maximize returns subject to the constraints set out in Part I of the Regulation, as amended from time to time, with a view to preserving capital and to further manage risk through diversification by issuer and credit quality.

7.2.2. The investment objectives for MRI, ranked in priority, are as follows:

1) Adherence to Statutory Requirements
All investment activities shall be governed by the Municipal Act, 2001, S.O. 2001 , as amended. lnvestments, unless limited further by Council, will be those deemed eligible under Ontario Regulation 438/97 or as authorized by subsequent provincial regulations.

2) Security of Principal
The primary objective for MRI is to ensure the security of principal. To minimize the risk of loss, investments shall be subject to minimum credit ratings. Investing activities will be reviewed on a regular basis as actual, revised and forecasted operating and capital plans are completed.

3) Liquidity
Liquidity is measured by the ease with which securities can be converted to cash to meet forecasted spending. To ensure adequate liquidity, the Municipality's investments shall be diversified by holding securities of various terms to maturity and by various types of investments. The term of such investments shall match the forecasted requirements for such monies to meet expenditures.

4) Rate of Return
The Municipality's money shall be invested to maximize the rate of return within acceptable risk levels while respecting the security of principal, legal constraints and the liquidity needs of each investment portfolio.

7.2.3. The composition of each portfolio, including its term to maturity and type of investments, shall be adjusted within the guidelines of this Policy to take advantage of market opportunities. Such changes shall be made with the periodic interest rate outlook and target portfolio structure approved by the Treasurer.

7.2.4. MRI: Eligible Investments

MRI may be invested in high quality, investments that are also Legal List Securities available from banks, dealers and other financial institutions. Investments issued or guaranteed by approved institutions will be permitted by this Policy, as deemed eligible by the Regulation or as authorized by subsequent provincial regulations. Investments will be limited to securities issues maintaining a minimum credit rating by an appropriate credit rating agency.

Eligible investments include, but are not limited to:

- High Interest Savings Accounts
- Canadian Government Bonds

7.2.5. MRI: Investment Constraints

- Securities Lending is not permitted
- Derivatives shall not be used
- Utilization of currency hedging is not permitted

7.3. **Investment of MNRI**

The Municipality's MNRI that is described in this Policy consists of money not required within a period of minimum three years.

The investment of MNRI shall be controlled and managed by ONE JIB in accordance with this Policy and the ONE JIB Agreement.

The selected Sub-Investment Manager shall enter into an agreement with ONE Investment related to the OCIO Offering, that complies with this Policy and Part II of the Regulation and will provide compliance and performance reports to ONE JIB and One Investment. ONE JIB shall make any investment management changes deemed in the best interest of the Municipality.

7.3.1. MNRI: Investment Objectives

The overall MNRI portfolio investment horizon shall be in line with the nature of the Municipality's forecasts and underlying liabilities. The portfolio should balance risk and the benefits of higher expected returns over a longer investment horizon

In setting the objectives, the Municipality has taken into account the following considerations:

- Preservation of capital;
- Adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements;
- Diversification by asset class, market, sector, issuer, credit quality and term to maturity;
- Income and capital appreciation; and,
- Macro risks, such as inflation, economic growth and interest rates.

7.3.2. MNRI: Eligible Investments

- Eligible investments for MNRI include any Pooled Fund or other collective investment vehicle or institutional investment management product approved or selected by ONE Investment for the Prudent Investment Program (OCIO Offering), provided always that the products and the selection of products comply in all material respects with this Policy.

- This policy also allows holdings in cash, short term money market instruments, including treasuries or overnight deposits.

- This policy permits investments in alternative investments for the purpose of management of MNRI under ONE JIB. Alternative Asset Classes, such as infrastructure or real estate, may have uncorrelated return characteristics with traditional Asset Classes that may improve diversification within the portfolio, which may lead to better risk adjusted returns. Typically, these investments may not be fully liquid, and are only appropriate for inclusion in portfolios with long investment horizons.

7.3.3. MNRI: Investment Constraints

- Futures and forwards contracts, options and other derivative instruments may only be used to (a) create an asset mix position that does not leverage the portfolio, (b) replicate the performance of a capital market index, or (c) reduce risk as part of a hedging strategy.

- Well-managed companies are those that demonstrate high ethical and environmental standards and respect for their employees, human rights, and the communities in which they do business, and that these actions contribute to long term financial performance. ONE JIB is required to explore and consider how the OCIO is implementing responsible investing principles at the time of hiring and during periodic reviews. It may report on results periodically, if requested.

- Use of leverage, provided it is prudent to do so. Leverage is inherent in the use of certain types of investment strategies and instruments. Where leverage is employed, ONE JIB shall have in place monitoring procedures to manage overall exposure to any counterparty. Leverages should not be exercised for speculative purposes but may be used as a hedging tool.

- The Municipality's funding requirements are in Canadian dollars. However, some exposure to foreign currencies in the MNRI Investment Portfolio may be advantageous to provide diversification and potentially enhance returns. Therefore, it shall not be a violation of this IPS for investments in global mandates to be unhedged, in whole or in part, where the diversification benefits embedded in the currency exposure are considered to be beneficial or desirable by ONE JIB.

- Sinking Funds are currently not applicable to the Municipality; however, should any sinking funds be established in the future, they are to be classified as MNRI and will be managed separately by ONE JIB.

7.4. **Performance Monitoring, Rebalancing and Management**

7.4.1. MRI

The performance benchmarks may vary from time to time, as decided by the Treasurer, subject to the investment constraints listed in this Policy.

7.4.2. MNRI

ONE JIB shall establish parameters for monitoring investments and rebalancing through policy or directly within the Investment Plan.

At minimum, ONE JIB shall provide reporting that shows the Municipality's holdings, confirms compliance with this Policy, and reports on the Sub-Investment Manager's performance.

8. ADMINISTRATION

8.1. Determination of MNRI and MRI

The Municipality has defined MNRI as money from the municipality's own reserves, that will not be required to meet financial obligations that become due more than three (3) years from the date of receipt of such money. The purpose of the money is to fund the municipality's future capital and contingency needs.

Determining the definition of the Municipality's MNRI through this Policy is the responsibility of Council. In making the determination, Council may consider:

- the time horizon within which the monies are needed to meet financial obligations;
- the purpose for which the monies have been collected or set aside and are to be used;
- the source of the money; or
- any combination of the foregoing

For certainty, all money and investments of the Municipality that have not been identified as MNRI shall be deemed for purposes of this Policy to be MRI.

Determination of the Municipality's MNRI and MRI may be modified at any time. Any changes in this Policy regarding the Municipality's MNRI must be communicated immediately in writing to ONE JIB.

8.2. Flow of Money and Annual Municipal Budget

8.2.1. Transfer to ONE JIB as Part of Annual Review Process

On an annual basis, as part of the Municipality's Annual Review process, the Treasurer shall identify the amount, if any, of MNRI that it holds. Any MNRI not already under the control and management of ONE JIB shall be transferred to ONE JIB.

8.2.2. Transfer to Municipality as Part of Annual Review Process

On an annual basis, the Treasurer shall advise ONE JIB of the amount, if any, of funds currently managed by ONE JIB that no longer meet the definition MNRI. Any such funds shall be reclassified as MRI and returned to the Municipality either as a lump sum or through periodic payments, as directed by the Treasurer.

8.3. Flow of Money Otherwise than through the Budget Process

8.3.1. Contingencies

The Treasurer is authorized to direct the ONE JIB to return funds that are determined to be required to address unexpected expenditures not anticipated in the Municipality's approved budget for that year. The total amount returned to the Municipality in any calendar year for this purpose shall not exceed 50 per cent of the MNRI under the control and management of ONE JIB during that year. ONE Investment should be made aware of material transactions in advance to ensure the orderly sale of securities to fund such withdrawals.

8.3.2. Valuation of Investments

Investments shall be valued according to the values provided by the Custodian(s). For the investment of MNRI, values of unitized vehicles shall be valued according to the unit values published by the Custodian. Other investments shall be valued at their market value when that is available from regular public trading. If a market valuation of an investment is not available, then a fair value shall be supplied by the Sub-Investment Manager to ONE Investment no less frequently than quarterly.

8.3.3. Voting Rights

The Sub-Investment Manager shall assume the responsibility of exercising voting rights in respect of the Municipality's MNRI and will report its voting policies to ONE JIB annually. The Municipality may access these policies at any time.

8.3.4. Internal Controls

The Treasurer shall review all investments made under this Policy. This review will provide internal control by assuring compliance with

governing legislation and this Policy. To the extent ONE JIB's input is needed, these requirements will be communicated in advance to ONE JIB.

8.3.5. Custodians

All municipal investments and assets of the investment portfolios may be held by a Custodian and any of the Custodian's sub-custodians or nominees.

For MNRI, the Custodian shall be acceptable to ONE Investment.

For MRI the Custodian shall be acceptable to ONE Investment, if ONE Investment is administering the investment of the Municipality's MRI; otherwise the Custodian shall be acceptable to the Municipality.

8.4. **Reporting**

8.4.1. MRI

The Treasurer shall submit an investment report for Council at least annually, including a Management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last year. This management summary will be prepared in a manner which will allow Council to ascertain whether investment activities during the reporting period have conformed to this Policy.

The report will include the following:

- Listing of individual securities held at the end of the reporting period;
- Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity;
- Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks;
- Listing of investment by maturity date;
- Percentage of the total portfolio which each type of investment represents;
- A statement about the performance of the investment portfolio during the period covered by the report;

- A statement by the Treasurer as to whether or not, in his or her opinion, all investments were made in accordance with the investment policies and goals adopted by the Town;
- A record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale price of each security; and
- Such other information that the Council may require or that, in the opinion of the Treasurer, should be included.

8.4.2. MNRI

The Regulation provides that ONE JIB shall submit an investment report to Council in respect of the investment of MNRI at least annually.

This report shall include the following:

- Investment performance during the period covered by the report;
- Asset mix of the total portfolio;
- A listing of individual investments held at the fund level at the end of the reporting period showing, where appropriate, book value, market value, realized/unrealized gains/losses and actual income received;
- A list of all transactions including the security name, trade date, and the purchase and/or sale price;
- A statement by the Treasurer as to whether all investments were made in accordance with the Policy and as to whether all investments were made in accordance with the Investment Plan; and
- Any other pertinent information in the opinion of the Treasurer.

1.1.1. All MNRI or MRI invested on behalf of the Municipality by ONE JIB or with the assistance of ONE Investment shall be held for safekeeping in the name of the Municipality by a Custodian.

9. ROLE AND RESPONSIBILITIES

9.1. **Council**

9.1.1. Approving the Municipality's Investment Policy and reviewing the policy on an annual basis.

9.2. **Town Treasurer and/or Deputy Treasurer**

9.2.1. Enters into agreements and arrangements as described in this Policy

9.2.2. Ensure compliance with this policy

9.2.3. Consistent with this Policy the Treasurer is responsible for the implementation of the investment program and the establishment of investment procedures which shall include:

- Investment management of MRI
- The deposit or withdrawal of MNRI

9.3. **ONE JIB**

9.3.1. ONE JIB has been appointed in accordance with the requirements of the Act and the Regulation and on the terms and conditions set out in the ONE JIB Agreement.

9.3.2. ONE JIB exercises control and management of the Municipality's MNRI and the investments made by it in accordance with the objectives and risk tolerance established in this Policy.

9.3.3. Among the responsibilities of ONE JIB are the following:

- Reviewing this Policy;
- Adopting and maintaining an Investment Plan that complies with this Policy;
- Engaging Custodians, administrators and other investment professionals (i.e. Agents);
- Allocating the money and investments under its control and management in compliance with this Policy;
- Monitoring the performance of the OCIO Offering and Agents; and,
- Reporting to the Municipality.

9.3.4. The foregoing is subject to the more detailed terms and conditions contained in the ONE JIB Agreement.

10. MODIFICATIONS TO THIS POLICY

10.1. At least annually, Council shall review the Policy and update it, if required. In the course of reviewing the Policy, Council may request comments from the Treasurer with respect to the investment of MRI and from ONE JIB with respect to the investment of MNRI.

10.2. Following the Council's review of the Policy, ONE JIB shall review the Investment Plan and update it, as required.

11. EFFECTIVE DATE

11.1. This policy will take effect on April 1st, 2026

Attachment 2

Print

Clear Form

Municipal Client Questionnaire (MCQ)

The MCQ is part of the ONE Investment / ONE JIB annual Investment Plan review (approval) process. The MCQ along with the Council approved (reviewed) Investment Policy informs ONE JIB of the municipal circumstances to consider with the approval of the Investment Plan.

During the year, outside of the annual review, please update the MCQ within 90 days if the municipality experiences any significant changes, *including a significant change in your municipality's financial circumstances*, or *significant change in the amount of your municipality's "money that it does not require immediately"*. For changes between annual reviews, provide written notice of changes by using the in-year MCQ update form on the last page of this document.

Section 1 – Client Information

Name of Municipality: Town of Georgina

Address: 26557 Civic Centre Rd., Keswick, ON L4P 3G1

Treasurer Information

Name: Rob Wheater

Phone Number: (905) 476-4301 Extension: 2299

Email: rwheater@georgina.ca

*Primary Day to Day Contact Information** ☐ *Check if same information as Treasurer above*

Name: Becky Ridding

Phone Number: (905) 476-4301 Extension: 2344

Email: bridding@georgina.ca

*Primary day-to-day contact should have a comprehensive understanding of your Municipality's financial position and investment needs.

Section 2 - Investment Knowledge and Experience

2.1 Which statement best describes the Municipal staff (person most responsible for managing investments)'s level of investment knowledge and experience with financial markets and products? *Please check one*

- ○ Very limited knowledge
- ○ Basic knowledge and minimal experience
- ◉ Good knowledge and some experience
- ○ Strong knowledge and experience
- ○ Advanced knowledge and extensive experience

2.2 If Municipal staff have strong or advanced knowledge, please describe where this knowledge was acquired (e.g., education, designations experience).

N/A

2.3 Please indicate if your municipality has used / held any of the following investment types within the past five years. *Please check all that apply.*

- ☐ Canadian money market securities
- ☒ Locked-in Investments (e.g., GICs, PPNs etc.)
- ☐ Local Distribution Corporation Securities (LDC securities)
- ☐ Securities held in third party trusts (i.e., cemetery trust, legacy fund etc.)
- ☒ Fixed income (government and/or corporate bonds)
- ☒ Equities
- ☐ Other – Please Describe

N/A

Section 3 – General Municipal Information

This section provides some high-level demographic information on the municipality

3.1 What is the population of the Municipality? 53,600

3.2 Is your municipality a single tier, upper tier or lower tier? Lower-tier

3.3 How much does a 1% tax rate increase generate? 629,000

3.4 Is there any other demographic information about your municipality you would like the ONE JIB to know? *(optional)*

Georgina is part of the Northern Six municipalities within York Region. It is experiencing steady growth and is expecting to reach a population of 70,000 in the next 30 years.

ONE INVESTMENT

Municipal Client Questionnaire (MCQ)

Section 4 – Municipal MNRI Information

4.1 This section summarizes the current MNRI under the management and control of the ONE JIB and the projected change identified in the annual review. *The total value should equal the total MNRI shown in Question 5.1 Investment Objectives and Horizon*

.

Description	**Value**
Portfolio Value (A) - *For existing municipalities this is the amount currently invested with ONE JIB as of your last monthly statement.* - *For new municipalities this should be $0*	$ 0
Change to MNRI: Additional contribution (+) or withdrawal (-) (B) - For existing municipalities this is the MNRI change identified during the annual review (fund transfers are typically completed with 30 days of ONE JIB's approval of the updated investment plan) - For new municipalities, this equals your initial deposit as of the Prudent effective date (TBD)	$ 20,000,000
Total MNRI under the management and control of ONE JIB (A + B)	$ 20,000,000

☐ Additional details have been included as an attachment to this MCQ (optional).

4.2 Use this *optional* box to provide any additional MNRI details related to 4.1 above (in lieu of a separate attachment)

The Town's MNRI represents funds not required in the next three years. The initial deposit has been calculated to be $20M, comprising of the following components:
(1) Under the existing One Fund the Town invests in, the monies invested under the Canadian Equity Fund has an investment horizon of 5+ years. The market value as at December 31, 2025 is $11.1M.
(2) As at December 31, 2025, the Town has $39M worth of medium-term investments with an investment horizon of 1 to 5 years. Of the $39M, the $8.9M is determined to be funds not needed in the next three years.

In 2025, the Town completed an Asset Management Plan and as a result, an infrastructure levy of 1.6% was proposed for the next fifteen years. The capital reserves (Fleet, Roads, Capital) indicated in section 5.1 represent funds to be expended in 2036-2039 as part of the Town's long-term capital needs.

Section 5 – MNRI Investment Objectives and Liquidity Needs

This section asks about your Municipality's MNRI, the purpose or investment objective and the expected investment horizon or when funds may be required to meet forecasted municipal obligations.

5.1 What is the Municipal *funding objective(s), investment horizon(s) and purpose(s)* for the MNRI? *The total MNRI value should equal the total MNRI shown in Question 4.1 Municipal MNRI Information*

MNRI by Investment Horizon

Description	Total MNRI ($) (A+B+C) *auto calculate*	Investment Horizon < 5 Years (A)	Investment Horizon 5-10 Years (B)	Investment Horizon >10 Years (C)
Repair/Replacement Reserves (Roads, Facilities, Fleet, Equipment)	$ 14,100,000			$ 14,100,000
Capital Reserves (Corporate Capital, New Infrastructure)	$ 1,700,000			$ 1,700,000
Contingency Reserves Funds (Tax Rate Stabilization)	$ 4,200,000			$ 4,200,000
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 20,000,000	$ 0	$ 0	$ 20,000,000

Note – Description is up to the municipality, it could be total MNRI (one line) or broken out into the funding objective/investment purpose, or municipal reserve name/group (multiple lines)

☐ Additional details have been included as an attachment to this MCQ (optional).

5.2 Based on *current* municipal forecasts, please provide details that may help inform the ONE JIB about ***potential drawdowns/additions to MNRI*** that may be anticipated in future years.

Cash Flow Projections Potentially Affecting Future MNRI

Description	Next Year	2 years	3-5 years	5-10 years	10 years +
Anticipated MNRI Drawdowns (-)					
Anticipated MNRI Contributions (+)					
Net Change to MNRI	$ 0	$ 0	$ 0	$ 0	$ 0

5.3 Does the municipal forecasts used (above in 5.2) reflect

☐ Drawdowns of current reserve balances, or

☐ Drawdowns of current reserve balances inclusive of projected future budgetary contributions

5.4 What *assumptions or factors* do your municipality include in the MNRI cash flow projections? For example, but not limited to, inflation assumptions on capital projects, assumptions on future tax-based reserve contributions, forecasted development charge revenue etc.

On a macro level, the Town takes into account inflationary pressures and economic conditions. We also consider our investment gains/losses, debenture payments, reserve balances and projected reserve contributions/draws.

From a capital planning perspective, we look at both existing projects under our capital program as well as our ten year capital plan. The ten year capital plan includes inputs from Council approved studies such as, but are not limited to:

- Asset Management Plan Proposed Levels of Service and Financial Strategy
- Development Charges Background Study
- Rate studies (Stormwater Rate Study, Water Rate Study)

5.5 Does your municipality forecast beyond 5 years, if yes, what is the level of accuracy?

The Town reports a ten year capital plan as part its annual budget book. The projection is conducted with moderate accuracy based on inputs from each department and data from Council approved studies.

5.6 Does your current municipal forecast include any large (or unusual) capital expenditures, which are outside of normal operations?

☒ Yes ☐ No

5.7 Do you anticipate any *potential* change in *liquidity needs* in the future (i.e. within 2 years, within 5 years or beyond 5 years) which may impact on the investment time horizon? An example could be a large capital infrastructure project with timing TBD, or with grant funding pending etc. If yes, please elaborate.

No imminent changes expected. The Town recently updated its Asset Management Plan Proposed Levels of Service and Financial Strategy and Development Charges Background Study which helps inform future capital planning and infrastructure needs. That said, future plans and studies conducted will inevitably affect capital projects which may arise and impact the Town's funding needs.

5.8 How does your Municipality manage unanticipated requests for funding? Can you characterize the probability that your municipality may need to draw down MNRI to fund unexpected budget shortfalls?

The Town manages unanticipated requests for funding through existing budgets (re-allocation of expense line items) or through the use of reserve funds. Significant unforeseen requests would be brought forward to Council for their review and approval of additional supplementary funding or any necessary re-allocations.

It is unlikely that the Town will need to draw down on its MNRI to fund unexpected budget shortfalls. Throughout the year, the Town monitors its performance against both operating and capital budgets to ensure any unplanned expenditures are proactively addressed.

5.9 Are there any *other unique circumstances* to your municipalitythat may impact your cash flow MNRI forecast, return objectives and risk tolerance that the Investment Plan should consider?

The Town's investments with ONE JIB are intended to have both a medium and long-term investment horizon, with the goal of earning investment income that can serve as a meaningful source of funding to ease the pressure on the Town's property tax and rate base, as well to support contribution to future capital projects.

The amounts invested are not intended to be short-term or be highly liquid, as the Town wishes to maximize the time in market of its MNRI funds in order to enhance its ability to achieve long-term inflation adjusted growth.

Section 6 – Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this 21 day of April, 2026

Rob Wheater

Name and Signature of Treasurer

Second Signature (if required)

Appendix 1 – In-year MCQ Updates Form

Please provide details below that explain the nature of your requested change. This should describe: the money involved, the timing of transactions required, and any other context to support the change request. This will allow ONE JIB to understand how this update may change the cashflow characteristics or investment horizons of MNRI relative to your current MCQ and Investment Plan.

Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this_____day of_____, 20_____

_____ _____

_____ _____

Name and Signature of Treasurer Second Signature (if required)

Attachment 3

INVESTMENT PLAN FOR

The Town of Georgina

DATE: May 28, 2026

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1

DEFINITIONS

Definitions applicable to this Investment Plan can be found on the ONE Investment webpage under Education & Training / Glossary.

2

PURPOSE

As required under the prudent investor regime authorized by the Municipal Act, 2001 (Act), and Ontario Regulation 438/97 (Regulation), this Investment Plan (Plan) establishes how ONE JIB will invest the Town of Georgina's Money Not Required Immediately (MNRI) as defined in section 8.1 of Georgina's Investment Policy Statement (IPS).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Town of Georgina.

3

RESPONSIBILITY FOR PLAN

This Plan is the responsibility of ONE JIB, which has authorized its agent, ONE Investment, to exercise its administrative investment functions in accordance with the Regulation. ONE JIB oversees ONE Investment staff using procedures, reports, and regular reviews to monitor compliance with the Act, the Regulation and the Town of Georgina's IPS.

ONE Investment has engaged PH&N Institutional to provide OCIO services. PH&N Institutional is the business division of RBC Global Asset Management responsible for managing assets for Canadian institutional clients. PH&N Institutional will be involved in implementing the Investment Plan, monitoring and reporting investments, and providing ancillary services to support the OCIO Offering.

RBC GAM's investment professionals are committed to providing each client with investment solutions that are appropriately tailored to address the client's investment situation. This means understanding macroeconomic trends and strategies and the diverse and evolving investment needs of clients.

4

INVESTMENT GOALS AND OBJECTIVES

The Town of Georgina's investment needs, as described in its IPS, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the MCQ and dialogue with the Treasurer inform ONE JIB about Georgina's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Georgina's MNRI in this Plan is consistent with the details as disclosed in Georgina's IPS and MCQ. Section 7.3 of Georgina's IPS provides specific information that characterizes the objectives for MNRI, as detailed in Table 1 below:

Table 1: The investment objectives for MNRI.

Category	**Objective & Risk Tolerance**
Objectives for overall MNRI	• Preservation of capital • Provide adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements • Diversification by asset class, market sector, issuer, credit quality, and term to maturity • Achieve capital appreciation and income while managing risk to an appropriate level.

The MNRI invested with ONE JIB will be broadly diversified across asset class, market, sector, issuer, credit quality, and term to maturity to help reduce investment return volatility. Returns impact revenues and have a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. The MNRI shall be invested to obtain a progressively higher rate of return for longer-term investment horizons, commensurate with stated risk tolerances.

The MNRI balances will be invested primarily to achieve capital growth over time. Achieving returns above inflation is a key investment objective, but near-term liquidity from investments likely will not be required.

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INVESTMENT PORTFOLIO

Asset allocations are typically expected to be relatively stable until the next annual review. Any contributions or withdrawals of MNRI must be communicated to ONE JIB formally as outlined in the ONE JIB Withdrawals of Money Not Required Immediately (MNRI) Policy

5.1 Account Structure

MNRI Investment Horizon	Risk Tolerance / Model Assigned	Allocation
Consolidated MNRI Holdings	Model G (70% Equity) assigned.	$20,000,000

Other considerations:

- Georgina will be making an initial MNRI contribution of $20 million
- The reserves that underly this MNRI contribution have an associated investment horizon that exceeds 10 years
- No contributions or withdrawals have been identified in the MCQ within the next 10 years.
- Discussions with municipal staff indicate that there is potential for incremental contributions to MNRI over time, though there is currently insufficient clarity to include this information in the MCQ at this time.
- The IPS permits the use of alternative investments
    - Alternative investments are suitable for its circumstances, but the Town's investment experience suggests that it may be premature to include alternative investments in the Town's portfolio. They may be considered for inclusion in future years.
- Model G has been recommended and is suitable based on the long investment horizon and lack of near-term liquidity needs.
- Georgina's MNRI will be invested in Model G, as detailed in Section 5.2 below.

5.2 Allocations

70% EQUITY MODEL (G)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	10	30%	40
Global Fixed Income and Credit	0	0%	10
Canadian Equities	25	35%	45
Global Equities	25	35%	45
Alternatives	0	0%	0
Total		100%	

* Further details on holdings and benchmarks for this model are detailed in a ONE JIB report approved on September 4, 2025. (Model Portfolio Review 2025).

6

APPLICABLE ONE JIB POLICIES

The Plan adheres to the following ONE JIB Policies subject to periodic review and updating and are posted to the ONE Investment website.

- ONE Anti-Money Laundering Policy
- ONE JIB Fund Deviation Policy
- ONE JIB Principles of Good Benchmarks Policy
- ONE JIB Withdrawals of MNRI Policy
- ONE JIB In-Kind Securities Policy
- ONE JIB Responsible Investment Policy
- ONE JIB Policy for Reviewing the External Sub-Investment Manager
- ONE JIB OCIO Compliance Monitoring Policy

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ELIGIBLE FUNDS

The eligible funds are listed under Schedule "A" of the Investment Management Agreement between RBC Global Asset Management Inc. and ONE Investment, which may be reviewed and updated periodically.

In asset classes where more than one fund is eligible for investment, the OCIO will be responsible for determining which fund(s) to include in the client portfolio after due consideration for (1) the individual characteristics of the fund, (2) prevailing market conditions impacting the fund's liquidity and capacity, and (3) its alignment with the Municipality's investment objectives and philosophy.

The Manager shall manage the RBC GAM Fund(s) according to the pooled fund investment mandate including the investment guidelines contained therein developed by the Manager in respect of each RBC GAM Fund (each, an "Investment Mandate").

Asset Classes	**Sub-Asset Classes**	**Eligible Fund Names (Schedule "A" of IMA)**
	Fixed Income	
Cash & Equivalent	Money Market	PH&N Canadian Money Market Fund
Canadian Fixed Income	Short-Term Bonds	PH&N Short Term Bond & Mortgage Fund RBC Vision Fossil Fuel Free Short Term Bond Fund
	Universe Bonds	PH&N Bond Fund PH&N Enhanced Total Return Bond Fund RBC Vision Bond Fund RBC Vision Fossil Fuel Free Bond Fund
	Corporate Bonds	PH&N Corporate Bond Trust*
	Private Placement Corporate Debt	PH&N Private Placement Corporate Debt Fund*
	Commercial Mortgages	PH&N Mortgage Pension Trust* RBC Commercial Mortgage Fund*
Global Fixed Income and Credit	High-Yield Bonds	RBC High Yield Bond Fund PH&N High Yield Bond Fund
	Global Multi-Asset Credit	BlueBay Total Return Credit Fund
	Global Bonds	RBC Global Bond Fund
	Emerging Markets Bonds	RBC Emerging Markets Bond Fund

	Equities	
Canadian Equities	Canadian Equities	PH&N Canadian Equity Value Fund PH&N Canadian Equity Fund RBC Vision Canadian Equity Fund RBC QUBE Canadian Equity Fund
	Canadian Low Volatility Equities	RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund RBC QUBE Low Volatility Canadian Equity Fund
Global Equities	U.S. Equities	PH&N US Equity Fund RBC QUBE US Equity Fund
	U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Fund
	International Equities	RBC International Equity Fund RBC International Equity Index Fund RBC QUBE International Equity Fund
	Global Equities	RBC Global Equity Focus Fund RBC Global Equity Leaders Fund RBC Vision Global Equity Fund RBC Vision Fossil Fuel Free Global Equity Fund RBC QUBE Global Equity Fund
	Global Low Volatility Equities	RBC QUBE Low Volatility Global Equity Fund
	Emerging Markets Equities	RBC Emerging Markets Equity Fund RBC Emerging Markets Dividend Fund
Alternatives	Real Estate	RBC Canadian Core Real Estate Fund
	Infrastructure	RBC Global Infrastructure Fund

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REBALANCING

The OCIO is authorized to execute trades, as appropriate, to maintain compliance with the Investment Plan.

Rebalancing shall occur in accordance with the Participating Municipality's Investment Policy Statement and Investment Plan.

Rebalancing plans and exact timing should account for upcoming material changes that may impact the Investment Plans, such as updates to the Investment Policy Statement or the Municipal Client Questionnaire.

As appropriate, the size and frequency of trading activities shall be minimized to help reduce the administration and costs of trading.

9

IMPLEMENTATION

9.1 Custodian

All marketable investments under the control and management of ONE JIB, shall be held for safekeeping by ONE Investment's Custodian.

9.2 Implementation Plan

Timeline	Implementation Details
June 2026	• MNRI will be remitted to ONE JIB in early June and invested in Model G.

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested as per the ONE Distribution Policy PI and cashflow needs of Georgina are expected to be financed with the sale of units of the pooled funds. Payment of OCIO Fees and Governance fees will also be financed with the sale of investment pool units.

REPORT

To: ONE Joint Investment Board
From: Keith Taylor, Chief Investment Officer, ONE Investment
Date: May 28, 2026
Re: Municipality of Lambton Shores' Investment Plan 2026
Report: ONE JIB 2026-017

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the Municipality of Lambton Shores' Investment Policy Statement (Attachment 1)
2. Receive the Municipality of Lambton Shores' Municipal Client Questionnaire (Attachment 2)
3. Approve the Municipality of Lambton Shores' proposed Investment Plan (Attachment 3)

2. SUMMARY

The Municipality of Lambton Shores (Lambton Shores) has requested to join ONE JIB as a Participating Municipality. Lambton Shores has provided a Municipal Client Questionnaire (MCQ) to provide information on its Money Not Required Immediately (MNRI) and the investment horizons associated with its reserve balances, which have informed the recommended allocations. Lambton Shores' initial MNRI only includes a single reserve fund, the Water Reserve Fund, totalling $6 million, which is not expected to be used within the next 10 years. Over time, MNRI balances are expected to grow as additional reserves are included in MNRI in the future.

The proposed allocation in the Investment Plan is Model G, which allocates 70% to equities within a fully diversified portfolio. A summary of this allocation is shown below:

70% EQUITY MODEL (G)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	30%	$1,800,000
Global Fixed Income and Credit	0%	$0
Canadian Equities	35%	$2,100,000
Global Equities	35%	$2,100,000
Alternatives	0%	$0
Total	100%	$6,000,000

3. BACKGROUND

Lambton Shores is a lower-tier municipality located in the northwest corner of Lambton County, situated along the southeastern shores of Lake Huron

Lambton Shores is a lower-tier municipality in Lambton County along southeastern Lake Huron, with multiple settlement areas that serve both urban and rural residents.

Lambton Shores is widely recognized as a key regional destination for recreation and tourism, centred on the coastal community of Grand Bend, and supported by natural attractions such as Pinery Provincial Park and Rock Glen Conservation Area. The municipality has a permanent population of 12,500, but this number increases significantly during the summer tourist season. The local economy is supported by agricultural and manufacturing growth, with tourism described as the cornerstone of the local economy.

Lambton Shores will be assigned an investment allocation based on the model portfolios approved by the ONE JIB on September 4, 2025

The recommended investment allocations for Lambton Shores' MNRI were determined by considering the investment horizon associated with its MNRI, while also considering the municipality's current circumstances, needs, and investment restrictions. A single allocation is recommended based on the Model Portfolios reviewed and approved at the September 4, 2025, ONE JIB meeting.

Lambton Shores will contribute $6 million of MNRI to be invested with ONE JIB, all of which represents a single reserve fund

Lambton Shores's initial MNRI contribution consists of its Water Reserve Fund. This reserve has a long investment horizon, with MNRI not expected to be used for at least 10 years. Table 1 below summarizes the estimated horizon associated with its MNRI, as detailed in Table 5.1 of the MCQ:

Table 1: Summary of the investment horizon of MNRI, from Table 5.1 of MCQ

Description (i.e. Funding Objective, Investment Purpose, or Municipal Reserve)	Total MNRI	Investment Horizon < 5 Years	Investment Horizon 5-10 Years	Investment Horizon >10 Years
Water Reserve Fund	$6,000,000	-	-	$6,000,000
Total MNRI	$6,000,000	-	-	$6,000,000

Lambton Shores intends to include additional reserves over time, leading to growth in MNRI balances

It is anticipated that in future years, MNRI will grow as the Treasurer identifies additional reserves to be included in MNRI. Additional review by staff will be required before incremental MNRI can be contributed. The Treasurer is relatively new to the municipality, and as her overall understanding of the municipality's financial position improves, MNRI is

expected to expand.

Table 2 below provides details of the anticipated contributions and withdrawals of MNRI in future years. These details are based on Table 5.2 of the MCQ.

Table 2: Anticipated Cash Flow Projections, MNRI by year, adapted from Table 5.2 of MCQ.

	Next Year	2 Years	3-5 Years	5-10 Years	10+ Years
Anticipated MNRI Drawdowns					
Anticipated MNRI Contributions	$2,000,000	$2,000,000	$1,000,000	$1,000,000	$1,000,000
Net change in MNRI	$2,000,000	$2,000,000	$1,000,000	$1,000,000	$1,000,000

Investment income can help provide Participating Municipalities with an additional source of revenue

Ontario municipalities are under growing pressure to deliver the kinds of infrastructure residents expect, including recreation facilities, fire halls, roads, and libraries, while keeping property tax rate increases at a reasonable level. Balancing these expectations with available revenue sources is becoming increasingly difficult as costs rise and demand grows.

When funding for capital projects cannot be secured through other channels, such as government grants or the existing tax or rate base, municipalities often have no choice but to delay or scale back their plans or resort to debt financing. Under the *Municipal Act*, municipalities are prohibited from running an operating deficit, which further limits their flexibility in responding to these demands.

Earnings from municipal investments can make a meaningful difference. By applying these returns to capital costs, municipalities can reduce the pressure on the tax base, maintain service levels, keep up with inflation, and advance key projects in a manner that is both financially sustainable and responsible.

In Lambton Shores, each one percent increase in property tax rates yields approximately $162,218 in additional annual revenue. However, there are limits to how much municipalities can rely on tax increases to fund capital projects, which underscores the importance of investment income as a complementary source of funding.

4. ANALYSIS

It is recommended that Lambton Shores' MNRI be invested in Model G, which has a 70 percent allocation to equity within a well-diversified portfolio

The investment allocations proposed in the Investment Plan reflect the very long

investment horizon of Lambton Shores' MNRI, with no drawdowns anticipated within the next 10 years and significant incremental contributions to MNRI expected over the next 10 years. With a long investment horizon, no near-term liquidity requirements from MNRI, and substantial MNRI contributions anticipated, a higher equity allocation is appropriate. Lambton Shores' IPS does not permit the use of long-term alternative investments.

It is recommended that Model G (70% equities) be assigned to Lambton Shores' MNRI, based on the municipality's investment horizon and circumstances. Because the long investment horizon involved naturally smooths out short-term market volatility, the proposed equity allocation is appropriate considering Lambton Shores' investment horizon. Predictable annual contributions to MNRI are also forecasted, with MNRI projected to double within 5 years. These significant cash flows support Model G as a relatively conservative allocation choice.

Should new reserves be included in MNRI in subsequent years, the average investment horizon of the fund may change, potentially requiring a reassessment of the investment allocation in future years to ensure alignment with the municipality's risk tolerance and funding needs. Table 3 below provides summary statistics for Model G, and Table 4 details Lambton Shores' investment allocations.

Table 3: Summary statistics for Model G

Summary Statistics	Model G
Long-Term Return	6.79%
Annual Downside Risk[1]	-16.61%
Annual Volatility	9.9%
Sharpe Ratio	0.38

Notes:

[1] Annual Downside Risk (CVaR95) represents the expected loss during the worst 5% of return outcomes.

Hypothetical performance analyses are for illustrative purposes only and there is no guarantee that hypothetical returns or projections will be realized.

Table 4: Lambton Shores Allocation Summary

70% EQUITY MODEL (G)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	10	30%	40
Global Fixed Income and Credit	0	0%	10
Canadian Equities	25	35%	45
Global Equities	25	35%	45
Alternatives	0	0%	0
Total		100%	

5. CONCLUSION

Lambton Shores is joining ONE JIB as a Participating Municipality and is making an initial contribution of $6 million of MNRI. This contribution represents MNRI associated with the Water Reserve Fund, with no other reserves included in this MNRI amount at this time. This reserve has a long investment horizon. Overall, as the municipal internal financial analysis evolves, the municipality expects to make additional incremental contributions to MNRI over the next few years, possibly also including additional reserves.

Based on the circumstances and needs, Model G (70% equities) has been recommended for Lambton Shores. As MNRI is received from the municipality over the coming years, and these funds potentially represent reserves with different investment horizons, the allocation may need to be reassessed in future years.

ATTACHMENTS

Attachment 1: Municipality of Lambton Shores' Investment Policy Statement

Attachment 2: Municipality of Lambton Shores' Municipal Client Questionnaire

Attachment 3: Municipality of Lambton Shores' proposed Investment Plan

Drafted by: Keith Taylor, Chief Investment Officer; Jennifer Hess, Manager Investment Services
Approved by: Afshin Majidi (interim) & Donna Herridge, Co-Presidents/CEOs, ONE Investment

MUNICIPALITY OF LAMBTON SHORES
CORPORATE POLICY
INVESTMENT POLICY STATEMENT

POLICY NO.:
CP-FS-POL-007

Responsible Dept.: *Financial Services*	**Effective Date:** *To Be Determined*
Approval Authority: Council	**Next Review:** *Annually from Effective Date*

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1 PURPOSE

1.1 The Investment Policy Statement (IPS) governs the investment of the surplus of The Municipality of Lambton Shores (Municipality) that are described as its investment portfolio in accordance with the Municipal Act, 2001 (Act) and Ontario Regulation 438/97, Parts I and II, as amended.

1.2 This IPS governs the investment of the Municipality's Investment Portfolio which includes Long-Term Funds or Money that is Not Required Immediately (MNRI) and Short-Term Funds or Money that is Required immediately (MRI). This IPS is intended, among other things, to direct the Treasurer in the investment of MRI and to direct ONE Joint Investment Board (ONE JIB) in the investment of MNRI by implementing the Authorizing By-law 56 of 2025 pursuant to which the Municipality authorized the establishment of guidelines for the prudent management of the Municipality's MNRI pursuant to section 418.1 of the Act.

1.3 In addition to the Municipality's MRI and MNRI, the Municipality is from time to time entrusted with the management of money and investments for a third-party beneficiary, or Third-Party Trust Funds. The Municipality's Third-Party Trust Funds are listed in Schedule A of this IPS.

1.4 There are also source(s) of money in which the Municipality may have a direct or indirect interest but which the Municipality currently has no authority to invest. Such source(s) of money, referred to in this IPS as "Designated Funds", are listed in Schedule A of this IPS. The Designated Funds and the Restricted Special Assets, listed in Schedule A of this IPS, are identified in this IPS for the sole purpose of enabling the Municipality to better see, on an aggregated basis, the various financial assets in which the Municipality has an interest.

1.5 ONE JIB is not responsible for the investment activities or performance of Third-Party Trust Funds, Designated Funds or Restricted Special Assets.

2 OBJECTIVE

2.1 The goals of this IPS are to:

- Define and assign responsibilities for investment of MRI and MNRI;
- Describe the Municipality's responsibilities with respect to Restricted Special Assets, Third-Party Trust Funds and Designated Funds;
- Ensure compliance with the applicable legislation;
- Direct ONE JIB as to the Municipality's investment goals and risk tolerance;
- Provide guidance and limitations regarding the investments and their underlying risks;
- Establish a basis of evaluating investment performance and the underlying risks; and
- Establish a reporting standard to Council.

3 SCOPE

3.1 This IPS applies to:

3.1.1 The operating and capital cash flows, reserves, reserve funds, sinking funds and all other monies forming part of the Municipality's Investment Portfolio and includes any new fund(s) created by the Municipality unless specifically exempted.

3.1.2 All Municipal employees

3.1.3 ONE JIB and the employees of ONE Investment and any agent or advisor providing services to ONE JIB in connection with the

investment of the Municipality's Investment Portfolio, it being understood that such agent or advisor shall accept and adhere strictly to this IPS.

4 DEFINITIONS

The following capitalized terms are defined terms which have the meaning set out below:

4.1 **Act:** means the Municipal Act, 2001, S.O. 2001, c. 25, as amended from time to time.

4.2 **Agent:** means any administrator, Custodian, payment servicer, investment counsel, consultant, banker, broker, dealer or other service provider engaged or appointed by ONE JIB and authorized by ONE JIB to exercise any of the functions of ONE JIB pursuant to a written agreement, in the manner and to the extent provided in the Regulation and without limiting the generality of the foregoing, Agent includes ONE Investment, and the Sub-Investment Manager.

4.3 **Alternative Assets:** means investments outside traditional investments such as equities, fixed income, and cash which may include hedge funds, private equity, natural resources, real estate and infrastructure. Alternative investments are typically less liquid than traditional investments and are appropriate only for allocations with a long investment horizon.

4.4 **Asset Class:** means a specific category of assets or investments, such as cash, fixed income, equities, alternative investments, real estate etc.

4.5 **Asset Mix (or Asset Allocation):** means the proportion of each Asset Class in a portfolio.

4.6 **Authorizing By-law:** means a by-law of the Municipality that authorizes it to invest its money and investments that it does not require immediately in the Outsourced Chief Investment Officer (OCIO) Offering of ONE JIB pursuant to section 418.1 of the Act, to approve various documents, the entering into of agreements including a Prudent Effective Date Agreement and the delegation of certain powers and duties to ONE JIB/ONE Investment acting in its capacity as OCIO.

4.7 **Benchmark:** means an index that is representative of a specific securities market (e.g. the S&P/TSX Composite Index, the FTSE/TMX 91 Day T-Bill Index, etc.) against which investment performance can be compared. Performance benchmarks refer to total return indices in Canadian dollar terms.

4.8 **CHUMS Financing Corporation (CHUMS):** means a subsidiary of Municipal Finance Officers' Association of Ontario (MFOA) which, in conjunction with LAS, established ONE Investment.

4.9 **CFA Institute:** refers to the global, not-for-profit professional association that administers the Chartered Financial Analyst (CFA) and the Certificate in Investment Performance Measurement (CIPM) curricula and examination programs worldwide, publishes research, conducts professional development programs, and sets voluntary, ethics-based professional and performance reporting standards for the investment industry.

4.10 **Custodian:** means a specialized financial institution that is responsible for safeguarding a municipality's investments and is not engaged in "traditional" commercial or consumer/retail banking. Global custodians hold securities for their clients in multiple jurisdictions around the world, using their own local branches or other local custodian banks ("sub-custodians" or "agent banks").

4.11 **Designated Funds:** means source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Designated Funds are listed in Schedule A of this IPS.

4.12 **Diversification:** means a risk management technique that mixes a variety of investment types within a portfolio to help mitigate portfolio risk. A diversified portfolio holds different kinds of investments to improve the risk adjusted returns.

4.13 **Derivative:** means a contract between two or more parties whose value is based on an agreed-upon underlying financial asset (like a security) or set of assets (like an index). Common underlying instruments include bonds, commodities, currencies, interest rates, market indexes, and stocks.

4.14 **Environmental, Social and Governance (ESG) Investing:** means considering and integrating ESG factors into the investment process, rather than eliminating investments based on ESG factors alone. Integrating ESG information can lead to a more comprehensive analysis of a company.

4.15 **External Portfolio Managers:** means external third-party investment management firms whose investment offerings are accessed by ONE JIB directly or through services provided to a Pooled Fund. External Portfolio Managers are agents authorized by ONE JIB in accordance with Part II of the Regulation.

4.16 **Internal Controls:** means a system of controls that may include authorities, policies, procedures, separation and segregation of duties, compliance checks, performance measurement and attribution, reporting protocols, measures for safekeeping of property and data, and the audit process.

4.17 **Investment Plan:** means the investment plan applicable to the MNRI and adopted by ONE JIB under the Regulation, as it may be amended from time to time.

4.18 **Investment Policy Statement (IPS):** means the investment policy applicable to the Municipality's investments adopted and maintained by the Council of the Municipality for MNRI under the Regulation, and for MRI, as the same may be amended from time to time. The IPS may also apply to the money and investments held by the Municipality for the benefit of persons other than the Municipality itself and may make reference to source(s) of money in which the Municipality has an indirect interest but which the Municipality has no authority to invest.

4.19 **JIB:** is short for Joint Investment Board and means a joint municipal service board that is established under section 202 of the Act by two or more municipalities for the purposes of Part II of the Regulation.

4.20 **Legal List Securities:** means the securities and other investments and financial instruments that are included from time to time in Part I of the Regulation.

4.21 **Leverage:** means an investment strategy of using borrowed money—specifically, the use of various financial instruments or borrowed capital—to increase the potential return of an investment. Typically leverage also tends to increase investment risks.

4.22 **Liquidity:** means the ability to turn an investment into cash relatively quickly, without a substantial loss in value. For example, a savings account is more liquid than real estate.

4.23 **Local Authority Services (LAS):** means an entity which, in conjunction with MFOA/CHUMS, established ONE Investment.

4.24 **Local Distribution Corporation or LDC:** means a corporation incorporated under Section 142 of the Electricity Act, 1998.

4.25 **Market Value:** means the price at which a security is trading and could presumably be sold. Also known as Fair Value, it represents the current value of the investment.

4.26 **Maturity:** means the date upon which the principal or stated value of an investment becomes due.

4.27 **Money not Required Immediately (MNRI):** means the money that is not required immediately (long-term funds) by the Municipality that will be under the control and management of ONE JIB and that will be invested in accordance with the Prudent Investor Standard.

4.28 **Money Required Immediately (MRI):** means the money that is required immediately (short-term funds) by the Municipality that remains under the control and management of the Municipality and that can be invested in accordance with the Legal List Securities or other applicable legislation.

4.29 **Municipal Services Corporation (MSC):** means a corporation established under section 203 of the Act in accordance with the applicable regulation (Ontario Regulation 599/06).

4.30 **Municipality:** means The Corporation of the Municipality of Lambton Shores.

4.31 **OCIO Offering:** means the comprehensive investment program made available through ONE Investment as agent for ONE JIB, acting in its capacity as Outsourced Chief Investment Officer (OCIO). Under this program, a qualified investment manager is engaged to advise a Participating Municipality with regard to the investment of the Participating Municipality's MNRI and to invest and manage such MNRI in accordance with the terms and conditions set out in the ONE JIB Agreement.

4.32 **ONE Investment:** means the not-for-profit corporation established by CHUMS and LAS which provides certain management, administrative and other services to ONE JIB as its agent.

4.33 **ONE JIB:** means ONE Joint Investment Board (JIB), established by certain founding municipalities under section 202 of the Act as a JIB for purposes of Part II of the Regulation, which is the duly appointed JIB for the Municipality, as constituted from time to time and which acts in accordance with the Act, the Regulation, the ONE JIB Agreement (including the Terms of Reference), this IPS and the Investment Plan.

4.34 **ONE JIB Agreement:** means the agreement effective as of the Prudent Effective Date, entered into in accordance with the requirements of the Regulation, pursuant to which ONE JIB has control and management of the Municipality's MNRI.

4.35 **Participating Municipality:** means, from time to time, each of the municipalities for whom ONE JIB acts as the JIB under the terms of the ONE JIB Agreement.

4.36 **Pooled Fund:** means a unit trust established under a trust instrument, generally not available to the public, in which institutional, sophisticated or high net worth investors contribute monies that are invested and managed by an External Portfolio Manager. Monies are pooled or combined with monies of other investors.

4.37 **Portfolio:** means any collection of funds that are grouped together and available to support the infrastructure needs of the Municipality.

4.38 **Proxy Voting:** means a legal transfer to another party of a shareholder's right to vote, thereby allowing shareholders who cannot attend meetings to participate. External Portfolio Managers usually vote proxies on behalf of their clients.

4.39 **Prudent Effective Date:** means the mutually agreed-upon date by the Municipality and ONE Investment on which the prudent investor regime applies to the Municipality. The Prudent Effective Date shall be on or after ONE JIB approves the Municipality as a Participating Municipality.

4.40 **Prudent Effective Date Agreement:** means an agreement entered into by the Municipality and ONE Investment that sets out the day on which the prudent investor regime starts to apply to the Municipality.

4.41 **Prudent Investor Standard:** means the standard that applies when the Municipality invests money that it does not require immediately under section 418.1 of the Act. It requires the Municipality to exercise the care, skill, diligence and judgment that a prudent investor would exercise in making such an investment, and the standard does not restrict the securities in which the Municipality can invest. The Prudent Investor Standard applies the standard of prudence to the entire portfolio in respect of the Municipality's MNRI rather than to individual securities. It identifies the fiduciary's central consideration as the trade-off between risk and return as found in the CFA Institute Standards of Practice Handbook.

4.42 **Rebalancing:** means the process of realigning the weightings of a portfolio of assets. Rebalancing involves periodically buying or selling securities in a portfolio to maintain an original or desired level of asset allocation or risk.

4.43 **Regulation:** means Ontario Regulation 438/97.

4.44 **Restricted Special Assets:** means investments specified by this IPS and held by the Municipality as of the Prudent Effective Date, where ONE JIB is not able to exercise control. Restricted Special Assets are listed in Schedule A of this IPS and are not considered to be MNRI.

4.45 **Risk:** means the uncertainty of future investment returns or chance of loss of capital.

4.46 **Risk Tolerance:** means the financial ability and willingness to absorb a loss in return for greater potential for gains.

4.47 **Safekeeping:** means the holding of assets (e.g., securities) by a financial institution.

4.48 **Securities Lending:** means lending a security to another market participant. The borrower is required to deliver to the lender as security for the loan, acceptable collateral with value greater than the value of the securities loaned. The Securities Lending program is managed by the Custodian or another appointed agent on behalf of investors. A Securities Lending program is widely used by institutional investors to generate additional incremental returns on the total portfolio.

4.49 **Sinking Fund:** means a fund established to fulfill the requirements to make annual contributions in respect of various debenture issues wherein money is to be regularly set aside for the payment of the principal of the debentures at maturity.

4.50 **Sinking Fund Required Contributions (Annual Sinking Fund Requirement):** means the amount of money to be set aside each year for deposit into a sinking fund or a retirement fund, as applicable, for each sinking fund debenture issue in accordance with the Municipality's debenture by-laws.

4.51 **Sinking Fund Required Earnings:** means the investment earnings needed for the Sinking Fund contributions to continue to grow to a value sufficient to repay the principal at maturity for each issue of sinking fund debentures.

4.52 **Sinking Fund Excess Earnings:** means the investment earnings in excess of the required earnings.

4.53 **Sub-Investment Manager:** means an asset management firm or investment consultant, acting as a sub-investment manager for ONE JIB that provides investment advice and professional services and is involved in the implementation and operational aspects of the OCIO Offering, and that has full responsibility for the investment and management of a

Participating Municipality's MNRI through ONE Investment, based on an IPS approved by the Council of the municipality.

4.54 **Third-Party Trust Funds:** means money over which the Municipality exercises both management and policy control but whose assets are not owned by the Municipality. These funds are governed by a variety of agreements and, in some cases, by legislation. Some funds may have externally mandated investment policies, and some may have investment policies that are determined by the Municipality. Third-Party Trust Funds are listed in Schedule A of this IPS.

4.55 **Trust Fund:** means a fund which consists of assets that have been conveyed or assigned to a trustee to be administered as directed by agreement or statute. As a result, a trustee holds title to the assets for the purpose of providing benefits, and being accountable, to a beneficiary. The Municipality is the trustee of funds that are to be used for specific purposes by the Municipality or any related parties.

5 INVESTMENT POLICY STATEMENT

5.1 Governing Legislation

5.1.1 Investments of MRI will only be made in Legal List Securities in accordance with this IPS and Section 418 of the Act.

5.1.2 Investments of MNRI are governed by the Prudent Investor Standard in accordance with Section 418.1 of the Act. This standard is similar to that which governs trustees and pension fund administrators and creates a fiduciary responsibility. Prudent investment in compliance with the Act and the Regulation enhances the potential for the Municipality to earn improved risk-adjusted rates of return.

5.1.3 The Act provides that the Municipality, and therefore ONE JIB, must consider the following criteria in planning investments of MNRI, in addition to other criteria relevant to the circumstances:

- General economic conditions;
- The possible effect of inflation or deflation;
- The role that each investment plays within the Municipality's total portfolio of investments;
- The expected total return from income and the appreciation of capital; and
- Needs for liquidity, regularity of income and preservation or appreciation of capital.

5.2 Prudent Investor Standard

5.2.1 For MNRI, the standard to be used by the Municipality and ONE JIB shall be the Prudent Investor Standard as required by section 418.1 of the Act and Part II of the Regulation in the context of managing the Municipality's MNRI and investments thereof. Investments shall be made with the care, skill, diligence, and judgment, taking into account the prevailing circumstances, that persons of prudence, discretion and integrity would exercise in the management of investments, considering the necessity of preserving capital as well as the need for income and appreciation of capital. The Act includes a duty to obtain the advice that a prudent investor would obtain under comparable circumstances.

5.2.2 Officers, employees and investment agents acting in accordance with written procedures and this IPS and exercising due diligence shall take all necessary actions to optimize performance of investments on a portfolio basis, taking into account the prescribed risk and other parameters set out in this IPS and market factors. The Municipality's staff acting in accordance with written procedures and this IPS, shall be relieved of personal responsibility for an investment's performance, provided underperformance relative to expectations is reported to Council and the liquidation or sale of investments is carried out in accordance with this IPS.

5.3 Money Required Immediately (MRI) and Money Not Required Immediately (MNRI)

5.3.1 Determination of MNRI and MRI

5.3.1.1 Determination of the Municipality's MNRI is the responsibility of Council. In making the determination, Council may consider:

- The time horizon within which the monies are needed to meet financial obligations;
- The purpose for which the monies have been collected or set aside and are to be used;
- The source of the money; or
- Any combination of the foregoing.

5.3.1.2 MNRI will be comprised of money that Council has determined, through the annual investment plan process, is not required to meet financial obligations in the short to medium term. The specific time horizon used to define MNRI will be reviewed and set by Council on at least an annual basis, taking into account the Municipality's financial obligations, strategic priorities, and market conditions.

5.3.1.3 For certainty, all money and investments of the Municipality that have not been identified as MNRI shall be deemed for purposes of this IPS to be MRI.

5.3.1.4 Determination of the Municipality's MNRI and MRI may be modified at any time and from time to time by action of Council and, with respect to specific money, by the Treasurer in accordance with the provisions of Section 5.6.2.

5.3.1.5 Any changes in this IPS regarding the Municipality's MNRI and MRI must be communicated immediately in writing to ONE JIB.

5.3.2 **Overview of Portfolios**

5.3.2.1 The Municipality's portfolios represent funds available to support Municipal needs. A high-level description of each of these portfolios and their objectives is provided in Section 5.5 below. This IPS applies to the following money of the Municipality and its agencies, boards and commissions, including:

a) MRI which is invested in Legal List Securities; and/or
b) MNRI which is invested under the Prudent Investor Standard.

5.4 **Roles and Responsibilities**

5.4.1 **Role of ONE JIB**

5.4.1.1 ONE JIB has been appointed by the Municipality in accordance with the requirements of the Act and the Regulation and on the terms and conditions set out in the ONE JIB Agreement (Appendix 1).

5.4.1.2 ONE JIB exercises control and management of the Municipality's MNRI and the investments made by it in accordance with the objectives and risk tolerance established in this IPS.

5.4.1.3 No person including, without limitation, ONE JIB, may engage in an investment transaction except as provided under the terms of this IPS.

5.4.1.4 Among the responsibilities of ONE JIB are the following:

- Reviewing this IPS;
- Adopting and maintaining an Investment Plan that complies with this IPS;
- Engaging Custodians, administrators and other investment professionals (i.e. Agents);

- Allocating the money and investments under its control and management in compliance with this IPS;
- Monitoring the performance of the OCIO Offering and Agents; and,
- Reporting to the Municipality.

The foregoing is subject to the more detailed terms and conditions contained in the ONE JIB Agreement.

5.4.2 **Role of Municipal Staff**

5.4.2.1 This IPS is approved and adopted by Council with input from the Treasurer, and from ONE JIB with respect to MNRI. MRI of the Municipality, in addition to any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Sections 1 and 2, remain under the control and management of the Treasurer.

5.4.2.2 Consistent with this IPS, the Treasurer is responsible for the implementation of the investment program and the establishment of investment procedures which shall include:

a) Investment management of MRI and any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Sections 1 and 2 by, or under the direction of, the Treasurer;

b) The deposit or withdrawal of MNRI, under the explicit delegation of authority regarding MNRI and the investment thereof, to ONE JIB, which is responsible for the control and management of such funds and investments; and,

c) A system of controls exercised by the Treasurer to regulate the activities of subordinate officials.

5.4.2.3 No person including, without limitation, ONE JIB, may engage in an investment transaction except as provided under the terms of this IPS.

5.4.2.4 In the management of MRI of the Municipality, and any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Sections 1 and 2, the Treasurer may engage one or more agents and service providers. ONE Investment can assist with the investment of the Municipality's MRI in Legal List Securities, and with the investment of Third-

Party Trust Funds in accordance with the terms of the applicable trust (if permitted), at the request of the Municipality.

5.4.3 Ethics and Conflicts of Interest

5.4.3.1 Individuals who are responsible for the Municipality's MRI Investment Portfolio shall comply with the Municipality's Conflict of Interest guidelines and any relevant professional codes of conduct (e.g., the CPA Code of Professional Conduct).

5.4.3.2 ONE JIB, in its capacity as a joint municipal service board (in addition to being a local board of each member Municipality), is subject to a Code of Conduct as required by the Act. This Code of Conduct applies to the Chair and the other Members of ONE JIB acting in their capacity as Members of ONE JIB.

5.5 Investment

5.5.1 MRI Investment Objectives and Eligible Investments

5.5.1.1 The Municipality's MRI as described in this IPS consists of money that is needed to meet the short-term financial obligations of the Municipality and is controlled and managed by the Treasurer.

5.5.1.2 The main focus of the investment of MRI is cash management, and the interest income generated by these investments which contributes to municipal revenues. To the extent possible, the Municipality shall attempt to match its investments with anticipated obligations.

5.5.1.3 Capital preservation is the paramount objective for MRI investments, and these investments need to be highly liquid. Consequently, only high-quality investments that are also Legal List Securities will be held in this portfolio. The Municipality may invest in fully liquid money market securities and deposit accounts. The Municipality aims to maximize returns subject to the constraints set out in Part I of the Regulation (as amended from time to time), with a view to preserving capital and to further manage risk through diversification by issuer and credit quality.

5.5.1.4 The investment objectives for MRI, ranked as priority, are as follows:

a) **Security of Principal** – The primary objective for MRI is to ensure the security of principal. To minimize the risk of loss, investments shall be subject to minimum credit ratings and

shall be diversified by maturity, type of investment and issuer. Investing activities will be reviewed on a regular basis as actual, revised and forecasted operating and capital plans are completed. Maturity dates should be structured so that investment cash inflows occur when needed.

b) **Liquidity Requirements** – Liquidity is measured by the ease with which securities can be converted to cash to meet forecasted spending. The investments that are eligible under the Regulation possess different features and thus market prices will vary depending on market conditions, as well as the particular features of the type of investment.

To ensure adequate liquidity, the Municipality's investments shall be diversified by holding securities of various terms to maturity and by various types of investments and issuers and, to the extent possible, the term of such investments shall match the forecasted requirements for such monies to meet expenditures.

c) **Rate of Return** – The Municipality's money shall be invested to maximize the rate of return within acceptable risk levels while respecting the security of principal, legal constraints and the liquidity needs of each investment portfolio. The composition of each portfolio, including its term to maturity and type of investments, shall be adjusted within the guidelines of this IPS to take advantage of market opportunities. Such changes shall be made with the periodic interest rate outlook and target portfolio structure approved by the Treasurer.

5.5.1.5 The MRI may be invested in high quality investments that are also Legal List Securities available from banks, dealers and other financial institutions. Investments issued or guaranteed by approved institutions will be permitted by this IPS, as deemed eligible by the Regulation or as authorized by subsequent provincial regulations. Investments will be limited to securities issues maintaining a minimum credit rating by an appropriate credit rating agency.

5.5.2 **MNRI Investment Objectives and Eligible Investments**

5.5.2.1 The Municipality's MNRI is described in Section 5.3. In accordance with the ONE JIB Agreement and this IPS, ONE JIB has exclusive control and management of the MNRI and the investments made therewith.

5.5.2.2 From time to time, the Municipality may require money immediately to meet financial obligations and may require ONE JIB to liquidate one or more investments in order to generate money to meet those obligations. ONE JIB will select the investment(s) to be liquidated. The timing of such liquidation will be determined by ONE JIB in consultation with the Treasurer.

5.5.2.3 In setting the objectives noted below, the Municipality has taken into account the following considerations:

- Preservation of capital;
- Adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements;
- Diversification by asset class, market, sector, issuer, credit quality and term to maturity;
- Income and capital appreciation; and
- Macro risks, such as inflation, economic growth and interest rates.

5.5.2.4 Investment of MNRI is managed by ONE JIB in a way that balances investment objectives, expected returns, and risk to develop asset allocations that achieve the Municipality's financial objectives within stated risk tolerances.

5.5.2.5 The overall MNRI portfolio investment horizon shall be in line with the nature of the Municipality's forecasts and underlying liabilities. The portfolio should balance risk and the benefits of higher expected returns over a longer investment horizon.

5.5.2.6 Investment of MNRI is to be managed by ONE JIB in a way that balances the investment objectives with a level of risk that is appropriate for the municipality. The MNRI invested with ONE JIB will be broadly diversified to help reduce the volatility of investment returns. Returns have an impact on revenues, as well as a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. To the extent possible, the MNRI's investment horizons are aligned with the Municipality's obligations and cash flow requirements and may consist of liquid and non-liquid securities based on future cash flow requirements.

5.5.2.7 Eligible investments for MNRI include any Pooled Fund or other collective investment vehicle or institutional investment management product approved or selected by ONE Investment for the Prudent Investment Program (OCIO Offering), provided

always that the products and the selection of products comply in all material respects with the IPS.

5.5.2.8 Additionally, nothing in this IPS prevents MNRI from being held in cash, short term money market instruments, or overnight deposits.

5.5.3 **Sinking Funds**

5.5.3.1 Sinking Funds are currently not applicable to the Municipality; however, should any sinking funds be established in the future, they are to be classified as MNRI and will be managed separately by ONE JIB.

5.5.4 **Local Distribution Corporation (LDC) & Municipal Services Corporation (MSC) Securities**

5.5.4.1 The direct investment in LDC/MSC shares and/or promissory notes, as listed in Schedule A, shall be considered to be Restricted Special Assets and shall not be held by ONE JIB as MNRI.

5.5.5 **Restricted Special Assets**

5.5.5.1 All existing assets, listed in Schedule A of this IPS and held by the Municipality on the Prudent Effective Date, shall be considered to be Restricted Special Assets, and shall not be held by ONE JIB as MNRI. The Treasurer may choose to liquidate these investments and determine that the proceeds are MNRI, to be invested as per this IPS and the approved ONE JIB Investment Plan.

5.5.5.2 For certainty, Restricted Special Assets are not MNRI of the Municipality, and such assets are not under the control or management of ONE JIB.

5.5.6 **Third-Party Trust Funds and Designated Funds**

5.5.6.1 In addition to the Municipality's own money, the Municipality is from time to time entrusted with Third-Party Trust Funds, and the Municipality's responsibilities and obligations with respect thereto may be subject to other legislation and governed by other agreements and instruments. To the extent that there is any conflict or inconsistency between the provisions of this IPS and the terms and conditions contained in such other legislation, agreements or instruments applicable to Third-Party Trust Funds, the latter shall prevail.

5.5.6.2 The Municipality's Third-Party Trust Funds and the Designated Funds are listed in Schedule A.

5.5.6.3 For certainty, the Third-Party Trust Funds and the Designated Funds are not MNRI of the Municipality, and such assets are not under the control or management of ONE JIB.

5.5.7 **Investment Management**

5.5.7.1 The investment of MRI shall be controlled and managed by the Treasurer as it consists of funds required by the municipality to meet its operating requirements.

5.5.7.2 The investment of MNRI shall be controlled and managed by ONE JIB in accordance with this IPS and the ONE JIB Agreement.

5.5.7.3 An Outsourced Chief Investment Officer (OCIO) and/or External Portfolio Managers shall be appointed by ONE JIB, and they shall enter into an agreement with ONE Investment related to the OCIO Offering, that complies with this IPS and Part II of the Regulation and will provide compliance and performance reports to ONE JIB and ONE Investment. ONE JIB shall make any investment management changes deemed in the best interest of the Municipality.

5.5.8 **Transition to Prudent Investor Regime / OCIO Offering**

5.5.8.1 Until the Prudent Effective Date, the Municipality will continue to control and manage its MRI, MNRI and investments in Legal List Securities. Some Legal List investments were made with MRI and some with MNRI.

5.5.8.2 During the transition to the OCIO Offering, the Chair and Vice-Chair of ONE JIB have discretionary power to approve temporary investments recommended by the Sub-Investment Manager that may not be expressly described in this IPS but are, in the opinion of the Chair and Vice-Chair, in the best interests of the Municipality and are entirely consistent with their fiduciary obligations to the Municipality.

5.5.8.3 All MNRI, that is not Third-Party Trust Funds, Designated Funds or Restricted Special Assets shall be provided to ONE JIB on the Prudent Effective Date.

5.5.9 **Investment Constraints**

5.5.9.1 The Municipality supports Environmental, Social and Governance (ESG) investing for MRI and MNRI. The Municipality believes that well-managed companies are those that demonstrate high ethical and environmental standards and respect for their employees, human rights, and the communities in which they do business, and that these actions contribute to long-term financial performance.

5.5.9.2 For the investment of MRI, the Municipality has chosen to monitor the development of ESG factors and will reconsider its approach to ESG investing for the MRI Investment Portfolio as and when appropriate to do so.

5.5.9.3 For the investment of MNRI, ONE JIB is required to explore and consider how the OCIO is implementing responsible investing principles at the time of hiring and during periodic reviews. It may report on results periodically, if requested.

5.5.10 **Securities Lending**

5.5.10.1 For the investment of MRI, Securities Lending is not permitted.

5.5.10.2 For the investment of MNRI, the Municipality may invest in pooled funds and other investment funds that are managed by the Sub-Investment Manager, who may engage in Securities Lending if the policies of the OCIO permit such an action.

5.5.11 **Derivatives**

5.5.11.1 Derivatives shall not be used for the investment of MRI. For the investment of MNRI, futures and forwards contracts, options and other derivative instruments may only be used to (a) create an asset mix position that does not leverage the portfolio, (b) replicate the performance of a capital market index, or (c) reduce risk as part of a hedging strategy.

5.5.12 **Use of Leverage**

5.5.12.1 Nothing in this IPS prevents the use of leverage, provided it is prudent to do so. Leverage is inherent in the use of certain types of investment strategies and instruments. Where leverage

is employed, ONE JIB (for MNRI) and the Treasurer (for MRI) shall have in place monitoring procedures to manage overall exposure to any counterparty. Leverage should not be exercised for speculative purposes but may be used as a hedging tool.

5.5.13 **Pooled Funds**

5.5.13.1 Investments in open-ended pooled funds, closed-ended pooled funds, limited partnerships and other specialist corporate structures (e.g. LLCs), are permitted provided that the assets of such funds are permissible investments under this IPS or provided that any non-permitted investments are disclosed by the Sub-Investment Manager. Within pooled funds, the External Portfolio Manager's policies will take precedence over this IPS.

5.5.14 **Currency Hedging**

5.5.14.1 The MRI Investment Portfolio will not utilize currency hedging.

5.5.14.2 The Municipality's funding requirements are in Canadian dollars. However, some exposure to foreign currencies in the MNRI Investment Portfolio may be advantageous to provide diversification and potentially enhance returns. Therefore, it shall not be a violation of this IPS for investments in global mandates to be unhedged, in whole or in part, where the diversification benefits embedded in the currency exposure are considered to be beneficial or desirable by ONE JIB.

5.5.15 **Alternative Asset Classes**

5.5.15.1 The applicable legislation does not prevent the direct/indirect placement of the MNRI in Alternative Asset Classes; this IPS restricts investments in alternative investments for the purpose of management of MNRI under ONE JIB due to the inherent risks of this asset class.

5.5.16 **Performance Monitoring, Rebalancing and Management – MRI**

5.5.16.1 The performance benchmarks may vary from time to time, as decided by the Treasurer, subject to the investment constraints listed in the IPS.

5.5.17 **Performance Monitoring, Rebalancing and Management – MNRI**

5.5.17.1 For the investment of MNRI, ONE JIB shall establish parameters for monitoring investments and rebalancing through policy or directly within the Investment Plan.

Investments are expected to achieve returns at least equal to their benchmarks measured over a rolling five-year period. At minimum, ONE JIB shall provide reporting described in Section 5.6.7.2 below that shows the Municipality's holdings, confirms compliance with this IPS, and reports on the Sub-Investment Manager's performance.

5.6 Administrative Policies

5.6.1 Flow of Money and Annual Municipal Budget

5.6.1.1 Transfer to ONE JIB as Part of Annual Review Process

On an annual basis, as part of the Municipality's Annual Review process, the Municipality shall identify the amount, if any, of MNRI that it holds. Any MNRI not already under the control and management of ONE JIB shall be transferred to ONE JIB as soon as practicable.

5.6.1.2 Transfer to Municipality as Part of Annual Review Process

On an annual basis, ONE JIB shall be notified by the Treasurer as to the amount, if any, required by the Municipality from the MNRI then under the control and management of ONE JIB for the Municipality's operational purposes. Such amount shall be deemed to be MRI and shall be returned to the Municipality in a lump sum or by way of periodic payments, as directed by the Treasurer.

5.6.2 Flow of Money Otherwise than through the Budget Process

5.6.2.1 Surplus Funds

The MRI captures revenues received by the Municipality during each year after the approval of the Municipality's budget for the year. Any amounts deemed to be MNRI by the Treasurer at any such time during the year shall be transferred to ONE JIB to be under its management and control as MNRI. Amounts so transferred will be recorded annually in the Investment Plan and allocated by ONE JIB in accordance with the Investment Plan.

5.6.2.2 Contingencies

The Treasurer is authorized to direct ONE JIB to return any amounts determined by the Treasurer to be required to meet expenditures for unexpected contingencies not anticipated by the Municipality's budget in force for that year, provided however that the aggregate of the amounts to be returned to the Municipality under this Section 5.6.2.2 during the year shall not exceed 25% of the MNRI under the control and management of ONE JIB as at the date that the Municipality approved its budget for the year (the *Budgeted MNRI*). In determining the Budgeted MNRI for purposes of calculating the 25% limit, any MNRI to be transferred to the control and management of ONE JIB in accordance with that year's Annual Review pursuant to Section 5.6.1.1 above shall be included and any amount to be returned by ONE JIB to the Municipality pursuant to Section 5.6.1.2 shall be excluded. ONE Investment should be made aware of material transactions in advance to ensure the orderly sale of securities to fund withdrawals.

5.6.3 **Valuation of Investments**

5.6.3.1 Investments shall be valued according to the values provided by the Custodian(s). For the investment of MNRI, values of unitized vehicles shall be valued according to the unit values published by the Custodian. Other investments shall be valued at their market value when that is available from regular public trading. If a market valuation of an investment is not available, then a fair value shall be supplied by the Sub-Investment Manager to ONE Investment no less frequently than quarterly.

5.6.4 **Voting Rights**

5.6.4.1 The Sub-Investment Manager shall assume the responsibility of exercising voting rights in respect of the Municipality's MNRI and will report its voting policies to ONE JIB annually. The Municipality may access these policies at any time.

5.6.5 **Internal Controls**

5.6.5.1 The Treasurer shall establish an annual process of review of all investments made under this IPS. This review will provide internal control by assuring compliance with governing legislation and with policies and procedures established by the Treasurer. To the extent ONE JIB's input is needed, these requirements will be communicated in advance to ONE JIB.

5.6.6 **Custodians**

5.6.6.1 All municipal investments and assets of the investment portfolios may be held by a Custodian and any of the Custodian's sub-custodians or nominees. For MNRI, the Custodian shall be acceptable to ONE Investment. For MRI, the Custodian shall be acceptable to ONE Investment if ONE Investment is administering the investment of the Municipality's MRI; otherwise, the Custodian shall be acceptable to the Municipality.

5.6.7 **Reporting**

5.6.7.1 MRI

For the investment of MRI, the Treasurer shall report at least annually to Council, the report to be in a form and contain such content as Council may request. The report to Council shall include investment performance during the period covered and any other information required under the Regulation and that the Treasurer may consider to be pertinent.

5.6.7.2 MNRI

The Regulation provides that ONE JIB shall submit an investment report to Council in respect of the investment of MNRI at least annually. This report shall include the following:

- Investment performance during the period covered by the report;
- Asset mix of the total portfolio;
- A listing of individual investments held at the fund level at the end of the reporting period showing, where appropriate, book value, market value, realized/unrealized gains/losses and actual income received;
- A list of all transactions including the security name, trade date, and the purchase and/or sale price;
- A statement by the Treasurer as to whether all investments were made in accordance with the IPS and as to whether all investments were made in accordance with the Investment Plan; and
- Any other pertinent information in the opinion of the Treasurer.

All MNRI or MRI invested on behalf of the Municipality by ONE JIB or with the assistance of ONE Investment shall be held for safekeeping in the name of the Municipality by a Custodian.

5.7 **Approval, Subsequent Modifications and Effective Date**

5.7.1 **Revocation of Previous Investment Policy**

5.7.1.1 The current Investment Policy CP-FS-POL-005, approved by Council June 27, 2023 (Res #23-0627-16) is hereby repealed and replaced with this Policy as of the Prudent Effective Date.

5.7.2 **Modifications to the IPS**

5.7.2.1 At least annually, Council shall review the IPS and update it, if required. In the course of reviewing the IPS, Council may request comments from the Treasurer with respect to the investment of MRI and from ONE JIB with respect to the investment of MNRI.

5.7.2.2 Following the Council's review of the IPS, ONE JIB shall review the Investment Plan and update it, if required. At a minimum, the annual IPS review will consider:

- the adequacy of funding for capital works;
- the Municipality's ability to reduce other spending;
- flexibility of the timeframe to payout; and
- sensitivity to loss.

6 RELATED LEGISLATION

6.1 Sections 418 and 418.1, Municipal Act, 2001, S.O. 2001, c. 25 (as amended)

6.2 Ontario Regulation 438/97 – Eligible Investments, Related Financial Agreements and Prudent Investment (as amended)

6.3 Ontario Regulation 655/05 - Eligible Investments (as amended)

7 REFERENCES & RELATED DOCUMENTATION

7.1 Report TR 22-2025 – Investment Diversification Analysis and Options

7.2 Report TR 31-2025 – Adoption of the Prudent Investor Standard and Agreement with ONE JIB

7.3 Mayoral Decision MDE 2025-004 – Decision to Establish a Finance Committee

7.4 Authorizing By-law Number 56-2025 – By-law authorizing the Municipality to invest money not required immediately under the prudent investor regime and approving the ONE JIB Agreement.

7.5 ONE Joint Investment Board Agreement – Agreement between the Municipality and ONE JIB/ONE Investment effective as of the Prudent Effective Date, delegating control and management of MNRI to ONE JIB.

8 APPROVAL

Council	TR 31-2025	*(Resolution #)*
Authority	Director of Financial Services	**Date** *(Month, Day, Year)*
Amended/Modified/Replaced	Date:	

Schedule A

Restricted Special Assets,

Joint Local Board - Assets of the Lake Huron Area Primary Water Supply System (LHAPWSS)

Joint Local Board – Assets of the Lambton Area Water Supply System (LAWSS)

Joint Local Board – Assets of the Grand Bend Area Joint Sewage Board (GBAJSB)

GIC, Maturity March 4, 2029 @ 4.35%

Investments Held by the Municipality prior to the Prudent Effective Date

Third-Party Trust Funds and Designated Funds

The Corporation of the Municipality of Lambton Shores holds Trust Funds as outlined in the Trust Funds Financial Statements for the year ended December 31 audited by external auditors annually. Included are care and maintenance trust funds under the *Funeral, Burial and Cremation Services Act,* 2022, S.O. 2002, c.33, as amended, which are to be invested pursuant to the *Trustee Act, RSO 1990, c T.23,* as amended.

Attachment 2

Print

Clear Form

Municipal Client Questionnaire (MCQ)

The MCQ is part of the ONE Investment / ONE JIB annual Investment Plan review (approval) process. The MCQ along with the Council approved (reviewed) Investment Policy informs ONE JIB of the municipal circumstances to consider with the approval of the Investment Plan.

During the year, outside of the annual review, please update the MCQ within 90 days if the municipality experiences any significant changes, *including a significant change in your municipality's financial circumstances*, or *significant change in the amount of your municipality's "money that it does not require immediately".* For changes between annual reviews, provide written notice of changes by using the in-year MCQ update form on the last page of this document.

Section 1 – Client Information

Name of Municipality: The Corporation of the Municipality of Lambton Shores

Address: 9577 Port Franks Road, Thedford, Ontario, N0M 2N0

Treasurer Information

Name: Rebecca Clothier, Director of Financial Services

Phone Number: (519) 243-1400 Extension: 8116

Email: rclothier@lambtonshores.ca

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*Primary Day to Day Contact Information** ☑ *Check if same information as Treasurer above*

Name:

Phone Number: Extension:

Email:

*Primary day-to-day contact should have a comprehensive understanding of your Municipality's financial position and investment needs.

Section 2 - Investment Knowledge and Experience

2.1 Which statement best describes the Municipal staff (person most responsible for managing investments)'s level of investment knowledge and experience with financial markets and products? *Please check one*

- ○ Very limited knowledge
- ○ Basic knowledge and minimal experience
- ◉ Good knowledge and some experience
- ○ Strong knowledge and experience
- ○ Advanced knowledge and extensive experience

2.2 If Municipal staff have strong or advanced knowledge, please describe where this knowledge was acquired (e.g., education, designations experience).

N/A

2.3 Please indicate if your municipality has used / held any of the following investment types within the past five years. *Please check all that apply.*

- ☐ Canadian money market securities
- ☒ Locked-in Investments (e.g., GICs, PPNs etc.)
- ☐ Local Distribution Corporation Securities (LDC securities)
- ☒ Securities held in third party trusts (i.e., cemetery trust, legacy fund etc.)
- ☒ Fixed income (government and/or corporate bonds)
- ☐ Equities
- ☐ Other – Please Describe

Section 3 – General Municipal Information

This section provides some high-level demographic information on the municipality

3.1 What is the population of the Municipality? 12,500

3.2 Is your municipality a single tier, upper tier or lower tier? lower tier

3.3 How much does a 1% tax rate increase generate? $ 162,218

3.4 Is there any other demographic information about your municipality you would like the ONE JIB to know? *(optional)*

Lambton Shores is a lower-tier municipality in Lambton County in southwestern Ontario, located along the eastern shoreline of Lake Huron. Lambton Shores is known for its stunning beaches, including the Blue Flag Grand Bend Beach, Pinery Provincial Park and Rock Glen Conservation Area. Formed in 2001 through the amalgamation of several communities including Forest and Grand Bend, it is characterized by a blend of rural living, small communities, and a strong seasonal tourism economy. Lambton Shores covers approximately 330 square kilometres, which is about half the size of Toronto, and has a population of approximately 12,500. Growth is strongly associated with its appeal as a lifestyle and retirement destination. The local economy is supported by tourism, agriculture, and service industries, with seasonal population increases boosting economic activity.

Section 4 – Municipal MNRI Information

4.1 This section summarizes the current MNRI under the management and control of the ONE JIB and the projected change identified in the annual review. *The total value should equal the total MNRI shown in Question 5.1 Investment Objectives and Horizon*

.

Description	**Value**
Portfolio Value (A) - *For existing municipalities this is the amount currently invested with ONE JIB as of your last monthly statement.* - *For new municipalities this should be $0*	
Change to MNRI: Additional contribution (+) or withdrawal (-) (B) - For existing municipalities this is the MNRI change identified during the annual review (fund transfers are typically completed with 30 days of ONE JIB's approval of the updated investment plan) - For new municipalities, this equals your initial deposit as of the Prudent effective date (TBD)	$ 6,000,000
Total MNRI under the management and control of ONE JIB (A + B)	$ 6,000,000

☐ Additional details have been included as an attachment to this MCQ (optional).

4.2 Use this *optional* box to provide any additional MNRI details related to 4.1 above (in lieu of a separate attachment)

Section 5 – MNRI Investment Objectives and Liquidity Needs

This section asks about your Municipality's MNRI, the purpose or investment objective and the expected investment horizon or when funds may be required to meet forecasted municipal obligations.

5.1 What is the Municipal *funding objective(s), investment horizon(s) and purpose(s)* for the MNRI? *The total MNRI value should equal the total MNRI shown in Question 4.1 Municipal MNRI Information*

MNRI by Investment Horizon

Description	**Total MNRI ($) (A+B+C)** ***auto calculate***	**Investment Horizon < 5 Years (A)**	**Investment Horizon 5-10 Years (B)**	**Investment Horizon >10 Years (C)**
Water Reserve Fund	$ 6,000,000			$ 6,000,000
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 6,000,000	$ 0	$ 0	$ 6,000,000

Note – Description is up to the municipality, it could be total MNRI (one line) or broken out into the funding objective/investment purpose, or municipal reserve name/group (multiple lines)

☐ Additional details have been included as an attachment to this MCQ (optional).

5.2 Based on *current* municipal forecasts, please provide details that may help inform the ONE JIB about ***potential drawdowns/additions to MNRI*** that may be anticipated in future years.

Cash Flow Projections Potentially Affecting Future MNRI

Description	Next Year	2 years	3-5 years	5-10 years	10 years +
Anticipated MNRI Drawdowns (-)					
Anticipated MNRI Contributions (+)	$ 2,000,000	$ 2,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
Net Change to MNRI	$ 2,000,000	$ 2,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000

5.3 Does the municipal forecasts used (above in 5.2) reflect

☒ Drawdowns of current reserve balances, or

☐ Drawdowns of current reserve balances inclusive of projected future budgetary contributions

5.4 What *assumptions or factors* do your municipality include in the MNRI cash flow projections? For example, but not limited to, inflation assumptions on capital projects, assumptions on future tax-based reserve contributions, forecasted development charge revenue etc.

The Municipality does not have a formal cash flow policy; however, cash flow considerations are incorporated through the annual budget process and a rolling 10-year capital plan informed by the Asset Management Plan.

Capital project costs are inflated annually to reflect anticipated increases. The plan includes key assumptions related to funding sources, including tax-based reserve contributions and development charge revenues, which are forecasted based on expected growth, historical trends, and financial capacity.

Project timing is aligned with available funding to support affordability. The Municipality is planning to enhance its approach by expanding the capital plan to a 25-year horizon and refining cash flow projections to better reflect the timing of revenues and expenditures.

5.5 Does your municipality forecast beyond 5 years, if yes, what is the level of accuracy?

Yes, the Municipality prepares a rolling 10-year capital forecast through the annual budget process, informed by the Asset Management Plan. An increasing number of assets are transitioning from age-based to condition-based risk and replacement schedules, improving forecast accuracy each year. The Municipality plans to expand this forecast to a 25-year horizon.

5.6 Does your current municipal forecast include any large (or unusual) capital expenditures, which are outside of normal operations?

☐ Yes ☒ No

5.7 Do you anticipate any *potential* change in *liquidity needs* in the future (i.e. within 2 years, within 5 years or beyond 5 years) which may impact on the investment time horizon? An example could be a large capital infrastructure project with timing TBD, or with grant funding pending etc. If yes, please elaborate.

There is the possibility that a new community centre will be build in the short term. This will require some funding during construction, but will be primary funded through community contributions and long term debt.

5.8 How does your Municipality manage unanticipated requests for funding? Can you characterize the probability that your municipality may need to draw down MNRI to fund unexpected budget shortfalls?

Typically, unanticipated funding requests are funded through reserve fund savings. Currently, the probability of Lambton Shores' needing to draw down MNRI to fund unexpected budget shortfalls is low due to the low % of reserves that have been deemed MNRI.

5.9 Are there any *other unique circumstances* to your municipalitythat may impact your cash flow MNRI forecast, return objectives and risk tolerance that the Investment Plan should consider?

The Municipality has a low risk tolerance, emphasizing conservative financial practices, stable tax impacts, and long-term sustainability. Decisions are guided by risk mitigation, including maintaining reserve balances, aligning capital plans with available funding, and limiting exposure to financial volatility.

Section 6 – Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this 13th day of April, 2026

Rebecca Clothier

Digitally signed by Rebecca Clothier
Date: 2026.04.13 15:38:44 -04'00'

Name and Signature of Treasurer

Second Signature (if required)

Municipal Client Questionnaire (MCQ)

Appendix 1 – In-year MCQ Updates Form

Please provide details below that explain the nature of your requested change. This should describe: the money involved, the timing of transactions required, and any other context to support the change request. This will allow ONE JIB to understand how this update may change the cashflow characteristics or investment horizons of MNRI relative to your current MCQ and Investment Plan.

Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this_____day of_____, 20_____

_____ _____

_____ _____

Name and Signature of Treasurer Second Signature (if required)

Attachment 3

INVESTMENT PLAN FOR

The Municipality of Lambton Shores

DATE: May 28, 2026

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1

DEFINITIONS

Definitions applicable to this Investment Plan can be found on the ONE Investment webpage under Education & Training / Glossary.

2

PURPOSE

As required under the prudent investor regime authorized by the Municipal Act, 2001 (Act), and Ontario Regulation 438/97 (Regulation), this Investment Plan (Plan) establishes how ONE JIB will invest the Municipality of Lambton Shores' Money Not Required Immediately (MNRI) as defined in Lambton Shores' Investment Policy Statement (IPS).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Municipality of Lambton Shores.

3

RESPONSIBILITY FOR PLAN

This Plan is the responsibility of ONE JIB, which has authorized its agent, ONE Investment, to exercise its administrative investment functions in accordance with the Regulation. ONE JIB oversees ONE Investment staff using procedures, reports, and regular reviews to monitor compliance with the Act, the Regulation and the Municipality of Lambton Shores' IPS.

ONE Investment has engaged PH&N Institutional to provide OCIO services. PH&N Institutional is the business division of RBC Global Asset Management responsible for managing assets for Canadian institutional clients. PH&N Institutional will be involved in implementing the Investment Plan, monitoring and reporting investments, and providing ancillary services to support the OCIO Offering.

RBC GAM's investment professionals are committed to providing each client with investment solutions that are appropriately tailored to address the client's investment situation. This means understanding macroeconomic trends and strategies and the diverse and evolving investment needs of clients.

4

INVESTMENT GOALS AND OBJECTIVES

The Municipality of Lambton Shores' investment needs, as described in its IPS, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the MCQ and dialogue with the Treasurer inform ONE JIB about Lambton Shores's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Lambton Shores' MNRI in this Plan is consistent with the details as disclosed in section 5.5.2 of Lambton Shores' IPS and MCQ. Lambton Shores' IPS provides specific information that characterizes the objectives for MNRI, as detailed in Table 1 below:

Table 1: The investment objectives for MNRI.

Category	**Objective & Risk Tolerance**
Objectives for overall MNRI	• Preservation of capital • Provide adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements • Diversification by asset class, market sector, issuer, credit quality, and term to maturity • Achieve capital appreciation and income while managing risk to an appropriate level.

The MNRI invested with ONE JIB will be broadly diversified across asset class, market, sector, issuer, credit quality, and term to maturity to help reduce investment return volatility. Returns impact revenues and have a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. The MNRI shall be invested to obtain a progressively higher rate of return for longer-term investment horizons, commensurate with stated risk tolerances.

The MNRI balances will be invested primarily to achieve capital growth over time. Achieving returns above inflation is a key investment objective.

5

INVESTMENT PORTFOLIO

Asset allocations are typically expected to be relatively stable until the next annual review. Any contributions or withdrawals of MNRI must be communicated to ONE JIB formally as outlined in the ONE JIB Withdrawals of Money Not Required Immediately (MNRI) Policy

5.1 Account Structure

MNRI Investment Horizon	Risk Tolerance / Model Assigned	Allocation
Consolidated MNRI Holdings	Model G (70% Equity) assigned.	$6,000,000

Other considerations:

- Lambton Shores will contribute $6 million to MNRI shortly after joining ONE JIB.
- This MNRI represents a single reserve fund (the Water Reserve Fund) and, at this time, and does not include balances from any other municipal reserves.
- The reserves that represent MNRI will not be required within the next 10 years.
- It is expected that significant incremental contributions to MNRI will occur over time, with MNRI potentially doubling within 5 years.
- The Treasurer will be evaluating the various reserves and reserve funds, and based on this evaluation, additional reserves are expected to be included in MNRI in future years.
- As the investment horizon of reserves that may be added to MNRI in subsequent years is not yet known, it is possible that the allocation assigned to MNRI may be revised in the future to reflect a different average investment horizon associated with MNRI. This would be evaluated during subsequent annual reviews.
- Due to the investment horizon and lack of near-term liquidity needs, an allocation of 70% equity, model G has been recommended.
- Alternative investments were not permitted in the council-approved IPS and have not been considered in the investment allocation.

5.2 Allocations

70% EQUITY MODEL (G)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	10	30%	40
Global Fixed Income and Credit	0	0%	10
Canadian Equities	25	35%	45
Global Equities	25	35%	45
Alternatives	0	0%	0
Total		100%	

* Further details on holdings and benchmarks for this model are detailed in a ONE JIB report approved on September 4, 2025. (Model Portfolio Review 2025).

6

APPLICABLE ONE JIB POLICIES

The Plan adheres to the following ONE JIB Policies, which are subject to periodic review and updating and are posted to the ONE Investment website.

- ONE Anti-Money Laundering Policy
- ONE JIB Fund Deviation Policy
- ONE JIB Principles of Good Benchmarks Policy
- ONE JIB Withdrawals of MNRI Policy
- ONE JIB In-Kind Securities Policy
- ONE JIB Responsible Investment Policy
- ONE JIB Policy for Reviewing the External Sub-Investment Manager
- ONE JIB OCIO Compliance Monitoring Policy

7

ELIGIBLE FUNDS

The eligible funds are listed under Schedule "A" of the Investment Management Agreement between RBC Global Asset Management Inc. and ONE Investment, which may be reviewed and updated periodically.

In asset classes where more than one fund is eligible for investment, the OCIO will be responsible for determining which fund(s) to include in the client portfolio after due consideration for (1) the individual characteristics of the fund, (2) prevailing market conditions impacting the fund's liquidity and capacity, and (3) its alignment with the investment objectives and philosophy.

The Manager shall manage the RBC GAM Fund(s) according to the pooled fund investment mandate including the investment guidelines contained therein developed by the Manager in respect of each RBC GAM Fund (each, an "Investment Mandate").

Asset Classes	**Sub-Asset Classes**	**Eligible Fund Names (Schedule "A" of IMA)**
	Fixed Income	
Cash & Equivalent	Money Market	PH&N Canadian Money Market Fund
Canadian Fixed Income	Short-Term Bonds	PH&N Short Term Bond & Mortgage Fund RBC Vision Fossil Fuel Free Short Term Bond Fund
	Universe Bonds	PH&N Bond Fund PH&N Enhanced Total Return Bond Fund RBC Vision Bond Fund RBC Vision Fossil Fuel Free Bond Fund
	Corporate Bonds	PH&N Corporate Bond Trust*
	Private Placement Corporate Debt	PH&N Private Placement Corporate Debt Fund*
	Commercial Mortgages	PH&N Mortgage Pension Trust* RBC Commercial Mortgage Fund*
Global Fixed Income and Credit	High-Yield Bonds	RBC High Yield Bond Fund PH&N High Yield Bond Fund
	Global Multi-Asset Credit	BlueBay Total Return Credit Fund
	Global Bonds	RBC Global Bond Fund
	Emerging Markets Bonds	RBC Emerging Markets Bond Fund

	Equities	
Canadian Equities	Canadian Equities	PH&N Canadian Equity Value Fund PH&N Canadian Equity Fund RBC Vision Canadian Equity Fund RBC QUBE Canadian Equity Fund
	Canadian Low Volatility Equities	RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund RBC QUBE Low Volatility Canadian Equity Fund
Global Equities	U.S. Equities	PH&N US Equity Fund RBC QUBE US Equity Fund
	U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Fund
	International Equities	RBC International Equity Fund RBC International Equity Index Fund RBC QUBE International Equity Fund
	Global Equities	RBC Global Equity Focus Fund RBC Global Equity Leaders Fund RBC Vision Global Equity Fund RBC Vision Fossil Fuel Free Global Equity Fund RBC QUBE Global Equity Fund
	Global Low Volatility Equities	RBC QUBE Low Volatility Global Equity Fund
	Emerging Markets Equities	RBC Emerging Markets Equity Fund RBC Emerging Markets Dividend Fund
Alternatives	Real Estate	RBC Canadian Core Real Estate Fund
	Infrastructure	RBC Global Infrastructure Fund

8

REBALANCING

The OCIO is authorized to execute trades, as appropriate, to maintain compliance with the Investment Plan.

Rebalancing shall occur in accordance with the Participating Municipality's Investment Policy Statement and Investment Plan.

Rebalancing plans and exact timing should account for upcoming material changes that may impact the Investment Plans, such as updates to the Investment Policy Statement or the Municipal Client Questionnaire.

As appropriate, the size and frequency of trading activities shall be minimized to help reduce the administration and costs of trading.

9

IMPLEMENTATION

9.1 Custodian

All marketable investments under the control and management of ONE JIB, shall be held for safekeeping by ONE Investment's Custodian.

9.2 Implementation Plan

Timeline	Implementation Details
June 2026	• MNRI will be remitted to ONE JIB and invested in Model G. • The Effective Date has yet to be determined, but it is expected that MNRI to be invested in early June 2026.

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested as per the ONE Distribution Policy PI and cashflow needs of Lambton Shores are expected to be financed with the sale of units of the pooled funds. Payment of OCIO Fees and Governance fees will also be financed with the sale of investment pool units.

REPORT

To: ONE Joint Investment Board
From: Keith Taylor, Chief Investment Officer, ONE Investment
Date: May 28, 2026
Re: Town of New Tecumseth's Investment Plan 2026
Report: ONE JIB 2026-027

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the Town of New Tecumseth's Investment Policy Statement (Attachment 1)
2. Receive the Town of New Tecumseth's Municipal Client Questionnaire (Attachment 2)
3. Approve the Town of New Tecumseth's proposed Investment Plan (Attachment 3) investing in Model E

2. SUMMARY

The Town of New Tecumseth has requested to join ONE JIB as a Participating Municipality. The Municipal Client Questionnaire (MCQ) provides information on its Money Not Required Immediately (MNRI) and the investment horizons associated with its reserve balances, which have informed the recommended allocations. New Tecumseth's initial $8 million contribution to MNRI represents reserves with an investment horizon of 5 to 10 years but the Town expects incremental contributions to MNRI over the next ten years.

The proposed investment allocation in the Investment Plan is based on the municipality's circumstances, needs, and risk tolerance. Model E, with a 50% allocation to equities within a diversified portfolio, is recommended. A summary of this allocation is shown below:

50% EQUITY MODEL (E)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	37.5%	$3,000,000
Global Fixed Income and Credit	12.5%	$1,000,000
Canadian Equities	25%	$2,000,000
Global Equities	25%	$2,000,000
Alternatives	0%	$0
Total	100%	$8,000,000

3. BACKGROUND

New Tecumseth is a hub for residential and economic growth in Simcoe County

Located in south-central Ontario just north of the Greater Toronto Area, New Tecumseth includes the communities of Alliston, Beeton, and Tottenham, each serving as a distinct centre with its own character. The municipality has become a focal point for residential expansion, driven by rapid population growth and ongoing greenfield development. Its economy is anchored by Honda of Canada Manufacturing and supported by a broader manufacturing cluster, alongside a strong agriculture sector and local retail and service industries. New Tecumseth is experiencing increased demand for infrastructure and municipal services, reflecting its evolving role as a key growth area in Simcoe County.

The investment allocation for New Tecumseth will be based on the model portfolios approved by the ONE JIB on September 4, 2025

The recommended investment allocations for New Tecumseth's MNRI were determined with consideration of the investment horizon associated with its MNRI, while also reflecting the Town's circumstances, needs, and investment restrictions. A single allocation is being recommended based on the Model Portfolios reviewed and approved at the September 4, 2025, ONE JIB meeting.

The Town will contribute $8 million to MNRI to be invested with ONE JIB, all of which has an investment horizon between 5 and 10 years

The Treasurer has provided details of the time horizons associated with reserve balances, which have informed the proposed allocations in the Investment Plan. Details on the reserve balances and estimates of the investment horizon associated with these reserves are provided in Table 5.1 of New Tecumseth's MCQ. As shown in Table 1 below, the overall investment horizon associated with MNRI is between 5 and 10 years:

Table 1: Summary of the investment horizon of MNRI, from Table 5.1 of MCQ

Description	Total MNRI	Investment Horizon < 5 Years	Investment Horizon 5-10 Years	Investment Horizon >10 Years
Tax Rate Stabilization	$ 1,500,000	-	$ 1,500,000	-
Asset Replacement - Water	1,500,000	-	1,500,000	-
Asset Replacement - Wastewater	1,500,000	-	1,500,000	-
Asset Replacement - General	3,500,000	-	3,500,000	-
Total MNRI	$ 8,000,000	-	$ 8,000,000	-

New Tecumseth expects to be making incremental contributions to MNRI over next 10 years

As part of the information provided in the MCQ, the Town has provided details on anticipated contributions and withdrawals of MNRI over the next ten years. Table 2 below

provides details of the anticipated contributions and withdrawals of MNRI in future years, based on Table 5.2 in the MCQ. While potential planned withdrawals are anticipated in year 4, the overall pattern shows significant net contributions to MNRI over the next ten years.

Table 2: Anticipated Cash Flow Projections, MNRI by year, adapted from Table 5.2 of MCQ.

	Next Year	2 Years	3-5 Years	5-10 Years	10+ Years
Anticipated MNRI Drawdowns	-	-	-	($8,000,000)	-
Anticipated MNRI Contributions	-	$1,000,000	$5,000,000	$5,000,000	$5,000,000
Net change in MNRI	-	$1,000,000	$5,000,000	($3,000,000)	$5,000,000

Investment income can help provide Participating Municipalities with an additional source of revenue

Ontario municipalities are under growing pressure to deliver the kinds of infrastructure residents expect, including recreation facilities, fire halls, roads, and libraries, while keeping property tax rate increases at a reasonable level. Balancing these expectations with available revenue sources is becoming increasingly difficult as costs rise and demand grows.

When funding for capital projects cannot be secured through other channels, such as government grants or the existing tax or rate base, municipalities often have no choice but to delay or scale back their plans or resort to debt financing. Under the *Municipal Act*, municipalities are prohibited from running an operating deficit, which further limits their flexibility in responding to these demands.

Earnings from municipal investments can make a meaningful difference. By applying these returns to capital costs, municipalities can reduce the pressure on the tax base, maintain service levels, keep up with inflation, and progress with key projects in a manner that is both financially sustainable and responsible.

In New Tecumseth, each one percent increase in property tax rates yields approximately $480,000 in additional annual revenue. However, there are limits to how much municipalities can rely on tax increases to fund capital projects, which underscores the importance of investment income as a complementary source of funding.

Council has elected to permit the use of long-term alternative investments

The Investment Policy Statement (IPS) was approved by New Tecumseth's council on April 30, 2026, and is based on the most recent IPS template approved by ONE JIB. This IPS does not impose any additional restrictions on how the MNRI is to be invested beyond

those specified in the IPS template. The council chose to permit the use of long-term alternative investments in the IPS. Approval of the use of alternative investments could potentially lead to their inclusion in its allocation if they are deemed suitable based on the municipality's circumstances.

4. ANALYSIS

Model E is recommended for New Tecumseth's MNRI, offering a well-diversified portfolio with 50% allocated to equities.

The investment allocations proposed in the Investment Plan reflect the 5-to-10-year investment horizon identified in New Tecumseth's MCQ and consider the expected pattern of significant net contributions to MNRI in the coming years. As additional MNRI is received in future years, the assigned investment allocation may need to be modified, but it is recommended that the initial MNRI be invested with a 50% allocation to equities, which is aligned with the investment horizon detailed in Table 5.1 of the MCQ.
The IPS permits the use of alternative investments, but they have not been included in the recommended allocation at this time. Because alternative investments require long-term capital commitments, lack immediate liquidity, and carry significant penalties for early withdrawal, they are not recommended at this time. Given New Tecumseth's near-term funding commitments and the significant transition away from investments like GICs, the CIO believes it is most prudent to establish the core portfolio first. Once staff and Council gain experience under the new framework and can further clarify reserve timelines, the inclusion of alternative investments can be re-evaluated. The proposed allocation, Model E, with 50% exposure to equities, is appropriate given the investment horizon, circumstances, and needs. Table 3 below provides summary statistics for Model E, and Table 4 further details New Tecumseth's investment allocations.

Table 3: Summary statistics for Model E

Summary Statistics	Model E
Long-Term Return	6.43%
Annual Downside Risk[1]	-12.65%
Annual Volatility	7.59%
Sharpe Ratio	44.5

Notes:
[1] Annual Downside Risk (CVaR95) represents the expected loss during the worst 5% of return outcomes.

Hypothetical performance analyses are for illustrative purposes only and there is no guarantee that hypothetical returns or projections will be realized.

Table 4: New Tecumseth's Allocation Summary

50% EQUITY MODEL (E)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	25	37.5%	45
Global Fixed Income and Credit	0	12.5%	25
Canadian Equities	15	25%	35
Global Equities	15	25%	35
Alternatives	0	0%	0
Total		100%	

5. CONCLUSION

The Town of New Tecumseth has asked to join ONE JIB as a Participating Municipality, making an initial contribution of $8 million. The Town's investment horizon, as identified in its MCQ, is 5 to 10 years, with significant net contributions to MNRI expected over the next ten years.

Given these circumstances, Model E is recommended, featuring a 50% allocation to equities, which is appropriate considering the Town's investment horizon. The recommended allocation does not include exposure to long-term alternative investments, but these investments may be added in future years. This proposed asset mix and fund allocation are consistent with the Town's Investment Policy Statement (IPS) and the MCQ's investment objectives and risk preferences. Consequently, the Investment Plan is suitable for New Tecumseth's circumstances and needs, and the proposed allocation to Model E reflects the relevant time horizons for its MNRI.

ATTACHMENTS

Attachment 1: Town of New Tecumseth's Investment Policy Statement
Attachment 2: Town of New Tecumseth's Municipal Client Questionnaire
Attachment 3: Town of New Tecumseth's proposed Investment Plan

Drafted by: Keith Taylor, Chief Investment Officer; Jennifer Hess, Manager Investment Services
Approved by: Afshin Majidi (interim) and Donna Herridge, Co-Presidents/CEOs

Attachment 1

The Corporation of Town of New Tecumseth

Investment Policy

Policy Type: Corporate

Policy No.: FI-POL-001-2023

Name of Dept: Finance

Revision No.: 1

Status: Current

Resolution No.: By-law 2026-038

Previous Policy No.: FI-POL-001-2023 (Revision 0)

1. Policy Statement

It is the policy of the Town of New Tecumseth (the "Town") to invest municipal funds in a prudent, transparent, and legislatively compliant manner that balances safety, liquidity, and return, while supporting the Town's short-term operational needs and long-term financial sustainability.

The Town recognizes that the Municipal Act, 2001 provides two distinct but complementary investment authorities. Accordingly, this Policy establishes a dual investment framework under which the Town may invest municipal funds using either:

1. The Prescribed (Legal) List approach, pursuant to section 418 of the Municipal Act, 2001 and Part I of Ontario Regulation 438/97, or
2. The Prudent Investor approach, pursuant to section 418.1 of the Municipal Act, 2001 and Part II of Ontario Regulation 438/97, where Council has adopted a Prudent Investor Enabling By-law and satisfied all prescribed requirements.

The Town may utilize one or both approaches concurrently, subject to the classification of funds and the governance requirements applicable to each investment regime.

2. Purpose

This policy governs the investment of the Municipality's Money not Required

Immediately (MNRI) and Money Required Immediately (MRI). It is intended, among other things, to direct the Treasurer in the investment of MRI and to direct ONE Joint Investment Board (ONE JIB) in the investment of MNRI by implementing the Authorizing By-law pursuant (By-law 2026-038) to which the Municipality authorized the establishment of guidelines for the prudent management of the Municipality's MNRI pursuant to section 418.1 of the Act.

In addition to the Municipality's MRI and MNRI, the Municipality is from time to time entrusted with the management of money and investments for a third-party beneficiary, or Third-Party Trust Funds. The Municipality's Third-Party Trust Funds are listed in Schedule B of this policy.

There are also source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Such source(s) of money, referred to in this policy as "Designated Funds", are listed in Schedule B. The Designated Funds and the Restricted Special Assets (listed in Schedule A), are identified in this policy for the sole purpose of enabling the Municipality to better see, on an aggregated basis, the various financial assets in which the Municipality has an interest.
ONE JIB is not responsible for the investment activities or performance of Third-Party Trust Funds, Designated Funds or Restricted Special Assets.

The goals of this policy are to:

- Define and assign responsibilities for investment of MRI and MNRI;
- Describe the Municipality's responsibilities with respect to Restricted Special Assets, Third-Party Trust Funds and Designated Funds;
- Ensure compliance with the applicable legislation;
- Direct ONE JIB as to the Municipality's investment goals and risk tolerance;
- Provide guidance and limitations regarding the investments and their underlying risks;
- Establish a basis of evaluating investment performance and the underlying risks; and,
- Establish a reporting standard to Council.

3. Scope

This policy applies to employees of the Municipality, to ONE JIB and to the employees of ONE Investment. ONE JIB, the Treasurer, and any agent, sub-investment manager, or advisor providing services to ONE JIB in connection with the investment of the portfolio shall accept and strictly adhere to this policy.

This Policy applies to all investment activities including operating and reserve funds controlled by the Town of New Tecumseth. This Policy will focus on Part I Eligible Investments and Forward Rate Agreements under Ontario Regulation 438/97 which specifies a "Prescribed List" of investment opportunities as well as authorization to invest under Part II "Prudent Investment" which permits extended opportunities for

investment in equities and higher risk investments through the establishment of an Investment Board, Joint Investment Board, or participation in ONE JIB.

4. Definitions

The following capitalized terms are defined terms which have the meanings set out below:

Act: means the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended from time to time.
Agent: means any administrator, Custodian, payment servicer, investment counsel, consultant, banker, broker, dealer or other service provider engaged or appointed by ONE JIB and authorized by ONE JIB to exercise any of the functions of ONE JIB pursuant to a written agreement, in the manner and to the extent provided in the Regulation and without limiting the generality of the foregoing, Agent includes ONE Investment, and the Sub-Investment Manager.
Alternative Assets: means investments outside traditional investments such as equities, fixed income, and cash which may include, hedge funds, private equity, natural resources, real estate and infrastructure. Alternative investments are typically less liquid than traditional investments, are appropriate only for allocations with a long investment horizon.
Asset Class: means a specific category of assets or investments, such as cash, fixed income, equities, alternative investments, real estate etc.
Asset Mix (or Asset Allocation): means the proportion of each Asset Class in a portfolio.
Authorizing By-law: means a by-law of the Municipality that authorizes it to invest its money and investments that it does not require immediately in the OCIO offering of ONE JIB pursuant to section 418.1 of the Act, to approve various documents, the entering into of agreements including a Prudent Effective Date Agreement and the delegation of certain powers and duties to ONE JIB/ONE Investment.
Benchmark: means an index that is representative of a specific securities market (e.g. the S&P/TSX Composite Index, the FTSE/TMX 91 Day T-bill Index, etc.) against which investment performance can be compared. Performance benchmarks refer to total return indices in Canadian dollar terms.
CHUMS Financing Corporation (CHUMS): means a subsidiary of Municipal Finance Officers' Association of Ontario (MFOA) which, in conjunction with LAS, established ONE Investment.
CFA Institute: refers to the global, not-for-profit professional association that administers the Chartered Financial Analyst (CFA) and the Certificate in Investment Performance Measurement (CIPM) curricula and examination programs worldwide, publishes research, conducts professional development programs, and sets voluntary, ethics-based professional and performance reporting standards for the investment industry.
Custodian: means a specialized financial institution that is responsible for safeguarding a municipality's investments and is not engaged in "traditional" commercial or consumer/retail banking. Global custodians hold securities for their clients in multiple jurisdictions around the world, using their own local branches or other local custodian banks ("sub-custodians" or "agent banks").

Designated Funds means source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Designated Funds are listed in Schedule B of this policy.

Diversification: means a risk management technique that mixes a variety of investment types within a portfolio to help mitigate portfolio risk. A diversified portfolio holds different kinds of investments to improve the risk adjusted returns.

Derivative: means a contract between two or more parties whose value is based on an agreed-upon underlying financial asset (like a security) or set of assets (like an index). Common underlying instruments include bonds, commodities, currencies, interest rates, market indexes, and stocks.

Environmental, Social and Governance (ESG) Investing: means considering and integrating ESG factors into the investment process, rather than eliminating investments based on ESG factors alone. Integrating ESG information can lead to a more comprehensive analysis of a company.

External Portfolio Managers: means external third-party investment management firms whose investment offerings are accessed by ONE JIB directly or through services provided to a Pooled Fund. External Portfolio Managers are agents authorized by ONE JIB in accordance with Part II of the Regulation.

Internal Controls: means a system of controls that may include authorities, policies, procedures, separation and segregation of duties, compliance checks, performance measurement and attribution, reporting protocols, measures for safekeeping of property and data, and the audit process.

Investment Plan: means the investment plan applicable to the MNRI and adopted by ONE JIB under the Regulation, as it may be amended from time to time.

Investment Policy Statement (IPS): means this investment policy applicable to the Municipality's investments adopted and maintained by the Council of the Municipality for MNRI under the Regulation, and for MRI, as the same may be amended from time to time. The IPS may also apply to the money and investments held by the Municipality for the benefit of persons other than the Municipality itself and may make reference to source(s) of money in which the Municipality may have an indirect interest but which the Municipality has no authority to invest.

JIB: is short for Joint Investment Board and means a joint municipal service board that is established under section 202 of the Act by two or more municipalities for the purposes of Part II of the Regulation.

Legal List Securities: means the securities and other investments and financial instruments that are included from time to time in Part I of the Regulation.

Leverage: means an investment strategy of using borrowed money—specifically, the use of various financial instruments or borrowed capital—to increase the potential return of an investment. Typically leverage also tends to increase investment risks.

Liquidity: means the ability to turn an investment into cash relatively quickly, without a substantial loss in value. For example, a savings account is more liquid than real estate.

Local Authority Services (LAS): means an entity which, in conjunction with MFOA/CHUMS, established ONE Investment.

Local Distribution Corporation or LDC: means a corporation incorporated under Section 142 of the *Electricity Act, 1998*.

Market Value: means the price at which a security is trading and could presumably be sold. Also known as Fair Value it represents the current value of the investment.

Maturity: means the date upon which the principal or stated value of an investment becomes due.

Money not Required Immediately (MNRI): means the money that is not required immediately by the Municipality that will be under the control and management of ONE JIB and as defined in this policy that will be invested in accordance with the Prudent Investor Standard.

Money Required Immediately (MRI): means the money that is required immediately by the Municipality that remains under the control and management of the Municipality and, that can be invested in accordance with the Legal List Securities or other applicable legislation.

Municipal Services Corporation (MSC): means a corporation established under section 203 of the Act in accordance with the applicable regulation (Ontario Regulation 599/06).

Municipality: means the Corporation of the Town of New Tecumseth

OCIO Offering: means the comprehensive investment program made available through ONE Investment as agent for ONE JIB, where a qualified investment manager is engaged to advise a Participating Municipality with regard to the investment of the Participating Municipality's MNRI and to invest and manage such MNRI in accordance with the terms and conditions set out in the ONE JIB Agreement.

ONE Investment: means the not-for-profit corporation established by CHUMS and LAS which provides certain management, administrative and other services to ONE JIB as its agent.

ONE JIB: means ONE Joint Investment Board, established by certain founding municipalities under section 202 of the Act as a JIB for purposes of Part II of the Regulation, which is the duly appointed JIB for the Municipality, as constituted from time to time and which acts in accordance with the Act, the Regulation, the ONE JIB Agreement, including the Terms of Reference, this policy and the Investment Plan.

ONE JIB Agreement: means the agreement effective as of the Prudent Effective Date, entered into in accordance with the requirements of the Regulation, pursuant to which ONE JIB has control and management of the Municipality's MNRI.

Participating Municipality: means from time to time each of the municipalities for whom ONE JIB acts as the JIB under the terms of the ONE JIB Agreement.

Pooled Fund: means a unit trust established under a trust instrument, generally not available to the public, in which institutional, sophisticated or high net worth investors contribute monies that are invested and managed by an External Portfolio Manager. Monies are pooled or combined with monies of other investors.

Portfolio: means any collection of funds that are grouped together and available to support the infrastructure needs of the Municipality.

Proxy Voting: means a legal transfer to another party of a shareholder's right to vote thereby allowing shareholders who cannot attend meetings to participate. External Portfolio Managers usually vote proxies on behalf of their clients.

Prudent Effective Date: means the mutually agreed-upon date by the Municipality and ONE Investment on which the prudent investor regime applies to the Municipality. The Prudent Effective Date shall be on or after ONE JIB approves the Municipality as

a participating municipality.

Prudent Effective Date Agreement: means an agreement entered into by the Municipality and ONE Investment that sets out the day on which the prudent investor regime starts to apply to the Municipality

Prudent Investor Standard: means the standard that applies when the Municipality invests money that it does not require immediately under section 418.1 of the Act. It requires the Municipality to exercise the care, skill, diligence and judgment that a prudent investor would exercise in making such an investment and the standard does not restrict the securities in which the Municipality can invest. The Prudent Investor Standard applies the standard of prudence to the entire portfolio in respect of the Municipality's MNRI rather than to individual securities. It identifies the fiduciary's central consideration as the trade-off between risk and return as found in the CFA Institute Standards of Practice Handbook.

Rebalancing: means the process of realigning the weightings of a portfolio of assets. Rebalancing involves periodically buying or selling securities in a portfolio to maintain an original or desired level of asset allocation or risk.

Regulation: means Ontario Regulation 438/97.

Restricted Special Assets: means investments specified by this policy and held by the Municipality as of the Prudent Effective Date, where ONE JIB is not able to exercise control. Restricted Special Assets are listed in Schedule A of this policy and are not considered to be MNRI.

Risk: means the uncertainty of future investment returns or chance of loss of capital.

Risk Tolerance: means the financial ability and willingness to absorb a loss in return for greater potential for gains.

Safekeeping: means the holding of assets (e.g., securities) by a financial institution.

Securities Lending: means lending a security to another market participant. The borrower is required to deliver to the lender, as security for the loan, acceptable collateral with value greater than the value of the securities loaned. The Securities Lending program is managed by the Custodian or another appointed agent on behalf of investors. A Securities Lending program is widely used by institutional investors to generate additional incremental returns on the total portfolio.

Sinking Fund: means a fund established to fulfil the requirements to make annual contributions in respect of various debenture issues wherein money is to be regularly set aside for the payment of the principal of the debentures at maturity.

Sinking Fund Required Contributions (Annual Sinking Fund Requirement): means the amount of money to be set aside each year for deposit into a sinking fund or a retirement fund, as applicable, for each sinking fund debenture issue in accordance with the Municipality's debenture by-laws.

Sinking Fund Required Earnings: means the investment earnings needed for the Sinking Fund Contributions to continue to grow to a value sufficient to repay the principal at maturity for each issue of sinking fund debentures.

Sinking Fund Excess Earnings: means the investment earnings in excess of the required earnings.

Sub-Investment Manager: means an asset management firm or investment consultant, acting as a sub-investment manager for ONE JIB that provides investment advice and professional services and is involved in the implementation and

operational aspects of the OCIO Offering, and that has full responsibility for the investment and management of a Participating Municipality's MNRI through ONE Investment, based on an policy approved by the Council of the municipality.
Third-Party Trust Funds means money over which the Municipality exercises both management and policy control but whose assets are not owned by the Municipality. These funds are governed by a variety of agreements and, in some cases, by legislation. Some funds may have externally mandated investment policies, and some may have investment policies that are determined by the Municipality. Third-Party Trust Funds are listed in Schedule B of this policy **.**
Trust Fund: means a fund which consists of assets that have been conveyed or assigned to a trustee to be administered as directed by agreement or statute. As a result, a trustee holds title to the assets for the purpose of providing benefits, and being accountable, to a beneficiary. The Municipality is the trustee of funds that are to be used for specific purposes by the Municipality or any related parties.

5. Policy

1. LEGISLATIVE FRAMEWORK

1.1 Governing Legislation

Investments of MRI will only be made in Legal List Securities in accordance with this policy and Section 418 of the Act. Investments of MNRI are governed by the Prudent Investor Standard in accordance with Section 418.1 of the Act. This standard is similar to that which governs trustees and pension fund administrators and creates a fiduciary responsibility. Prudent investment in compliance with the Act and the Regulation enhances the potential for the Municipality to earn improved risk-adjusted rates of return.

The Act provides that the Municipality, and therefore ONE JIB, must consider the following criteria in planning investments of MNRI, in addition to other criteria relevant to the circumstances:

- General economic conditions;
- The possible effect of inflation or deflation;
- The role that each investment plays within the Municipality's total portfolio of investments;
- The expected total return from income and the appreciation of capital; and
- Needs for liquidity, regularity of income and preservation or appreciation of capital.

Money and investments that the Municipality holds as Restricted Special Assets, Third-Party Trust Funds or has an interest in as Designated Funds will be subject to applicable legislation and any related agreements or instruments.

1.2 Prudent Investor Standard

For MNRI, the standard to be used by the Municipality and ONE JIB shall be the Prudent Investor Standard as required by section 418.1 of the Act and Part II of the Regulation in the context of managing the Municipality's MNRI and investments

thereof. Investments shall be made with the care, skill, diligence, and judgment, taking into account the prevailing circumstances, that persons of prudence, discretion and integrity would exercise in the management of investments, considering the necessity of preserving capital as well as the need for income and appreciation of capital. The Act includes a duty to obtain the advice that a prudent investor would obtain under comparable circumstances.

Officers, employees and investment agents acting in accordance with written procedures and the policy and exercising due diligence shall take all necessary actions to optimize performance of investments on a portfolio basis, taking into account the prescribed risk and other parameters set out in this policy and market factors. The Municipality's staff acting in accordance with written procedures and this policy, shall be relieved of personal responsibility for an investment's performance, provided underperformance relative to expectations is reported to Council and the liquidation or sale of investments is carried out in accordance with this policy.

2. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY

2.1 Determination of MNRI and MRI

Determination of the Municipality's MNRI is the responsibility of Council. In making the determination, Council may consider:

- the time horizon within which the monies are needed to meet financial obligations;
- the purpose for which the monies have been collected or set aside and are to be used;
- the source of the money; or
- any combination of the foregoing

The Municipality has defined MNRI as money from the municipality's own reserves, reserve funds, sinking funds and current ONE Investment investments that will not be required to meet financial obligations that become due more than 2 yearsfrom the date of receipt of such money. The purpose of the money is to fund the municipality's future capital, operational, and contingency needs.

For certainty, all money and investments of the Municipality that have not been identified as MNRI (other than Restricted Special Assets, Third-Party Trust Funds and any Designated Funds referenced in Section 1.1) shall be deemed for purposes of this policy to be MRI.

Determination of the Municipality's MNRI and MRI may be modified at any time and from time to time by action of Council and with respect to specific money by the Director of Finance/Treasurer in accordance with the provisions of Section 5.2.

Any changes in this policy regarding the Municipality's MNRI and MRI must be communicated immediately in writing to ONE JIB.

2.2 Overview of Portfolios

The Municipality's portfolios represent funds available to support Municipal needs. A high-level description of each of these portfolios and their objectives is provided in Section 4below. This policy applies to the following money of the Municipality, its agencies, boards and commissions including:

- MRI which is invested in Legal List Securities; and/or
- MNRI which is invested under the Prudent Investor Standard.

. ROLES AND RESPONSIBILITIES

3.1 Role of ONE JIB

ONE JIB has been appointed by the Municipality in accordance with the requirements of the Act and the Regulation and on the terms and conditions set out in the ONE JIB Agreement.

ONE JIB exercises control and management of the Municipality's MNRI and the investments made by it in accordance with the objectives and risk tolerance established in this policy.

Among the responsibilities of ONE JIB are the following:

- Reviewing this policy;
- Adopting and maintaining an Investment Plan that complies with this policy;
- Engaging Custodians, administrators and other investment professionals (i.e. Agents);
- Allocating the money and investments under its control and management in compliance with this policy;
- Monitoring the performance of the OCIO Offering and Agents; and,
- Reporting to the Municipality.

The foregoing is subject to the more detailed terms and conditions contained in the ONE JIB Agreement.

3.2 Role of Municipal Staff

This policy is approved and adopted by Council with input from theTreasurer, and from ONE JIB with respect to MNRI. MRI of the Municipality, in addition to any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 1.1, remain under the control and management of the Treasurer.

Consistent with this policy, the Treasureris responsible for the implementation of the investment program and the establishment of investment procedures which shall include:

- Investment management of MRI and any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 1.1 by, or under the direction of, the Treasurer.
- The deposit or withdrawal of MNRI, under the explicit delegation of authority

regarding MNRI, and the investment thereof, to ONE JIB, which is responsible for the control and management of such funds and investments; and,
- A system of controls exercised by the Treasurer to regulate the activities of subordinate officials.

No person including, without limitation, ONE JIB, may engage in an investment transaction except as provided under the terms of this policy.

In the management of MRI of the Municipality, and any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 1.1, the Treasurer may engage one or more agents and service providers. ONE Investment can assist with the investment of the Municipality's MRI, in Legal List Securities, and with the investment of Third-Party Trust Funds, in accordance with the terms of the applicable trust, if permitted, at the request of the Municipality.

3.3 Ethics and Conflicts of Interest

Individuals who are responsible for the Municipality's MRI Investment Portfolio shall comply with the Municipality's Conflict of Interest guidelines and any relevant professional codes of conduct (e.g., the CPA Code of Professional Conduct).

ONE JIB, in its capacity as a joint municipal service board, in addition to being a local board of each member Municipality is subject to a Code of Conduct as required by the Act. This Code of Conduct applies to the Chair and the other Members of ONE JIB acting in their capacity as Members of ONE JIB.

4. INVESTMENT

4.1 MRI

The Municipality's MRI is described in this policy consists of money that is needed to meet the short-term financial obligations of the Municipality and are controlled and managed by the Treasurer.

.1.1 MRI: Investment Objectives

The main focus of the investment of MRI is cash management, and the interest income generated by the investment of these monies contribute to municipal revenues. To the extent possible, the Municipality shall attempt to match its investments with anticipated obligations.

Capital preservation is the paramount objective for MRI investments, and these investments need to be highly liquid. Consequently, only high quality investments that are also Legal List Securities will be held in this portfolio. The Municipality may invest in fully liquid money market securities and deposit accounts. The Municipality aims to maximize returns subject to the constraints set out in Part I of the Regulation, as amended from time to time, with a view to preserving capital and to further manage risk through diversification by issuer and credit quality.

The investment objectives for MRI, ranked in priority, are as follows:

a. Security of Principal

The primary objective for MRI is to ensure the security of principal. To minimize the risk of loss, investments shall be subject to minimum credit ratings and shall be diversified by maturity, type of investment and issuer. Investing activities will be reviewed on a regular basis as actual, revised and forecasted operating and capital plans are completed. Maturity dates should be structured so that investment cash inflows occur when needed.

b. Liquidity Requirements

Liquidity is measured by the ease with which securities can be converted to cash to meet forecasted spending. The investments that are eligible under the Regulation possess different features and thus market prices will vary depending on market conditions, as well as the particular features of the type of investment.

To ensure adequate liquidity, the Municipality's investments shall be diversified by holding securities of various terms to maturity and by various types of investments and issuers and to the extent possible, the term of such investments shall match the forecasted requirements for such monies to meet expenditures.

c. Rate of Return

The Municipality's money shall be invested to maximize the rate of return within acceptable risk levels while respecting the security of principal, legal constraints and the liquidity needs of each investment portfolio.

The composition of each portfolio, including its term to maturity and type of investments, shall be adjusted within the guidelines of this policy to take advantage of market opportunities. Such changes shall be made with the periodic interest rate outlook and target portfolio structure approved by the Treasurer.

.1.2 MRI: Eligible Investments

MRI may be invested in high quality, investments that are also Legal List Securities available from banks, dealers and other financial institutions. Investments issued or guaranteed by approved institutions will be permitted by this policy, as deemed eligible by the Regulation or as authorized by subsequent provincial regulations, unless limited further by Council. Investments will be limited to securities issues maintaining a minimum credit rating by an appropriate credit rating agency. In keeping with the primary MRI objectives below, permissible investments will be restricted to those of high credit quality and reasonable liquidity.

The following principles will govern the MRI investment management process for the Town:

4.1.2.1 Financial Stewardship: The Town will exercise care, conservancy, planning, attention, upkeep and management of its financial resources. All investment activities shall be in compliance with the applicable legislation and regulations.

4.1.2.2 Preservation of Capital: The Town will invest in a manner that protects and preserves the capital of the portfolio.

4.1.2.3 Maintaining Liquidity: The investment portfolio will remain sufficiently liquid to meet all operating and cash flow requirements.

4.1.2.4 Risk Management: The Town will manage risk by ensuring there is sufficient diversification among the assets in the portfolio. Additional risk control is provided by the constraints on the investment types and staggering of redemption timelines.

4.1.2.5 Maximize Rate of Return: The Town will design the investment portfolio in a way to maximize investment return in accordance with the Municipal Act, 2001 and in accordance with this Policy.

The following are primary investments choices:

- Bonds, debentures, promissory notes or other investments issued or guaranteed by the Government of Canada including an agency, municipality, province or territory of Canada.
- Schedule I or II banks as set out by Section 14 of the Bank Act subject to a minimum DBRS rating of R-1 middle or AA, or R1 high or AAA
- Investments issued or guaranteed by a metropolitan, regional or district municipality, a school board, or a local board in Canada as defined in the Municipal Affairs Act, or conservation authority established under the Conservation Authorities Act.
- Joint municipal pooled investments operated by The One Investment Program under the Municipal Act.

Eligible investments may include, but are not limited to, the following offerings by ONE Investment:

- ONE Investment High Interest Savings Account; and
- ONE Investment Canadian Government Bond Portfolio

Investment in the foregoing is subject to the Municipality entering into the prescribed Agency Agreement with LAS and CHUMS.

4.2 MNRI

The Municipality's MNRI is described in Section 2.1. In accordance with the ONE JIB

Agreement and this policy, ONE JIB has exclusive control and management of the MNRI and the investments made therewith.

From time to time, the Municipality may require money immediately to meet financial obligations and may require ONE JIB to liquidate one or more investments in order to generate money to meet those obligations. ONE JIB will select the investment(s) to be liquidated. The timing of such liquidation will be determined by ONE JIB in consultation with the Treasurer.

4.2.1 MNRI: Investment Objectives

In setting the objectives noted below, the Municipality has taken into account the following considerations:

- Preservation of capital;
- Adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements;
- Diversification by asset class, market, sector, issuer, credit quality and term to maturity;
- Income and capital appreciation; and,
- Macro risks, such as inflation, economic growth and interest rates.

Investment of MNRI is managed by ONE JIB in a way that balances investment objectives, expected returns, and risk to develop asset allocations that achieve the Municipality's financial objectives within stated risk tolerances.

The overall MNRI portfolio investment horizon shall be in line with the nature of the Municipality's forecasts and underlying liabilities. The portfolio should balance risk and the benefits of higher expected returns over a longer investment horizon.

.2.2 MNRI: Eligible Investments

Eligible investments for MNRI include any Pooled Fund or other collective investment vehicle or institutional investment management product approved or selected by ONE Investment for the Prudent Investment Program (OCIO Offering), provided always that the products and the selection of products comply in all material respects with the policy.

Additionally, nothing in this policy prevents MNRI from being held in cash, short term money market instruments, including treasuries or overnight deposits.

4.2.3 MNRI: Sinking Funds

Not Applicable to this Municipality

4.2.4 Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities

Not Applicable to this Municipality

4.2.5 Restricted Special Assets

With the exception of the Municipality's investments held in the ONE Investment Legal List Portfolios specified below, all existing assets, listed in Schedule A of this policy and held by the Municipality on the Prudent Effective Date, shall be considered to be Restricted Special Assets, and shall *not* be held by ONE JIB as MNRI. The Treasurer may choose to liquidate these investments and determine that the proceeds are MNRI, to be invested as per this policy and the approved ONE JIB Investment Plan.

For certainty, Restricted Special Assets are not MNRI of the Municipality, and such assets are not under the control or management of ONE JIB.

The ONE Investment Legal List Portfolio Investments, held by the Municipality, shall be considered to be MNRI and transferred to ONE JIB to be invested as MNRI, unless deemed by the Municipality to be MRI.

4.3 Third-Party Trust Funds and Designated Funds

In addition to the Municipality's own money, the Municipality is from time to time entrusted with Third-Party Trust Funds, and the Municipality's responsibilities and obligations with respect thereto may be subject to other legislation and governed by other agreements and instruments. To the extent that there is any conflict or inconsistency between the provisions of this policy and the terms and conditions contained in such other legislation, agreements or instruments applicable to Third-Party Trust Funds, the latter shall prevail.
The Municipality's Third-Party Trust Funds, the Designated Funds are listed in Schedule B.

For certainty, the Third-Party Trust Funds and the Designated Funds are not MNRI of the Municipality, and such assets are not under the control or management of ONE JIB.

4.4 Investment Management

4.4.1 Investment Management of MRI

The investment of MRI shall be controlled and managed by the Treasurer.

4.4.2 Investment Management of MNRI

The investment of MNRI shall be controlled and managed by ONE JIB in accordance with this policy and the ONE JIB Agreement.

The selected Sub-Investment Manager shall enter into an agreement with ONE Investment related to the OCIO Offering, that complies with this policy and Part II of the Regulation and will provide compliance and performance reports to ONE JIB and One Investment. ONE JIB shall make any investment management changes deemed in the best interest of the Municipality.

4.5 Transition to Prudent Investor Regime / OCIO Offering

Until the Prudent Effective Date, the Municipality will continue to control and manage its MRI, MNRI and investments in Legal List Securities. Some Legal List investments were made with MRI and some with MNRI. During the transition to the OCIO Offering the Chair and Vice-Chair of ONE JIB have discretionary power to approve temporary investments recommended by the Sub-Investment Manager that may not be expressly described in this policy but are, in the opinion of the Chair and Vice-Chair, in the best interests of the Municipality and are entirely consistentwith their fiduciary obligations to the Municipality.

All MNRI that is not Third-Party Trust Funds, Designated Funds or Restricted Special Assets shall be provided to ONE JIB on the Prudent Effective Date.

4.6 Investment Constraints

.6.1 Environmental, Social and Governance (ESG) Investing

The Municipality supports ESG investing for MRI and MNRI. The Municipality believes that well-managed companies are those that demonstrate high ethical and environmental standards and respect for their employees, human rights, and the communities in which they do business, and that these actions contribute to long term financial performance.

For the investment of MNRI, ONE JIB is required to explore and consider how the OCIO is implementing responsible investing principles at the time of hiring and during periodic reviews. It may report on results periodically, if requested.

.6.2 Securities Lending

MRI

For the investment of MRI, Securities Lending is not permitted.

MNRI

For the investment of MNRI, the Municipality may invest in pooled funds, and other investment funds that are managed by the Sub-Investment Manager who may engage in Securities. Lending if the policies of the OCIO permit such an action.

.6.3 Derivatives

Derivatives shall not be used for the investment of MRI.

For the investment of MNRI, futures and forwards contracts, options and other derivative instruments may only be used to (a) create an asset mix position that does not leverage the portfolio, (b) replicate the performance of a capital market index, or (c) reduce risk as part of a hedging strategy.

.6.4 Use of Leverage

Nothing in this policy prevents the use of leverage, provided it is prudent to do so. Leverage is inherent in the use of certain types of investment strategies and instruments. Where leverage is employed, ONE JIB (for MNRI) and the Treasurer (for MRI) shall have in place monitoring procedures to manage overall exposure to any counterparty. Leverages should not be exercised for speculative purposes but may be used as a hedging tool.

4.6.5 Pooled Funds

Investments in open-ended pooled funds, closed-ended pooled funds, limited partnerships and other specialist corporate structures (e.g. LLCs), are permitted provided that the assets of such funds are permissible investments under this policy or provided that any non-permitted investments are disclosed by the Sub-Investment Manager. Within pooled funds, the External Portfolio Manager's policies will take precedence over this policy.

4.6.6 Currency Hedging

The MRI Investment Portfolio will not utilize currency hedging.
The Municipality's funding requirements are in Canadian dollars. However, some exposure to foreign currencies in the MNRI Investment Portfolio may be advantageous to provide diversification and potentially enhance returns. Therefore, it shall not be a violation of this policy for investments in global mandates to be unhedged, in whole or in part, where the diversification benefits embedded in the currency exposure are considered to be beneficial or desirable by ONE JIB.

.6.7 Alternative Asset Classes

The applicable legislation does not prevent the direct / indirect placement of the MNRI in Alternative Assets Classes; this policy permits /investments in alternative investments for the purpose of management of MNRI under ONE JIB.
Alternative Asset Classes, such as infrastructure or real estate, may have uncorrelated return characteristics with traditional Asset Classes that may improve diversification within the portfolio, which may lead to better risk adjusted returns. Typically, these investments may not be fully liquid, and are only appropriate for inclusion in portfolios with long investment horizons.

.6.8 Prohibited Investments

Not Applicable

4.7 Performance Monitoring, Rebalancing and Management

.7.1 MRI

The performance benchmarks may vary from time to time, as decided by the Treasurer, subject to the investment constraints listed in the policy.

The investments of MRI will be monitored annually and a report will be submitted to the Council by the Treasurer as well as the organization who handles the MRI.

.7.2 MNRI

For the investment of MNRI, ONE JIB shall establish parameters for monitoring investments and rebalancing through policy or directly within the Investment Plan.

Investments are expected to achieve returns at least equal to their benchmarks measured over a rolling five-year period. At minimum, ONE JIB shall provide reporting described in Section 5.7 below that shows the Municipality's holdings, confirms compliance with this policy, and reports on the Sub-Investment Manager's performance.

5.ADMINISTRATIVE POLICIES

5.1 Flow of Money and Annual Municipal Budget

Investment of MNRI is to be managed by ONE JIB in a way that balances the investment objectives with a level of risk that is appropriate for the municipality. The MNRI invested with ONE JIB will be broadly diversified to help reduce the volatility of investment returns.

Returns have an impact on revenues, as well as a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. To the extent possible, the MNRI's investment horizons are aligned with the Municipality's obligations and cash flow requirements and may consist of liquid and non-liquid securities based on future cash flow requirements.

5.1.1 Transfer to ONE JIB as Part of Annual Review Process

On an annual basis, as part of the Municipality's Annual Review process, the Municipality shall identify the amount, if any, of MNRI that it holds. Any MNRI not already under the control and management of ONE JIB shall be transferred to ONE JIB as soon as practicable.

.1.2 Transfer to Municipality as Part of Annual Review Process

On an annual basis, ONE JIB shall be notified by the Treasurer as to the amount, if any, required by the Municipality from the MNRI then under the control and management of ONE JIB for the Municipality's operational purposes. Such amount shall be deemed to be MRI and shall be returned to the Municipality in a lump sum or by way of periodic payments, as directed by the Treasurer.

5.2 Flow of Money Otherwise than through the Budget Process

.2.1 Surplus Funds

The MRI captures revenues received by the Municipality during each year after the approval of the Municipality's budget for the year. Any amounts deemed to be MNRI by the Treasurer at any such time during the year shall be transferred to ONE JIB to be under its management and control as MNRI. Amounts so transferred will be recorded annually in the Investment Plan and allocated by ONE JIB in accordance with the Investment Plan.

.2.2 Contingencies

The Treasurer is authorized to direct ONE JIB to return any amounts determined by the Treasurer to be required to meet expenditures for unexpected contingencies not anticipated by the Municipality's budget in force for that year, provided however that the aggregate of the amounts to be returned to the Municipality under this Section 5.2.2 during the year shall not exceed 25% of the MNRI under the control and management of ONE JIB as at the date that the Municipality approved its budget for the year (the Budgeted MNRI). In determining the Budgeted MNRI for purposes of calculating the 25% limit, any MNRI to be transferred to the control and management of ONE JIB in accordance with that year's Annual Review pursuant to Section 5.1.1 above shall be included and any amount to be returned by ONE JIB to the Municipality pursuant to Section 5.1.2 shall be excluded. ONE Investment should be made aware of material transactions in advance to ensure the orderly sale of securities to fund withdrawals.

5.3 Valuation of Investments

Investments shall be valued according to the values provided by the Custodian(s). For the investment of MNRI, values of unitized vehicles shall be valued according to the unit values published by the Custodian. Other investments shall be valued at their market value when that is available from regular public trading. If a market valuation of an investment is not available, then a fair value shall be supplied by the Sub-Investment Manager to ONE Investment no less frequently than quarterly.

5.4 Voting Rights

The Sub-Investment Manager shall assume the responsibility of exercising voting rights in respect of the Municipality's MNRI and will report its voting policies to ONE JIB annually. The Municipality may access these policies at any time.

5.5 Internal Controls

The Treasurer shall establish an annual process of review of all investments made under this policy. This review will provide internal control by assuring compliance with governing legislation and with policies and procedures established by the Treasurer. To the extent ONE JIB's input is needed, these requirements will be communicated in advance to ONE JIB.

5.6 Custodians

All municipal investments and assets of the investment portfolios may be held by a Custodian and any of the Custodian's sub-custodians or nominees. For MNRI, the Custodian shall be acceptable to ONE Investment. For MRI the Custodian shall be acceptable to ONE Investment, if ONE Investment is administering the investment of the Municipality's MRI; otherwise, the Custodian shall be acceptable to the Municipality.

5.7 Reporting

.7.1 MRI

For the investment of MRI, the Treasurer shall report at least annually to Council, the report to be in a form and contain such content as Council may request. The report to Council shall include investment performance during the period covered and any other information required under the Regulation and that the Treasurer may consider to be pertinent.

.7.2 MNRI

The Regulation provides that ONE JIB shall submit an investment report to Council in respect of the investment of MNRI at least annually. This report shall include the following.

- Investment performance during the period covered by the report;
- Asset mix of the total portfolio;
- A listing of individual investments held at the fund level at the end of the reporting period showing, where appropriate, book value, market value, realized/unrealized gains/losses and actual income received;
- A list of all transactions including the security name, trade date, and the purchase and/or sale price;
- A statement by the Treasurer as to whether all investments were made in accordance with the policy and as to whether all investments were made in accordance with the Investment Plan.
- Any other pertinent information in the opinion of the Treasurer.

All MNRI or MRI invested on behalf of the Municipality by ONE JIB or with the assistance of ONE Investment shall be held for safekeeping in the name of the Municipality by a Custodian.

6. Implementation

This prior policy is revoked, replaced by this policy is adopted by the Council of the Municipality effective April 28, 2026. The Treasurer is directed to sign a copy of this policy to evidence approval and to deliver a copy of this policy to ONE JIB

As prescribed by the Municipal Act (O. Reg 43/18):

- at least annually, Council shall review the investment policy and update it, as necessary. In the course of reviewing the policy, Council may request comments from the Treasurer with respect to the investment of MRI and from ONE JIB with respect to the investment of MNRI. At minimum, the review will consider:

1. the adequacy of funding for capital works
2. the Municipality's ability to reduce other spending;
3. flexibility of the timeframe to payout; and
4. sensitivity to loss

- at least annually, following council’s review of the policy, the Investment Board shall review the investment plan and update it, as necessary.
- each year, the Investment Board shall prepare and provide an investment report to Council.

Attachments:

□ Investment Policy Schedule A
□ Investment Policy Schedule B

Approved By:	Department:	Status:
Neil Garbe, CAO	CAO	Approved - 30 Apr 2026

Schedule A

Restricted Special Assets

Own Debt Securities - CDS & Company
Other - Bank of Montreal

- Cash & Cash Equivalents - 4%
- Fixed Income - 96%

Other – Royal Bank of Canada

- 4 Year Annual GIC - 4.20%, Maturity Date 2028
- 5 Year Annual GIC - 4.15%, Maturity Date 2029

Schedule B

Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

- None

Designated Funds

- Sustainability Reserves
- General Corporate Reserve Funds
- Development Charge Obligatory Reserves
- Legislative Reserve Funds
- Grant Funding Reserve Funds
- Committee and Board Reserve Funds
- Special Purpose Reserve Funds
- Development Agreement Reserve Funds
- Asset Management Reserve Funds

Print

Clear Form

Attachment 2

Municipal Client Questionnaire (MCQ)

The MCQ is part of the ONE Investment / ONE JIB annual Investment Plan review (approval) process. The MCQ along with the Council approved (reviewed) Investment Policy informs ONE JIB of the municipal circumstances to consider with the approval of the Investment Plan.

During the year, outside of the annual review, please update the MCQ within 90 days if the municipality experiences any significant changes, *including a significant change in your municipality's financial circumstances*, or *significant change in the amount of your municipality's "money that it does not require immediately".* For changes between annual reviews, provide written notice of changes by using the in-year MCQ update form on the last page of this document.

Section 1 – Client Information

Name of Municipality: The Corporation of the Town of New Tecumseth

Address: 24 Tupper Street West, Alliston, ON L9R 1H2

Treasurer Information

Name: Alison Gallant

Phone Number: 705-415-3058 Extension: _____

Email: agallant@newtecumseth.ca

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*Primary Day to Day Contact Information** ☑ *Check if same information as Treasurer above*

Name: _____

Phone Number: _____ Extension: _____

Email: _____

*Primary day-to-day contact should have a comprehensive understanding of your Municipality's financial position and investment needs.

Section 2 - Investment Knowledge and Experience

2.1 Which statement best describes the Municipal staff (person most responsible for managing investments)'s level of investment knowledge and experience with financial markets and products? *Please check one*

- ○ Very limited knowledge
- ○ Basic knowledge and minimal experience
- ◉ Good knowledge and some experience
- ○ Strong knowledge and experience
- ○ Advanced knowledge and extensive experience

2.2 If Municipal staff have strong or advanced knowledge, please describe where this knowledge was acquired (e.g., education, designations experience).

Not Applicable

2.3 Please indicate if your municipality has used / held any of the following investment types within the past five years. *Please check all that apply.*

- ☐ Canadian money market securities
- ☒ Locked-in Investments (e.g., GICs, PPNs etc.)
- ☐ Local Distribution Corporation Securities (LDC securities)
- ☐ Securities held in third party trusts (i.e., cemetery trust, legacy fund etc.)
- ☐ Fixed income (government and/or corporate bonds)
- ☐ Equities
- ☐ Other – Please Describe

Currently invested in laddered GIC's (100%)

Municipal Client Questionnaire (MCQ)

Section 3 – General Municipal Information

This section provides some high-level demographic information on the municipality

3.1 What is the population of the Municipality? 45,320

3.2 Is your municipality a single tier, upper tier or lower tier? Lower Tier

3.3 How much does a 1% tax rate increase generate? 480000

3.4 Is there any other demographic information about your municipality you would like the ONE JIB to know? *(optional)*

New Tecumseth is one of Canada's fastest-growing municipalities, ranking 7th nationally with a 28.3% population increase between 2016 and 2021. A family-oriented community with a balanced age distribution, a predominance of ground-oriented housing, and continued development pressures, the population reached 43,948 in 2021, with significant growth in the communities of Alliston and Tottenham (77.2%), driven largely by growth pressures from the Greater Golden Horseshoe.

The Town initiated a Growth Management Study to plan for the next 30 years, with projections of 80,590 residents and 31,620 jobs - an increase of 77% and 52%, respectively - requiring approximately 6,917 new residential units, the addition of more than 500 hectares of new urban land to existing settlement areas, expanded community services, and additional employment lands. Growth is expected to accelerate in the early 2030s, supported in part by the cost-shared expansion of the Collingwood Water Treatment Plant, anticipated to be completed in 2029.

Section 4 – Municipal MNRI Information

4.1 This section summarizes the current MNRI under the management and control of the ONE JIB and the projected change identified in the annual review. *The total value should equal the total MNRI shown in Question 5.1 Investment Objectives and Horizon*

.

Description	**Value**
Portfolio Value (A) - *For existing municipalities this is the amount currently invested with ONE JIB as of your last monthly statement.* - *For new municipalities this should be $0*	0
Change to MNRI: Additional contribution (+) or withdrawal (-) (B) - For existing municipalities this is the MNRI change identified during the annual review (fund transfers are typically completed with 30 days of ONE JIB's approval of the updated investment plan) - For new municipalities, this equals your initial deposit as of the Prudent effective date (TBD)	8000000
Total MNRI under the management and control of ONE JIB (A + B)	8000000

☐ Additional details have been included as an attachment to this MCQ (optional).

4.2 Use this *optional* box to provide any additional MNRI details related to 4.1 above (in lieu of a separate attachment)

See example in comment

Section 5 – MNRI Investment Objectives and Liquidity Needs

This section asks about your Municipality's MNRI, the purpose or investment objective and the expected investment horizon or when funds may be required to meet forecasted municipal obligations.

5.1 What is the Municipal *funding objective(s), investment horizon(s) and purpose(s)* for the MNRI? *The total MNRI value should equal the total MNRI shown in Question 4.1 Municipal MNRI Information*

MNRI by Investment Horizon

Description	**Total MNRI ($) (A+B+C)** ***auto calculate***	**Investment Horizon < 5 Years (A)**	**Investment Horizon 5-10 Years (B)**	**Investment Horizon >10 Years (C)**
Tax Rate Stabilization	1500000		1500000	
Asset Replacement - Water	1500000		1500000	
Asset Replacement - Wastewater	1500000		1500000	
Asset Replacement - General	3500000		3500000	
	0			
Total MNRI - *auto calculate*	8000000	0	8000000	0

Note – Description is up to the municipality, it could be total MNRI (one line) or broken out into the funding objective/investment purpose, or municipal reserve name/group (multiple lines)

☐ Additional details have been included as an attachment to this MCQ (optional).

5.2 Based on *current* municipal forecasts, please provide details that may help inform the ONE JIB about ***potential drawdowns/additions to MNRI*** that may be anticipated in future years.

Cash Flow Projections Potentially Affecting Future MNRI

Description	Next Year	2 years	3-5 years	5-10 years	10 years +
Anticipated MNRI Drawdowns (-)				-8000000	
Anticipated MNRI Contributions (+)		1000000	5000000	5000000	5000000
Net Change to MNRI	0	1000000	5000000	-3000000	5000000

5.3 Does the municipal forecasts used (above in 5.2) reflect

☐ Drawdowns of current reserve balances, or

☒ Drawdowns of current reserve balances inclusive of projected future budgetary contributions

5.4 What *assumptions or factors* do your municipality include in the MNRI cash flow projections? For example, but not limited to, inflation assumptions on capital projects, assumptions on future tax-based reserve contributions, forecasted development charge revenue etc.

In practice, the Town of New Tecumseth's cash flow projections are not static accounting exercises, but integrated financial models that reflect:

- Inflation and construction cost escalation
- Planned reserve contributions and sustainability targets
- Phased development charge revenue tied to growth (to be discussed)
- Multi-year capital delivery timing
- Demographic and service demand growth

As of an April 7th announcement, growth projections used in the Town's long-term financial and cash flow models must be reassessed against new overarching Provincial forecasts.

5.5 Does your municipality forecast beyond 5 years, if yes, what is the level of accuracy?

New Tecumseth does forecast beyond five (5) years, but the level of accuracy decreases the further out the forecast goes, and this is explicitly acknowledged in Town documents. The latest plan was presented on June 16, 2025 and is publicly available on the Town's website. (https://www.newtecumseth.ca/en/resources/Finance/Long-Range-Financial-Plan/LRFP-Presentation-to-Council--June-2025.pdf).
The Town also prepares 10-year projections within Asset Management Plans (roads, water, etc.).

5.6 Does your current municipal forecast include any large (or unusual) capital expenditures, which are outside of normal operations?

☐ Yes ☒ No

5.7 Do you anticipate any *potential* change in *liquidity needs* in the future (i.e. within 2 years, within 5 years or beyond 5 years) which may impact on the investment time horizon? An example could be a large capital infrastructure project with timing TBD, or with grant funding pending etc. If yes, please elaborate.

The Town is currently facing an infrastructure funding gap, as forecasted long-term infrastructure costs exceed existing and projected funding levels based on historical capital funding and taxation. This gap widens over the longer-term planning horizon. Should Council pursue capital funding levels beyond traditional models, the Town's liquidity needs may be affected; however, the extent of these impacts is currently unknown and subject to Council direction, which may change particularly following each election.

A secondary consideration is water availability. While the Water Treatment Plant expansion is progressing, any project delay could impact growth and thus development charge collection, as could recent provincial proposals affecting DCs, with potential implications for liquidity.

5.8 How does your Municipality manage unanticipated requests for funding? Can you characterize the probability that your municipality may need to draw down MNRI to fund unexpected budget shortfalls?

Requests for additional funding are reviewed in accordance with the Town's Capital Administration Policy. Budget amendments of up to $25,000 may be authorized internally by Management and the CAO. Any funding overages exceeding $25,000 require Council approval through a formal report. Finance staff review the availability of reserve funds to determine whether the overage can be accommodated.

For projects funded through debt issuance, additional funding requirements are assessed to identify impacts to the Town's Annual Repayment Limit (ARL) and future principal and interest repayment obligations. Interim cash flow is typically sufficient to manage overages until the related debt is issued.

5.9 Are there any *other unique circumstances* to your municipalitythat may impact your cash flow MNRI forecast, return objectives and risk tolerance that the Investment Plan should consider?

On April 7, the Province announced revisions to the Simcoe County growth plan that introduce unplanned growth pressures for the Town of New Tecumseth. While Alliston remains the primary growth centre, driven in part by the anticipated Honda Canada expansion, the revised allocations also direct growth to Beeton, including lands previously designated as rural, and to Tottenham, to a lesser degree.

Although the directive acknowledges the need for significant infrastructure investment to support this growth, no direct provincial funding has been committed. As a result, it is unclear at this time if the Town will be expected to absorb the planning, funding, and delivery responsibility for required infrastructure in advance of, or concurrent with, development approvals, increasing pressure on development charges, reserves, debt capacity, and future tax-supported budgets

In addition to the above, the province further released a list of 10 major infrastructure projects under consideration, narrowed down from 32 submissions from stakeholders. Approval of these projects would increase the aforementioned growth by up to 33,625 homes (estimated 70,000 people) and 1280 jobs. https://ero.ontario.ca/notice/026-0383

Municipal Client Questionnaire (MCQ)

Section 6 – Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this 28 day of April, 2026

Alison Gallant

Name and Signature of Treasurer

Second Signature (if required)

Appendix 1 – In-year MCQ Updates Form

Please provide details below that explain the nature of your requested change. This should describe: the money involved, the timing of transactions required, and any other context to support the change request. This will allow ONE JIB to understand how this update may change the cashflow characteristics or investment horizons of MNRI relative to your current MCQ and Investment Plan.

Not Applicable in this initial application for membership.

Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this_____day of_____, 20_____

_____ _____

_____ _____

Name and Signature of Treasurer Second Signature (if required)

Attachment 3

INVESTMENT PLAN FOR

The Town of New Tecumseth

DATE: May 28, 2026

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1

DEFINITIONS

Definitions applicable to this Investment Plan can be found on the ONE Investment webpage under Education & Training / Glossary.

2

PURPOSE

As required under the prudent investor regime authorized by the Municipal Act, 2001 (Act), and Ontario Regulation 438/97 (Regulation), this Investment Plan (Plan) establishes how ONE JIB will invest the Town of New Tecumseth's Money Not Required Immediately (MNRI) as defined in section 2.1 of New Tecumseth's Investment Policy Statement (IPS).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Town of New Tecumseth.

3

RESPONSIBILITY FOR PLAN

This Plan is the responsibility of ONE JIB, which has authorized its agent, ONE Investment, to exercise its administrative investment functions in accordance with the Regulation. ONE JIB oversees ONE Investment staff using procedures, reports, and regular reviews to monitor compliance with the Act, the Regulation and the Town of New Tecumseth's IPS.

ONE Investment has engaged PH&N Institutional to provide OCIO services. PH&N Institutional is the business division of RBC Global Asset Management responsible for managing assets for Canadian institutional clients. PH&N Institutional will be involved in implementing the Investment Plan, monitoring and reporting investments, and providing ancillary services to support the OCIO Offering.

RBC GAM's investment professionals are committed to providing each client with investment solutions that are appropriately tailored to address the client's investment situation. This means understanding macroeconomic trends and strategies and the diverse and evolving investment needs of clients.

4

INVESTMENT GOALS AND OBJECTIVES

The Town of New Tecumseth's investment needs, as described in its IPS, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the MCQ and dialogue with the Treasurer inform ONE JIB about New Tecumseth's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of New Tecumseth's MNRI in this Plan is consistent with the details as disclosed in New Tecumseth's IPS and MCQ. Section 7.3 of New Tecumseth's IPS provides specific information that characterizes the objectives for MNRI, as detailed in Table 1 below:

Table 1: The investment objectives for MNRI.

Category	**Objective & Risk Tolerance**
Objectives for overall MNRI	• Preservation of capital • Provide adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements • Diversification by asset class, market sector, issuer, credit quality, and term to maturity • Achieve capital appreciation and income while managing risk to an appropriate level.

The MNRI invested with ONE JIB will be broadly diversified across asset class, market, sector, issuer, credit quality, and term to maturity to help reduce investment return volatility. Returns impact revenues and have a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. The MNRI shall be invested to obtain a progressively higher rate of return for longer-term investment horizons, commensurate with stated risk tolerances.

The MNRI balances will be invested primarily to achieve capital growth over time. Achieving returns above inflation is a key investment objective, but near-term liquidity from investments likely will not be required.

5

INVESTMENT PORTFOLIO

Asset allocations are typically expected to be relatively stable until the next annual review. Any contributions or withdrawals of MNRI must be communicated to ONE JIB formally as outlined in the ONE JIB Withdrawals of Money Not Required Immediately (MNRI) Policy

5.1 Account Structure

MNRI Investment Horizon	Risk Tolerance / Model Assigned	Allocation
Consolidated MNRI Holdings	Model E (50% Equity) assigned.	$8,000,000

Other considerations:

- New Tecumseth will be making an initial MNRI contribution of $8 million
- MNRI has an associated investment horizon of between 5 to 10 years
- Significant population growth is expected, though the Treasurer noted that access to water is a key constraining factor.
    - They currently pipe in water from Collingwood, and expansion of the Collingwood water plant is planned.
    - While they do have some excess capacity, access to water could limit growth until the expansion is completed (expected in 2032)
- New Tecumseth is targeted for substantial housing growth by the Ontario provincial government as part of the South Simcoe strategy
    - This involves grants to the Town and other initiatives to promote housing growth; not all the details of this support have been finalized.
    - This creates some uncertainty that affects municipal planning.
- Significant net contributions to MNRI are anticipated over the next 10 years, but it was noted that there is potential for drawdowns in year 4.
- The IPS permits the use of alternative investments
    - Use of alternative investments is not recommended at this time. This will be revisited in the future, and they may lead them to be included in allocations in future years.
- New Tecumseth's MNRI will be invested in Model E, as detailed in Section 5.2 below:

5.2 Allocations

50% EQUITY MODEL (E)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	25	37.5%	45
Global Fixed Income and Credit	0	12.5%	25
Canadian Equities	15	25%	35
Global Equities	15	25%	35
Alternatives	0	0%	0
Total		100%	

* Further details on holdings and benchmarks for this model are detailed in a ONE JIB report approved on September 4, 2025. (Model Portfolio Review 2025).

6

APPLICABLE ONE JIB POLICIES

The Plan adheres to the following ONE JIB Policies subject to periodic review and updating and are posted to the ONE Investment website.

- ONE Anti-Money Laundering Policy
- ONE JIB Fund Deviation Policy
- ONE JIB Principles of Good Benchmarks Policy
- ONE JIB Withdrawals of MNRI Policy
- ONE JIB In-Kind Securities Policy
- ONE JIB Responsible Investment Policy
- ONE JIB Policy for Reviewing the External Sub-Investment Manager
- ONE JIB OCIO Compliance Monitoring Policy

7

ELIGIBLE FUNDS

The eligible funds are listed under Schedule "A" of the Investment Management Agreement between RBC Global Asset Management Inc. and ONE Investment, which may be reviewed and updated periodically.

In asset classes where more than one fund is eligible for investment, the OCIO will be responsible for determining which fund(s) to include in the client portfolio after due consideration for (1) the individual characteristics of the fund, (2) prevailing market conditions impacting the fund's liquidity and capacity, and (3) its alignment with the Municipality's investment objectives and philosophy.

The Manager shall manage the RBC GAM Fund(s) according to the pooled fund investment mandate including the investment guidelines contained therein developed by the Manager in respect of each RBC GAM Fund (each, an "Investment Mandate").

Asset Classes	**Sub-Asset Classes**	**Eligible Fund Names (Schedule "A" of IMA)**
	Fixed Income	
Cash & Equivalent	Money Market	PH&N Canadian Money Market Fund
Canadian Fixed Income	Short-Term Bonds	PH&N Short Term Bond & Mortgage Fund RBC Vision Fossil Fuel Free Short Term Bond Fund
	Universe Bonds	PH&N Bond Fund PH&N Enhanced Total Return Bond Fund RBC Vision Bond Fund RBC Vision Fossil Fuel Free Bond Fund
	Corporate Bonds	PH&N Corporate Bond Trust*
	Private Placement Corporate Debt	PH&N Private Placement Corporate Debt Fund*
	Commercial Mortgages	PH&N Mortgage Pension Trust* RBC Commercial Mortgage Fund*
Global Fixed Income and Credit	High-Yield Bonds	RBC High Yield Bond Fund PH&N High Yield Bond Fund
	Global Multi-Asset Credit	BlueBay Total Return Credit Fund
	Global Bonds	RBC Global Bond Fund
	Emerging Markets Bonds	RBC Emerging Markets Bond Fund

	Equities	
Canadian Equities	Canadian Equities	PH&N Canadian Equity Value Fund PH&N Canadian Equity Fund RBC Vision Canadian Equity Fund RBC QUBE Canadian Equity Fund
	Canadian Low Volatility Equities	RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund RBC QUBE Low Volatility Canadian Equity Fund
Global Equities	U.S. Equities	PH&N US Equity Fund RBC QUBE US Equity Fund
	U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Fund
	International Equities	RBC International Equity Fund RBC International Equity Index Fund RBC QUBE International Equity Fund
	Global Equities	RBC Global Equity Focus Fund RBC Global Equity Leaders Fund RBC Vision Global Equity Fund RBC Vision Fossil Fuel Free Global Equity Fund RBC QUBE Global Equity Fund
	Global Low Volatility Equities	RBC QUBE Low Volatility Global Equity Fund
	Emerging Markets Equities	RBC Emerging Markets Equity Fund RBC Emerging Markets Dividend Fund
Alternatives	Real Estate	RBC Canadian Core Real Estate Fund
	Infrastructure	RBC Global Infrastructure Fund

8

REBALANCING

The OCIO is authorized to execute trades, as appropriate, to maintain compliance with the Investment Plan.

Rebalancing shall occur in accordance with the Participating Municipality's Investment Policy Statement and Investment Plan.

Rebalancing plans and exact timing should account for upcoming material changes that may impact the Investment Plans, such as updates to the Investment Policy Statement or the Municipal Client Questionnaire.

As appropriate, the size and frequency of trading activities shall be minimized to help reduce the administration and costs of trading.

9

IMPLEMENTATION

9.1 Custodian

All marketable investments under the control and management of ONE JIB, shall be held for safekeeping by ONE Investment's Custodian.

9.2 Implementation Plan

Timeline	Implementation Details
June 2026	• MNRI will be remitted to ONE JIB in early June and invested in Model E.

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested as per the ONE Distribution Policy PI and cashflow needs of New Tecumseth are expected to be financed with the sale of units of the pooled funds. Payment of OCIO Fees and Governance fees will also be financed with the sale of investment pool units.

REPORT

To: ONE Joint Investment Board
From: Donna Herridge, Co-President/Co-CEO, ONE Investment
Date: May 28, 2026
Re: Risk and Audit Committee Update – Q2 2026
Report: ONE JIB 2026-023

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.

2. SUMMARY

This report provides a summary of the ONE Investment Audit Committee meeting of April 1, 2026, on the following topics:

- Receipt of the report from PwC on the 2025 year-end financial statements for the Legal List Portfolios, which were then approved by the ONE Investment Board
- Annual compliance activities for 2025 from Evelyn Foo, ONE's Chief Compliance Officer
- Internal control procedures related to payment processing for PH&N Investment Fees and ONE Governance Fees
- Revising the Compliance Manual business overview section and revised nomenclature with updates to be presented on an annual basis
- ONE JIB and ONE Investment Board meetings to ensure all Risk and Audit Committee members have an overview of ONE's business.
- CIBC Mellon quarterly report and attestation by RBC Investment Services
- The workplan was revised as the Enterprise Risk Assessment and Cyber Risk Assessment results will be deferred until the Q4 meeting

3. BACKGROUND

The Audit Committee is comprised of five representatives as follows:

- James (Jim) Giles (Chair) from ONE JIB
- Trevor Pinn (Vice Chair) from the ONE Investment Board
- Heidi Franken from ONE JIB
- Duane Ramkissoon, Manager, Investment Portfolio, Durham Region
- Anna Lisa Barbon, Deputy City Manager, Finance Supports, City of London

ONE Investment's Audit Committee's next meeting is scheduled for June 4, 2026.

4. ANALYSIS

Sameet Batavia, Partner at PwC, presented a report on the 2025 audit results for the Legal List Portfolios, followed by the approval of the Financial Statements

Sameet Batavia reported on the audited financial statements for the ONE Legal List Portfolios. There were no unadjusted errors or management letter points. The Financial Statements were subsequently approved by the ONE Investment Board and are available on the ONE Investment website.

There was an update on compliance activities for 2025 with all due dates met and no breaches noted

A summary of ONE Investment compliance activities in 2025 highlighted the following:

- No significant complaints or action against ONE Investment
- No internal investigations regarding staff actions
- Compliance with the Federal Anti-Money Laundering Regulation
- No significant violations of the investment objectives and constraints of portfolios

Staff presented internal control procedures related to Payment Processing of PH&N Institutional Fees and ONE Investment's Governance Fees

Staff presented an overview of the established processes followed by ONE Investment related to the quarterly calculation/verification and processing of the Investment Management Fees and ONE Governance Fee with PH&N Institutional (our external investment manager), and the statement creation process for the ONE Prudent Investment Program.

The Compliance Manual was updated for minor nomenclature changes as well as a revised Business Overview section with annual revisions to coincide with the review of the Chief Compliance Officer

The Compliance Manual included changes to the Business Overview section of the manual to reflect ONE's transition to an Outsourced Chief Investment Officer (OCIO) as well as nomenclature changes such as changing Audit Committee to Risk and Audit Committee. The revised Compliance Manual will be updated on an ongoing basis but presented to the Risk and Audit Committee on an annual basis to coincide with the review of the Chief Compliance Officer.

Management Committee provided an update on the implementation of cyber security recommendations as well as updates to the 2026 Workplan

The Management Committee report provided an update on the implementation of the Cyber Security recommendations. The Enterprise Risk Assessment and Cyber Risk Assessment results will be deferred until the Q4 Risk and Audit Committee meeting.

Staff provided an update of recent ONE JIB meetings and ONE Investment Board meetings

Outcomes from the recent ONE JIB Board meetings, which were held on November 25, 2025, and February 26, 2026, as well as the decisions made by ONE Investment Board at its meetings on December 10, 2025, and March 13, 2026, are summarized in the report.

The CIBC Mellon Key Performance Indicators report, and the RBC Investor Services attestation were reviewed; all variances are within industry standards

The CIBC Mellon Key Performance Indicators report is issued on a quarterly basis summarizing key service delivery metrics for their custody and fund administration servicing. The RBC Investment Services attestation didn't note any deviations.

5. CONCLUSION

The Risk and Audit Committee provides oversight and recommendations to the ONE Investment Board and staff. ONE JIB receives updates on the Risk and Audit Committee as a mechanism of transparency for ONE JIB on the work its agent is doing.

Drafted by: Donna Herridge, Co-President/Co-CEO, ONE Investment
Approved by: Afshin Majidi (interim) and Donna Herridge, Co-Presidents/CEOs

REPORT

To: ONE Joint Investment Board
From: Keith Taylor, Chief Investment Officer, ONE Investment
Date: May 28, 2026
Re: Municipal Performance Reports Q1 2026
Report: ONE JIB 2026-018

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.

2. SUMMARY

All quarterly investment reports for Participating Municipalities were delivered within the expected timeline of six weeks from the end of the quarter

ONE Investment issued quarterly reports for the first quarter of 2026 to all Participating Municipalities of ONE JIB on April 24, 2026. These reports enable the Participating Municipalities to monitor the performance of their investments. The reports were distributed to the Participating Municipalities within the expected six weeks after the quarter-end.

3. BACKGROUND

The reports for the ONE Prudent Investment Offering use the standardized format from previous quarters

All client reporting follows the reporting format established by the Investment Manager. The quarterly investment management report provides details on investment performance, a benchmark comparison, a snapshot of portfolio positioning, and macroeconomic and capital market commentary. The reporting packages have been made available in the resource library for ONE JIB members to review. An executive summary of these details has been provided in Attachment 1 of this report. Performance details in all reports to the municipalities or ONE JIB are gross of fees. Additional materials have also been made available to ONE JIB members in the resource library to assist in the review of client performance.

Inception date reporting for consolidated holdings and model performance may differ

The attachment to this report provides “performance since inception” that may require

clarification. Tables that show returns from inception for consolidated holdings reflect performance history starting from when MNRI was initially invested in the OCIO offering (i.e., the OCIO performance “since inception” date reflects the start of OCIO implementation, not the start of the model portfolio allocations). For most Participating Municipalities, this inception date is March 6, 2025.

The transition from allocations based on the Outcome Framework to the ONE JIB‑approved model portfolios occurred at a later date for most municipalities, leading to a separate inception date for the allocation of the models (i.e., model performance “since inception” reflects the date assets were first allocated to the approved OCIO model portfolios, which may differ by municipality).

4. CONCLUSION

ONE Investment has distributed investment performance packages to help municipal staff and councils of the Participating Municipalities evaluate the performance of their MNRI invested with ONE JIB.

ATTACHMENTS

Attachment 1: Executive Summary of Municipal Performance Reports – Q1 2026

Drafted by: Keith Taylor, Chief Investment Officer
Approved by: Afshin Majidi (interim) and Donna Herridge, Co-Presidents/CEOs

Attachment 1

Investment Management Report for

Executive Summary for ONE JIB

For Period Ending March 31, 2026

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Governance Report

The Implementation & Oversight Group is the senior oversight body responsible for all mandates at RBC GAM. All strategies used in the ONE Investment Program must be approved by this Group and will be subject to enhanced performance and manager oversight.

The table below provides a high-level assessment from the Implementation & Oversight Group based on several qualitative and quantitative factors that typically drive short and long-term performance.

Executive Summary- Implementation & Oversight Group Review

Categories	Comment
Performance: Overall Portfolio	The portfolio is achieving the objective since the beginning of the Mandate.
Performance: Underlying Strategies	Most of the underlying strategies held in the portfolio are achieving their respective long-term performance objectives. Some strategies are under enhanced review and one strategy is currently suspended. Please refer to the next page for details.
Investment team	**Jenna Weir** joined the PH&N Canadian Equities Team in February as an analyst covering Energy and Utilities, bringing nine years of equity research experience covering large-cap energy issuers, global and Canadian integrated issuers, and both Canadian and U.S. oil and gas issuers **Julie Thomas**, Senior Portfolio Manager and Financials Sector Analyst on the RBC Global Equity Team at RBC Global Asset Management (UK) Limited (RBC GAM-UK), retired at the end of March. Teammate **Jonathan Crown**, who joined in June 2025 with two decades of global equities experience, now covers the Global Financials sector.
Firm	**Daniel Chornous** retired at the end of January after 45 years in the investment industry and 24 years as RBC GAM's Global Chief Investment Officer (CIO). **Stuart Kedwell**, Global Head of Equities, has assumed the role of Global CIO. Stu has nearly 30 years of industry experience, of which more than 25 were spent working in close collaboration with Dan, thus ensuring continuity of investment leadership and client-centric philosophy.
Fund Compliance Summary	The underlying funds remain in full compliance with their respective policies.

Underlying Strategy and Investment Team Review

The table below provides the Implementation & Oversight Group's assessment of the individual strategies that comprise the ONE Investment Program.

Strategies that are not achieving near-term risk and performance objectives will be placed under enhanced watch. Strategies that are not achieving their long-term risk and return objectives will be suspended for use in the portfolio and a replacement strategy proposed.

Implementation & Oversight Group Assessment of the Individual Strategies

Fixed Income	Under Review	Comments
PH&N Enhanced Total Return Bond Fund		
PH&N Short Term Bond & Mortgage Fund		
PH&N Corporate Bond Trust		
PH&N Private Placement Corporate Debt Fund		
RBC High Yield Bond Fund		
PH&N High Yield Bond Fund		
BlueBay Total Return Credit Fund		
RBC Commercial Mortgage Fund		

Equities		
PH&N Canadian Equity Value Fund		
PH&N Canadian Equity Fund		
RBC QUBE Low Volatility Canadian Equity Fund		
RBC QUBE Canadian Equity Fund		
PH&N U.S. Equity Fund		Strategy was removed from enhanced review as we are satisfied with the management transition to David Tron and Shanthu David that occurred over the past year.
RBC QUBE US Equity Fund		
RBC QUBE Low Volatility US Equity Fund		
RBC International Equity Fund	✓	Strategy is currently under enhanced oversight due to near-term underperformance.
RBC QUBE International Equity Fund		
RBC Emerging Markets Equity Fund		

RBC Emerging Markets Dividend Fund		

Alternative Investments

RBC Canadian Core Real Estate Fund		
RBC Global Infrastructure Fund		

Compliance Report

One Investment Approved Funds

Fund Name	Month-end compliance status	Notes
PH&N Short Term Bond & Mortgage Fund	Compliant	**BROOKFIELD PROPERTY PARTNERS LP** downgraded to below the fund's required minimum rating on July 26, 2021. The Fund has an at time of purchase clause.
PH&N Enhanced Total Return Bond Fund	See Notes	**SUNOCO LP** (CUSIP U8675JAN2 6.00% 20280623 **Ba1** by Moody's) is below the minimum BBB rating requirement for maples. It is held through underlying fund PH&N High Yield Bond Fund. This is not deemed as a breach by Investment Policy Team.
PH&N Corporate Bond Trust	Compliant	**BROOKFIELD PROPERTY PARTNERS LP** downgraded to below the fund's required minimum rating on July 26, 2021. **HURON UNIVERSITY COLLEGE** was downgraded to below the fund's required minimum rating on March 4, 2025. The Fund has an at time of purchase clause.
Private Placement Corporate Debt Fund	Compliant	Passive Breach of PBSA Issuer Exposure rule due to market movements in Brookfield and affiliates (10.20%). The PBSA rule applies at time of purchase.
RBC Commercial Mortgage Fund	Compliant	
RBC High Yield Bond Fund	Compliant	
PH&N High Yield Bond Fund	Compliant	
BlueBay Total Return Credit Fund	Compliant	
PH&N Canadian Equity Value Fund	Compliant	
PH&N Canadian Equity Fund	Compliant	
RBC QUBE Canadian Equity Fund	Compliant	
RBC QUBE Low Volatility Canadian Equity Fund	Compliant	
PH&N U.S. Equity Fund	Compliant	

RBC QUBE U.S. Equity Fund	Compliant	
RBC QUBE Low Volatility U.S. Equity Fund	Compliant	
RBC International Equity Fund	Compliant	
RBC QUBE International Equity Fund	Compliant	
RBC Emerging Markets Equity Fund	See Notes	Passive Breach of NI 81-102 / PBSA Issuer Exposure rules due to market movements in Taiwan Semiconductor Manufacturing Co Ltd (10.08% at March month-end. It drifted back onside on April 1. The rules apply at time of purchase.
RBC Emerging Markets Dividend Fund	Compliant	
RBC Canadian Core Real Estate Fund	Compliant	
RBC Global Infrastructure Fund	Compliant	

Paul Purcell, CFA
Managing Director & Portfolio Manager

Executive Summary - Town of Aurora Consolidated

Summary of Assets

Summary of Assets for ONE Investment - Aurora - Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	7,043,902	12.1
PH&N Private Placement Corporate Debt Fund	4,351,920	7.5
PH&N Short Term Bond & Mortgage Fund	16,081,539	27.7
RBC Commercial Mortgage Fund	1,031,600	1.8
PH&N Canadian Equity Fund	2,549,687	4.4
PH&N Canadian Equity Value Fund	2,544,294	4.4
RBC QUBE Canadian Equity Fund	2,584,848	4.4
RBC QUBE Low Volatility Canadian Equity Fund	7,673,329	13.2
PH&N U.S. Equity Fund	1,075,024	1.8
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	2,442,960	4.2
RBC QUBE U.S. Equity Fund	1,053,381	1.8
RBC International Equity Fund (CAD)	3,364,537	5.8
RBC QUBE International Equity Fund	3,548,743	6.1
RBC Emerging Markets Dividend Fund	1,368,919	2.4
RBC Emerging Markets Equity Fund (CAD)	1,430,180	2.5
Total Portfolio	**58,144,864**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Aurora - Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.29**	**1.29**	**12.91**	**-**	**-**	**-**	**-**	**-**	**11.05**

* Performance inception date for ONE Investment - Aurora - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Town of Aurora

Summary of Assets

Summary of Assets for ONE Investment - Aurora - Model E as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	7,043,902	12.1
PH&N Private Placement Corporate Debt Fund	4,351,920	7.5
PH&N Short Term Bond & Mortgage Fund	16,081,539	27.7
RBC Commercial Mortgage Fund	1,031,600	1.8
PH&N Canadian Equity Fund	2,549,687	4.4
PH&N Canadian Equity Value Fund	2,544,294	4.4
RBC QUBE Canadian Equity Fund	2,584,848	4.4
RBC QUBE Low Volatility Canadian Equity Fund	7,673,329	13.2
PH&N U.S. Equity Fund	1,075,024	1.8
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	2,442,960	4.2
RBC QUBE U.S. Equity Fund	1,053,381	1.8
RBC International Equity Fund (CAD)	3,364,537	5.8
RBC QUBE International Equity Fund	3,548,743	6.1
RBC Emerging Markets Dividend Fund	1,368,919	2.4
RBC Emerging Markets Equity Fund (CAD)	1,430,180	2.5
Total Portfolio	**58,144,864**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Aurora - Model E as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.29**	**1.29**	**-**	**-**	**-**	**-**	**-**	**-**	**3.88**
*Benchmark***	*2.12*	*2.12*	-	-	-	-	-	-	*5.67*
Relative Performance	-0.83	-0.83	-	-	-	-	-	-	-1.79

* Performance inception date for ONE Investment - Aurora - Model E is September 24, 2025.
** ONE JIB Reference Portfolio E, which is 50% S&P/TSX Capped Composite and 50% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Town of Aylmer Consolidated

Summary of Assets

Summary of Assets for ONE Investment - Aylmer - Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	150,998	7.3
PH&N Private Placement Corporate Debt Fund	50,353	2.4
PH&N Short Term Bond & Mortgage Fund	612,849	29.7
PH&N Canadian Equity Fund	90,764	4.4
PH&N Canadian Equity Value Fund	90,378	4.4
RBC QUBE Canadian Equity Fund	91,933	4.4
RBC QUBE Low Volatility Canadian Equity Fund	263,025	12.7
PH&N U.S. Equity Fund	38,363	1.9
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	85,066	4.1
RBC QUBE U.S. Equity Fund	37,943	1.8
RBC International Equity Fund (CAD)	120,441	5.8
RBC QUBE International Equity Fund	125,492	6.1
RBC Emerging Markets Dividend Fund	51,954	2.5
RBC Emerging Markets Equity Fund (CAD)	52,297	2.5
RBC Canadian Core Real Estate Fund	102,313	5.0
RBC Global Infrastructure Fund LP	102,370	5.0
Total Portfolio	**2,066,538**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Aylmer - Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.45**	**1.45**	**18.00**	**-**	**-**	**-**	**-**	**-**	**14.93**

* Performance inception date for ONE Investment - Aylmer - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Town of Aylmer

Summary of Assets

Summary of Assets for ONE Investment - Aylmer - Model E+ as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	150,998	7.3
PH&N Private Placement Corporate Debt Fund	50,353	2.4
PH&N Short Term Bond & Mortgage Fund	612,849	29.7
PH&N Canadian Equity Fund	90,764	4.4
PH&N Canadian Equity Value Fund	90,378	4.4
RBC QUBE Canadian Equity Fund	91,933	4.4
RBC QUBE Low Volatility Canadian Equity Fund	263,025	12.7
PH&N U.S. Equity Fund	38,363	1.9
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	85,066	4.1
RBC QUBE U.S. Equity Fund	37,943	1.8
RBC International Equity Fund (CAD)	120,441	5.8
RBC QUBE International Equity Fund	125,492	6.1
RBC Emerging Markets Dividend Fund	51,954	2.5
RBC Emerging Markets Equity Fund (CAD)	52,297	2.5
RBC Canadian Core Real Estate Fund	102,313	5.0
RBC Global Infrastructure Fund LP	102,370	5.0
Total Portfolio	**2,066,538**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Aylmer - Model E+ as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.45**	**1.45**	**-**	**-**	**-**	**-**	**-**	**-**	**2.17**
*Benchmark***	*2.30*	*2.30*	-	-	-	-	-	-	*3.45*
Relative Performance	-0.85	-0.85	-	-	-	-	-	-	-1.28

* Performance inception date for ONE Investment - Aylmer - Model E+ is November 26, 2025.
** ONE JIB Reference Portfolio E+, which is 55% S&P/TSX Capped Composite and 45% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Town of Bracebridge Consolidated

Summary of Assets

Summary of Assets for ONE Investment - Bracebridge - Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
PH&N Short Term Bond & Mortgage Fund	2,725,097	29.4
PH&N Canadian Equity Fund	953,851	10.3
PH&N Canadian Equity Value Fund	951,177	10.3
RBC QUBE Canadian Equity Fund	965,813	10.4
RBC QUBE Low Volatility Canadian Equity Fund	468,799	5.1
PH&N U.S. Equity Fund	256,411	2.8
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	568,563	6.1
RBC QUBE U.S. Equity Fund	253,599	2.7
RBC International Equity Fund (CAD)	715,553	7.7
RBC QUBE International Equity Fund	745,565	8.1
RBC Emerging Markets Dividend Fund	330,563	3.6
RBC Emerging Markets Equity Fund (CAD)	326,240	3.5
Total Portfolio	**9,261,231**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Bracebridge - Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.90**	**1.90**	**17.55**	**-**	**-**	**-**	**-**	**-**	**14.70**

* Performance inception date for ONE Investment - Bracebridge - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Town of Bracebridge

Summary of Assets

Summary of Assets for ONE Investment - Bracebridge - Model G as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
PH&N Short Term Bond & Mortgage Fund	2,725,097	29.4
PH&N Canadian Equity Fund	953,851	10.3
PH&N Canadian Equity Value Fund	951,177	10.3
RBC QUBE Canadian Equity Fund	965,813	10.4
RBC QUBE Low Volatility Canadian Equity Fund	468,799	5.1
PH&N U.S. Equity Fund	256,411	2.8
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	568,563	6.1
RBC QUBE U.S. Equity Fund	253,599	2.7
RBC International Equity Fund (CAD)	715,553	7.7
RBC QUBE International Equity Fund	745,565	8.1
RBC Emerging Markets Dividend Fund	330,563	3.6
RBC Emerging Markets Equity Fund (CAD)	326,240	3.5
Total Portfolio	**9,261,231**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Bracebridge - Model G as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.90**	**1.90**	**-**	**-**	**-**	**-**	**-**	**-**	**2.75**
*Benchmark***	*2.85*	*2.85*	-	-	-	-	-	-	*4.64*
Relative Performance	-0.95	-0.95	-	-	-	-	-	-	-1.89

* Performance inception date for ONE Investment - Bracebridge - Model G is November 26, 2025.
** ONE JIB Reference Portfolio G, which is 70% S&P/TSX Capped Composite and 30% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Township of Central Frontenac

Summary of Assets

Summary of Assets for ONE Investment - Central Frontenac - Model F as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	367,842	9.7
PH&N Short Term Bond & Mortgage Fund	944,364	25.0
RBC Commercial Mortgage Fund	171,918	4.5
PH&N Canadian Equity Fund	259,960	6.9
PH&N Canadian Equity Value Fund	259,498	6.9
RBC QUBE Canadian Equity Fund	263,099	7.0
RBC QUBE Low Volatility Canadian Equity Fund	390,039	10.3
PH&N U.S. Equity Fund	88,085	2.3
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	196,795	5.2
RBC QUBE U.S. Equity Fund	86,916	2.3
RBC International Equity Fund (CAD)	258,193	6.8
RBC QUBE International Equity Fund	267,219	7.1
RBC Emerging Markets Dividend Fund	115,822	3.1
RBC Emerging Markets Equity Fund (CAD)	114,330	3.0
Total Portfolio	**3,784,080**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Central Frontenac - Model F as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.53**	**1.53**	**14.37**	**-**	**-**	**-**	**-**	**-**	**14.19**
*Benchmark***	*2.49*	*2.49*	*20.24*	-	-	-	-	-	*19.10*
Relative Performance	-0.96	-0.96	-5.87	-	-	-	-	-	-4.91

* Performance inception date for ONE Investment - Central Frontenac - Model F is January 14, 2025.
** ONE JIB Reference Portfolio F, which is 60% S&P/TSX Capped Composite and 40% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Municipality of Clarington

Summary of Assets

Summary of Assets for ONE Investment - Clarington - Model G+ as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
PH&N Short Term Bond & Mortgage Fund	4,706,214	19.6
PH&N Canadian Equity Fund	2,922,312	12.2
PH&N Canadian Equity Value Fund	2,916,268	12.2
RBC QUBE Canadian Equity Fund	2,977,529	12.4
PH&N U.S. Equity Fund	987,731	4.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	745,493	3.1
RBC QUBE U.S. Equity Fund	968,257	4.0
RBC International Equity Fund (CAD)	1,834,967	7.7
RBC QUBE International Equity Fund	1,935,454	8.1
RBC Emerging Markets Dividend Fund	838,516	3.5
RBC Emerging Markets Equity Fund (CAD)	818,870	3.4
RBC Canadian Core Real Estate Fund	1,153,338	4.8
RBC Global Infrastructure Fund LP	1,163,512	4.9
Total Portfolio	**23,968,461**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Clarington - Model G+ as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.79**	**1.79**	**16.02**	**-**	**-**	**-**	**-**	**-**	**15.43**
*Benchmark***	*3.04*	*3.04*	*24.14*	-	-	-	-	-	*22.11*
Relative Performance	-1.25	-1.25	-8.12	-	-	-	-	-	-6.68

* Performance inception date for ONE Investment - Clarington - Model G+ is January 14, 2025.
** December 1, 2025 to Present: ONE JIB Reference Portfolio G+, which is 75% S&P/TSX Capped Composite and 25% FTSE Canada Universe Bond Index.
Prior to December 1, 2025: ONE JIB Reference Portfolio G, which is 70% S&P/TSX Capped Composite and 30% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Regional Municipality of Durham Consolidated

Summary of Assets

Summary of Assets for ONE Investment Durham Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	298,308,792	14.7
PH&N Corporate Bond Trust	20,636,628	1.0
PH&N Enhanced Total Return Bond Fund	319,890,905	15.7
PH&N High Yield Bond Fund	2,647,241	0.1
PH&N Private Placement Corporate Debt Fund	199,339,933	9.8
PH&N Short Term Bond & Mortgage Fund	463,790,016	22.8
RBC Commercial Mortgage Fund	130,526,907	6.4
RBC High Yield Bond Fund	2,600,975	0.1
PH&N Canadian Equity Fund	51,801,237	2.5
PH&N Canadian Equity Value Fund	51,602,339	2.5
RBC QUBE Canadian Equity Fund	52,208,929	2.6
RBC QUBE Low Volatility Canadian Equity Fund	154,525,405	7.6
PH&N U.S. Equity Fund	46,290,671	2.3
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	100,798,216	5.0
RBC QUBE U.S. Equity Fund	45,253,352	2.2
RBC International Equity Fund (CAD)	48,254,399	2.4
RBC QUBE International Equity Fund	46,927,525	2.3
Total Portfolio	**2,035,403,469**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment Durham Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.79**	**0.79**	**7.71**	**-**	**-**	**-**	**-**	**-**	**8.44**

* Performance inception date for ONE Investment Durham Consolidated is July 17, 2024.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Regional Municipality of Durham Long

Summary of Assets

Summary of Assets for ONE Investment - Durham Long as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	271,882,343	14.6
PH&N Enhanced Total Return Bond Fund	319,890,905	17.2
PH&N Private Placement Corporate Debt Fund	186,712,478	10.0
PH&N Short Term Bond & Mortgage Fund	386,026,458	20.8
RBC Commercial Mortgage Fund	118,360,064	6.4
PH&N Canadian Equity Fund	49,897,836	2.7
PH&N Canadian Equity Value Fund	49,699,234	2.7
RBC QUBE Canadian Equity Fund	50,353,116	2.7
RBC QUBE Low Volatility Canadian Equity Fund	148,817,699	8.0
PH&N U.S. Equity Fund	44,558,803	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	97,066,912	5.2
RBC QUBE U.S. Equity Fund	43,543,671	2.3
RBC International Equity Fund (CAD)	46,456,738	2.5
RBC QUBE International Equity Fund	45,155,573	2.4
Total Portfolio	**1,858,421,830**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Durham Long as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.83**	**0.83**	**8.02**	**-**	**-**	**-**	**-**	**-**	**8.71**
*Benchmark***	*1.37*	*1.37*	*10.18*	-	-	-	-	-	*10.20*
Relative Performance	-0.54	-0.54	-2.16	-	-	-	-	-	-1.49

* Performance inception date for ONE Investment - Durham Long is July 17, 2024.
** ONE JIB Reference Portfolio C, which is 30% S&P/TSX Capped Composite and 70% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Asset Mix

Asset Mix for ONE Investment - Durham Long as of March 31, 2026 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
BlueBay Total Return Credit Fund (Canada)	13.5	16.5	15.0	14.6	14.9
PH&N Enhanced Total Return Bond Fund	16.0	19.0	17.5	17.2	17.3
PH&N Private Placement Corporate Debt Fund	9.0	11.0	10.0	10.1	9.9
PH&N Short Term Bond & Mortgage Fund	16.0	19.0	17.5	20.8	23.1
RBC Commercial Mortgage Fund	9.0	11.0	10.0	6.4	4.1
PH&N Canadian Equity Value Fund	1.5	3.5	2.5	2.7	2.6

Asset Mix

Asset Mix for ONE Investment - Durham Long as of March 31, 2026 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
PH&N Canadian Equity Fund	1.5	3.5	2.5	2.7	2.6
RBC QUBE Canadian Equity Fund	1.5	3.5	2.5	2.7	2.7
RBC QUBE Low Volatility Canadian Equity Fund	6.5	8.5	7.5	8.0	7.9
PH&N U.S. Equity Fund	1.5	3.5	2.5	2.4	2.5
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	4.0	6.0	5.0	5.2	4.9
RBC QUBE U.S. Equity Fund	1.5	3.5	2.5	2.3	2.5
RBC International Equity Fund (CAD)	1.5	3.5	2.5	2.5	2.5
RBC QUBE International Equity Fund	1.5	3.5	2.5	2.4	0.0

Due to rounding some data may not add to 100%.

Executive Summary - Regional Municipality of Durham Medium

Summary of Assets

Summary of Assets for ONE Investment - Durham Medium as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	10,786,690	14.7
PH&N Private Placement Corporate Debt Fund	7,377,798	10.0
PH&N Short Term Bond & Mortgage Fund	26,216,298	35.7
RBC Commercial Mortgage Fund	6,982,702	9.5
PH&N Canadian Equity Fund	1,903,401	2.6
PH&N Canadian Equity Value Fund	1,903,104	2.6
RBC QUBE Canadian Equity Fund	1,855,813	2.5
RBC QUBE Low Volatility Canadian Equity Fund	5,707,705	7.8
PH&N U.S. Equity Fund	1,731,868	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	3,731,304	5.1
RBC QUBE U.S. Equity Fund	1,709,681	2.3
RBC International Equity Fund (CAD)	1,797,661	2.4
RBC QUBE International Equity Fund	1,771,952	2.4
Total Portfolio	**73,475,978**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Durham Medium as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.83**	**0.83**	**8.32**	**-**	**-**	**-**	**-**	**-**	**8.80**
*Benchmark***	*1.37*	*1.37*	*10.18*	-	-	-	-	-	*10.20*
Relative Performance	-0.54	-0.54	-1.86	-	-	-	-	-	-1.40

* Performance inception date for ONE Investment - Durham Medium is July 17, 2024.
** ONE JIB Reference Portfolio C, which is 30% S&P/TSX Capped Composite and 70% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Asset Mix

Asset Mix for ONE Investment - Durham Medium as of March 31, 2026 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
BlueBay Total Return Credit Fund (Canada)	13.5	16.5	15.0	14.7	15.0
PH&N Private Placement Corporate Debt Fund	9.0	11.0	10.0	10.0	9.6
PH&N Short Term Bond & Mortgage Fund	33.0	37.0	35.0	35.7	38.6
RBC Commercial Mortgage Fund	9.0	11.0	10.0	9.5	6.7
PH&N Canadian Equity Value Fund	1.5	3.5	2.5	2.6	2.5
PH&N Canadian Equity Fund	1.5	3.5	2.5	2.6	2.5
RBC QUBE Canadian Equity Fund	1.5	3.5	2.5	2.5	2.6

Asset Mix

Asset Mix for ONE Investment - Durham Medium as of March 31, 2026 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
RBC QUBE Low Volatility Canadian Equity Fund	6.5	8.5	7.5	7.8	7.6
PH&N U.S. Equity Fund	1.5	3.5	2.5	2.4	2.5
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	4.0	6.0	5.0	5.1	5.0
RBC QUBE U.S. Equity Fund	1.5	3.5	2.5	2.3	2.5
RBC International Equity Fund (CAD)	1.5	3.5	2.5	2.5	2.5
RBC QUBE International Equity Fund	1.5	3.5	2.5	2.4	0.0

Due to rounding some data may not add to 100%.

Executive Summary - Regional Municipality of Durham Short

Summary of Assets

Summary of Assets for ONE Investment - Durham Short as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	15,639,759	15.1
PH&N Corporate Bond Trust	20,636,628	19.9
PH&N High Yield Bond Fund	2,647,241	2.6
PH&N Private Placement Corporate Debt Fund	5,249,657	5.1
PH&N Short Term Bond & Mortgage Fund	51,547,260	49.8
RBC Commercial Mortgage Fund	5,184,140	5.0
RBC High Yield Bond Fund	2,600,975	2.5
Total Portfolio	**103,505,661**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Durham Short as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.20**	**0.20**	**3.43**	**-**	**-**	**-**	**-**	**-**	**5.22**
*Benchmark***	*0.23*	*0.23*	*0.84*	-	-	-	-	-	*3.75*
Relative Performance	-0.03	-0.03	+2.59	-	-	-	-	-	+1.47

* Performance inception date for ONE Investment - Durham Short is July 17, 2024.
** ONE JIB Reference Portfolio A, which is 100% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Asset Mix

Asset Mix for ONE Investment - Durham Short as of March 31, 2026 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
BlueBay Total Return Credit Fund (Canada)	13.5	16.5	15.0	15.1	15.3
PH&N Corporate Bond Trust	18.5	21.5	20.0	19.9	19.9
PH&N High Yield Bond Fund	1.5	3.5	2.5	2.6	0.0
PH&N Private Placement Corporate Debt Fund	4.0	6.0	5.0	5.1	5.0
PH&N Short Term Bond & Mortgage Fund	48.0	52.0	50.0	49.8	51.2
RBC Commercial Mortgage Fund	4.0	6.0	5.0	5.0	3.5
RBC High Yield Bond Fund	1.5	3.5	2.5	2.5	5.1

Due to rounding some data may not add to 100%.

Executive Summary - Town of Huntsville Consolidated

Summary of Assets

Summary of Assets for ONE Investment - Huntsville - Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	1,821,838	14.8
PH&N Private Placement Corporate Debt Fund	1,238,831	10.0
PH&N Short Term Bond & Mortgage Fund	4,161,217	33.8
RBC Commercial Mortgage Fund	258,248	2.1
PH&N Canadian Equity Fund	411,620	3.3
PH&N Canadian Equity Value Fund	412,220	3.3
RBC QUBE Canadian Equity Fund	409,025	3.3
RBC QUBE Low Volatility Canadian Equity Fund	1,239,037	10.1
PH&N U.S. Equity Fund	298,056	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	581,662	4.7
RBC QUBE U.S. Equity Fund	295,719	2.4
RBC International Equity Fund (CAD)	594,999	4.8
RBC QUBE International Equity Fund	605,568	4.9
Total Portfolio	**12,328,039**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Huntsville - Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.01**	**1.01**	**10.80**	**-**	**-**	**-**	**-**	**-**	**9.15**

* Performance inception date for ONE Investment - Huntsville - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Town of Huntsville

Summary of Assets

Summary of Assets for ONE Investment - Huntsville - Model D as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	1,821,838	14.8
PH&N Private Placement Corporate Debt Fund	1,238,831	10.0
PH&N Short Term Bond & Mortgage Fund	4,161,217	33.8
RBC Commercial Mortgage Fund	258,248	2.1
PH&N Canadian Equity Fund	411,620	3.3
PH&N Canadian Equity Value Fund	412,220	3.3
RBC QUBE Canadian Equity Fund	409,025	3.3
RBC QUBE Low Volatility Canadian Equity Fund	1,239,037	10.1
PH&N U.S. Equity Fund	298,056	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	581,662	4.7
RBC QUBE U.S. Equity Fund	295,719	2.4
RBC International Equity Fund (CAD)	594,999	4.8
RBC QUBE International Equity Fund	605,568	4.9
Total Portfolio	**12,328,039**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Huntsville - Model D as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.01**	**1.01**	**11.83**	**-**	**-**	**-**	**-**	**-**	**9.67**
*Benchmark***	*1.75*	*1.75*	*11.73*	-	-	-	-	-	*12.02*
Relative Performance	-0.74	-0.74	+0.10	-	-	-	-	-	-2.35

* Performance inception date for ONE Investment - Huntsville - Model D is March 06, 2025.
** June 11, 2025 to Present: ONE JIB Reference Portfolio D, which is 40% S&P/TSX Capped Composite and 60% FTSE Canada Universe Bond Index.
Prior to June 11, 2025 the performance reflects investments based on the Contingency Outcome
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Town of Innisfil Consolidated

Summary of Assets

Summary of Assets for ONE Investment - Innisfil - Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	10,062,430	14.7
PH&N Private Placement Corporate Debt Fund	6,899,618	10.1
PH&N Short Term Bond & Mortgage Fund	29,225,340	42.6
RBC Commercial Mortgage Fund	1,234,380	1.8
PH&N Canadian Equity Fund	1,709,614	2.5
PH&N Canadian Equity Value Fund	1,706,568	2.5
RBC QUBE Canadian Equity Fund	1,726,528	2.5
RBC QUBE Low Volatility Canadian Equity Fund	5,088,225	7.4
PH&N U.S. Equity Fund	1,319,754	1.9
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	2,879,180	4.2
RBC QUBE U.S. Equity Fund	1,290,700	1.9
RBC International Equity Fund (CAD)	2,764,789	4.0
RBC QUBE International Equity Fund	2,668,739	3.9
Total Portfolio	**68,575,864**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Innisfil - Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.77**	**0.77**	**11.67**	**-**	**-**	**-**	**-**	**-**	**9.85**

* Performance inception date for ONE Investment - Innisfil - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Town of Innisfil

Summary of Assets

Summary of Assets for ONE Investment - Innisfil - Model C as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	10,062,430	14.7
PH&N Private Placement Corporate Debt Fund	6,899,618	10.1
PH&N Short Term Bond & Mortgage Fund	29,225,340	42.6
RBC Commercial Mortgage Fund	1,234,380	1.8
PH&N Canadian Equity Fund	1,709,614	2.5
PH&N Canadian Equity Value Fund	1,706,568	2.5
RBC QUBE Canadian Equity Fund	1,726,528	2.5
RBC QUBE Low Volatility Canadian Equity Fund	5,088,225	7.4
PH&N U.S. Equity Fund	1,319,754	1.9
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	2,879,180	4.2
RBC QUBE U.S. Equity Fund	1,290,700	1.9
RBC International Equity Fund (CAD)	2,764,789	4.0
RBC QUBE International Equity Fund	2,668,739	3.9
Total Portfolio	**68,575,864**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Innisfil - Model C as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.77**	**0.77**	**-**	**-**	**-**	**-**	**-**	**-**	**2.35**
*Benchmark***	*1.37*	*1.37*	-	-	-	-	-	-	*3.45*
Relative Performance	-0.60	-0.60	-	-	-	-	-	-	-1.10

* Performance inception date for ONE Investment - Innisfil - Model C is September 24, 2025.
** ONE JIB Reference Portfolio C, which is 30% S&P/TSX Capped Composite and 70% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - City of Kenora Consolidated

Summary of Assets

Summary of Assets for ONE Investment - Kenora - Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	6,736,476	9.0
PH&N Private Placement Corporate Debt Fund	3,113,964	4.2
PH&N Short Term Bond & Mortgage Fund	22,174,979	29.7
PH&N Canadian Equity Fund	3,221,266	4.3
PH&N Canadian Equity Value Fund	3,211,135	4.3
RBC QUBE Canadian Equity Fund	3,261,973	4.4
RBC QUBE Low Volatility Canadian Equity Fund	9,553,359	12.8
PH&N U.S. Equity Fund	1,393,044	1.9
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	3,111,129	4.2
RBC QUBE U.S. Equity Fund	1,376,245	1.8
RBC International Equity Fund (CAD)	4,369,709	5.9
RBC QUBE International Equity Fund	4,539,046	6.1
RBC Emerging Markets Dividend Fund	1,842,828	2.5
RBC Emerging Markets Equity Fund (CAD)	1,890,809	2.5
RBC Canadian Core Real Estate Fund	2,415,542	3.2
RBC Global Infrastructure Fund LP	2,416,889	3.2
Total Portfolio	**74,628,393**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Kenora - Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.38**	**1.38**	**11.29**	**-**	**-**	**-**	**-**	**-**	**9.73**

* Performance inception date for ONE Investment - Kenora - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - City of Kenora General Consolidated

Summary of Assets

Summary of Assets for ONE Investment - Kenora General - Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	3,168,725	12.2
PH&N Private Placement Corporate Debt Fund	1,918,336	7.4
PH&N Short Term Bond & Mortgage Fund	7,751,701	29.9
PH&N Canadian Equity Fund	1,112,355	4.3
PH&N Canadian Equity Value Fund	1,108,382	4.3
RBC QUBE Canadian Equity Fund	1,126,621	4.3
RBC QUBE Low Volatility Canadian Equity Fund	3,343,487	12.9
PH&N U.S. Equity Fund	487,309	1.9
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	1,102,758	4.2
RBC QUBE U.S. Equity Fund	480,442	1.9
RBC International Equity Fund (CAD)	1,526,170	5.9
RBC QUBE International Equity Fund	1,576,243	6.1
RBC Emerging Markets Dividend Fund	608,239	2.3
RBC Emerging Markets Equity Fund (CAD)	656,098	2.5
Total Portfolio	**25,966,866**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Kenora General - Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.25**	**1.25**	**13.62**	**-**	**-**	**-**	**-**	**-**	**11.54**

* Performance inception date for ONE Investment - Kenora General - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - City of Kenora General

Summary of Assets

Summary of Assets for ONE Investment - Kenora General - Model E as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	3,168,725	12.2
PH&N Private Placement Corporate Debt Fund	1,918,336	7.4
PH&N Short Term Bond & Mortgage Fund	7,751,701	29.9
PH&N Canadian Equity Fund	1,112,355	4.3
PH&N Canadian Equity Value Fund	1,108,382	4.3
RBC QUBE Canadian Equity Fund	1,126,621	4.3
RBC QUBE Low Volatility Canadian Equity Fund	3,343,487	12.9
PH&N U.S. Equity Fund	487,309	1.9
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	1,102,758	4.2
RBC QUBE U.S. Equity Fund	480,442	1.9
RBC International Equity Fund (CAD)	1,526,170	5.9
RBC QUBE International Equity Fund	1,576,243	6.1
RBC Emerging Markets Dividend Fund	608,239	2.3
RBC Emerging Markets Equity Fund (CAD)	656,098	2.5
Total Portfolio	**25,966,866**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Kenora General - Model E as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.25**	**1.25**	**-**	**-**	**-**	**-**	**-**	**-**	**1.79**
*Benchmark***	*2.12*	*2.12*	-	-	-	-	-	-	*3.06*
Relative Performance	-0.87	-0.87	-	-	-	-	-	-	-1.27

* Performance inception date for ONE Investment - Kenora General - Model E is November 26, 2025.
** ONE JIB Reference Portfolio E, which is 50% S&P/TSX Capped Composite and 50% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - City of Kenora CPTF Consolidated

Summary of Assets

Summary of Assets for ONE Investment - Kenora CPTF - Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	3,567,751	7.3
PH&N Private Placement Corporate Debt Fund	1,195,628	2.5
PH&N Short Term Bond & Mortgage Fund	14,423,278	29.6
PH&N Canadian Equity Fund	2,108,911	4.3
PH&N Canadian Equity Value Fund	2,102,753	4.3
RBC QUBE Canadian Equity Fund	2,135,351	4.4
RBC QUBE Low Volatility Canadian Equity Fund	6,209,872	12.8
PH&N U.S. Equity Fund	905,735	1.9
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	2,008,370	4.1
RBC QUBE U.S. Equity Fund	895,804	1.8
RBC International Equity Fund (CAD)	2,843,539	5.8
RBC QUBE International Equity Fund	2,962,803	6.1
RBC Emerging Markets Dividend Fund	1,234,589	2.5
RBC Emerging Markets Equity Fund (CAD)	1,234,711	2.5
RBC Canadian Core Real Estate Fund	2,415,542	5.0
RBC Global Infrastructure Fund LP	2,416,889	5.0
Total Portfolio	**48,661,527**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Kenora CPTF - Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.44**	**1.44**	**10.10**	**-**	**-**	**-**	**-**	**-**	**8.81**

* Performance inception date for ONE Investment - Kenora CPTF - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - City of Kenora CPTF

Summary of Assets

Summary of Assets for ONE Investment - Kenora CPTF - Model E+ as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	3,567,751	7.3
PH&N Private Placement Corporate Debt Fund	1,195,628	2.5
PH&N Short Term Bond & Mortgage Fund	14,423,278	29.6
PH&N Canadian Equity Fund	2,108,911	4.3
PH&N Canadian Equity Value Fund	2,102,753	4.3
RBC QUBE Canadian Equity Fund	2,135,351	4.4
RBC QUBE Low Volatility Canadian Equity Fund	6,209,872	12.8
PH&N U.S. Equity Fund	905,735	1.9
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	2,008,370	4.1
RBC QUBE U.S. Equity Fund	895,804	1.8
RBC International Equity Fund (CAD)	2,843,539	5.8
RBC QUBE International Equity Fund	2,962,803	6.1
RBC Emerging Markets Dividend Fund	1,234,589	2.5
RBC Emerging Markets Equity Fund (CAD)	1,234,711	2.5
RBC Canadian Core Real Estate Fund	2,415,542	5.0
RBC Global Infrastructure Fund LP	2,416,889	5.0
Total Portfolio	**48,661,527**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Kenora CPTF - Model E+ as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.44**	**1.44**	**-**	**-**	**-**	**-**	**-**	**-**	**1.87**
*Benchmark***	*2.30*	*2.30*	-	-	-	-	-	-	*3.45*
Relative Performance	-0.86	-0.86	-	-	-	-	-	-	-1.58

* Performance inception date for ONE Investment - Kenora CPTF - Model E+ is November 26, 2025.
** ONE JIB Reference Portfolio E+, which is 55% S&P/TSX Capped Composite and 45% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - District Municipality of Muskoka Consolidated

Summary of Assets

Summary of Assets for ONE Investment - Muskoka - Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	19,035,302	12.1
PH&N Private Placement Corporate Debt Fund	11,764,074	7.5
PH&N Short Term Bond & Mortgage Fund	43,458,392	27.6
RBC Commercial Mortgage Fund	2,787,815	1.8
PH&N Canadian Equity Fund	6,890,222	4.4
PH&N Canadian Equity Value Fund	6,875,648	4.4
RBC QUBE Canadian Equity Fund	7,010,989	4.5
RBC QUBE Low Volatility Canadian Equity Fund	20,764,504	13.2
PH&N U.S. Equity Fund	2,905,123	1.8
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	6,610,847	4.2
RBC QUBE U.S. Equity Fund	2,846,635	1.8
RBC International Equity Fund (CAD)	9,092,259	5.8
RBC QUBE International Equity Fund	9,590,054	6.1
RBC Emerging Markets Dividend Fund	3,710,722	2.4
RBC Emerging Markets Equity Fund (CAD)	3,864,890	2.5
Total Portfolio	**157,207,473**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Muskoka - Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.29**	**1.29**	**13.92**	**-**	**-**	**-**	**-**	**-**	**11.82**

* Performance inception date for ONE Investment - Muskoka - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - District Municipality of Muskoka

Summary of Assets

Summary of Assets for ONE Investment - Muskoka - Model E as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	19,035,302	12.1
PH&N Private Placement Corporate Debt Fund	11,764,074	7.5
PH&N Short Term Bond & Mortgage Fund	43,458,392	27.6
RBC Commercial Mortgage Fund	2,787,815	1.8
PH&N Canadian Equity Fund	6,890,222	4.4
PH&N Canadian Equity Value Fund	6,875,648	4.4
RBC QUBE Canadian Equity Fund	7,010,989	4.5
RBC QUBE Low Volatility Canadian Equity Fund	20,764,504	13.2
PH&N U.S. Equity Fund	2,905,123	1.8
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	6,610,847	4.2
RBC QUBE U.S. Equity Fund	2,846,635	1.8
RBC International Equity Fund (CAD)	9,092,259	5.8
RBC QUBE International Equity Fund	9,590,054	6.1
RBC Emerging Markets Dividend Fund	3,710,722	2.4
RBC Emerging Markets Equity Fund (CAD)	3,864,890	2.5
Total Portfolio	**157,207,473**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Muskoka - Model E as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.29**	**1.29**	**-**	**-**	**-**	**-**	**-**	**-**	**3.88**
*Benchmark***	*2.12*	*2.12*	-	-	-	-	-	-	*5.67*
Relative Performance	-0.83	-0.83	-	-	-	-	-	-	-1.79

* Performance inception date for ONE Investment - Muskoka - Model E is September 24, 2025.
** ONE JIB Reference Portfolio E, which is 50% S&P/TSX Capped Composite and 50% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Municipality of Neebing

Summary of Assets

Summary of Assets for ONE Investment - Neebing - Model E as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	390,619	12.1
PH&N Private Placement Corporate Debt Fund	241,566	7.5
PH&N Short Term Bond & Mortgage Fund	870,259	27.0
RBC Commercial Mortgage Fund	78,948	2.4
PH&N Canadian Equity Fund	141,400	4.4
PH&N Canadian Equity Value Fund	141,099	4.4
RBC QUBE Canadian Equity Fund	143,217	4.4
RBC QUBE Low Volatility Canadian Equity Fund	425,479	13.2
PH&N U.S. Equity Fund	59,627	1.8
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	135,460	4.2
RBC QUBE U.S. Equity Fund	58,423	1.8
RBC International Equity Fund (CAD)	186,571	5.8
RBC QUBE International Equity Fund	196,802	6.1
RBC Emerging Markets Dividend Fund	75,654	2.3
RBC Emerging Markets Equity Fund (CAD)	79,311	2.5
Total Portfolio	**3,224,435**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Neebing - Model E as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.30**	**1.30**	**12.30**	**-**	**-**	**-**	**-**	**-**	**10.97**
*Benchmark***	*2.12*	*2.12*	*16.80*	-	-	-	-	-	*15.92*
Relative Performance	-0.82	-0.82	-4.50	-	-	-	-	-	-4.95

* Performance inception date for ONE Investment - Neebing - Model E is March 06, 2025.
** ONE JIB Reference Portfolio E, which is 50% S&P/TSX Capped Composite and 50% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - City of Quinte West

Summary of Assets

Summary of Assets for ONE Investment - Quinte West - Model D as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	5,362,250	14.8
PH&N Private Placement Corporate Debt Fund	3,645,919	10.0
PH&N Short Term Bond & Mortgage Fund	12,067,012	33.3
RBC Commercial Mortgage Fund	902,877	2.5
PH&N Canadian Equity Fund	1,211,589	3.3
PH&N Canadian Equity Value Fund	1,213,404	3.3
RBC QUBE Canadian Equity Fund	1,203,861	3.3
RBC QUBE Low Volatility Canadian Equity Fund	3,647,021	10.1
PH&N U.S. Equity Fund	877,096	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	1,812,737	5.0
RBC QUBE U.S. Equity Fund	871,389	2.4
RBC International Equity Fund (CAD)	1,751,416	4.8
RBC QUBE International Equity Fund	1,721,675	4.7
Total Portfolio	**36,288,245**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Quinte West - Model D as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.00**	**1.00**	**10.14**	**-**	**-**	**-**	**-**	**-**	**9.14**
*Benchmark***	*1.75*	*1.75*	*13.45*	-	-	-	-	-	*12.76*
Relative Performance	-0.75	-0.75	-3.31	-	-	-	-	-	-3.62

* Performance inception date for ONE Investment - Quinte West - Model D is March 06, 2025.
** ONE JIB Reference Portfolio D, which is 40% S&P/TSX Capped Composite and 60% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Municipality of Red Lake

Summary of Assets

Summary of Assets for ONE Investment - Red Lake - Model D as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	384,253	14.8
PH&N Private Placement Corporate Debt Fund	260,880	10.0
PH&N Short Term Bond & Mortgage Fund	790,977	30.4
RBC Commercial Mortgage Fund	134,286	5.2
PH&N Canadian Equity Fund	86,819	3.3
PH&N Canadian Equity Value Fund	86,948	3.3
RBC QUBE Canadian Equity Fund	86,267	3.3
RBC QUBE Low Volatility Canadian Equity Fund	261,347	10.0
PH&N U.S. Equity Fund	62,838	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	130,497	5.0
RBC QUBE U.S. Equity Fund	62,345	2.4
RBC International Equity Fund (CAD)	125,488	4.8
RBC QUBE International Equity Fund	127,589	4.9
Total Portfolio	**2,600,532**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Red Lake - Model D as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.99**	**0.99**	**10.17**	**-**	**-**	**-**	**-**	**-**	**10.92**
*Benchmark***	*1.75*	*1.75*	*13.45*	-	-	-	-	-	*13.82*
Relative Performance	-0.76	-0.76	-3.28	-	-	-	-	-	-2.90

* Performance inception date for ONE Investment - Red Lake - Model D is January 14, 2025.
** ONE JIB Reference Portfolio D, which is 40% S&P/TSX Capped Composite and 60% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - City of Thunder Bay Consolidated

Summary of Assets

Summary of Assets for ONE Investment - Thunder Bay - Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	10,699,128	7.3
PH&N Private Placement Corporate Debt Fund	3,589,846	2.5
PH&N Short Term Bond & Mortgage Fund	43,306,063	29.6
PH&N Canadian Equity Fund	6,357,057	4.4
PH&N Canadian Equity Value Fund	6,335,831	4.3
RBC QUBE Canadian Equity Fund	6,437,687	4.4
RBC QUBE Low Volatility Canadian Equity Fund	18,627,393	12.8
PH&N U.S. Equity Fund	2,716,880	1.9
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	6,024,392	4.1
RBC QUBE U.S. Equity Fund	2,687,091	1.8
RBC International Equity Fund (CAD)	8,529,600	5.8
RBC QUBE International Equity Fund	8,887,350	6.1
RBC Emerging Markets Dividend Fund	3,696,081	2.5
RBC Emerging Markets Equity Fund (CAD)	3,703,692	2.5
RBC Canadian Core Real Estate Fund	7,245,763	5.0
RBC Global Infrastructure Fund LP	7,249,801	5.0
Total Portfolio	**146,093,655**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Thunder Bay - Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.45**	**1.45**	**12.51**	**-**	**-**	**-**	**-**	**-**	**10.69**

* Performance inception date for ONE Investment - Thunder Bay - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - City of Thunder Bay

Summary of Assets

Summary of Assets for ONE Investment - Thunder Bay - Model E+ as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	10,699,128	7.3
PH&N Private Placement Corporate Debt Fund	3,589,846	2.5
PH&N Short Term Bond & Mortgage Fund	43,306,063	29.6
PH&N Canadian Equity Fund	6,357,057	4.4
PH&N Canadian Equity Value Fund	6,335,831	4.3
RBC QUBE Canadian Equity Fund	6,437,687	4.4
RBC QUBE Low Volatility Canadian Equity Fund	18,627,393	12.8
PH&N U.S. Equity Fund	2,716,880	1.9
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	6,024,392	4.1
RBC QUBE U.S. Equity Fund	2,687,091	1.8
RBC International Equity Fund (CAD)	8,529,600	5.8
RBC QUBE International Equity Fund	8,887,350	6.1
RBC Emerging Markets Dividend Fund	3,696,081	2.5
RBC Emerging Markets Equity Fund (CAD)	3,703,692	2.5
RBC Canadian Core Real Estate Fund	7,245,763	5.0
RBC Global Infrastructure Fund LP	7,249,801	5.0
Total Portfolio	**146,093,655**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Thunder Bay - Model E+ as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.45**	**1.45**	**-**	**-**	**-**	**-**	**-**	**-**	**1.96**
*Benchmark***	*2.30*	*2.30*	-	-	-	-	-	-	*2.77*
Relative Performance	-0.85	-0.85	-	-	-	-	-	-	-0.81

* Performance inception date for ONE Investment - Thunder Bay - Model E+ is November 26, 2025.
** ONE JIB Reference Portfolio E+, which is 55% S&P/TSX Capped Composite and 45% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Town of Whitby Consolidated

Summary of Assets

Summary of Assets for ONE Investment - Whitby - Consolidated as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	32,219,189	14.8
PH&N Private Placement Corporate Debt Fund	21,905,926	10.0
PH&N Short Term Bond & Mortgage Fund	73,316,672	33.6
RBC Commercial Mortgage Fund	4,565,215	2.1
PH&N Canadian Equity Fund	7,279,487	3.3
PH&N Canadian Equity Value Fund	7,290,058	3.3
RBC QUBE Canadian Equity Fund	7,233,619	3.3
RBC QUBE Low Volatility Canadian Equity Fund	21,912,380	10.0
PH&N U.S. Equity Fund	5,271,176	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	10,953,144	5.0
RBC QUBE U.S. Equity Fund	5,229,848	2.4
RBC International Equity Fund (CAD)	10,522,532	4.8
RBC QUBE International Equity Fund	10,402,826	4.8
Total Portfolio	**218,102,074**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Whitby - Consolidated as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.02**	**1.02**	**10.64**	**-**	**-**	**-**	**-**	**-**	**9.06**

* Performance inception date for ONE Investment - Whitby - Consolidated is March 06, 2025.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Town of Whitby

Summary of Assets

Summary of Assets for ONE Investment - Whitby - Model D as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	32,219,189	14.8
PH&N Private Placement Corporate Debt Fund	21,905,926	10.0
PH&N Short Term Bond & Mortgage Fund	73,316,672	33.6
RBC Commercial Mortgage Fund	4,565,215	2.1
PH&N Canadian Equity Fund	7,279,487	3.3
PH&N Canadian Equity Value Fund	7,290,058	3.3
RBC QUBE Canadian Equity Fund	7,233,619	3.3
RBC QUBE Low Volatility Canadian Equity Fund	21,912,380	10.0
PH&N U.S. Equity Fund	5,271,176	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	10,953,144	5.0
RBC QUBE U.S. Equity Fund	5,229,848	2.4
RBC International Equity Fund (CAD)	10,522,532	4.8
RBC QUBE International Equity Fund	10,402,826	4.8
Total Portfolio	**218,102,074**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Whitby - Model D as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**1.02**	**1.02**	**8.45**	**-**	**-**	**-**	**-**	**-**	**8.15**
*Benchmark***	*1.75*	*1.75*	*11.73*	-	-	-	-	-	*12.02*
Relative Performance	-0.73	-0.73	-3.28	-	-	-	-	-	-3.87

* Performance inception date for ONE Investment - Whitby - Model D is March 06, 2025.
** June 11, 2025 to Present: ONE JIB Reference Portfolio D, which is 40% S&P/TSX Capped Composite and 60% FTSE Canada Universe Bond Index.
Prior to June 11, 2025 the performance reflects investments based on the Cash Outcome
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Municipality of Oliver Paipoonge

Summary of Assets

Summary of Assets for ONE Investment - Oliver Paipoonge - Model F as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	417,686	9.9
PH&N Short Term Bond & Mortgage Fund	1,279,647	30.3
PH&N Canadian Equity Fund	282,625	6.7
PH&N Canadian Equity Value Fund	282,830	6.7
RBC QUBE Canadian Equity Fund	281,880	6.7
RBC QUBE Low Volatility Canadian Equity Fund	429,280	10.2
PH&N U.S. Equity Fund	100,251	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	221,827	5.3
RBC QUBE U.S. Equity Fund	99,181	2.4
RBC International Equity Fund (CAD)	284,412	6.7
RBC QUBE International Equity Fund	291,531	6.9
RBC Emerging Markets Dividend Fund	125,054	3.0
RBC Emerging Markets Equity Fund (CAD)	122,594	2.9
Total Portfolio	**4,218,796**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Oliver Paipoonge - Model F as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-1.05**
*Benchmark***	-	-	-	-	-	-	-	-	*-0.29*
Relative Performance	-	-	-	-	-	-	-	-	-0.76

* Performance inception date for ONE Investment - Oliver Paipoonge - Model F is January 16, 2026.
** ONE JIB Reference Portfolio F, which is 60% S&P/TSX Capped Composite and 40% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

Executive Summary - Township of Georgian Bay

Summary of Assets

Summary of Assets for ONE Investment - Georgian Bay - Model D as of March 31, 2026

	Market Value ($) March 31, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	984,693	14.8
PH&N Enhanced Total Return Bond Fund	213,964	3.2
PH&N Private Placement Corporate Debt Fund	454,161	6.8
PH&N Short Term Bond & Mortgage Fund	2,345,630	35.3
PH&N Canadian Equity Fund	222,096	3.3
PH&N Canadian Equity Value Fund	222,257	3.3
RBC QUBE Canadian Equity Fund	221,510	3.3
RBC QUBE Low Volatility Canadian Equity Fund	674,232	10.1
PH&N U.S. Equity Fund	157,560	2.4
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	348,637	5.2
RBC QUBE U.S. Equity Fund	155,878	2.3
RBC International Equity Fund (CAD)	319,285	4.8
RBC QUBE International Equity Fund	327,278	4.9
Total Portfolio	**6,647,181**	**100.0**

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Georgian Bay - Model D as of March 31, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-0.79**
*Benchmark***	-	-	-	-	-	-	-	-	*-0.32*
Relative Performance	-	-	-	-	-	-	-	-	-0.47

* Performance inception date for ONE Investment - Georgian Bay - Model D is January 16, 2026.
** ONE JIB Reference Portfolio D, which is 40% S&P/TSX Capped Composite and 60% FTSE Canada Universe Bond Index.
Total returns are gross of fees and reported in Canadian dollars. Periods less than one year are not annualized.

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PH&N Institutional is the institutional business division of RBC GAM Inc., an indirect, wholly-owned subsidiary of RBC. RBC GAM Inc. is the manager and principal portfolio adviser of the PH&N, BlueBay and RBC investment funds.

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REPORT

To: ONE Joint Investment Board
From: Evelyn Foo, Chief Compliance Officer, ONE Investment
Date: May 28, 2026
Re: Compliance Reports Asset Class and Target Weight Allocations Q1 2026
Report: ONE JIB 2026-026

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report

2. SUMMARY

The compliance report provided by the External Investment Manager (PH&N Institutional) assists ONE JIB in monitoring the weights of investment holdings and asset classes relative to their targets for each Participating Municipality under the Prudent Investment Offering.

3. BACKGROUND

The Investment Manager's system produces a report to monitor allocation weights under the Prudent Investment Offering

The report found in Attachment 1 provides the asset class and allocation to targets and highlights those municipalities which are awaiting allocation for fulfillment in their assigned funds in their investment policy.

The column titled "Variance from Strategic Benchmark" indicates the variance from the absolute value above or below by more than two percentage points.

The report is reviewed by the CIO and CCO on a regular basis in their oversight responsibilities. There is no commentary offered unless a metric is above or below the target value by more than two percentage points.

4. ANALYSIS

Onboarding for the Township of Georgian Bay and Municipality of Oliver Paipoonge occurred in January 2026, and subsequent to the timeframe covered in this report Quinte West was moved to Model F as approved at the last ONE JIB meeting. Although the delay in transition resulted in a more positive performance, a debrief will occur between ONE staff and PH&N following each JIB meeting to ensure that all action items are captured and implemented on a timely basis.

5. CONCLUSION

The Investment Manager Asset Class and Target Weight Allocation report continues to provide the ONE JIB with the ability to monitor allocations in the ONE JIB approved model portfolios in the Prudent Investment Offering. The attached report provides ONE JIB with the tools to monitor the positioning of asset classes and individual holdings relative to their intended targets.

ATTACHMENTS

Attachment 1: Asset Class and Target Weight Allocations Report Q1 2026

Drafted by: Evelyn Foo, Chief Compliance Officer
Approved by: Donna Herridge and Afshin Majidi (interim), Co-Presidents/CEOs

Attachment 1

Asset Class and Target Weight Allocations Q1 2026

Durham Short

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
Short Term Bonds	**$**	**51,547,259.94**	**50.00%**	**49.80%**	**-0.20%**	**49.99%**	**-0.19%**	**40.0% - 60.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	51,547,259.94	50.00%	49.80%	-0.20%	49.99%	-0.19%		
Universe Bonds	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**-0.07%**	**0.07%**	**0.0% - 0.0%**	Compliant
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	-0.07%	0.07%		
Corporate Bonds	**$**	**20,636,628.19**	**20.00%**	**19.94%**	**-0.06%**	**20.00%**	**-0.06%**	**15.0% - 25.0%**	Compliant
PH&N Corporate Bond Trust	$	20,636,628.19	20.00%	19.94%	-0.06%	20.00%	-0.06%		
Private Placement Corporate Debt	**$**	**5,249,657.49**	**5.00%**	**5.07%**	**0.07%**	**5.07%**	**0.00%**	**3.0% - 7.0%**	Compliant
PH&N Private Placement Corporate Debt Fund	$	5,249,657.49	5.00%	5.07%	0.07%	5.07%	0.00%		
Commercial Mortgage	**$**	**5,184,140.49**	**5.00%**	**5.01%**	**0.01%**	**5.01%**	**0.00%**	**3.0% - 7.0%**	Compliant
RBC Commercial Mortgage Fund	$	5,184,140.49	5.00%	5.01%	0.01%	5.01%	0.00%		
High-Yield Bonds	**$**	**5,248,215.92**	**5.00%**	**5.07%**	**0.07%**	**5.00%**	**0.07%**	**3.0% - 7.0%**	Compliant
RBC High Yield Bond Fund	$	2,600,975.42	2.50%	2.51%	0.01%	2.50%	0.01%		
PH&N High Yield Bond Fund	$	2,647,240.50	2.50%	2.56%	0.06%	2.50%	0.06%		
Global Multi Asset Credit	**$**	**15,639,758.98**	**15.00%**	**15.11%**	**0.11%**	**15.00%**	**0.11%**	**10.0% - 20.0%**	Compliant
BlueBay Total Return Credit Fund	$	15,639,758.98	15.00%	15.11%	0.11%	15.00%	0.11%		
Total Fixed Income	**$**	**103,505,661.01**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**	**100.0% - 100.0%**	Compliant
Total	**$**	**103,505,661.01**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Durham Medium

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
Short Term Bonds	**$**	**26,216,298.06**	**35.00%**	**35.68%**	**0.68%**	**35.50%**	**0.18%**	**25.0% - 45.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	26,216,298.06	35.00%	35.68%	0.68%	35.50%	0.18%		
Universe Bonds	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**-0.04%**	**0.04%**	**0.0% - 0.0%**	Compliant
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	-0.04%	0.04%		
Private Placement Corporate Debt	**$**	**7,377,798.04**	**10.00%**	**10.04%**	**0.04%**	**10.04%**	**0.00%**	**5.0% - 15.0%**	Compliant
PH&N Private Placement Corporate Debt Fund	$	7,377,798.04	10.00%	10.04%	0.04%	10.04%	0.00%		
Commercial Mortgage	**$**	**6,982,702.41**	**10.00%**	**9.50%**	**-0.50%**	**9.50%**	**0.00%**	**5.0% - 15.0%**	Compliant
RBC Commercial Mortgage Fund	$	6,982,702.41	10.00%	9.50%	-0.50%	9.50%	0.00%		
Global Multi Asset Credit	**$**	**10,786,690.26**	**15.00%**	**14.68%**	**-0.32%**	**15.00%**	**-0.32%**	**10.0% - 20.0%**	Compliant
BlueBay Total Return Credit Fund	$	10,786,690.26	15.00%	14.68%	-0.32%	15.00%	-0.32%		
Total Fixed Income	**$**	**51,363,488.77**	**70.00%**	**69.91%**	**-0.09%**	**70.00%**	**-0.09%**	**65.0% - 75.0%**	Compliant
Canadian Equities	**$**	**5,662,317.81**	**7.50%**	**7.71%**	**0.21%**	**7.50%**	**0.21%**	**5.0% - 10.0%**	Compliant
PH&N Canadian Equity Fund	$	1,903,400.71	2.50%	2.59%	0.09%	2.50%	0.09%		
PH&N Canadian Equity Value Fund	$	1,903,104.35	2.50%	2.59%	0.09%	2.50%	0.09%		
RBC QUBE Canadian Equity Fund	$	1,855,812.75	2.50%	2.53%	0.03%	2.50%	0.03%		
Canadian Low Volatilty Equities	**$**	**5,707,705.39**	**7.50%**	**7.77%**	**0.27%**	**7.50%**	**0.27%**	**5.0% - 10.0%**	Compliant
RBC QUBE Low Volatility Canadian Equity Fund	$	5,707,705.39	7.50%	7.77%	0.27%	7.50%	0.27%		
U.S. Equities	**$**	**3,441,548.56**	**5.00%**	**4.68%**	**-0.32%**	**5.00%**	**-0.32%**	**3.0% - 7.0%**	Compliant
PH&N U.S. Equity Fund	$	1,731,868.02	2.50%	2.36%	-0.14%	2.50%	-0.14%		
RBC QUBE U.S. Equity Fund	$	1,709,680.54	2.50%	2.33%	-0.17%	2.50%	-0.17%		
U.S. Low Volatility Equities	**$**	**3,731,303.89**	**5.00%**	**5.08%**	**0.08%**	**5.00%**	**0.08%**	**3.0% - 7.0%**	Compliant
RBC QUBE Low Volatility U.S. Equity Fund	$	3,731,303.89	5.00%	5.08%	0.08%	5.00%	0.08%		
International Equities	**$**	**3,569,613.63**	**5.00%**	**4.86%**	**-0.14%**	**5.00%**	**-0.14%**	**3.0% - 7.0%**	Compliant
RBC QUBE International Equity Fund	$	1,771,952.17	2.50%	2.41%	-0.09%	2.50%	-0.09%		
RBC International Equity Fund	$	1,797,661.46	2.50%	2.45%	-0.05%	2.50%	-0.05%		
Total Equities	**$**	**22,112,489.28**	**30.00%**	**30.09%**	**0.09%**	**30.00%**	**0.09%**	**25.0% - 35.0%**	Compliant
Total	**$**	**73,475,978.05**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Durham Long

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
Short Term Bonds	**$**	**386,026,457.94**	**17.50%**	**20.77%**	**3.27%**	**21.13%**	**-0.36%**	**15.0% - 20.0%**	Awaiting Deployment
PH&N Short Term Bond & Mortgage Fund	$	386,026,457.94	17.50%	20.77%	3.27%	21.13%	-0.36%		
Universe Bonds	**$**	**319,890,904.67**	**17.50%**	**17.21%**	**-0.29%**	**17.45%**	**-0.24%**	**15.0% - 20.0%**	Compliant
PH&N Enhanced Total Return Bond Fund	$	319,890,904.67	17.50%	17.21%	-0.29%	17.45%	-0.24%		
Private Placement Corporate Debt	**$**	**186,712,477.55**	**10.00%**	**10.05%**	**0.05%**	**10.05%**	**0.00%**	**5.0% - 15.0%**	Compliant
PH&N Private Placement Corporate Debt Fund	$	186,712,477.55	10.00%	10.05%	0.05%	10.05%	0.00%		
Commercial Mortgage	**$**	**118,360,064.46**	**10.00%**	**6.37%**	**-3.63%**	**6.37%**	**0.00%**	**5.0% - 15.0%**	Awaiting Deployment
RBC Commercial Mortgage Fund	$	118,360,064.46	10.00%	6.37%	-3.63%	6.37%	0.00%		
Global Multi Asset Credit	**$**	**271,882,342.61**	**15.00%**	**14.63%**	**-0.37%**	**15.00%**	**-0.37%**	**10.0% - 20.0%**	Compliant
BlueBay Total Return Credit Fund	$	271,882,342.61	15.00%	14.63%	-0.37%	15.00%	-0.37%		
Total Fixed Income	**$**	**1,282,872,247.23**	**70.00%**	**69.03%**	**-0.97%**	**70.00%**	**-0.97%**	**65.0% - 75.0%**	Compliant
Canadian Equities	**$**	**149,950,186.34**	**7.50%**	**8.07%**	**0.57%**	**7.50%**	**0.57%**	**5.0% - 10.0%**	Compliant
PH&N Canadian Equity Fund	$	49,897,836.27	2.50%	2.68%	0.18%	2.50%	0.18%		
PH&N Canadian Equity Value Fund	$	49,699,234.26	2.50%	2.67%	0.17%	2.50%	0.17%		
RBC QUBE Canadian Equity Fund	$	50,353,115.81	2.50%	2.71%	0.21%	2.50%	0.21%		
Canadian Low Volatilty Equities	**$**	**148,817,699.48**	**7.50%**	**8.01%**	**0.51%**	**7.50%**	**0.51%**	**5.0% - 10.0%**	Compliant
RBC QUBE Low Volatility Canadian Equity Fund	$	148,817,699.48	7.50%	8.01%	0.51%	7.50%	0.51%		
U.S. Equities	**$**	**88,102,473.90**	**5.00%**	**4.74%**	**-0.26%**	**5.00%**	**-0.26%**	**3.0% - 7.0%**	Compliant
PH&N U.S. Equity Fund	$	44,558,802.85	2.50%	2.40%	-0.10%	2.50%	-0.10%		
RBC QUBE U.S. Equity Fund	$	43,543,671.05	2.50%	2.34%	-0.16%	2.50%	-0.16%		
U.S. Low Volatility Equities	**$**	**97,066,912.22**	**5.00%**	**5.22%**	**0.22%**	**5.00%**	**0.22%**	**3.0% - 7.0%**	Compliant
RBC QUBE Low Volatility U.S. Equity Fund	$	97,066,912.22	5.00%	5.22%	0.22%	5.00%	0.22%		
International Equities	**$**	**91,612,310.33**	**5.00%**	**4.93%**	**-0.07%**	**5.00%**	**-0.07%**	**3.0% - 7.0%**	Compliant
RBC QUBE International Equity Fund	$	45,155,572.72	2.50%	2.43%	-0.07%	2.50%	-0.07%		
RBC International Equity Fund	$	46,456,737.61	2.50%	2.50%	0.00%	2.50%	0.00%		
Total Equities	**$**	**575,549,582.27**	**30.00%**	**30.97%**	**0.97%**	**30.00%**	**0.97%**	**25.0% - 35.0%**	Compliant
Total	**$**	**1,858,421,829.50**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Clarington (Model G+

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	4,706,213.57	20.00%	19.64%	-0.36%	20.33%	-0.70%		
Canadian Fixed Income	**$**	**4,706,213.57**	**20.00%**	**19.64%**	**-0.36%**	**20.33%**	**-0.70%**	**10.0% - 30.0%**	Compliant
BlueBay Total Return Credit Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Global Fixed Income and Credit	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Canadian Equity Fund	$	2,922,312.24	11.67%	12.19%	0.53%	11.67%	0.53%		
PH&N Canadian Equity Value Fund	$	2,916,268.14	11.67%	12.17%	0.50%	11.67%	0.50%		
RBC QUBE Canadian Equity Fund	$	2,977,528.95	11.67%	12.42%	0.76%	11.67%	0.76%		
Canadian Equities	**$**	**8,816,109.33**	**35.00%**	**36.78%**	**1.78%**	**35.00%**	**1.78%**	**25.0% - 45.0%**	Compliant
PH&N U.S. Equity Fund	$	987,730.69	4.50%	4.12%	-0.38%	4.50%	-0.38%		
RBC QUBE U.S. Equity Fund	$	968,256.84	4.50%	4.04%	-0.46%	4.50%	-0.46%		
RBC QUBE Low Volatility U.S. Equity Fund	$	745,493.38	3.00%	3.11%	0.11%	3.00%	0.11%		
RBC QUBE International Equity Fund	$	1,935,453.54	8.00%	8.08%	0.08%	8.00%	0.08%		
RBC International Equity Fund	$	1,834,966.86	8.00%	7.66%	-0.34%	8.00%	-0.34%		
RBC Emerging Markets Equity Fund	$	818,870.13	3.50%	3.42%	-0.08%	3.50%	-0.08%		
RBC Emerging Markets Dividend Fund	$	838,516.30	3.50%	3.50%	0.00%	3.50%	0.00%		
Global Equities	**$**	**8,129,287.74**	**35.00%**	**33.92%**	**-1.08%**	**35.00%**	**-1.08%**	**25.0% - 45.0%**	Compliant
RBC Canadian Core Real Estate Fund	$	1,153,338.31	5.00%	4.81%	-0.19%	4.81%	0.00%		Compliant
RBC Global Infrastructure Fund	$	1,163,511.79	5.00%	4.85%	-0.15%	4.85%	0.00%		Compliant
Alternative Investments	**$**	**2,316,850.10**	**10.00%**	**9.67%**	**-0.33%**	**9.67%**	**0.00%**	**0.0% - 20.0%**	Compliant
Total	**$**	**23,968,460.74**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Central Frontenac (Model F)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	944,363.91	20.00%	24.96%	4.96%	25.46%	-0.50%		Awaiting Deployment
RBC Commercial Mortgage Fund	$	171,918.41	10.00%	4.54%	-5.46%	4.54%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**1,116,282.32**	**30.00%**	**29.50%**	**-0.50%**	**30.00%**	**-0.50%**	**20.0% - 40.0%**	Compliant
BlueBay Total Return Credit Fund	$	367,841.58	10.00%	9.72%	-0.28%	10.00%	-0.28%		
Global Fixed Income and Credit	**$**	**367,841.58**	**10.00%**	**9.72%**	**-0.28%**	**10.00%**	**-0.28%**	**0.0% - 20.0%**	Compliant
PH&N Canadian Equity Fund	$	259,959.85	6.67%	6.87%	0.20%	6.67%	0.20%		
PH&N Canadian Equity Value Fund	$	259,498.30	6.67%	6.86%	0.19%	6.67%	0.19%		
RBC QUBE Canadian Equity Fund	$	263,099.18	6.67%	6.95%	0.29%	6.67%	0.29%		
RBC QUBE Low Volatility Canadian Equity Fund	$	390,038.99	10.00%	10.31%	0.31%	10.00%	0.31%		
Canadian Equities	**$**	**1,172,596.32**	**30.00%**	**30.99%**	**0.99%**	**30.00%**	**0.99%**	**20.0% - 40.0%**	Compliant
PH&N U.S. Equity Fund	$	88,085.36	2.50%	2.33%	-0.17%	2.50%	-0.17%		
RBC QUBE U.S. Equity Fund	$	86,916.18	2.50%	2.30%	-0.20%	2.50%	-0.20%		
RBC QUBE Low Volatility U.S. Equity Fund	$	196,795.00	5.00%	5.20%	0.20%	5.00%	0.20%		
RBC QUBE International Equity Fund	$	267,219.13	7.00%	7.06%	0.06%	7.00%	0.06%		
RBC International Equity Fund	$	258,192.59	7.00%	6.82%	-0.18%	7.00%	-0.18%		
RBC Emerging Markets Equity Fund	$	114,330.16	3.00%	3.02%	0.02%	3.00%	0.02%		
RBC Emerging Markets Dividend Fund	$	115,821.66	3.00%	3.06%	0.06%	3.00%	0.06%		
Global Equities	**$**	**1,127,360.08**	**30.00%**	**29.79%**	**-0.21%**	**30.00%**	**-0.21%**	**20.0% - 40.0%**	Compliant
Total	**$**	**3,784,080.30**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Red Lake (Model D)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	790,976.92	25.00%	30.42%	5.42%	29.84%	0.58%		Awaiting Deployment
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	-0.03%	0.03%		Compliant
PH&N Private Placement Corporate Debt Fund	$	260,880.00	10.00%	10.03%	0.03%	10.03%	0.00%		Compliant
RBC Commercial Mortgage Fund	$	134,286.19	10.00%	5.16%	-4.84%	5.16%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**1,186,143.11**	**45.00%**	**45.61%**	**0.61%**	**45.00%**	**0.61%**	**35.0% - 55.0%**	Compliant
BlueBay Total Return Credit Fund	$	384,252.67	15.00%	14.78%	-0.22%	15.00%	-0.22%		
Global Fixed Income and Credit	**$**	**384,252.67**	**15.00%**	**14.78%**	**-0.22%**	**15.00%**	**-0.22%**	**0.0% - 25.0%**	Compliant
PH&N Canadian Equity Fund	$	86,818.99	3.33%	3.34%	0.01%	3.33%	0.01%		
PH&N Canadian Equity Value Fund	$	86,947.74	3.33%	3.34%	0.01%	3.33%	0.01%		
RBC QUBE Canadian Equity Fund	$	86,267.33	3.33%	3.32%	-0.02%	3.33%	-0.02%		
RBC QUBE Low Volatility Canadian Equity Fund	$	261,346.62	10.00%	10.05%	0.05%	10.00%	0.05%		
Canadian Equities	**$**	**521,380.68**	**20.00%**	**20.05%**	**0.05%**	**20.00%**	**0.05%**	**10.0% - 30.0%**	Compliant
PH&N U.S. Equity Fund	$	62,837.68	2.50%	2.42%	-0.08%	2.50%	-0.08%		
RBC QUBE U.S. Equity Fund	$	62,345.39	2.50%	2.40%	-0.10%	2.50%	-0.10%		
RBC QUBE Low Volatility U.S. Equity Fund	$	130,496.59	5.00%	5.02%	0.02%	5.00%	0.02%		
RBC QUBE International Equity Fund	$	127,588.56	5.00%	4.91%	-0.09%	5.00%	-0.09%		
RBC International Equity Fund	$	125,487.52	5.00%	4.83%	-0.17%	5.00%	-0.17%		
Global Equities	**$**	**508,755.74**	**20.00%**	**19.56%**	**-0.44%**	**20.00%**	**-0.44%**	**10.0% - 30.0%**	Compliant
Total	**$**	**2,600,532.20**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Aurora (Model E)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	16,081,539.34	20.00%	27.66%	7.66%	28.23%	-0.57%		Awaiting Deployment
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	0.02%	-0.02%		Compliant
PH&N Private Placement Corporate Debt Fund	$	4,351,919.81	7.50%	7.48%	-0.02%	7.48%	0.00%		Compliant
RBC Commercial Mortgage Fund	$	1,031,599.64	10.00%	1.77%	-8.23%	1.77%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**21,465,058.79**	**37.50%**	**36.92%**	**-0.58%**	**37.50%**	**-0.58%**	**27.5% - 47.5%**	Compliant
BlueBay Total Return Credit Fund	$	7,043,902.18	12.50%	12.11%	-0.39%	12.50%	-0.39%		
Global Fixed Income and Credit	**$**	**7,043,902.18**	**12.50%**	**12.11%**	**-0.39%**	**12.50%**	**-0.39%**	**0.0% - 22.5%**	Compliant
PH&N Canadian Equity Fund	$	2,549,687.22	4.17%	4.39%	0.22%	4.17%	0.22%		
PH&N Canadian Equity Value Fund	$	2,544,293.89	4.17%	4.38%	0.21%	4.17%	0.21%		
RBC QUBE Canadian Equity Fund	$	2,584,848.35	4.17%	4.45%	0.28%	4.17%	0.28%		
RBC QUBE Low Volatility Canadian Equity Fund	$	7,673,329.14	12.50%	13.20%	0.70%	12.50%	0.70%		
Canadian Equities	**$**	**15,352,158.60**	**25.00%**	**26.40%**	**1.40%**	**25.00%**	**1.40%**	**15.0% - 35.0%**	Compliant
PH&N U.S. Equity Fund	$	1,075,024.35	2.00%	1.85%	-0.15%	2.00%	-0.15%		
RBC QUBE U.S. Equity Fund	$	1,053,380.91	2.00%	1.81%	-0.19%	2.00%	-0.19%		
RBC QUBE Low Volatility U.S. Equity Fund	$	2,442,960.27	4.00%	4.20%	0.20%	4.00%	0.20%		
RBC QUBE International Equity Fund	$	3,548,742.77	6.00%	6.10%	0.10%	6.00%	0.10%		
RBC International Equity Fund	$	3,364,536.60	6.00%	5.79%	-0.21%	6.00%	-0.21%		
RBC Emerging Markets Equity Fund	$	1,430,179.82	2.50%	2.46%	-0.04%	2.50%	-0.04%		
RBC Emerging Markets Dividend Fund	$	1,368,919.33	2.50%	2.35%	-0.15%	2.50%	-0.15%		
Global Equities	**$**	**14,283,744.05**	**25.00%**	**24.57%**	**-0.43%**	**25.00%**	**-0.43%**	**15.0% - 35.0%**	Compliant
Total	**$**	**58,144,863.62**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Aylmer (Model E+

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	612,849.05	20.00%	29.66%	9.66%	30.10%	-0.44%		Awaiting Deployment
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	0.06%	-0.06%		Compliant
PH&N Private Placement Corporate Debt Fund	$	50,352.62	2.50%	2.44%	-0.06%	2.44%	0.00%		Compliant
RBC Commercial Mortgage Fund	$	-	10.00%	0.00%	-10.00%	0.00%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**663,201.67**	**32.50%**	**32.09%**	**-0.41%**	**32.60%**	**-0.50%**	**25.0% - 45.0%**	Compliant
BlueBay Total Return Credit Fund	$	150,998.34	7.50%	7.31%	-0.19%	7.50%	-0.19%		
Global Fixed Income and Credit	**$**	**150,998.34**	**7.50%**	**7.31%**	**-0.19%**	**7.50%**	**-0.19%**	**0.0% - 15.0%**	Compliant
PH&N Canadian Equity Fund	$	90,763.82	4.17%	4.39%	0.23%	4.17%	0.23%		
PH&N Canadian Equity Value Fund	$	90,377.70	4.17%	4.37%	0.21%	4.17%	0.21%		
RBC QUBE Canadian Equity Fund	$	91,932.88	4.17%	4.45%	0.28%	4.17%	0.28%		
RBC QUBE Low Volatility Canadian Equity Fund	$	263,025.09	12.50%	12.73%	0.23%	12.50%	0.23%		
Canadian Equities	**$**	**536,099.49**	**25.00%**	**25.94%**	**0.94%**	**25.00%**	**0.94%**	**15.0% - 35.0%**	Compliant
PH&N U.S. Equity Fund	$	38,363.23	2.00%	1.86%	-0.14%	2.00%	-0.14%		
RBC QUBE U.S. Equity Fund	$	37,942.63	2.00%	1.84%	-0.16%	2.00%	-0.16%		
RBC QUBE Low Volatility U.S. Equity Fund	$	85,066.49	4.00%	4.12%	0.12%	4.00%	0.12%		
RBC QUBE International Equity Fund	$	125,492.38	6.00%	6.07%	0.07%	6.00%	0.07%		
RBC International Equity Fund	$	120,440.83	6.00%	5.83%	-0.17%	6.00%	-0.17%		
RBC Emerging Markets Equity Fund	$	52,297.38	2.50%	2.53%	0.03%	2.50%	0.03%		
RBC Emerging Markets Dividend Fund	$	51,953.71	2.50%	2.51%	0.01%	2.50%	0.01%		
Global Equities	**$**	**511,556.65**	**25.00%**	**24.75%**	**-0.25%**	**25.00%**	**-0.25%**	**15.0% - 35.0%**	Compliant
RBC Canadian Core Real Estate Fund	$	102,312.62	5.00%	4.95%	-0.05%	4.95%	0.00%		Compliant
RBC Global Infrastructure Fund	$	102,369.65	5.00%	4.95%	-0.05%	4.95%	0.00%		Compliant
Alternative Investments	**$**	**204,682.27**	**10.00%**	**9.90%**	**-0.10%**	**9.90%**	**0.00%**	**0.0% - 20.0%**	Compliant
Total	**$**	**2,066,538.42**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Bracebridge (Model G)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	2,725,096.74	20.00%	29.42%	9.42%	30.00%	-0.58%		Awaiting Deployment
RBC Commercial Mortgage Fund	$	-	10.00%	0.00%	-10.00%	0.00%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**2,725,096.74**	**30.00%**	**29.42%**	**-0.58%**	**30.00%**	**-0.58%**	**20.0% - 40.0%**	Compliant
PH&N Canadian Equity Fund	$	953,851.05	10.00%	10.30%	0.30%	10.00%	0.30%		
PH&N Canadian Equity Value Fund	$	951,177.13	10.00%	10.27%	0.27%	10.00%	0.27%		
RBC QUBE Canadian Equity Fund	$	965,813.21	10.00%	10.43%	0.43%	10.00%	0.43%		
RBC QUBE Low Volatility Canadian Equity Fund	$	468,798.69	5.00%	5.06%	0.06%	5.00%	0.06%		
Canadian Equities	**$**	**3,339,640.08**	**35.00%**	**36.06%**	**1.06%**	**35.00%**	**1.06%**	**25.0% - 45.0%**	Compliant
PH&N U.S. Equity Fund	$	256,410.69	3.00%	2.77%	-0.23%	3.00%	-0.23%		
RBC QUBE U.S. Equity Fund	$	253,599.26	3.00%	2.74%	-0.26%	3.00%	-0.26%		
RBC QUBE Low Volatility U.S. Equity Fund	$	568,563.33	6.00%	6.14%	0.14%	6.00%	0.14%		
RBC QUBE International Equity Fund	$	745,564.70	8.00%	8.05%	0.05%	8.00%	0.05%		
RBC International Equity Fund	$	715,552.85	8.00%	7.73%	-0.27%	8.00%	-0.27%		
RBC Emerging Markets Equity Fund	$	326,240.06	3.50%	3.52%	0.02%	3.50%	0.02%		
RBC Emerging Markets Dividend Fund	$	330,562.79	3.50%	3.57%	0.07%	3.50%	0.07%		
Global Equities	**$**	**3,196,493.68**	**35.00%**	**34.51%**	**-0.49%**	**35.00%**	**-0.49%**	**25.0% - 45.0%**	Compliant
Total	**$**	**9,261,230.50**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Huntsville (Model D)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
Short Term Bonds	**$**	**4,161,217.02**	**25.00%**	**33.75%**	**8.75%**	**32.91%**	**0.85%**		Awaiting Deployment
PH&N Short Term Bond & Mortgage Fund	$	4,161,217.02	25.00%	33.75%	8.75%	32.91%	0.85%		
Universe Bonds	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**-0.05%**	**0.05%**		Compliant
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	-0.05%	0.05%		
Private Placement Corporate Debt	**$**	**1,238,831.33**	**10.00%**	**10.05%**	**0.05%**	**10.05%**	**0.00%**		Compliant
PH&N Private Placement Corporate Debt Fund	$	1,238,831.33	10.00%	10.05%	0.05%	10.05%	0.00%		
Commercial Mortgage	**$**	**258,247.79**	**10.00%**	**2.09%**	**-7.91%**	**2.09%**	**0.00%**		Awaiting Deployment
RBC Commercial Mortgage Fund	$	258,247.79	10.00%	2.09%	-7.91%	2.09%	0.00%		
Canadian Fixed Income	**$**	**5,658,296.14**	**45.00%**	**45.90%**	**0.90%**	**45.00%**	**0.90%**	**35.0% - 55.0%**	Compliant
Global Multi Asset Credit	**$**	**1,821,837.81**	**15.00%**	**14.78%**	**-0.22%**	**15.00%**	**-0.22%**		
BlueBay Total Return Credit Fund	$	1,821,837.81	15.00%	14.78%	-0.22%	15.00%	-0.22%		
Global Fixed Income and Credit	**$**	**1,821,837.81**	**15.00%**	**14.78%**	**-0.22%**	**15.00%**	**-0.22%**	**0.0% - 25.0%**	Compliant
Canadian Equities	**$**	**1,232,864.75**	**10.00%**	**10.00%**	**0.00%**	**10.00%**	**0.00%**		
PH&N Canadian Equity Fund	$	411,620.35	3.33%	3.34%	0.01%	3.33%	0.01%		
PH&N Canadian Equity Value Fund	$	412,219.54	3.33%	3.34%	0.01%	3.33%	0.01%		
RBC QUBE Canadian Equity Fund	$	409,024.86	3.33%	3.32%	-0.02%	3.33%	-0.02%		
Canadian Low Volatilty Equities	**$**	**1,239,036.60**	**10.00%**	**10.05%**	**0.05%**	**10.00%**	**0.05%**		
RBC QUBE Low Volatility Canadian Equity Fund	$	1,239,036.60	10.00%	10.05%	0.05%	10.00%	0.05%		
Canadian Equities	**$**	**2,471,901.35**	**20.00%**	**20.05%**	**0.05%**	**20.00%**	**0.05%**	**10.0% - 30.0%**	Compliant
U.S. Equities	**$**	**593,774.26**	**5.00%**	**4.82%**	**-0.18%**	**5.00%**	**-0.18%**		
PH&N U.S. Equity Fund	$	298,055.61	2.50%	2.42%	-0.08%	2.50%	-0.08%		
RBC QUBE U.S. Equity Fund	$	295,718.65	2.50%	2.40%	-0.10%	2.50%	-0.10%		
U.S. Low Volatility Equities	**$**	**581,662.22**	**5.00%**	**4.72%**	**-0.28%**	**5.00%**	**-0.28%**		
RBC QUBE Low Volatility U.S. Equity Fund	$	581,662.22	5.00%	4.72%	-0.28%	5.00%	-0.28%		
International Equities	**$**	**1,200,567.26**	**10.00%**	**9.74%**	**-0.26%**	**10.00%**	**-0.26%**		
RBC QUBE International Equity Fund	$	605,568.36	5.00%	4.91%	-0.09%	5.00%	-0.09%		
RBC International Equity Fund	$	594,998.90	5.00%	4.83%	-0.17%	5.00%	-0.17%		
Global Equities	**$**	**2,376,003.74**	**20.00%**	**19.27%**	**-0.73%**	**20.00%**	**-0.73%**	**10.0% - 30.0%**	Compliant
Total	**$**	**12,328,039.04**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Innisville (Model C)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	29,225,340.13	35.00%	42.62%	7.62%	43.20%	-0.58%		Awaiting Deployment
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	-0.06%	0.06%		Compliant
PH&N Private Placement Corporate Debt Fund	$	6,899,618.35	10.00%	10.06%	0.06%	10.06%	0.00%		Compliant
RBC Commercial Mortgage Fund	$	1,234,379.56	10.00%	1.80%	-8.20%	1.80%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**37,359,338.04**	**55.00%**	**54.48%**	**-0.52%**	**55.00%**	**-0.52%**	**45.0% - 65.0%**	Compliant
BlueBay Total Return Credit Fund	$	10,062,430.36	15.00%	14.67%	-0.33%	15.00%	-0.33%		
Global Fixed Income and Credit	**$**	**10,062,430.36**	**15.00%**	**14.67%**	**-0.33%**	**15.00%**	**-0.33%**	**5.0% - 25.0%**	Compliant
PH&N Canadian Equity Fund	$	1,709,613.77	2.33%	2.49%	0.16%	2.33%	0.16%		
PH&N Canadian Equity Value Fund	$	1,706,567.57	2.33%	2.49%	0.16%	2.33%	0.16%		
RBC QUBE Canadian Equity Fund	$	1,726,527.75	2.33%	2.52%	0.18%	2.33%	0.18%		
RBC QUBE Low Volatility Canadian Equity Fund	$	5,088,224.91	7.00%	7.42%	0.42%	7.00%	0.42%		
Canadian Equities	**$**	**10,230,934.00**	**14.00%**	**14.92%**	**0.92%**	**14.00%**	**0.92%**	**4.0% - 24.0%**	Compliant
PH&N U.S. Equity Fund	$	1,319,753.69	2.00%	1.92%	-0.08%	2.00%	-0.08%		
RBC QUBE U.S. Equity Fund	$	1,290,699.86	2.00%	1.88%	-0.12%	2.00%	-0.12%		
RBC QUBE Low Volatility U.S. Equity Fund	$	2,879,179.69	4.00%	4.20%	0.20%	4.00%	0.20%		
RBC QUBE International Equity Fund	$	2,668,739.09	4.00%	3.89%	-0.11%	4.00%	-0.11%		
RBC International Equity Fund	$	2,764,788.88	4.00%	4.03%	0.03%	4.00%	0.03%		
Global Equities	**$**	**10,923,161.21**	**16.00%**	**15.93%**	**-0.07%**	**16.00%**	**-0.07%**	**6.0% - 26.0%**	Compliant
Total	**$**	**68,575,863.61**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Kenora – General (Model E)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	7,751,700.64	20.00%	29.85%	9.85%	30.00%	-0.15%		Awaiting Deployment
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	0.11%	-0.11%		Compliant
PH&N Private Placement Corporate Debt Fund	$	1,918,336.22	7.50%	7.39%	-0.11%	7.39%	0.00%		Compliant
RBC Commercial Mortgage Fund	$	-	10.00%	0.00%	-10.00%	0.00%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**9,670,036.86**	**37.50%**	**37.24%**	**-0.26%**	**37.50%**	**-0.26%**	**25.0% - 45.0%**	Compliant
BlueBay Total Return Credit Fund	$	3,168,725.00	12.50%	12.20%	-0.30%	12.50%	-0.30%		
Global Fixed Income and Credit	**$**	**3,168,725.00**	**12.50%**	**12.20%**	**-0.30%**	**12.50%**	**-0.30%**	**0.0% - 25.0%**	Compliant
PH&N Canadian Equity Fund	$	1,112,355.06	4.17%	4.28%	0.12%	4.17%	0.12%		
PH&N Canadian Equity Value Fund	$	1,108,382.42	4.17%	4.27%	0.10%	4.17%	0.10%		
RBC QUBE Canadian Equity Fund	$	1,126,621.22	4.17%	4.34%	0.17%	4.17%	0.17%		
RBC QUBE Low Volatility Canadian Equity Fund	$	3,343,487.10	12.50%	12.88%	0.38%	12.50%	0.38%		
Canadian Equities	**$**	**6,690,845.80**	**25.00%**	**25.77%**	**0.77%**	**25.00%**	**0.77%**	**15.0% - 35.0%**	Compliant
PH&N U.S. Equity Fund	$	487,309.25	2.00%	1.88%	-0.12%	2.00%	-0.12%		
RBC QUBE U.S. Equity Fund	$	480,441.56	2.00%	1.85%	-0.15%	2.00%	-0.15%		
RBC QUBE Low Volatility U.S. Equity Fund	$	1,102,758.36	4.00%	4.25%	0.25%	4.00%	0.25%		
RBC QUBE International Equity Fund	$	1,576,242.68	6.00%	6.07%	0.07%	6.00%	0.07%		
RBC International Equity Fund	$	1,526,169.64	6.00%	5.88%	-0.12%	6.00%	-0.12%		
RBC Emerging Markets Equity Fund	$	656,097.90	2.50%	2.53%	0.03%	2.50%	0.03%		
RBC Emerging Markets Dividend Fund	$	608,238.91	2.50%	2.34%	-0.16%	2.50%	-0.16%		
Global Equities	**$**	**6,437,258.30**	**25.00%**	**24.79%**	**-0.21%**	**25.00%**	**-0.21%**	**15.0% - 35.0%**	Compliant
Total	**$**	**25,966,865.96**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Kenora – CPTF (Model E+)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	14,423,278.28	20.00%	29.64%	9.64%	30.07%	-0.43%		Awaiting Deployment
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	0.04%	-0.04%		Compliant
PH&N Private Placement Corporate Debt Fund	$	1,195,627.98	2.50%	2.46%	-0.04%	2.46%	0.00%		Compliant
RBC Commercial Mortgage Fund	$	-	10.00%	0.00%	-10.00%	0.00%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**15,618,906.26**	**32.50%**	**32.10%**	**-0.40%**	**32.57%**	**-0.47%**	**25.0% - 45.0%**	Compliant
BlueBay Total Return Credit Fund	$	3,567,751.14	7.50%	7.33%	-0.17%	7.50%	-0.17%		
Global Fixed Income and Credit	**$**	**3,567,751.14**	**7.50%**	**7.33%**	**-0.17%**	**7.50%**	**-0.17%**	**0.0% - 15.0%**	Compliant
PH&N Canadian Equity Fund	$	2,108,910.87	4.17%	4.33%	0.17%	4.17%	0.17%		
PH&N Canadian Equity Value Fund	$	2,102,752.77	4.17%	4.32%	0.15%	4.17%	0.15%		
RBC QUBE Canadian Equity Fund	$	2,135,351.32	4.17%	4.39%	0.22%	4.17%	0.22%		
RBC QUBE Low Volatility Canadian Equity Fund	$	6,209,871.88	12.50%	12.76%	0.26%	12.50%	0.26%		
Canadian Equities	**$**	**12,556,886.84**	**25.00%**	**25.80%**	**0.80%**	**25.00%**	**0.80%**	**15.0% - 35.0%**	Compliant
PH&N U.S. Equity Fund	$	905,734.80	2.00%	1.86%	-0.14%	2.00%	-0.14%		
RBC QUBE U.S. Equity Fund	$	895,803.90	2.00%	1.84%	-0.16%	2.00%	-0.16%		
RBC QUBE Low Volatility U.S. Equity Fund	$	2,008,370.38	4.00%	4.13%	0.13%	4.00%	0.13%		
RBC QUBE International Equity Fund	$	2,962,803.31	6.00%	6.09%	0.09%	6.00%	0.09%		
RBC International Equity Fund	$	2,843,539.04	6.00%	5.84%	-0.16%	6.00%	-0.16%		
RBC Emerging Markets Equity Fund	$	1,234,711.38	2.50%	2.54%	0.04%	2.50%	0.04%		
RBC Emerging Markets Dividend Fund	$	1,234,588.68	2.50%	2.54%	0.04%	2.50%	0.04%		
Global Equities	**$**	**12,085,551.49**	**25.00%**	**24.84%**	**-0.16%**	**25.00%**	**-0.16%**	**15.0% - 35.0%**	Compliant
RBC Canadian Core Real Estate Fund	$	2,415,542.38	5.00%	4.96%	-0.04%	4.96%	0.00%		Compliant
RBC Global Infrastructure Fund	$	2,416,888.59	5.00%	4.97%	-0.03%	4.97%	0.00%		Compliant
Alternative Investments	**$**	**4,832,430.97**	**10.00%**	**9.93%**	**-0.07%**	**9.93%**	**0.00%**	**0.0% - 20.0%**	Compliant
Total	**$**	**48,661,526.70**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Muskoka (Model E)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	43,458,392.42	20.00%	27.64%	7.64%	28.23%	-0.58%		Awaiting Deployment
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	0.02%	-0.02%		Compliant
PH&N Private Placement Corporate Debt Fund	$	11,764,073.64	7.50%	7.48%	-0.02%	7.48%	0.00%		Compliant
RBC Commercial Mortgage Fund	$	2,787,814.50	10.00%	1.77%	-8.23%	1.77%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**58,010,280.56**	**37.50%**	**36.90%**	**-0.60%**	**37.50%**	**-0.60%**	**27.5% - 47.5%**	Compliant
BlueBay Total Return Credit Fund	$	19,035,302.21	12.50%	12.11%	-0.39%	12.50%	-0.39%		
Global Fixed Income and Credit	**$**	**19,035,302.21**	**12.50%**	**12.11%**	**-0.39%**	**12.50%**	**-0.39%**	**0.0% - 22.5%**	Compliant
PH&N Canadian Equity Fund	$	6,890,222.25	4.17%	4.38%	0.22%	4.17%	0.22%		
PH&N Canadian Equity Value Fund	$	6,875,648.02	4.17%	4.37%	0.21%	4.17%	0.21%		
RBC QUBE Canadian Equity Fund	$	7,010,988.76	4.17%	4.46%	0.29%	4.17%	0.29%		
RBC QUBE Low Volatility Canadian Equity Fund	$	20,764,504.27	12.50%	13.21%	0.71%	12.50%	0.71%		
Canadian Equities	**$**	**41,541,363.30**	**25.00%**	**26.42%**	**1.42%**	**25.00%**	**1.42%**	**15.0% - 35.0%**	Compliant
PH&N U.S. Equity Fund	$	2,905,122.87	2.00%	1.85%	-0.15%	2.00%	-0.15%		
RBC QUBE U.S. Equity Fund	$	2,846,634.65	2.00%	1.81%	-0.19%	2.00%	-0.19%		
RBC QUBE Low Volatility U.S. Equity Fund	$	6,610,846.59	4.00%	4.21%	0.21%	4.00%	0.21%		
RBC QUBE International Equity Fund	$	9,590,053.53	6.00%	6.10%	0.10%	6.00%	0.10%		
RBC International Equity Fund	$	9,092,258.51	6.00%	5.78%	-0.22%	6.00%	-0.22%		
RBC Emerging Markets Equity Fund	$	3,864,889.51	2.50%	2.46%	-0.04%	2.50%	-0.04%		
RBC Emerging Markets Dividend Fund	$	3,710,721.59	2.50%	2.36%	-0.14%	2.50%	-0.14%		
Global Equities	**$**	**38,620,527.25**	**25.00%**	**24.57%**	**-0.43%**	**25.00%**	**-0.43%**	**15.0% - 35.0%**	Compliant
Total	**$**	**157,207,473.32**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Quinte West (Model D)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
Short Term Bonds	**$**	**12,067,011.90**	**25.00%**	**33.25%**	**8.25%**	**32.51%**	**0.74%**		Awaiting Deployment
PH&N Short Term Bond & Mortgage Fund	$	12,067,011.90	25.00%	33.25%	8.25%	32.51%	0.74%		
Universe Bonds	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**-0.05%**	**0.05%**		Compliant
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	-0.05%	0.05%		
Private Placement Corporate Debt	**$**	**3,645,918.91**	**10.00%**	**10.05%**	**0.05%**	**10.05%**	**0.00%**		Compliant
PH&N Private Placement Corporate Debt Fund	$	3,645,918.91	10.00%	10.05%	0.05%	10.05%	0.00%		
Commercial Mortgage	**$**	**902,877.37**	**10.00%**	**2.49%**	**-7.51%**	**2.49%**	**0.00%**		Awaiting Deployment
RBC Commercial Mortgage Fund	$	902,877.37	10.00%	2.49%	-7.51%	2.49%	0.00%		
Canadian Fixed Income	**$**	**16,615,808.18**	**45.00%**	**45.79%**	**0.79%**	**45.00%**	**0.79%**	**35.0% - 55.0%**	Compliant
Global Multi Asset Credit	**$**	**5,362,250.23**	**15.00%**	**14.78%**	**-0.22%**	**15.00%**	**-0.22%**		
BlueBay Total Return Credit Fund	$	5,362,250.23	15.00%	14.78%	-0.22%	15.00%	-0.22%		
Global Fixed Income and Credit	**$**	**5,362,250.23**	**15.00%**	**14.78%**	**-0.22%**	**15.00%**	**-0.22%**	**0.0% - 25.0%**	Compliant
Canadian Equities	**$**	**3,628,854.02**	**10.00%**	**10.00%**	**0.00%**	**10.00%**	**0.00%**		
PH&N Canadian Equity Fund	$	1,211,588.85	3.33%	3.34%	0.01%	3.33%	0.01%		
PH&N Canadian Equity Value Fund	$	1,213,403.99	3.33%	3.34%	0.01%	3.33%	0.01%		
RBC QUBE Canadian Equity Fund	$	1,203,861.18	3.33%	3.32%	-0.02%	3.33%	-0.02%		
Canadian Low Volatilty Equities	**$**	**3,647,020.88**	**10.00%**	**10.05%**	**0.05%**	**10.00%**	**0.05%**		
RBC QUBE Low Volatility Canadian Equity Fund	$	3,647,020.88	10.00%	10.05%	0.05%	10.00%	0.05%		
Canadian Equities	**$**	**7,275,874.90**	**20.00%**	**20.05%**	**0.05%**	**20.00%**	**0.05%**	**10.0% - 30.0%**	Compliant
U.S. Equities	**$**	**1,748,485.00**	**5.00%**	**4.82%**	**-0.18%**	**5.00%**	**-0.18%**		
PH&N U.S. Equity Fund	$	877,095.59	2.50%	2.42%	-0.08%	2.50%	-0.08%		
RBC QUBE U.S. Equity Fund	$	871,389.41	2.50%	2.40%	-0.10%	2.50%	-0.10%		
U.S. Low Volatility Equities	**$**	**1,812,736.51**	**5.00%**	**5.00%**	**0.00%**	**5.00%**	**0.00%**		
RBC QUBE Low Volatility U.S. Equity Fund	$	1,812,736.51	5.00%	5.00%	0.00%	5.00%	0.00%		
International Equities	**$**	**3,473,090.51**	**10.00%**	**9.57%**	**-0.43%**	**10.00%**	**-0.43%**		
RBC QUBE International Equity Fund	$	1,721,674.73	5.00%	4.74%	-0.26%	5.00%	-0.26%		
RBC International Equity Fund	$	1,751,415.78	5.00%	4.83%	-0.17%	5.00%	-0.17%		
Global Equities	**$**	**7,034,312.02**	**20.00%**	**19.38%**	**-0.62%**	**20.00%**	**-0.62%**	**10.0% - 30.0%**	Compliant
Total	**$**	**36,288,245.33**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Neebing (Model E)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	870,258.65	20.00%	26.99%	6.99%	27.55%	-0.56%		Awaiting Deployment
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	0.01%	-0.01%		Compliant
PH&N Private Placement Corporate Debt Fund	$	241,565.83	7.50%	7.49%	-0.01%	7.49%	0.00%		Compliant
RBC Commercial Mortgage Fund	$	78,947.74	10.00%	2.45%	-7.55%	2.45%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**1,190,772.22**	**37.50%**	**36.93%**	**-0.57%**	**37.50%**	**-0.57%**	**27.5% - 47.5%**	Compliant
BlueBay Total Return Credit Fund	$	390,618.85	12.50%	12.11%	-0.39%	12.50%	-0.39%		
Global Fixed Income and Credit	**$**	**390,618.85**	**12.50%**	**12.11%**	**-0.39%**	**12.50%**	**-0.39%**	**0.0% - 22.5%**	Compliant
PH&N Canadian Equity Fund	$	141,400.18	4.17%	4.39%	0.22%	4.17%	0.22%		
PH&N Canadian Equity Value Fund	$	141,099.44	4.17%	4.38%	0.21%	4.17%	0.21%		
RBC QUBE Canadian Equity Fund	$	143,216.84	4.17%	4.44%	0.27%	4.17%	0.27%		
RBC QUBE Low Volatility Canadian Equity Fund	$	425,479.02	12.50%	13.20%	0.70%	12.50%	0.70%		
Canadian Equities	**$**	**851,195.48**	**25.00%**	**26.40%**	**1.40%**	**25.00%**	**1.40%**	**15.0% - 35.0%**	Compliant
PH&N U.S. Equity Fund	$	59,627.24	2.00%	1.85%	-0.15%	2.00%	-0.15%		
RBC QUBE U.S. Equity Fund	$	58,423.08	2.00%	1.81%	-0.19%	2.00%	-0.19%		
RBC QUBE Low Volatility U.S. Equity Fund	$	135,460.03	4.00%	4.20%	0.20%	4.00%	0.20%		
RBC QUBE International Equity Fund	$	196,801.56	6.00%	6.10%	0.10%	6.00%	0.10%		
RBC International Equity Fund	$	186,571.38	6.00%	5.79%	-0.21%	6.00%	-0.21%		
RBC Emerging Markets Equity Fund	$	79,310.76	2.50%	2.46%	-0.04%	2.50%	-0.04%		
RBC Emerging Markets Dividend Fund	$	75,654.14	2.50%	2.35%	-0.15%	2.50%	-0.15%		
Global Equities	**$**	**791,848.19**	**25.00%**	**24.56%**	**-0.44%**	**25.00%**	**-0.44%**	**15.0% - 35.0%**	Compliant
Total	**$**	**3,224,434.74**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Thunder Bay (Model E+)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	43,306,062.90	20.00%	29.64%	9.64%	30.08%	-0.44%		Awaiting Deployment
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	0.04%	-0.04%		Compliant
PH&N Private Placement Corporate Debt Fund	$	3,589,845.87	2.50%	2.46%	-0.04%	2.46%	0.00%		Compliant
RBC Commercial Mortgage Fund	$	-	10.00%	0.00%	-10.00%	0.00%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**46,895,908.77**	**32.50%**	**32.10%**	**-0.40%**	**32.58%**	**-0.48%**	**25.0% - 45.0%**	Compliant
BlueBay Total Return Credit Fund	$	10,699,128.11	7.50%	7.32%	-0.18%	7.50%	-0.18%		
Global Fixed Income and Credit	**$**	**10,699,128.11**	**7.50%**	**7.32%**	**-0.18%**	**7.50%**	**-0.18%**	**0.0% - 15.0%**	Compliant
PH&N Canadian Equity Fund	$	6,357,056.76	4.17%	4.35%	0.18%	4.17%	0.18%		
PH&N Canadian Equity Value Fund	$	6,335,831.15	4.17%	4.34%	0.17%	4.17%	0.17%		
RBC QUBE Canadian Equity Fund	$	6,437,687.08	4.17%	4.41%	0.24%	4.17%	0.24%		
RBC QUBE Low Volatility Canadian Equity Fund	$	18,627,393.48	12.50%	12.75%	0.25%	12.50%	0.25%		
Canadian Equities	**$**	**37,757,968.47**	**25.00%**	**25.85%**	**0.85%**	**25.00%**	**0.85%**	**15.0% - 35.0%**	Compliant
PH&N U.S. Equity Fund	$	2,716,880.08	2.00%	1.86%	-0.14%	2.00%	-0.14%		
RBC QUBE U.S. Equity Fund	$	2,687,091.05	2.00%	1.84%	-0.16%	2.00%	-0.16%		
RBC QUBE Low Volatility U.S. Equity Fund	$	6,024,392.42	4.00%	4.12%	0.12%	4.00%	0.12%		
RBC QUBE International Equity Fund	$	8,887,349.74	6.00%	6.08%	0.08%	6.00%	0.08%		
RBC International Equity Fund	$	8,529,599.50	6.00%	5.84%	-0.16%	6.00%	-0.16%		
RBC Emerging Markets Equity Fund	$	3,703,692.28	2.50%	2.54%	0.04%	2.50%	0.04%		
RBC Emerging Markets Dividend Fund	$	3,696,081.19	2.50%	2.53%	0.03%	2.50%	0.03%		
Global Equities	**$**	**36,245,086.26**	**25.00%**	**24.81%**	**-0.19%**	**25.00%**	**-0.19%**	**15.0% - 35.0%**	Compliant
RBC Canadian Core Real Estate Fund	$	7,245,762.77	5.00%	4.96%	-0.04%	4.96%	0.00%		Compliant
RBC Global Infrastructure Fund	$	7,249,800.94	5.00%	4.96%	-0.04%	4.96%	0.00%		Compliant
Alternative Investments	**$**	**14,495,563.71**	**10.00%**	**9.92%**	**-0.08%**	**9.92%**	**0.00%**	**0.0% - 20.0%**	Compliant
Total	**$**	**146,093,655.32**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Whitby (Model D)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
Short Term Bonds	**$**	**73,316,672.04**	**25.00%**	**33.62%**	**8.62%**	**32.91%**	**0.71%**		Awaiting Deployment
PH&N Short Term Bond & Mortgage Fund	$	73,316,672.04	25.00%	33.62%	8.62%	32.91%	0.71%		
Universe Bonds	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**-0.04%**	**0.04%**		Compliant
PH&N Enhanced Total Return Bond Fund	$	-	0.00%	0.00%	0.00%	-0.04%	0.04%		
Private Placement Corporate Debt	**$**	**21,905,926.15**	**10.00%**	**10.04%**	**0.04%**	**10.04%**	**0.00%**		Compliant
PH&N Private Placement Corporate Debt Fund	$	21,905,926.15	10.00%	10.04%	0.04%	10.04%	0.00%		
Commercial Mortgage	**$**	**4,565,215.25**	**10.00%**	**2.09%**	**-7.91%**	**2.09%**	**0.00%**		Awaiting Deployment
RBC Commercial Mortgage Fund	$	4,565,215.25	10.00%	2.09%	-7.91%	2.09%	0.00%		
Canadian Fixed Income	**$**	**99,787,813.44**	**45.00%**	**45.75%**	**0.75%**	**45.00%**	**0.75%**	**35.0% - 55.0%**	Compliant
Global Multi Asset Credit	**$**	**32,219,189.24**	**15.00%**	**14.77%**	**-0.23%**	**15.00%**	**-0.23%**		
BlueBay Total Return Credit Fund	$	32,219,189.24	15.00%	14.77%	-0.23%	15.00%	-0.23%		
Global Fixed Income and Credit	**$**	**32,219,189.24**	**15.00%**	**14.77%**	**-0.23%**	**15.00%**	**-0.23%**	**0.0% - 25.0%**	Compliant
Canadian Equities	**$**	**21,803,164.46**	**10.00%**	**10.00%**	**0.00%**	**10.00%**	**0.00%**		
PH&N Canadian Equity Fund	$	7,279,486.71	3.33%	3.34%	0.00%	3.33%	0.00%		
PH&N Canadian Equity Value Fund	$	7,290,058.39	3.33%	3.34%	0.01%	3.33%	0.01%		
RBC QUBE Canadian Equity Fund	$	7,233,619.36	3.33%	3.32%	-0.02%	3.33%	-0.02%		
Canadian Low Volatilty Equities	**$**	**21,912,380.19**	**10.00%**	**10.05%**	**0.05%**	**10.00%**	**0.05%**		
RBC QUBE Low Volatility Canadian Equity Fund	$	21,912,380.19	10.00%	10.05%	0.05%	10.00%	0.05%		
Canadian Equities	**$**	**43,715,544.65**	**20.00%**	**20.04%**	**0.04%**	**20.00%**	**0.04%**	**10.0% - 30.0%**	Compliant
U.S. Equities	**$**	**10,501,023.60**	**5.00%**	**4.81%**	**-0.19%**	**5.00%**	**-0.19%**		
PH&N U.S. Equity Fund	$	5,271,175.91	2.50%	2.42%	-0.08%	2.50%	-0.08%		
RBC QUBE U.S. Equity Fund	$	5,229,847.69	2.50%	2.40%	-0.10%	2.50%	-0.10%		
U.S. Low Volatility Equities	**$**	**10,953,144.45**	**5.00%**	**5.02%**	**0.02%**	**5.00%**	**0.02%**		
RBC QUBE Low Volatility U.S. Equity Fund	$	10,953,144.45	5.00%	5.02%	0.02%	5.00%	0.02%		
International Equities	**$**	**20,925,358.29**	**10.00%**	**9.59%**	**-0.41%**	**10.00%**	**-0.41%**		
RBC QUBE International Equity Fund	$	10,402,826.15	5.00%	4.77%	-0.23%	5.00%	-0.23%		
RBC International Equity Fund	$	10,522,532.14	5.00%	4.82%	-0.18%	5.00%	-0.18%		
Global Equities	**$**	**42,379,526.34**	**20.00%**	**19.43%**	**-0.57%**	**20.00%**	**-0.57%**	**10.0% - 30.0%**	Compliant
Total	**$**	**218,102,073.67**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Georgian Bay (Model D)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
Short Term Bonds	**$**	**2,345,630.48**	**25.00%**	**35.29%**	**10.29%**	**35.00%**	**0.29%**		Awaiting Deployment
PH&N Short Term Bond & Mortgage Fund	$	2,345,630.48	25.00%	35.29%	10.29%	35.00%	0.29%		
Universe Bonds	**$**	**213,963.66**	**0.00%**	**3.22%**	**3.22%**	**3.17%**	**0.05%**		Awaiting Deployment
PH&N Enhanced Total Return Bond Fund	$	213,963.66	0.00%	3.22%	3.22%	3.17%	0.05%		
Private Placement Corporate Debt	**$**	**454,160.92**	**10.00%**	**6.83%**	**-3.17%**	**6.83%**	**0.00%**		Awaiting Deployment
PH&N Private Placement Corporate Debt Fund	$	454,160.92	10.00%	6.83%	-3.17%	6.83%	0.00%		
Commercial Mortgage	**$**	**-**	**10.00%**	**0.00%**	**-10.00%**	**0.00%**	**0.00%**		Awaiting Deployment
RBC Commercial Mortgage Fund	$	-	10.00%	0.00%	-10.00%	0.00%	0.00%		
Canadian Fixed Income	**$**	**3,013,755.06**	**45.00%**	**45.34%**	**0.34%**	**45.00%**	**0.34%**	**35.0% - 55.0%**	Compliant
Global Multi Asset Credit	**$**	**984,692.75**	**15.00%**	**14.81%**	**-0.19%**	**15.00%**	**-0.19%**		
BlueBay Total Return Credit Fund	$	984,692.75	15.00%	14.81%	-0.19%	15.00%	-0.19%		
Global Fixed Income and Credit	**$**	**984,692.75**	**15.00%**	**14.81%**	**-0.19%**	**15.00%**	**-0.19%**	**0.0% - 25.0%**	Compliant
Canadian Equities	**$**	**665,862.81**	**10.00%**	**10.02%**	**0.02%**	**10.00%**	**0.02%**		
PH&N Canadian Equity Fund	$	222,095.52	3.33%	3.34%	0.01%	3.33%	0.01%		
PH&N Canadian Equity Value Fund	$	222,256.82	3.33%	3.34%	0.01%	3.33%	0.01%		
RBC QUBE Canadian Equity Fund	$	221,510.47	3.33%	3.33%	0.00%	3.33%	0.00%		
Canadian Low Volatilty Equities	**$**	**674,232.00**	**10.00%**	**10.14%**	**0.14%**	**10.00%**	**0.14%**		
RBC QUBE Low Volatility Canadian Equity Fund	$	674,232.00	10.00%	10.14%	0.14%	10.00%	0.14%		
Canadian Equities	**$**	**1,340,094.81**	**20.00%**	**20.16%**	**0.16%**	**20.00%**	**0.16%**	**10.0% - 30.0%**	Compliant
U.S. Equities	**$**	**313,438.71**	**5.00%**	**4.72%**	**-0.28%**	**5.00%**	**-0.28%**		
PH&N U.S. Equity Fund	$	157,560.26	2.50%	2.37%	-0.13%	2.50%	-0.13%		
RBC QUBE U.S. Equity Fund	$	155,878.45	2.50%	2.35%	-0.15%	2.50%	-0.15%		
U.S. Low Volatility Equities	**$**	**348,636.90**	**5.00%**	**5.24%**	**0.24%**	**5.00%**	**0.24%**		
RBC QUBE Low Volatility U.S. Equity Fund	$	348,636.90	5.00%	5.24%	0.24%	5.00%	0.24%		
International Equities	**$**	**646,563.00**	**10.00%**	**9.73%**	**-0.27%**	**10.00%**	**-0.27%**		
RBC QUBE International Equity Fund	$	327,277.64	5.00%	4.92%	-0.08%	5.00%	-0.08%		
RBC International Equity Fund	$	319,285.36	5.00%	4.80%	-0.20%	5.00%	-0.20%		
Global Equities	**$**	**1,308,638.61**	**20.00%**	**19.69%**	**-0.31%**	**20.00%**	**-0.31%**	**10.0% - 30.0%**	Compliant
Total	**$**	**6,647,181.23**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

Oliver Paipoonge (Model F)

Fund Name		Current MV	Strategic BM	Current Weight	Variance vs Strategic BM	Temporary Benchmark	Variance vs Temporary BM	Permitted Allocation Ranges	Compliant with Permitted Range
RBC Canadian Money Market Fund	$	-	0.00%	0.00%	0.00%	0.00%	0.00%		
Cash & Equivalent	**$**	**-**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.0% - 10.0%**	Compliant
PH&N Short Term Bond & Mortgage Fund	$	1,279,646.95	20.00%	30.33%	10.33%	30.00%	0.33%		Awaiting Deployment
RBC Commercial Mortgage Fund	$	-	10.00%	0.00%	-10.00%	0.00%	0.00%		Awaiting Deployment
Canadian Fixed Income	**$**	**1,279,646.95**	**30.00%**	**30.33%**	**0.33%**	**30.00%**	**0.33%**	**20.0% - 40.0%**	Compliant
BlueBay Total Return Credit Fund	$	417,686.10	10.00%	9.90%	-0.10%	10.00%	-0.10%		
Global Fixed Income and Credit	**$**	**417,686.10**	**10.00%**	**9.90%**	**-0.10%**	**10.00%**	**-0.10%**	**0.0% - 20.0%**	Compliant
PH&N Canadian Equity Fund	$	282,624.79	6.67%	6.70%	0.03%	6.67%	0.03%		
PH&N Canadian Equity Value Fund	$	282,830.09	6.67%	6.70%	0.04%	6.67%	0.04%		
RBC QUBE Canadian Equity Fund	$	281,880.33	6.67%	6.68%	0.01%	6.67%	0.01%		
RBC QUBE Low Volatility Canadian Equity Fund	$	429,279.77	10.00%	10.18%	0.18%	10.00%	0.18%		
Canadian Equities	**$**	**1,276,614.98**	**30.00%**	**30.26%**	**0.26%**	**30.00%**	**0.26%**	**20.0% - 40.0%**	Compliant
PH&N U.S. Equity Fund	$	100,250.69	2.50%	2.38%	-0.12%	2.50%	-0.12%		
RBC QUBE U.S. Equity Fund	$	99,180.58	2.50%	2.35%	-0.15%	2.50%	-0.15%		
RBC QUBE Low Volatility U.S. Equity Fund	$	221,826.73	5.00%	5.26%	0.26%	5.00%	0.26%		
RBC QUBE International Equity Fund	$	291,531.12	7.00%	6.91%	-0.09%	7.00%	-0.09%		
RBC International Equity Fund	$	284,411.79	7.00%	6.74%	-0.26%	7.00%	-0.26%		
RBC Emerging Markets Equity Fund	$	122,593.94	3.00%	2.91%	-0.09%	3.00%	-0.09%		
RBC Emerging Markets Dividend Fund	$	125,053.52	3.00%	2.96%	-0.04%	3.00%	-0.04%		
Global Equities	**$**	**1,244,848.37**	**30.00%**	**29.51%**	**-0.49%**	**30.00%**	**-0.49%**	**20.0% - 40.0%**	Compliant
Total	**$**	**4,218,796.40**	**100.00%**	**100.00%**	**0.00%**	**100.00%**	**0.00%**		

REPORT

To: ONE Joint Investment Board
From: Donna Herridge, Co-President/Co-CEO, ONE Investment
Date: May 28, 2026
Re: Strategic Plan – Q1 2026 Progress
Report: ONE JIB 2026-028

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.

2. SUMMARY

ONE JIB approved a Strategic Plan in late 2022. A tracking tool has been developed for ONE JIB to track progress on the key initiatives of the Strategic Plan. All initiatives from the workplan are currently on track.

3. BACKGROUND

Futures List and Strategic Plan implementation tracking

ONE JIB has an approved work plan for the current year, known as the Futures List, that identifies key initiatives and normal business operations of ONE JIB. Tracking these initiatives allows ONE JIB to monitor its progress against the Futures List and the ONE JIB-approved ONE Investment Strategic Plan for 2023 to 2028, which identifies four strategic imperatives:

(1) Growth of Assets Under Management - develop our data and analytics capabilities.
(2) Participating Municipalities - grow our people and capabilities.
(3) Engagement and Conversion - grow our brand, awareness, and education; and,
(4) Profiles of Municipalities - drive investment maturity.

ONE JIB uses this tool to monitor the progress of implementing the Plan.

4. ANALYSIS

The importance of a strategic reporting tool

This Futures List tracks the annual workplan of ONE JIB. Being able to monitor progress on the workplan allows ONE JIB to ensure its business objectives are achieved over the course of the year. This allows ONE JIB to evaluate progress towards achieving strategic

imperatives. Individual imperatives can be assessed, enabling adjustments to the allocation of resources if necessary. Further, measuring the implementation of the Strategic Plan improves accountability for all stakeholders in the Strategic Plan (ONE JIB, ONE Investment Board and ONE staff), helping to ensure that everyone is working towards the same goals and objectives.

The Strategic Plan is a long-term document, five years in this instance, which may require course correction over time. Monitoring allows timely course corrections when needed.

The strategic reporting tool uses a simple colour scheme to allow ONE JIB to monitor quickly what is on track (green), delayed (yellow), cancelled (red) or has changed in scope (purple). The tool looks back on the previous quarter.

For Q1 2026 all initiatives are on track, with a focus on onboarding four municipalities to be considered at the May meeting. A summary can be found in Attachment 1 to this report.

5. CONCLUSION

The use of a strategic reporting tool helps ONE JIB track the implementation of key initiatives supporting the strategic imperatives of the Strategic Plan and provides assurance that progress towards goals is being made.

ATTACHMENTS

Attachment 1: Q1 2026 Strategic Reporting Tool for ONE JIB Futures List

Attachment 1

Q1 2026 Strategic Reporting Tool for ONE JIB Futures List and Strategic Plan

Agenda	Topics	References by Color Coding	Notes
Board Governance & Administrative Matters	New Board Member Training	On Track	Completed for new JIB member in May
Strategy and Policy	Municipal Insights	On Track	
	Quarterly Futures List Review	On Track	
	Annual Review of the External Sub-Investment Manager	On Track	To be considered at May ONE JIB meeting
Investment Oversight	**Municipal:**		
	Q1 Municipal Investment Reports	On Track	
	Investment Plan Implementation Update	On Track	Monitoring PH&N implementation of investment plans approved at last ONE JIB meeting
	Investor Onboarding	On Track	4 new municipalities to be considered by ONE JIB at May meeting
	IPS and MCQ review	On Track	
	Fund Manager:		
	Quarterly Investment Manager Performance	On Track	
	Quarterly Compliance	On Track	
	Investment Manager Presentation	On Track	

REPORT

To: ONE Joint Investment Board
From: Keith Taylor, Chief Investment Officer, ONE Investment
Date: May 28, 2026
Re: Investment Plan Implementation Report Q1 2026
Report: ONE JIB 2026-019

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.

2. SUMMARY

This report summarizes the details of trade implementation related to the Investment Plans approved by ONE JIB at its February 2026 meeting. At that meeting, Investment Plans for the Municipality of Neebing and the City of Quinte West were approved by ONE JIB. Neebing's 2026 Investment Plan did not involve any changes to the assigned allocation, and no trading was required to implement it. Quinte West's Investment Plan update assigned a new investment model to the City's MNRI to reflect changing financial circumstances. To implement the Investment Plan, holdings were rebalanced towards the new allocation's assigned target weights. The table below summarizes key features of these Investment Plan updates:

Municipality	MNRI Contributions or Withdrawals	Prior Model Assigned	New Model Assigned	Allocation to Alternative Investments
Neebing	N/A	Model E (Equity = 50%)	No Changes	N/A
Quinte West	N/A	Model D (40% Equity)	Model F (60% Equity)	N/A

3. BACKGROUND

A summary of trading activity is provided to ONE JIB every quarter

This report summarizes noteworthy trading, specifically highlighting transactions related to client cash flows and the implementation of Investment Plans approved by ONE JIB. This report intentionally excludes routine trading activities, such as account rebalancing or the deployment of MNRI into less liquid investment funds over time, which may be discussed in other ONE JIB reports. The purpose of this report is to communicate significant trading

activity to ONE JIB, focusing primarily on the implementation of Investment Plans and less routine trading activity.

4. ANALYSIS

Two Investment Plans were reviewed and approved in the last ONE JIB meeting, only one of which required trading to implement

In the last ONE JIB meeting held on February 25, 2026, Investment Plans for two Participating Municipalities were reviewed. Neither of these updated Investment Plans involved contributions or withdrawals of MNRI, and only one involved pooled fund transactions to implement. No trading was required to implement Neebing's Investment Plan, but Quinte West's Investment Plan involved trading to rebalance to a new model portfolio. Implementing this change involved rebalancing positions held by Quinte West to reflect the target weights associated with Model F. The implementation took effect on April 28, 2026.

During the quarter, the External Investment Manager implemented changes to client holdings, replacing the RBC International Equity Index Fund with the RBC QUBE International Equity Fund

In Q4 2025, the External Investment Manager recommended removing the PH&N Overseas Equity Fund from the recommended fund list. Client positions were reallocated temporarily to the RBC International Equity Index Fund as a result.

The External Investment Manager later finalized changes to a mandate providing similar investment exposure. At the February 26 meeting, ONE JIB approved the addition of the RBC QUBE International Equity Fund (RBC QUBE Fund), a quantitatively managed fund, to replace the temporary allocation to the RBC International Equity Index Fund. Client holdings were fully transitioned to this fund in March 2026.

Decision history related to these changes:
Investment Manager Oversight Q3 2025
Investment Manager Oversight Q4 2025

5. CONCLUSION

There were only two Investment Plans reviewed in the first quarter of 2026. Neebing's updated Investment Plan required no trading, while Quinte West's updated Investment Plan involved a rebalancing of positions towards target weights associated with Model F. Additional transactions involved replacing an international equity fund in client allocations, as had been discussed in the prior two ONE JIB meetings.

Drafted by: Keith Taylor, Chief Investment Officer
Approved by: Afshin Majidi (interim) and Donna Herridge, Co-Presidents/CEOs

REPORT

To: ONE Joint Investment Board
From: Colin MacDonald, Manager of Policy, MFOA
Date: May 28, 2026
Re: Municipal Insights Report – Q2 2026
Report: ONE JIB 2026-024

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.

2. SUMMARY

Several recent provincial and federal actions are expected to influence municipal financial planning, infrastructure funding, and governance in 2026. Key developments include the 2026 Ontario Budget, which introduced targeted increases to transit and recreation infrastructure funding, and the Canada-Ontario Partnership to Build, which provides long-term infrastructure funding but requires municipalities to reduce development charges in exchange for support.

Bill 98 introduces broad planning and financial changes, including development charge exemptions for certain housing types and new rules around water and wastewater systems, which may create both short-term revenue pressures and longer-term financial risks. At the same time, Bill 100 expands strong mayor powers to regional chairs, increasing centralized decision-making authority and potentially amplifying the impact of leadership changes on municipal financial priorities.

Collectively, these changes increase uncertainty in municipal revenues, capital planning, and governance. While some program funding may ease near-term pressures, municipalities are likely to face ongoing challenges related to reduced development charge revenues, evolving infrastructure obligations, and shifting political dynamics, all of which may influence investment strategies and financial decision-making.

3. BACKGROUND

Since the Province resumed sitting on March 23, 2026, the 2026 Provincial Budget, the Canada-Ontario Partnership to Build, and several new bills have introduced changes that may impact municipalities

Since the Province resumed sitting, it introduced and passed the 2026 budget as well as

introducing the following Bills that impact municipalities:

- Bill 98 – *Building Homes & Improving Transportation Infrastructure Act, 2026*
- Bill 100 – *Better Regional Government Act, 2026*

Bill 100 received Royal Assent on May 7, 2026. Additionally, Prime Minister Carney and Premier Ford conducted a joint announcement on the Canada-Ontario Partnership to Build.

On March 26, the Ontario 2026/27 Budget was tabled and included additional funding for Ontario Transit Investment and Community Sport & Recreation Infrastructure Funds as well as maintaining the Fire Protection Grant

The 2026 Ontario Budget included increased funding for the Ontario Transit Investment Fund and Community Sport and Recreation Funds. The Ontario Transit Investment Fund doubled from $15M to $30M over three years in total program funding. This fund supports the startup and growth of transit services in rural communities.

The Community Sport and Recreation Infrastructure Fund was increased by $300M bringing the total program funding to $500M. The fund supports the repair, upgrade or construction of new sports and recreation facilities.

The Fire Protection Grant will maintain its $20M funding for the 2026/27 grant cycle to help municipal fire departments expand cancer prevention initiatives, improve responses to lithium-ion battery-related incidents, and support critical upgrades.

On March 30, omnibus Bill 98, *Building Homes and Improving Transportation Infrastructure Act, 2026* introduced municipal changes related to development charges, official plans, building codes, water & wastewater public corporations and communal water & wastewater systems

Ontario's Bill 98, the *Building Homes and Improving Transportation Infrastructure Act, 2026*, was introduced on March 30, 2026, by the Minister of Municipal Affairs and Housing. This omnibus legislation seeks to accelerate housing development, streamline municipal planning processes, reduce development charges for non-profit retirement homes, standardize official plans, limit certain municipal requirements like minimum lot sizes and electric vehicle charging mandates, and enhance transit integration through measures such as unified fare systems, priority routes, and cross-boundary services for persons with disabilities across the Greater Toronto and Hamilton Area. This wide‑ranging act would amend multiple statutes relating to the *Building Code*, the *Planning Act*, the *Development Charges Act*, transit fares, Metrolinx, the *Municipal Act*, 2001, the *Safe Drinking Water Act*, and the *Water and Wastewater Public Corporations Act*.

Among other objectives, the proposed legislation will exempt non-profit retirement homes from development charges, create conditions whereby municipalities are required to provide consent for communal water and wastewater systems, and provide clarity on public ownership and restrict the transfer of debentures under the proposed water and wastewater public corporation model.

The Federal and Provincial Governments announced a partnership agreement under the federal Build Canada Strong Fund that would provide infrastructure funding for municipalities that commit to reducing residential development charges between 30-50% for up to three years

On March 30, 2026, the Federal and Ontario Governments announced the "Canada-Ontario Partnership to Build" agreement. The partnership will aim to increase housing supply and develop transit infrastructure projects. The agreement includes a cost-shared $8.8 billion fund over 10 years to support the reduction of municipal development charges (DCs) by up to 50%. As a result, Ontario became the first province to sign a bilateral agreement through the Build Canada Strong Fund (BCSF).

BCSF is a $51 billion fund delivered over 10 years to support a wide range of infrastructure projects. The fund was split into three streams, including $17.2 billion over 10 years for a Provincial and Territorial Stream, delivered through bilateral agreements that could provide funding to municipalities to support infrastructure projects.

After the next municipal election regional chairs will be appointed by the Province and have “strong chair” powers, equivalent to Strong Mayor powers

Bill 100, *Better Regional Governance Act,* was introduced on April 2, 2026; it received royal assent on May 7, 2026. The legislation extends strong mayor powers to regional chairs in the following eight upper-tier municipalities:

- The Regional Municipality of Durham
- The Regional Municipality of Halton
- The District Municipality of Muskoka
- The Regional Municipality of Niagara
- The Regional Municipality of Peel
- The County of Simcoe
- The Regional Municipality of Waterloo
- The Regional Municipality of York

Strong regional chairs, like strong mayors, will have the authority to appoint and dismiss the CAO, hire or dismiss municipal division heads, change the organizational structure, create committees and assign their chairs, advance matters aligned with provincial priorities, propose by-laws and veto, with 1/3 support of council, by-laws adopted by council. Additionally, the strong regional chair will have authority to propose the municipal budget.

These changes are expected to be implemented in regulation and come into effect on November 16, 2026.

Bill 100 also extends the rules governing provincial appointment of regional chairs to all the municipalities listed above.

4. ANALYSIS

Program funding increases announced in the Ontario budget may ease near-term reserve pressures for some municipalities, but because the support is project-specific and uncertain in timing, it is unlikely to change investment horizons

The program funding increases announced in the Ontario budget may provide some targeted relief to reserve and reserve fund pressures, particularly where eligible transit or recreation projects are already planned. To the extent these programs offset capital costs, they may reduce near-term draws on reserves. However, because the funding is application-based and tied to specific projects, impacts are likely to be uneven and time-limited, and municipalities may continue to prioritize liquidity and shorter investment horizons to manage timing and funding uncertainty.

The primary component of Bill 98 that could impact near-term municipal finances is the exemption of non-profit retirement homes from development charges, which could have a downward pressure on municipal investment horizons

Exemptions to development charges result in lower collections in the short term. However, in the longer-term the funding gaps created by these exemptions may eventually shift to other types of new development when a background study is completed as municipalities are not required by the province to fund statutory exemptions. This could reduce collections in the long term but should eventually balance out as the cost of lost DC collections are eventually shifted to other property types.

Communal water and wastewater systems can pose a longer-term financial threat to municipalities, as local governments become the operator of last resort in the event of their operational or financial failure. While the province is making some efforts to mitigate this risk by including them in the *Safe Drinking Water Act,* there is no assurance that these systems will not become financially distressed.

With the changes to water and wastewater public corporations there is greater comfort that these systems will remain publicly owned and that they will be responsible for repayment of debentures issued by the municipality for water and wastewater infrastructure. The legislation clarifies that water and wastewater public corporations will be required to remit payments to the municipality for non-transferable debt, as municipalities cannot transfer their debenture servicing obligations to water and wastewater public corporations. However, there are still many funding and financing details with respect to these systems that are yet to be determined, including the question of how these corporations will be able to invest their reserves.

It is difficult to gauge the impact of the Canada-Ontario Partnership to Build fund on municipal finances as the fund design remains unclear, but it does signal increased downward pressure on development charges

Details of the agreement and the form of the program design are scarce, so it is challenging to determine the impact. The intent of the fund will be to offset some of the

financial impact of DC reductions on municipalities. It is emphasized that municipalities will also be expected to partially absorb the impacts of DC reductions, “so all three levels of government are supporting increased housing supply and affordability.”

The Federal and Provincial Governments will develop a list of priority municipalities where DCs are seen as cost-prohibitive and where growth is essential to Ontario. These municipalities will be required to commit to a substantial residential DC reduction (30-50%) for at least three years. Municipalities outside of this priority list will not be held to the same DC reduction, though it is unclear whether a minimum reduction will be implemented. Communications to date indicate that municipalities that have already significantly reduced their residential DCs will receive funding, so long as they commit to these reductions for a minimum of three years.

Indications are that the fund will be an application-based program, and municipalities will need to work with the Province to put forward a list of ready-to-build projects that this funding could be used against and meet any other agreements between Ontario and Canada. Additionally, funding will be available for non-DC levying municipalities, but no details have been provided on eligibility.

At this point, participation seems voluntary, and municipalities that opt into the program may see their investment horizons shorten in light of both lower DC collections and added pressure to fund the municipal portion of the DC reduction. It remains unclear why a municipality would volunteer to participate if it means that a portion of the cost of growth-related projects would shift to the property tax or water rates.

Strong regional chair powers could make changes in heads of council more impactful for the prudent investment program through big strategic shifts or change the level of interest and support for the prudent investment regime

The Regional Municipality of Durham and the District Municipality of Muskoka are included in the list of municipalities that will receive strong regional chair powers. They are also Participating Municipalities with ONE JIB. In addition to regional chairs with greater control over financial priorities and decisions that could have an impact on investment horizons, the province will now appoint these chairs which could lead to a change in these municipalities. As noted in previous municipal insights reports, changes in head of council in municipalities with strong mayor or strong regional chair powers could result in significant changes in municipal capital priorities and, consequently, municipal investment horizons.

For those not in the prudent investment program, the strong regional chairs model would give them increased influence over decisions to opt in to the prudent investment regime.

5. CONCLUSION

These developments collectively introduce heightened uncertainty in municipal revenues, capital planning, and governance, with implications for cash flow stability and long-term

financial strategy. While targeted funding may provide some near-term relief, ongoing pressures related to development charge reductions, evolving infrastructure responsibilities, and shifting political dynamics are likely to result in a cautious approach to reserves and investment horizons.

Drafted by: Colin Macdonald, Manager of Policy, MFOA
Approved by: Donna Herridge & Afshin Majidi (interim), Co-presidents/CEOs

REPORT

To: ONE Joint Investment Board
From: Keith Taylor, Chief Investment Officer, ONE Investment
Date: May 28, 2026
Re: External Investment Manager Oversight Q1 2026
Report: ONE JIB 2026-020

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the Report

2. SUMMARY

The External Investment Manager, PH&N Institutional, has provided a set of reports covering the first quarter of 2026. These reports offer detailed investment insights and market commentary regarding the holdings in the Prudent Investment Offering. They also provide a comprehensive analysis of investment performance, enabling ONE JIB members to gain a clear understanding of the investment strategies and portfolio positioning. Attachment 1 provides excerpts from the commentary in recent client reports, while ONE JIB members have access to additional performance metrics for each of the funds through the resource library. These reports discuss:

- Macroeconomic and capital markets context.
- Summary of investment performance.
- A review of key investment themes and activities.

The CIO and CCO have reviewed these reports and continue to monitor the information provided. No significant issues were identified with the performance. Compliance and performance reporting are evolving to meet the needs of the new business model. Ongoing improvements to the reporting package continue to be implemented. ONE Investment continues to update the Compliance Manual to reflect changes in the business model, with oversight from ONE's Risk and Audit Committee.

3. BACKGROUND

ONE JIB and ONE Investment are responsible for the oversight of the activities of the External Investment Manager

ONE JIB is responsible for the control and management of the MNRI for Participating Municipalities. This mandate involves oversight of investments, including regular performance evaluations and supervision of agents assisting with fiduciary duties. The CIO

and CCO of ONE Investment are responsible for reviewing the Investment Manager's activities and reporting significant issues to ONE JIB. Any concerns will be documented in the quarterly reports to ensure transparency and accountability and to enable ONE JIB to make any necessary decisions.

As part of the oversight role provided by the CIO and CCO, the operation and execution of investment management activities are monitored

The monitoring of the External Investment Manager is required to ensure that the implementation of the Investment Plans and all associated administration are being executed smoothly. Operational aspects of the External Investment Manager's investment activities are regularly discussed with ONE's Risk and Audit Committee.

Periodically, issues raised may require a decision by ONE JIB

In the future, this quarterly report might identify issues that require direction from ONE JIB. This could include operational challenges, compliance issues, investment implementation problems, security substitutions, and other matters that could improve efficiency and promote the smooth operation of the Prudent Investment Offering. By keeping ONE JIB informed of emerging issues, potential risks, and strategic considerations, the report helps ensure that ONE JIB members stay fully informed of all relevant developments.

4. ANALYSIS

All investments have been made in accordance with the terms set out in the ONE JIB Agreement

No significant concerns were identified in the review of all recurring reports from the External Investment Manager and the custodian, including monthly statements of account, quarterly client reports, proxy voting details, and other reports. As ONE JIB's agent, ONE Investment has an obligation to ensure that all Participating Municipalities' MNRI is invested in accordance with ONE JIB's approved Investment Plans. Historically, this confirmation has been included in the quarterly reporting packages to Participating Municipalities. However, the reporting packages no longer provide this confirmation. Instead, ONE Investment staff will now verify this reporting obligation through this report, as shown in Figure 1 below.

Figure 1 - ONE Investment Confirmation

Under the terms of section 8.02 of the ONE JIB Agreement, ONE Investment confirms as follows:

For the quarter ended March 31, 2026, to the best of the knowledge and belief of ONE Investment, all assets of the Participating Municipalities under the management and control of ONE JIB under the ONE JIB Agreement have been invested and are held in accordance with the terms of the ONE JIB Agreement, and in a manner consistent with the Investment Policy Statement and the Investment Plan of each Participating Municipality.

A notation to this confirmation is that Quinte West's portfolio change from Model D to Model F that was approved at the February 26th ONE JIB meeting was outstanding at the end of Q1. This transition was completed in late April and is discussed further in the External Investment Manager Oversight report.

The "Policy for Reviewing the Prudent Investment Offering External Investment Manager" provides for a comprehensive review of the External Investment Manager by an external consultant

As part of the oversight process, a review of the External Investment Manager is being conducted with the assistance of an external consultant. This review supplements the ongoing oversight provided by the CIO and CCO. The current external review will be discussed in closed session at the May ONE JIB meeting.

Work continues with the External Investment Manager to enhance reporting

Enhancements continue to be implemented to improve reporting and provide supplemental information used by the CCO, CIO, and ONE JIB in overseeing investments. Some of these enhancements address input from ONE's Risk and Audit Committee. While not all requests have yet been fulfilled, substantial progress has been achieved.

This progress includes the introduction of additional reports to provide enhanced information for analyzing holdings and performance. In addition, annual reporting on gains, losses, and income has been made available for Participating Municipalities.

The Europe, Australasia, and the Far East (EAFE) exposure in the allocations has been undergoing some changes, and the process of transitioning into a newly reoriented mandate is now complete

Last fall, in response to the External Investment Manager's recommendation to remove the PH&N Overseas Equity Fund from the recommended list, clients were temporarily transitioned into an index fund with similar exposure, the RBC International Equity Index Fund. This was intended as a temporary measure as the manager reoriented an existing EAFE fund to use a proprietary quantitative approach. This process was completed in Q1

2026, and client holdings have since been transitioned to the RBC QUBE International Equity Fund, as approved at the February 26, 2026, ONE JIB meeting.

Staff maintains a list of items that may merit further discussion

Staff are maintaining a short list of items that require future discussion internally or may involve input from ONE JIB. These items are intended to improve aspects of the investment offering or the reporting. Table 1 below provides some of these potential topics.

Refinements to compliance and investment reporting will require ongoing effort, with incremental changes made over time.

Table 1 – Potential Future Discussion Items

Item	Detail	Status
Investment and reporting solutions for sinking funds	This is a new consideration for the ONE JIB that is being designed for Durham. Solution required by end of Q3 2026.	In progress. • Education session on sinking funds to be provided in closed session at May ONE JIB meeting. • Durham's investment constraints may inform the investment solution to be used.
Enhance data analysis and monitoring of allocations for CIO/CCO monitoring	Being dependent on external data sources and systems limits CCO and CIO's ability to monitor allocations and provide oversight.	• Project in progress to import RBC IS and PH&N data into Harmony to facilitate independent review at ONE during 2026.
Further enhancements to refine reporting	Client reporting continues to be refined; further adjustments may be required to meet client needs or to present the information in a format more suitable for municipal clients. These enhancements are also intended to support and reinforce the oversight role of the CCO/CIO.	• Now in the process of importing data to our systems and reviewing data quality.
Reestablishing the link between risk tolerance and investment allocations.	Formerly, risk tolerance was formalized in IPS as part of the Outcomes Framework. Currently, this link is not expressly stated in IPS.	• Currently under discussion by staff and the external investment manager

5. CONCLUSION

The Investment Manager has prepared a quarterly reporting package to summarize the investment activities carried out under the Prudent Investment Offering and to provide an overview of investment performance. This report will serve as a basis for ONE JIB's review

of investment outcomes. The External Investment Manager's representatives are scheduled to present a quarterly update to ONE JIB on investment performance, recent developments in capital markets, their approach to ESG matters, and other issues related to the Prudent Investment Offering.

ATTACHMENTS

Attachment 1: Investment Management Report for ONE Investment – Quarterly Commentaries – Q1 2026

Drafted by: Keith Taylor, Chief Investment Officer
Approved by: Afshin Majidi (interim) and Donna Herridge, Co-Presidents/CEOs

Attachment 1

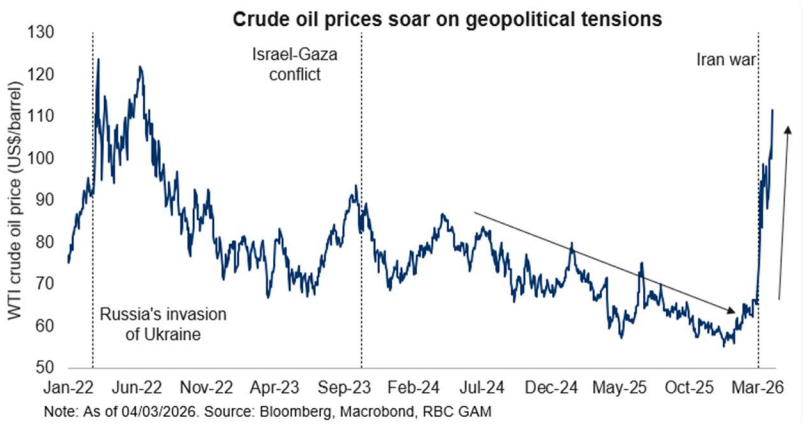
Investment Management Report for

ONE Investment - Quarterly Commentaries

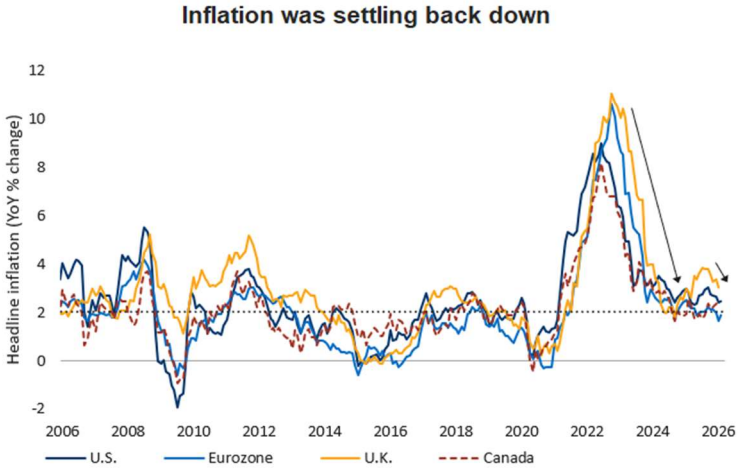
For Period Ending March 31, 2026

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events that we've observed over the past quarter.



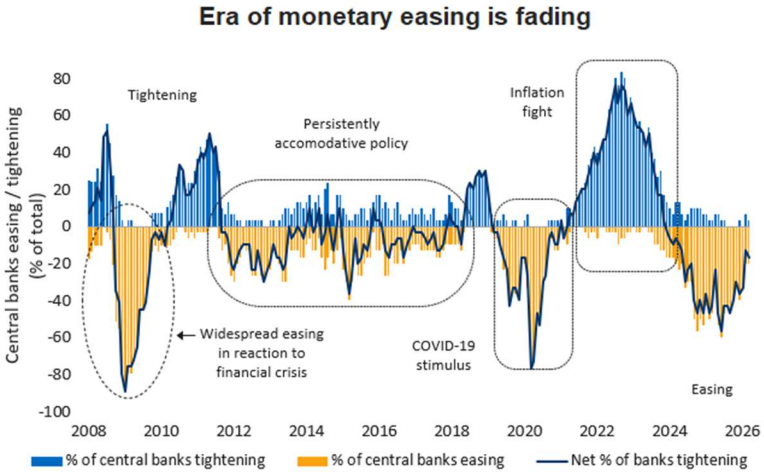
Financial markets finished the first quarter facing two significant **headwinds**: the war in Iran driving oil prices sharply higher, and mounting concerns about artificial intelligence's impact on the economy. The oil price surge threatens to boost inflation and dampen growth, though the ultimate effect will depend on how severely the energy supply is constrained and the conflict's duration. Meanwhile, AI presents a mixed picture. While it has the potential to offer genuine productivity gains and economic benefits, recent investor focus has shifted to possible downsides, including threats to software sector business models and possible workforce displacement. Despite these risks widening the range of potential economic outcomes, our base case remains constructive. We expect the economy to continue growing, supported by lingering tailwinds from last year's interest rate cuts, fiscal support, and AI-driven capital expenditures and productivity improvements. Our base case scenario is that oil prices should moderate in the coming months, and positive AI scenarios merit equal weight against the negative ones. Overall, economic momentum remains solid, and our 2026 growth forecasts are mostly above consensus.



Recent months saw **inflation** settle back toward central bank targets, driven by ebbing tariff pressures, declining shelter costs, and falling oil prices. However, the Iran conflict has reversed this last tailwind, increasing energy costs across oil, natural gas, and related commodities. While this has the potential to push headline inflation up by a full percentage point or more over the coming months, we don't necessarily expect this disruption to derail the broader improving inflation narrative. Core inflation should rise only modestly due to indirect energy effects, while oil price increases represent a temporary, one-time shift in price levels that central banks typically overlook. Moreover, once energy flows resume through the

Strait of Hormuz, prices could actually decline for several months afterward, erasing any earlier damage to inflation. Consequently, we anticipate continued improvement in inflation over the next year, with meaningful progress toward central bank targets.

For **central banks**, this is not a time for rash action. They must balance the temporary impact of higher energy prices with the hit to economic growth. In theory, central banks should care more about the negative economic implications than the positive inflationary ones, so contrary to market thinking it is not automatic that policy rates must rise to confront this inflation shock. In the U.S., market expectations for rate cuts in the second half of 2026 have dissolved, while in Canada, where the policy rate was previously expected to remain on hold, there is currently one or potentially two 0.25% hikes priced in by the end of the year.



Note: As of 03/09/2026. Based on policy rates for 30 countries. Source: Haver Analytics, RBC GAM

The **U.S. dollar** has fallen by roughly 10% on a trade-weighted basis over the past year, with declines against both emerging and developed market currencies. While Iran-related risk aversion has temporarily put a pause to the trend, we think these moves represent the first phase of the dollar's descent. History suggests that another leg of U.S. dollar weakness is coming, and that another 10% decline over the next few years is needed to drop the overvalued greenback to levels more in line with its purchasing power parity level. Supporting this view are cyclical and structural factors including a reduced U.S. yield advantage, greater global competition for capital, geopolitical tensions, and the threat of coordinated currency intervention.

Turning to capital markets, most **global equity markets** delivered solid gains over the first two months of the year before retreating in the wake of the U.S.-Israeli strikes on Iran. By the end of the quarter, the MSCI World Index was in negative territory, returning -1.8% due in large part to the underperformance of its largest constituent, the U.S., which makes up over 70% of the index. There was also a powerful rotation in equity markets over the period, reflected in shifts to non-U.S. stocks from U.S. stocks; to smaller-cap stocks from larger caps; and to value stocks from growth stocks as investors weighed the implications of rapid AI advancement and the demanding valuations of some of the largest U.S. technology stocks.

Equity Indices Performance Comparison as of Mar 31, 2026 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	3.94	34.84
S&P 500 Index (C$)	-3.04	13.88
MSCI World Index (C$)	-1.83	15.29
MSCI EAFE Index ($C)	0.55	17.59
MSCI Emerging Markets Index (C$)	1.64	25.62

Source: RBC GAM

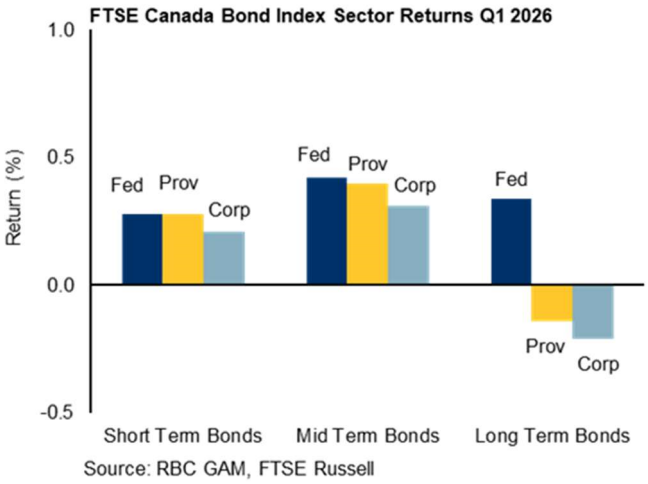
In the **U.S.**, the S&P 500 Index returned -3.0% in the first quarter. While the Energy sector surged an eye-popping 40% over the period, its modest 3.7% weight was no match for the meaningful decline experienced by the Information Technology sector, which makes up more than a third of the index. As mentioned above, AI anxiety dominated the first quarter narrative, and software stocks in particular experienced a meaningful sell-off on concerns that AI could hurt their revenue growth and profit margins, and ultimately impair long-term value. Fears of widespread AI disruption also affected media, business services, and pockets of the Financials sector, which was another meaningful detractor from index performance. On the positive side of the ledger, the Materials sector outperformed on the back of strong gold prices, and defensive sectors like Consumer Staples and Utilities also did well over the period.

In **Canada**, the S&P/TSX Composite Index was the top performer among major equity markets over the period, returning 3.9% in the first quarter and 34.8% over the past year. Canada's resource-heavy market was a source of significant strength. Compared to its paltry weight in the U.S. index, the Energy sector makes up nearly 20% of the S&P/TSX; accordingly, its 30% return over the quarter contributed meaningfully to index performance. The Materials sector, which makes up another nearly 20% of the index, likewise contributed meaningfully over the quarter despite significant volatility in gold prices. The Information Technology sector declined substantially over the quarter but did not have as much of an impact on the overall market due to its smaller weight relative to the U.S.

Emerging market equities finished 2025 having outperformed developed markets for the first time in five years, and this trend continued in the first quarter with the MSCI Emerging Markets Equity Index returning 1.6% over the period. In a divergence from the sectoral trends that drove performance in developed markets, Information Technology was the top contributor to returns for the EM index. Emerging markets provide broad exposure to the infrastructure layer of AI, benefitting from rising capex by technology firms regardless of which platforms ultimately win out. This structural advantage is particularly pronounced in Taiwan and South Korea, the index's top-performing countries, where companies produce the critical semiconductors and electrical components essential for the AI supply chain. U.S. dollar weakness has also been broadly helpful for EM markets, as many EM economies carry significant dollar-denominated debt, so dollar depreciation eases financial conditions, reduces inflationary pressures, and allows central banks greater scope to lower interest rates.

Global fixed income markets were predominantly negative during the first quarter of 2026, as early optimism around aggressive monetary easing gave way to a more cautious outlook on inflation and growth. In the U.S., bonds were volatile and ended the quarter with higher yields, as the U.S. Federal Reserve signaled a slower pace of rate cuts than previously expected. International developed market bonds faced similar headwinds, though performance varied across regions amid uneven economic momentum and geopolitical uncertainty. Emerging market debt was a positive outperformer, supported by a softer U.S. dollar and still-attractive carry.

In **Canada,** Government of Canada (GoC) bond yields increased and credit spreads widened in the first quarter, negatively impacting fixed income performance. As a result, the FTSE Canada Universe Bond Index delivered a modest positive return of 0.23% for the period. GoC yields rose across all maturities, though to a greater extent for shorter maturities versus longer ones, leading to a flattening of the yield curve over the first quarter. Overall, short- and mid-term bonds outperformed long-term bonds. From a sector perspective, both federal and provincial bonds performed better than corporate bonds as corporate bond spreads were wider across all maturities.



The Government of Canada 10-year bond currently yields 3.5%, up 40 basis points from a quarterly low of 3.1% at the end of February. This higher starting yield should provide a tailwind for bond returns through stronger income generation. The BoC stated their policy rate path will depend on the impact of an extended supply shock to the economy, with the bond market currently pricing in a potential rate hike or two later in the year. Market volatility will continue to be a key theme over the next several quarters, providing opportunities as valuations become more attractive.

First Quarter Review

Duration and Yield Curve

The outbreak of war in Iran during the first quarter roiled financial markets, as evidenced by surging oil prices, higher sovereign bond yields, and a sell-off in risk assets. The situation remains highly fluid and the range of potential outcomes for fixed income markets has widened since before the conflict. However, while geopolitical shocks typically cause significant near-term volatility, they don't tend to have long-lasting effects for the broader economy and financial markets.

Turning to trade, the U.S. Supreme Court ruled that the U.S. President lacks authority to impose IEEPA tariffs, prompting the administration to impose tariffs between 10% to 15% across all trade partners under Section 122 of the 1974 Trade Act. These tariffs can remain in place for 150 days before requiring congressional approval. Market reaction was modest, especially in Canada, where goods falling under the Canada-United States-Mexico Agreement (CUSMA) remain exempt. Given that most Canadian exports fall within the agreement, Canada's average effective tariff rate remains among the lowest of major U.S. trading partners. However, with a formal review of CUSMA scheduled to kick off in the second half of the year, tariffs are likely to continue to weigh on economic activity over the medium term.

Beyond trade, Canada's economy softened during the first quarter following unexpectedly strong economic data in late 2025, with key economic indicators once again on a downward trajectory. Canada's labour market contracted in the first quarter, pushing the unemployment rate back up to 6.7%. The measure has been increasingly volatile, and coupled with a deceleration in population growth, it has become particularly challenging to assess the true state of Canada's labour market. GDP growth has also slowed, with the economy expanding just 1.7% over 2025, falling short of Bank of Canada (BoC) projections and largely as a result of lower exports to the U.S. While the economic backdrop appears dour, there are tailwinds that support cautious optimism about Canada's medium-term prospects, including a notable ramp up in fiscal spending, which jumped to an annualized pace of 6% in Q4.

In terms of policy rates, central bankers globally face competing pressures from the potential rise in inflation as a result of surging oil prices, and slowing economic growth. In this environment, the BoC maintained its overnight target rate at 2.25% in January and again in March. While policymakers flagged risks to growth and inflation, they also signalled willingness to "look through" the recent surge in oil prices, though a prolonged war in the Middle East could change this stance. The U.S. Federal Reserve (Fed) also remained on hold at its January and March meetings, keeping the federal funds target range unchanged at 3.50-3.75%. U.S. policymakers continue to balance the trade-off of their dual mandate – price stability and maximum employment – which are currently moving in opposite directions. In addition, bond market expectations for the future path of their policy rates have shifted sharply. In the U.S., market expectations for rate cuts have dissolved. In Canada, where the policy rate was previously expected to remain on hold, there were approximately two 0.25% hikes priced in for 2026 as of the end of the first quarter. Overall, shorter-term Government of Canada (GoC) bond yields rose more than those of longer-term maturities, resulting in a higher and flatter yield curve.

In terms of positioning, the portfolio began the first quarter with a duration shorter than that of its benchmark. The portfolio's duration was further shortened in February, as strong economic data south of the border alongside the potential for growth tailwinds ahead were ignored by the market. Yields then rose significantly from their intra-quarter troughs following the onset of the war in the Middle East. As yields continued to trend higher, we took the opportunity to close the short duration position and initiate a tactical long duration relative to the benchmark, reflecting our view that the yield increase was overdone, supported by macroeconomic and technical factors. This long duration bias position was maintained through to the end of the quarter. The portfolio's yield curve positioning continued to be structured to benefit from a further flattening of the yield curve. While we have moved to a long duration position relative to the benchmark, we maintain a belief that market participants appear to be too pessimistic regarding the Canadian economy over the medium term, given the lagged effects of significant monetary policy easing by the BoC, an expansionary fiscal policy, and the potential tailwinds of AI-related capital expenditure. Any positive surprises in key economic data then have the potential to pull BoC hikes forward and result in short-term yields rising. Overall, the combination of the portfolio's tactical duration and yield curve positioning was a positive contributor to relative performance over the quarter.

The bond market is pricing higher yields across the curve over the next 12 months, with yields on short- and medium-term tenors expected to increase more than longer-term maturities. Key risks that could drive fixed income markets up or down include but are not limited to an intensification of the war in Iran and its impact on energy markets, major developments within AI, significant changes to the CUSMA trade pact, and growing pessimism towards highly indebted governments. These factors suggest that yields are likely to remain volatile over the short to medium term. As such, we will continue to seek opportunities within the portfolio while maintaining a nimble yet disciplined approach to duration and yield curve positioning.

Government of Canada Yields (%)

	1 Yr	2 Yr	5 Yr	10 Yr	30 Yr
March 31, 2026	2.63	2.82	3.10	3.47	3.90
Forward Curve for March 31, 2027	3.10	3.13	3.32	3.66	3.96
Implied Change (1 year)	**+0.47**	**+0.31**	**+0.22**	**+0.19**	**+0.06**

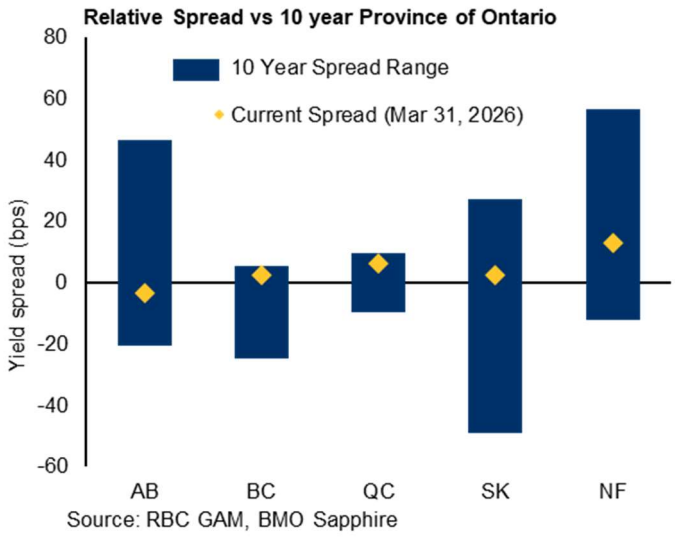
Source: RBC GAM (BondLab), Bloomberg.

Foreign Sovereign Bonds

The tactical short duration position held earlier in the quarter and described above was largely achieved using 10-year UST bond futures instead of selling GoC bonds outright. Recall the decision to use USTs was largely based on relative valuations at the time, as the yield on 10-year USTs had increased significantly less than similar-term GoCs, leaving more runway to add value. In addition, it was our belief that both markets would be affected by similar dynamics in the new year, i.e., expectations for higher growth and inflation in both Canada and the U.S. were underappreciated by the market. This position was closed out in conjunction with the team's decision to exit its short duration position in early March.

Quasi-Government Bonds

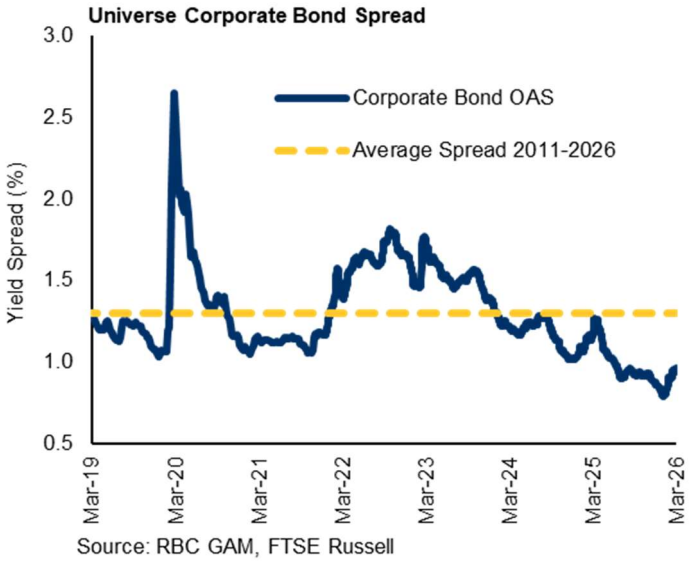
The provincial bond borrowing program for the 2025/26 fiscal year ended on March 31 with the provinces of Ontario and Quebec notably pre-funding their upcoming fiscal year requirements, capitalizing on strong demand from both domestic and foreign investors, with the latter representing 40% of total demand. In the first quarter, the provinces issued approximately $25 billion of bonds in the primary market, which was comfortably absorbed by investors, demonstrating sustained investor appetite. Provincial bond spreads remained resilient, ending the quarter only approximately 5 bps wider than where they began.



In terms of positioning, the portfolio increased its overweight exposure to quasi-government bonds over the quarter, primarily through Province of Ontario bonds. Ontario bonds remain the largest overweight in the portfolio as they offer better liquidity compared to other provinces, providing flexibility to capitalize on more attractive opportunities as they arise. The portfolio also added to Province of British Columbia bonds, taking advantage of attractive relative pricing opportunities, bringing the position from an underweight to neutral relative to the benchmark. The portfolio maintained an overweight allocation to the Province of Alberta, supported by its solid fundamentals, as it continued to demonstrate a strong fiscal position relative to other provinces. The portfolio remained underweight the rest of the smaller provincial issuers in aggregate, given their less favourable liquidity profiles. Lastly, the additions to provincial exposure during the quarter were sourced from liquidating federal agency bonds, leaving the portfolio underweight federal agency bonds relative to the benchmark.

Overall, the portfolio has a modest overweight exposure to quasi-government bonds, with a meaningful bias toward provincials due to their yield advantage over federal agency bonds. This overweight exposure detracted slightly from relative performance over the quarter as spreads widened.

Investment Grade Corporate Bonds



The first quarter of 2026 proved to be a challenging period for financial markets that tempered investor sentiment and resulted in a more cautious tone. Investment grade corporate bond spreads performed well for much of the period, as Q4 Canadian bank earnings exceeded expectations and showed that credit quality remained resilient, supporting a constructive fundamental outlook. In addition, robust demand for credit persisted as we continued to see fund inflows into Canadian fixed income, driven by attractive all-in yields. However, a backdrop of stretched valuations, AI disruption concerns, and heightened geopolitical tensions weighed on investor sentiment in the latter half of the quarter. Nonetheless, the primary market remained very active in the first quarter, delivering $49 billion of new issue supply, well above the 10-year Q1 average of $30 billion. This supply was a challenge for the bond market to absorb given the elevated uncertainty and more cautious investor risk appetite. Overall, investment grade corporate bond spreads ended the quarter approximately 10 bps wider, as global macro volatility overshadowed stable domestic fundamentals.

In terms of risks to the domestic economy, Canada's high level of household indebtedness and its impact on consumer spending growth remains a key vulnerability. Elevated debt levels stemming from higher housing costs have left many Canadian consumers more exposed to financial shocks. Elevated debt payments along with potentially weaker employment conditions, particularly in certain pockets of the Canadian economy exposed to trade policy uncertainty, could constrain consumer spending growth. The weakness in trade-exposed subsectors like manufacturing and transportation & warehousing has yet to spread more broadly across the economy, and while employment data for these sectors has lagged other areas, there are signs that conditions are improving. Overall, potential outcomes from CUSMA trade negotiations with the U.S. are wide ranging at this stage and continue to cloud the outlook.

Turning to Canadian corporations, fundamentals have also shown few signs of stress so far, giving some support to spreads that continue to hover near their tightest levels since 2007. While there are signs of an improving fundamental backdrop, businesses with significant leverage are particularly vulnerable if earnings growth falters and is unable to offset increasingly elevated debt payments. The outlook for corporate earnings growth is highly uncertain and the ongoing trade uncertainty will test the financial resilience of businesses, particularly those in industries tied to trade. Overall, certain issuers – particularly those with businesses that are more sensitive to changes in the economy, household spending rates, or cross-border exposure – will be more affected by a potential economic slowdown than others. The portfolio has limited exposure to industries directly impacted by tariffs, including manufacturing, steel, and aluminium.

Technical conditions remained issuer-friendly, with lower government yields (relative to their peak in late 2023), historically tight credit spreads, and healthy investor demand driving record issuance levels. However, attractively valued opportunities in the primary market remain scarce as valuations continue to appear expensive. After a robust first quarter, 2026 seems poised to be another year of elevated supply if hospitable financing conditions persist. We could see new issuers enter the primary market, increased debt-funded M&A activity, along with increased Maple issuance. For example, U.S. hyperscalers have started to issue bonds outside of their home market, and may issue in Canada to support their large capex programs. This could introduce some uncertainty in supply/demand dynamics, with potential implications for corporate bond valuations that could result in some attractively priced investment opportunities.

In terms of positioning, the portfolio's medium overweight exposure to investment grade corporate bonds was increased over the quarter, though very selectively. We added to high-quality, stable issuers given the market backdrop and scarcity of attractive opportunities. Valuations are not particularly attractive following a prolonged period of strong performance. Longer-term corporate bonds look particularly expensive, with the spread premium over mid-term corporate bonds at historically tight levels. Therefore, we continue to prefer shorter-term credit in the portfolio, where we believe the reward-for-risk balance is more favourable. Overall, while the portfolio maintains its broadly cautious positioning, it remains overweight corporate bonds as we continue to appreciate the yield accrual offered by the sector as spreads could remain near current levels for an extended period.

Furthermore, we maintained the portfolio's high-quality bias, prioritizing issuers that are less sensitive to changes in the economy and the strength of Canadian consumers. We favour the Infrastructure and Power Generation sectors, where issuers are typically regulated and generate stable, predictable cash flows with strong government support. The portfolio remains underweight the Financials sector due to its exposure to highly indebted Canadian consumers. Tariffs have dampened business activity and loan growth, increasing the risk of higher credit losses. While there are signs that we may be past peak tariff uncertainty, trade policy remains a risk to the economy and Canadian consumer strength in the event that trade negotiations with the U.S. deteriorate. We are also cautious about the Communications sector, which faces multiple headwinds such as pricing competition, high corporate leverage near rating agency downgrade thresholds, elevated dividend payout ratios, high capital expenditures, and stalling population growth. These factors leave the sector potentially more exposed to an economic downturn.

Going forward, we will continue to look to capitalize on attractive opportunities in the bond market where the compensation is commensurate to the underlying fundamental risks. Overall, the portfolio's overweight position in corporate bonds was a positive contributor to relative performance over the quarter due to conservative security selection and strong yield accrual, which offset the negative impact from wider spreads.

Private Placement Corporate Debt

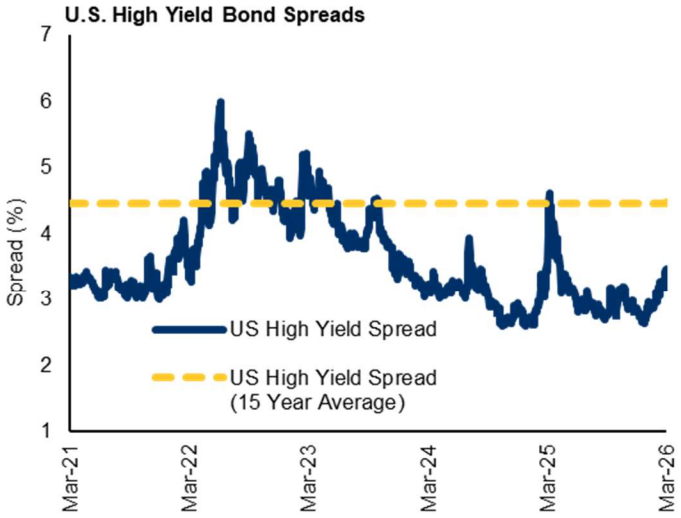
The portfolio has exposure to private placement corporate debt securities; these are investment grade bonds that are issued privately rather than through the public bond market, and many are not included in the benchmark. While many of these bonds are rated by rating agencies, similar to public bonds, unrated issues undergo an extensive analysis by our corporate credit team. The team then assigns the bond an internal rating, which must be of investment grade quality to be included in the portfolio. One of the benefits of investing in private debt is the opportunity to expand and diversify investment opportunities. While many of the issues are infrastructure related, the private debt market encompasses many industries and sub-industries not available in the public markets. In addition, private placements often provide attractive illiquidity premiums for investors, as they do not tend to have an active secondary market.

We source private placement corporate bond opportunities via the private placement desks of bond dealers that are our traditional counterparties in public corporate bond markets. Our expectations for yield enhancement within this sector are 50–75 bps over comparable public market opportunities of similar credit quality. Similar to the public primary market, the private sector was also active in the first quarter, and we added a few new positions to the portfolio. We added a 20-year bond issue from GCT Global Container Terminals Inc. (internal rating: A-; Fitch rating: BBB). GCT is an essential infrastructure operator of two terminals at the Port of Vancouver — Canada's largest port and a critical Pacific Gateway hub for Asia-North America trade. GCT benefits from limited competition (near-capacity terminals, high barriers to entry) and long-term partnerships with three major global shipping alliances that account for 96% of its volume, underpinned by contracts with minimum volume guarantees and inflation pass-throughs. The issuer's conservative financial framework targets net debt/EBITDA of 5x (vs. 7x+ for peers), supported by strong ownership (institutional investors with long-term horizons) and substantial 2.3x asset coverage that provides significant downside protection. The bonds also feature robust bondholder protections, including distribution lockups if leverage exceeds specified thresholds and a mandatory repurchase offer if significant terminal damage impacting operations is not addressed within 12 months, ensuring bondholders are protected against catastrophic events or delayed reconstruction. The 20-year bonds were issued at a spread of +212 bps above GoC bonds, offering a meaningful premium relative to similarly rated, public long-term infrastructure credits, which currently trade at +100–115 basis points.

Private placement corporate bonds outperformed comparable-term public securities within the Canadian investment grade corporate bond market over the quarter given the predominant exposure to steady, less cyclical, infrastructure-related issuers that exhibited greater resilience over the period. We expect that the extra yield spread from private placement corporate bonds will continue to provide a return tailwind to the portfolio over the long term and contribute to stability during downturns.

High Yield Corporate Bonds

The high yield bond market delivered negative performance in the first quarter, driven by wider spreads. Through the first half of January, high yield spreads were supported by robust macroeconomic fundamentals and positive early earnings results. However, during the remainder of the month and through February, spreads began to widen significantly driven by geopolitical tensions and software sector weakness. Volatility intensified in March, as a result of the war in Iran, creating significant market uncertainty and inflationary pressure. As the conflict persists, we expect elevated sector dispersion, as certain issuers are challenged by rising input costs and heightened consumer uncertainty. Overall, high yield spreads widened over the quarter; however, we expect that any de-escalation signals should help trigger a market rally.



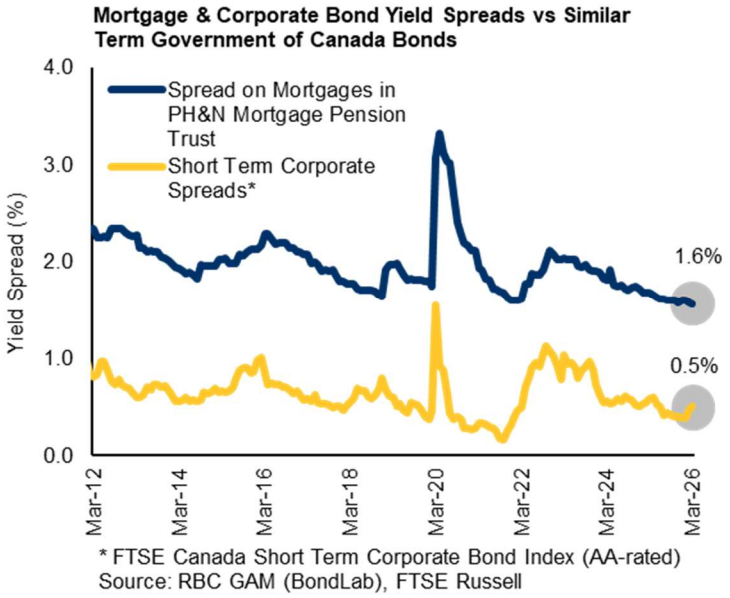
Source: RBC GAM, Bloomberg. US High Yield spread represented by ICE BofA US High Yield index

High yield bond supply remained robust through most of the first quarter, though issuers grew reluctant to test the market at wider valuations in March. On the demand side, the asset class experienced persistent selling pressure as investors continued to navigate significant market volatility this year. Default and distressed exchange activity remained generally contained, with March recording the lowest default volumes since late 2022. While year-to-date default activity is tracking ahead of 2025's pace, defaults for high yield bonds and loans remain modest and sector-specific, reflecting broadly resilient credit quality outside of isolated pockets of stress.

The portfolio’s high yield exposure was maintained over the quarter and was broadly neutral to relative performance. While valuation levels continue to appear stretched despite the recent sell-off, there remain attractive reward-for-risk opportunities in carefully selected high yield bonds. Overall, the portfolio’s high yield position will be adjusted as necessary depending on how market dynamics evolve.

Mortgages

As of quarter end, the mortgages held in the portfolio had a spread of 157 bps over similar-term GoC bonds, tightening modestly through the quarter. Commercial mortgage origination activity remained supported by growing demand for refinancing and renewals. However, the ample availability of debt capital continued pushing lending spreads tighter through the year, relative to historical context.



The industrial sector continues to normalize following a prolonged period of strength, with vacancy edging higher as demand moderates. Rent growth has decelerated but remains supported by limited new supply additions. Though parts of the market face headwinds, positive operating and consumer demand fundamentals suggest underlying strength will help provide market stability.[1] Office markets continue to show signs of recovery as return-to-office mandates increase and physical occupancy improves. Recent workforce reductions create near-term headwinds, but asset selection remains very important, with newer buildings continuing to capture demand. Additionally, a long period of subdued construction activity should support stabilization through constrained supply, allowing existing vacancies to be filled over time.[2] Retail remains resilient, with limited supply supporting fundamentals, though demand has softened as population growth has turned negative and consumer spending weakens. Neighbourhood and community centres anchored by essential retailers show durability, while discretionary-focused malls face pressure.[3] Multi-residential vacancy and rents eased from historically tight conditions as rising supply and population decline moderate demand, with vacancy increasing in high-cost urban centres. Purpose-built rental construction has accelerated to record levels, creating new origination opportunities. However, the sector continues to be resilient as Canada remains in a structural housing shortage, which supports demand for purpose-built rental properties.[4]

As we look ahead to the remainder of 2026, we remain confident in the strong credit fundamentals underpinning the portfolio and the conventional commercial mortgage market. The mortgages in the portfolio are secured by high-quality, income-producing properties across Canada, and both the level of cash flows and property values supporting the mortgages have significant insulation, as evidenced by the high debt service coverage ratio (DSC) of 1.7x and low loan-to-value ratio (LTV) of 50%.

[1] CoStar National Industrial Report, Q1 2026
[2] CoStar National Office Report, SRRA, Q1 2026
[3] CoStar National Retail Report, Q1 2026
[4] CoStar National Multi-Residential Report, Q1 2026

RBC Global Asset Management
PH&N Institutional

ONE Joint Investment Board

Quarterly Meeting: May 28, 2026

Presented by:

Martin Leclair, CFA, Vice President & Institutional Portfolio Manager
Paul Purcell, CFA, Managing Director & Institutional Portfolio Manager
Katherine Rusin, CFA, Institutional Portfolio Manager

Guest speakers:

Melanie Adams, Managing Director & Head of Responsible Investment

PH&N Institutional Team
for ONE Investment & Ontario Municipalities

Paul Purcell, CFA

Managing Director &
Institutional Portfolio Manager

39 years of experience

CFA (1996); FSA (1989); FCIA (1989); BSc (Actuarial Science) (1987), Western University, Canada.

Paul is a managing director and an institutional portfolio manager at PH&N Institutional. He works closely with fiduciaries to develop and implement asset and risk management strategies. Prior to joining the firm in 2015, Paul was Managing Director, Institutional Clients and LDI Strategist at a large international asset management firm. Previous to that he had spent 19 years at a global consulting firm where he was the consulting actuary and held various leadership roles. He has served on board/investment committee for two large Canadian charitable organizations.

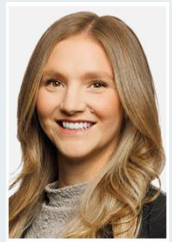
Martin Leclair, CFA

Vice President &
Institutional Portfolio Manager

30 years of experience

CFA (2000); BBA (1996), Université du Québec à Montréal, Canada.

Martin is a vice president and an institutional portfolio manager at PH&N Institutional. Martin also takes a leadership role in the development and implementation of Total Portfolio Solutions, RBC GAM's end-to-end outsourced CIO business for institutional clients. He joined the firm in 2017 with over 20 years of experience working alongside institutional investors across Canada at both asset management firms and consultancies. Prior to RBC GAM, Martin was vice president at an independent consulting firm, where he provided investment consulting and governance solutions to pension plans.



Katherine Rusin, CFA

Institutional Portfolio Manager

14 years of experience

CFA (2018); BBA (2012), Simon Fraser University, Canada.

Katherine is an institutional portfolio manager at PH&N Institutional, where she collaborates with clients and consultants to structure and manage a diverse array of investment mandates. While her primary focus lies in broader equity and multi-asset strategies, she also serves as a capability specialist for quantitative equity strategies. Katherine began her investment career with the firm in 2012, notably contributing to the RBC Quantitative Investments team during a six-month rotation. In that role, she supported fund managers by leveraging her expertise in security research, portfolio positioning, and pre-execution trade analysis

Agenda

- Platform Update
- Fund Performance
- RBC GAM Responsible Investment

Platform Update

Model portfolios – allocations

Number of client portfolios →	1		1	5	4	2	1		3		1		
Approved on Sept. 4 2025	**A**	**B**	**C**	**D**	**E**	**F**	**G**	**D+**	**E+**	**F+**	**G+**	**Durham Med**	**Durham Long**
Fixed Income	**100%**	**80%**	**70%**	**60%**	**50%**	**40%**	**30%**	**50%**	**40%**	**30%**	**20%**	**70%**	**70%**
Canadian Money Market													
Short-Term Bonds	50%	50%	35%	25%	20%	20%	20%	20%	20%	20%	20%	35%	17.5%
Universe Bond													17.5%
Corporate Bonds	20%												
Private Placement Corporate Debt	5%	10%	10%	10%	7.5%			5%	2.5%			10%	10%
Commercial Mortgages	5%	10%	10%	10%	10%	10%	10%	10%	10%	10%		10%	10%
High Yield Bonds	5%												
Global Multi-Asset Credit	15%	10%	15%	15%	12.5%	10%		15%	7.5%			15%	15%
Equities		**20%**	**30%**	**40%**	**50%**	**60%**	**70%**	**40%**	**50%**	**60%**	**70%**	**30%**	**30%**
Canadian Equities		5%	7%	10%	12.5%	20%	30%	10%	12.5%	20%	35%	7.5%	7.5%
Canadian Low Volatility Equities		5%	7%	10%	12.5%	10%	5%	10%	12.5%	10%		7.5%	7.5%
U.S. Equities		2%	4%	5%	4%	5%	6%	5%	4%	5%	9%	5%	5%
U.S. Low Volatility Equities		2%	4%	5%	4%	5%	6%	5%	4%	5%	3%	5%	5%
International Equities		6%	8%	10%	12%	14%	16%	10%	12%	14%	16%	5%	5%
Emerging Market Equities					5%	6%	7%		5%	6%	7%		
Alternatives								**10%**	**10%**	**10%**	**10%**		
Canadian Core Real Estate								5%	5%	5%	5%		
Global Infrastructure								5%	5%	5%	5%		

What's in a model portfolio?

Capital market assumptions (CMA)

10-yr forward-looking capital market forecasts (Return, volatility, downside risk, correlations). Adjusted quarterly or as required to reflect future market conditions.

Asset classes

Capital market exposures representing a broad opportunity set.

Modelling constraints

Promote diversification, address liquidity concerns, ensure feasibility.

Strategy fulfillment

Diversification of investment styles to optimize long-term active management efficiency.

Reviewed annually

Capital markets & platform exposures

Index returns as of March 31, 2026

Total Return and Volatility (%)	3M	1 YR	3 YR	5 YR	1 YR VOL	3 YR VOL	Platform Exposure (%)	Quarterly observations
FTSE Canada Short Term Overall Bond Index**	0.26	2.41	4.32	2.02	1.54	2.13	**30.17**	Provided capital protection during uncertain times (geopolitical risks) and liquidity premium from commercial mortgages
S&P/TSX Capped Composite Index	3.94	34.83	21.18	15.19	10.65	11.32	**17.66**	Benefited from the commodity price shock (energy); inflation under control; multiple tailwinds.
Global Multi-Asset Credit *	-1.02	5.89	7.97	-	3.66	4.02	**13.76**	Higher risk premium and uncertainty caused credit spreads to widen globally
FTSE Canada Universe Bond Index	0.23	0.84	3.49	0.73	3.71	5.16	**11.18**	Defensive asset class; longer duration at a disadvantage over Q1
FTSE Canada All Corporate Bond Index	0.14	2.77	4.44	1.29	2.86	4.20	**9.69**	Investment grade corporate credit expensive (tight spreads) but supported by fundamentals and technical (excellent supply of new issues)
S&P 500 Total Return Index (CAD)	-3.04	13.88	19.46	14.36	11.22	10.99	**9.23**	Resilient US economy, strong earnings but facing “AI capex spending questions”, higher inflation and geopolitical uncertainty
MSCI EAFE Total Return Net Index (CAD)	0.55	17.59	14.79	10.19	11.62	10.13	**6.50**	War in Iran is hurting Europe and Asia: impact on inflation and GDP more severe
MSCI Emerging Markets Index (CAD)	1.64	25.62	16.02	5.89	18.30	13.74	**0.86**	Weaker USD; Momentum in AI-related tech (Korea, Taiwan); strong performance from Energy producers. But pockets of weaknesses subsist.
MSCI/REALPAC Canada Annual Property Index (Standing Investments Only) TR (1 Month Lagged)	0.24	2.13	1.77	2.90	1.16	1.47	**0.38**	Resilient market; Office sector’s recovery gained further momentum. Strong operating income returns across all sectors (for quality assets)
Global Infrastructure*	2.82	7.76	-	-	2.83	-	**0.38**	Provided strong risk diversification; Underlying investments provide distributions to the Fund (target 3.5%)
ICE BofA BB-B US High Yield Index (CAD Hedged)	-0.79	5.12	6.58	3.02	2.54	4.14	**0.18**	Higher risk premium and uncertainty caused credit spreads to widen

**Fund data shown in lieu of Primary Benchmarks*
*** Includes the commercial mortgage exposure*

Model portfolios - performance (March 31, 2026)

Model Portfolio Return (%)*	3 Months	1 Year	Volatility (1 Yr)	AUM**	Expected Return (CMA 2025)	Expected Volatility (CMA 2025)
Short-Term Model (A) - 0% Equities	**0.21**	**3.47**	**2.01**	**103,505,661**	**4.5**	**3.3**
Reference Portfolio A	*0.23*	*0.84*	*3.71*			
Short-Term Model (B) - 20% Equities	**0.73**	**6.77**	**3.18**	**-**	**5.2**	**4.0**
Reference Portfolio B	*0.99*	*6.99*	*4.81*			
Mid-Term Model (C) - 30% Equities	**0.84**	**8.42**	**3.95**	**68,575,863**	**5.6**	**5.2**
Reference Portfolio C	*1.37*	*10.18*	*5.46*			
Mid-Term Model (D) - 40% Equities	**1.06**	**10.35**	**4.72**	**274,966,071**	**6.0**	**6.4**
Reference Portfolio D	*1.75*	*13.45*	*6.15*			
Mid-Term Model (D+) - 40% Equities	**1.20**	**10.61**	**4.51**	**-**	**6.3**	**6.3**
Reference Portfolio D+	*1.93*	*15.12*	*6.50*			
Mid-Term Model (E) - 50% Equities	**1.37**	**12.59**	**5.77**	**244,543,637**	**6.4**	**7.6**
Reference Portfolio E	*2.12*	*16.80*	*6.86*			
Mid-Term Model (E+) - 50% Equities	**1.58**	**12.69**	**5.49**	**196,821,720**	**6.6**	**7.2**
Reference Portfolio E+	*2.30*	*18.51*	*7.23*			
Long-Term Model (F) - 60% Equities	**1.61**	**14.69**	**6.54**	**8,002,876**	**6.6**	**8.8**
Reference Portfolio F	*2.49*	*20.24*	*7.60*			
Long-Term Model (F+) - 60% Equities	**1.91**	**15.78**	**6.26**	**-**	**6.7**	**8.2**
Reference Portfolio F+	*2.67*	*21.99*	*7.97*			
Long-Term Model (G) - 70% Equities	**2.01**	**16.67**	**7.35**	**9,261,230**	**6.7**	**9.9**
Reference Portfolio G	*2.85*	*23.76*	*8.35*			
Long-Term Model (G+) - 70% Equities	**1.79**	**17.95**	**7.35**	**23,968,460**	**6.9**	**10.2**
Reference Portfolio G+	*3.04*	*25.55*	*8.73*			

3-Month Performance Attribution

Fixed income reference portfolio:

- FTSE Canada Universe Bond Index → 0.23%
- The quarter was dominated by geopolitical developments, particularly the outbreak of war in the Middle East in late February.
- Global credit markets posted negative returns during the first quarter (-1.02), driven by higher core government bond yields and wider credit spreads.
- The shorter duration holdings in model portfolios performed better than the Universe index. Returns ranged from 0.34% (Short Term Bonds) to 1.16% (Commercial mortgages).
- The model portfolios'' allocation to investment grade corporate bonds was additive to performance as the higher-quality bias partly offset the negative impact from wider spreads during the period.

Equity reference portfolio:

S&P/TSX Capped Composite Index → 3.94%

- The geopolitical situation led to a cautious, risk-off positioning within global equity markets.
- The reference portfolio was once again the strongest equity index for the period, boosted by an energy sector that delivered the strongest absolute outperformance.
- The diversified equity exposure mitigated volatility but did contribute to under-performance relative to the Canadian equity index.

*Inception Date – Jan. 1 2025
** AUM excludes Durham Long and Durham Medium as they are not invested per model portfolios.
Reference Portfolios are comprised of Canadian equity (S&P/TSX) and Canadian fixed income (FTSE Canada Universe Bond Index) reflecting each model's bond and equity allocated weights.

Commercial Mortgage Fund Queue (May 18, 2026)

Account	Municipality	Queued Allocation	% Funded
ML102	Durham Short	$0	100%
ML103	Durham Medium	$372,000	95%
ML104	Durham Long	$23,940,000	87%
ML122	Central Frontenac - Model F	$103,000	74%
ML132	Red Lake - Model D	$40,000	85%
ML146	Aurora- Model E	$3,481,000	42%
ML153	Aylmer - Model E+	$212,000	0%
ML164	Bracebridge - Model G	$959,000	0%
ML172	Huntsville - Model D	$501,000	60%
ML185	Innisfil - Model C	$3,980,000	43%
ML195	Kenora CPTF - Model E+	$4,992,000	0%
ML196	Kenora General - Model E	$2,663,000	0%
ML207	Muskoka - Model E	$9,415,000	42%
ML212	Neebing - Model E	$58,000	83%
ML222	Quinte West - Model F	$577,000	84%
ML237	Thunder Bay - Model E+	$14,987,000	0%
ML242	Whitby - Model D	$8,866,000	60%
ML262	Georgian Bay – Model D	$676,000	0%
ML272	Oliver Paipoonge – Model F	$435,000	0%

Commercial Mortgage Update

Market Update

- Credit risk has begun increasing: persistent inflation, affordability challenges, and struggling valuations
- The conventional mortgage market, which makes up 51% of the Canadian commercial mortgage market has remained resilient; Property fundamentals are strong, land is still constrained which limits new supply from diluting the market for the most part, and leasing activity has proven resilient across most sectors
- Transaction activity has become muted again as property owners aren't transacting due to economic uncertainty…and that flows through to mortgage origination because historically, financing new acquisition activity has been the largest source of deal flow.
- Lending competition: yields remain elevated relative to history which continues to drive heavier competition amongst lenders as they all want to deploy capital at these yields; as a result, we've seen spreads compress and some lenders soften their lending criteria.

Origination Update

- We work with 7 national origination partners. We have strategically selected our partners where each specializes in a different part of the mortgage market, ensuring they complement rather than compete with each other.
- Comprehensive coverage across the entire risk spectrum (conventional, conventional-plus, high-yield), different property stages (construction, bridge financing, stabilized assets), and diverse geographic markets across Canada.
- Over the quarter, we reviewed $2.9Bn across the platform and funded $264M across all mortgage strategies; this is roughly in in line with our ~10% historical hit rate.
- We've been able to deploy ~$100M on behalf of ONE; **we anticipate that ONE's queue will be fully drawn in in the next 6-12 months**

Team Update

- Evan Ward joined the team in late 2025 and brings with him 20+ years of experience in underwriting high yield mortgages

Fund Performance

Fixed Income (March 31, 2026)

Fixed Income Solutions - Total Return (%)	3 Months	1 Year	3 Year	5 Year	ONE AUM[1]	3 Months	1 Year	3 Years	5 Years
PH&N Short Term Bond & Mortgage Fund	**0.34**	**2.70**	**4.52**	**2.44**	**721,856,266**	Q2	Q3	Q4	Q3
FTSE Canada Short Term Overall Bond Index	*0.26*	*2.41*	*4.32*	*2.02*					
Value Add	*0.08*	*0.29*	*0.20*	*0.42*					
PH&N Enhanced Total Return Bond Fund	**0.37**	**1.60**	**4.06**	**1.32**	**320,104,868**	Q1	Q2	Q3	Q2
FTSE Canada Universe Bond Index	*0.23*	*0.84*	*3.49*	*0.73*					
Value Add	*0.14*	*0.76*	*0.57*	*0.59*					
PH&N Corporate Bond Trust	**0.39**	**2.70**	**5.52**	**2.48**	**20,636,628**	Q1	Q4	Q4	Q3
FTSE Canada All Corporate Bond Index	*0.14*	*2.77*	*5.67*	*2.25*					
Value Add	*0.25*	*-0.07*	*-0.15*	*0.23*					
PH&N Private Placement Corporate Debt Fund	**0.91**	**2.84**	**6.13**	**2.92**	**256,856,990**	Q3	Q1	Q2	Q4
FTSE Canada All Corporate Bond Index	*0.14*	*2.77*	*4.44*	*1.29*					
Value Add	*0.77*	*0.07*	*1.69*	*1.63*					
RBC Commercial Mortgage Fund	**1.16**	**4.89**	**6.28**	**-**	**141,692,193**	Q3	Q1	Q2	Q4
FTSE Canada Short Term Overall Bond Index	*0.26*	*2.41*	*4.32*	*-*					
Value Add	*0.90*	*2.48*	*1.96*	*-*					
RBC High Yield Bond Fund	**-0.05**	**5.90**	**7.11**	**3.55**	**2,600,975**	Q2	Q1	Q3	Q4
FTSE Canada Short Term Overall Bond Index[2]	*0.26*	*2.41*	*3.85*	*0.94*					
Value Add	*-0.31*	*3.49*	*3.26*	*2.61*					
PH&N High Yield Bond Fund	**0.64**	**6.53**	**9.12**	**5.50**	**2,647,240**	Q1	Q1	Q1	Q1
FTSE Canada Short Term Overall Bond Index[3]	*0.26*	*2.41*	*3.04*	*0.47*					
Value Add	*0.38*	*4.12*	*6.08*	*5.03*					
BlueBay Total Return Credit Fund (Canada)	**-1.02**	**5.89**	**7.97**	**-**	**393,985,398**	Q2	Q1	Q1	Q2
FTSE Canada 91 Day T-Bill Index	*0.51*	*2.52*	*3.95*	*-*					
Value Add	*-1.53*	*3.37*	*4.02*	*-*					

1. AUM as of March 31 2026
2. Current benchmark as of March 1, 2024: 100% FTSE Canada Short-Term Overall Bond Index. Prior benchmark: 100% FTSE Canada Universe Bond Index
3. Current benchmark as of October 1, 2023: 100% FTSE Canada Short-Term Overall Bond Index. Prior benchmark: 100% FTSE Canada Universe Bond Index

Quartile ranking source: eVestment

Equities (March 31, 2026)

Equity Solutions - Total Return (%)	3 Months	1 Year	3 Year	5 Year	ONE AUM[1]	3 Months	1 Year	3 Years	5 Years
RBC QUBE Canadian Equity Fund	**3.75**	**37.31**	**23.06**	**16.41**	**87,108,707**	Q2	Q1	Q1	Q1
S&P/TSX Capped Composite Index	*3.94*	*34.83*	*21.18*	*15.19*					
Value Add	*-0.19*	*2.48*	*1.88*	*1.22*					
PH&N Canadian Equity Value Fund	**3.35**	**30.81**	**20.49**	**16.34**	**86,141,951**	Q3	Q2	Q2	Q2
S&P/TSX Capped Composite Index	*3.94*	*34.83*	*21.18*	*15.19*					
Value Add	*-0.59*	*-4.02*	*-0.69*	*1.15*					
PH&N Canadian Equity Fund	**3.25**	**31.67**	**19.94**	**14.91**	**86,391,605**	Q3	Q2	Q2	Q2
S&P/TSX Capped Composite Index	*3.94*	*34.83*	*21.18*	*15.19*					
Value Add	*-0.69*	*-3.16*	*-1.24*	*-0.28*					
PH&N U.S. Equity Fund	**-3.38**	**11.84**	**19.06**	**14.07**	**63,897,688**	Q3	Q3	Q2	Q1
S&P 500 Total Return Index (CAD)	*-3.04*	*13.88*	*19.46*	*14.36*					
Value Add	*-0.34*	*-2.04*	*-0.40*	*-0.29*					
RBC QUBE U.S. Equity Fund	**-5.05**	**10.22**	**19.01**	**14.54**	**62,626,901**	Q4	Q3	Q2	Q1
S&P 500 Total Return Index (CAD)	*-3.04*	*13.88*	*19.46*	*14.36*					
Value Add	*-2.01*	*-3.66*	*-0.45*	*0.18*					
RBC International Equity Fund	**0.02**	**11.02**	**11.96**	**7.82**	**93,089,147**	Q3	Q4	Q4	Q4
MSCI EAFE Total Return Net Index (CAD)	*0.55*	*17.59*	*14.79*	*10.19*					
Value Add	*-0.53*	*-6.57*	*-2.83*	*-2.37*					
RBC QUBE International Equity Fund	**7.30**	**36.43**	**24.06**	**15.72**	**92,908,453**	Q1	Q1	Q1	Q1
MSCI EAFE Total Return Net Index (CAD)	*0.55*	*17.59*	*14.79*	*10.19*					
Value Add	*6.75*	*18.84*	*9.27*	*5.53*					

1.AUM as of March 31, 2026
Quartile ranking source: eVestment

Equities (March 31, 2026)

Equity Solutions - Total Return (%)	3 Months	1 Year	3 Year	5 Year	ONE AUM[1]
RBC Emerging Markets Equity Fund	**1.47**	**26.63**	**16.49**	**7.63**	**12,403,213**
MSCI Emerging Markets Total Return Net Index	*1.64*	*25.62*	*16.02*	*5.89*	
Value Add	*-0.17*	*1.01*	*0.47*	*1.74*	
RBC Emerging Markets Dividend Fund	**5.41**	**40.89**	**22.15**	**10.59**	**12,156,111**
MSCI Emerging Markets Total Return Net Index	*1.64*	*25.62*	*16.02*	*5.89*	
Value Add	*3.77*	*15.27*	*6.13*	*4.70*	

3 Months	1 Year	3 Years	5 Years
Q4	Q4	Q3	Q2
Q2	Q1	Q1	Q1

1.AUM as of March 31, 2026
Quartile ranking source: eVestment

Equities – Low Volatility (March 31, 2026)

Total Return (%)	3 Months	1 Year	3 Year	5 Year	ONE AUM [1]
RBC QUBE Low Volatility Canadian Equity Fund	**2.83**	**26.71**	**18.35**	**15.02**	**245,942,853**
S&P/TSX Capped Composite Index	*3.94*	*34.83*	*21.18*	*15.19*	
MSCI Canada Minimum Volatility Gross Index (CAD)	*3.55*	*21.48*	*17.58*	*14.77*	
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	**6.93**	**4.18**	**13.73**	**11.95**	**137,646,605**
S&P Composite 1500 Index (CAD)	*-2.51*	*13.93*	*18.91*	*13.87*	
MSCI USA Minimum Volatility Net Index (CAD)	*0.04*	*-3.15*	*10.72*	*9.47*	

Volatility of Returns (%)	1 Year	3 Year	5 Year
RBC QUBE Low Volatility Canadian Equity Fund	**10.09**	**9.43**	**10.21**
S&P/TSX Capped Composite Index	*10.65*	*11.32*	*12.37*
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	**10.23**	**9.17**	**10.13**
S&P Composite 1500 Index (CAD)	*11.05*	*11.08*	*12.80*

Sharpe Ratio	1 Year	3 Year	5 Year
RBC QUBE Low Volatility Canadian Equity Fund	**2.40**	**1.54**	**1.19**
S&P/TSX Capped Composite Index	*3.03*	*1.53*	*0.99*
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	**0.17**	**1.08**	**0.90**
S&P Composite 1500 Index (CAD)	*1.03*	*1.36*	*0.86*

1. AUM as of March 31, 2026
2. Volatility is the annualized deviation of monthly returns. Note that the annualized deviation of monthly returns is not calculated for periods less than 12 months.

Alternatives / Real Assets (March 31, 2026)

Real Assets Solutions - Total Return (%)	3 Months	1 Year	3 Year	5 Year	ONE AUM[1]	3 Months	1 Year	3 Years	5 Years
RBC Global Infrastructure Fund LP	**2.82**	**7.76**			**10,932,570**				
Canadian CPI (Non-Seasonally Adjusted) 1M Lag + 4% (Custom)	*1.27*	*5.78*							
Value Add	*1.55*	*1.98*							
RBC Canadian Core Real Estate Fund	**1.33**	**2.54**	**0.65**	**4.78**	**10,916,956**	Q2	Q2	Q2	Q2
MSCI/REALPAC Canada Annual Property Index (Standing Investments Only) TR (1 Month Lagged)	*0.24*	*2.13*	*1.77*	*2.90*					
Value Add	*1.09*	*0.41*	*-1.12*	*1.88*					

1.AUM as of March 31, 2026
Quartile ranking source: eVestment

RBC Global Asset Management

Our Approach to Responsible Investment

May 2026

Responsible Investment (RI) team

The RI team is a centralized function whose primary responsibility is to lead responsible investment activities and stewardship[1] activities across the firm.

Develop RI strategies, policies and regulatory response

Develop cohesive responsible investment strategies and policies.

Participate in response to RI regulatory requirements where appropriate.

Support ESG integration by investment teams[2]

Review ESG integration processes across investment teams and support continuous improvement of practices and technology.

Includes providing investment teams with guidance on evolving trends and best practices related to ESG integration, ESG-related research and education, and access to ESG-related data and tools.

Execute and manage proxy voting activities

Execute and manage voting of proxies for all of RBC GAM.

Lead the annual review and update of the RBC GAM Proxy Voting Guidelines.

Lead and support engagements and RI industry initiatives

We engage with issuers, regulatory bodies, lawmakers, and other stakeholders, where applicable.

We believe that engagement on regulatory and legal reform that is consistent with the best interests of our investments and portfolios may lead to more effective governance and/or management of material ESG factors, as well as broader, market-wide considerations.

ESG-related expertise and support for client-based solutions.

Maintain expertise on emerging ESG trends and material ESG issues.

Advise and support product development, and institutional mandates.

Develop client reporting and thought leadership related to RI activities and insights.

1. RBC GAM's approach to active stewardship, proxy voting, and engagement may encompass a range of subjects, which may or may not include ESG-related matters. References to active stewardship do not apply to certain investment strategies where proxy voting and/or engagement are not used. For instance, there is no engagement with issuers in quantitative investment, passive and certain third-party sub-advised strategies, and RBC GAM does not manage proxy voting for certain third-party sub-advised strategies.
2. ESG integration does not apply to certain investment strategies, asset classes, exposure, or security types. Examples of what would not integrate ESG factors include, but are not limited to, money market, buy and maintain, passive, and certain third-party sub-advised portfolios/strategies or certain currency or derivative instruments. Where ESG integration is applied, ESG factors are considered by our investment teams to varying degrees and weights, depending on the investment team's assessment of that ESG factor's potential impact on the risk-adjusted, long-term performance of the security and/or the portfolio. Where ESG factors do not form a part of a portfolio's investment objective, ESG factors are generally not likely to drive investment decisions on their own, and in some cases, may not impact an investment decision at all.

Our Approach to Responsible Investment

We believe that being an active, engaged, and responsible investor empowers us to enhance the risk-adjusted, long-term performance of our portfolios and is consistent with our fiduciary duty.

ESG integration[1]

Our investment teams incorporate material environmental, social and governance (ESG) factors into their investment decisions for applicable types of investments.

Active stewardship[2]

We incorporate material ESG factors in proxy voting and engagement with issuers for applicable types of investments. We may also participate in RI industry initiatives, where applicable.

Client-driven solutions and reporting

We aim to align our solutions with client demand and provide transparent and meaningful reporting.

Systemic ESG factors

While any ESG factor may be material to an investment or portfolio, we believe that there are certain systemic ESG factors that are likely material to issuers across most sectors and geographies. Such systemic ESG factors include governance, climate change and nature, and human rights. These factors may pose investment risk as well as potential systemic risks due to their ability to affect economies, markets and/or society more broadly.

Governance

Climate and nature

Human rights

ESG integration in our investment approach

This diagram illustrates how material ESG factors and responsible investment activities contribute to our overall decision-making in our investment approach, for applicable types of investments[1]. This complements our investment teams' fundamental and systematic investment approaches.

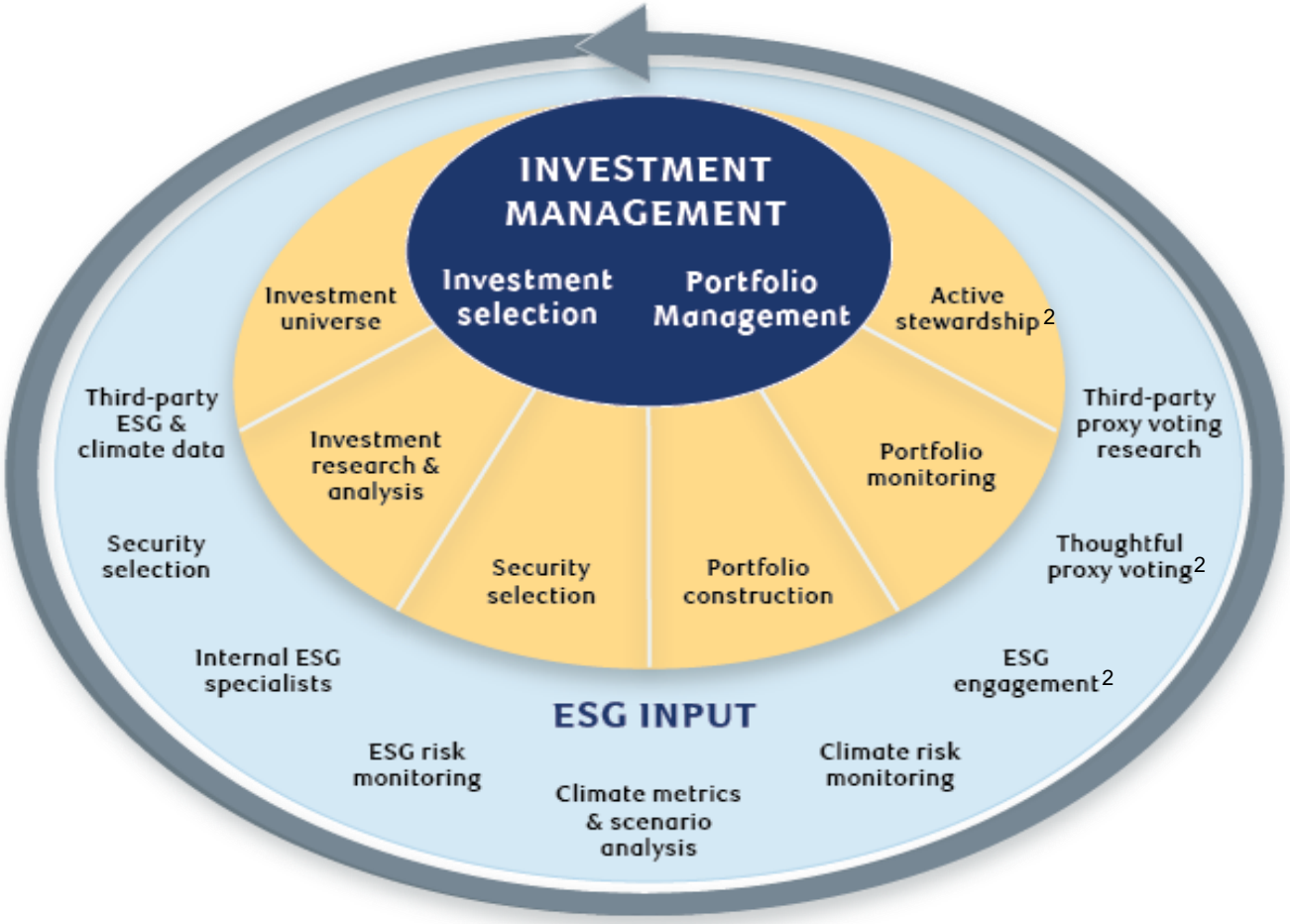
INVESTMENT POLICY & STRATEGY

Explicit ESG factors may be included in specific investment mandates or offering documents.

INVESTMENT RISK

ESG risks, including climate risk, are monitored at the firm level.

Source: RBC GAM Climate Report 2024



ESG Integration

At RBC GAM, we believe that being an active, engaged, and responsible investor empowers us to enhance the risk-adjusted, long-term performance of our portfolios and is consistent with our fiduciary duty.

Is investment-led

- Investment teams incorporate material ESG factors when making investment-related decisions within the portfolios that they manage, for applicable types of investments, with an aim to identify potential material risks and opportunities and improve risk-adjusted, long-term performance .[1]
- The ESG integration activities undertaken by each team are intended to reflect the best interests of our clients and the time horizon of their investment strategies.

Focuses on materiality

- Our investment teams focus on those ESG factors that they have determined may impact the value of the investment.
- The extent of these impacts depends on the issuer, the industries and geographies in which it operates, and the nature of the investment strategy for which it is purchased.

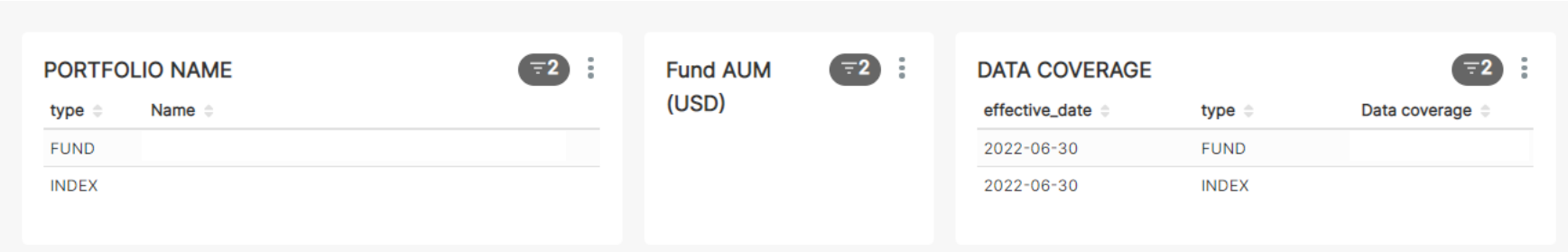
Continuously improves and innovates

- The culture at RBC GAM revolves around innovation, continuous learning, and harnessing the power of human and machine. Our investment teams explore new and, in our opinion, improved ways to integrate material ESG factors into their investment approaches.
- Some of our continuous learning initiatives include: firm-wide ESG education sessions, an internal ESG network where our investment teams share perspectives on ESG topics, and a monthly internal newsletter on new developments in RI.

Source: RBC GAM, Our Approach to Responsible Investment

Example: Climate Dashboard[1]

Internal tool available for assessing and monitoring climate risks and opportunities



Updated monthly
200+ portfolios available
Portfolio, sector & security-level analysis
125+ data points
Displayed in 100+ tables or charts

Equity and corporate bonds

CARBON EMISSIONS	TRANSITION ANALYSIS	NET-ZERO ALIGNMENT	CLIMATE SCENARIO ANALYSIS
Financed emissions Weighted average carbon intensity Historical trend analysis Emissions/$M invested Top holdings *Includes Scope 1, 2 and 3 emissions*	Low carbon transition risks & opportunities Fossil fuel exposure Green revenue exposure Low-carbon patents Power generation exposure Top holdings	Issuers' climate targets Temperature alignment Top holdings	Climate VaR by scenario: ▪ Nationally Determined Contributions, Hothouse World, (3°C) ▪ Delayed Transition, disorderly (2°C) ▪ Below 2°C, orderly (2°C) ▪ Net Zero by 2050, orderly (1.5°C)

Sovereign bonds

SOVEREIGN BONDS
Weighted average carbon intensity Issuers' climate targets

Source: RBC Global Asset Management, for illustrative purposes only.

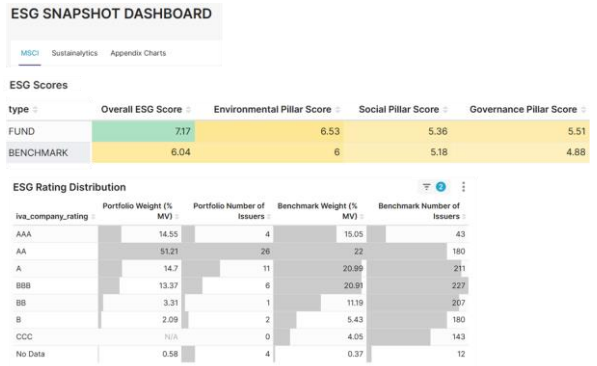
[1] Climate Dashboards may not be provided for all investment strategies, and climate metrics may vary by period. The frequency with which Investment teams review the Dashboards may vary by team.

ESG integration[1]
Focus on: Governance

Our Responsible Investment (RI) and investment teams have access to governance data for issuer- and portfolio-level analysis. For example, the RI team produces a quarterly ESG Snapshot for investment team use.

- Investment teams use ESG data from various providers in their own respective ESG integration processes. For example, some investment teams have developed their own governance data sheets to analyze individual issuers and portfolios' governance risks.
- The RI team also monitors governance trends on an ongoing basis. For example, the RI team flags specific governance issues arising in our proxy voting activities[2] for consideration in our annual update to the Proxy Voting Guidelines.

ESG Snapshots (internal tool)


ESG SNAPSHOT DASHBOARD

MSCI Sustainalytics Appendix Charts

ESG Scores

type	Overall ESG Score	Environmental Pillar Score	Social Pillar Score	Governance Pillar Score
FUND	7.17	6.53	5.36	5.51
BENCHMARK	6.04	6	5.18	4.88

ESG Rating Distribution

iva_company_rating	Portfolio Weight (% MV)	Portfolio Number of Issuers	Benchmark Weight (% MV)	Benchmark Number of Issuers
AAA	14.55	4	15.05	43
AA	51.21	26	22	180
A	14.7	11	20.99	211
BBB	13.37	6	20.91	227
BB	3.31	1	11.19	207
B	2.09	2	5.43	180
CCC	N/A	0	4.05	143
No Data	0.58	4	0.37	12

Source: RBC GAM, for illustrative purposes only.

- ESG Snapshots summarize high-level ESG data from our research providers MSCI ESG and Sustainalytics. This includes portfolio-level ESG scores, sector distributions, score distributions, and ESG controversy flags.
- At their own discretion, investment teams can then identify cases for further investigation. For example, the ESG Snapshot may flag that the portfolio's average governance score in the Consumer Discretionary sector is worse than the benchmark's, prompting further analysis.

Active Stewardship[1]

We incorporate material ESG factors in proxy voting and engagement with issuers for applicable types of investments.[1]

Proxy Voting

RBC GAM seeks to act in the best interest of the portfolios it manages, which extends to exercising the voting rights attached to securities within these portfolios. We exercises the voting rights of the portfolios we manage with a view to enhancing the long-term value of the securities held.

- Election of directors
- Shareholder proposals
- Proxy contests
- 'Say on Pay'

Proxy Voting Guidelines (available online) → Responsible Investment team review[1] → Proxy Voting Committee → Proxy voting records

Source: RBC GAM.

Engagement

RBC GAM engages with issuers, regulatory bodies, lawmakers, and other stakeholders, where applicable, in consideration of the best interests of our investments and portfolios.

In certain instances involving quantitative investment, passive and certain third-party sub-advised strategies, there is no direct engagement with issuers by RBC GAM.

- Climate and nature
- Shareholder Rights
- Executive Compensation
- Board Diversity

Engagement

We engage with issuers, regulatory bodies, lawmakers, and other stakeholders, where applicable, in consideration of the best interests of our investments and portfolios.

- Investment teams and the Responsible Investment (RI) team may meet with the issuers in which we invest on a regular basis to discuss topics deemed relevant to the investment case, which may or may not include material ESG factors.
- ESG-related engagement is prioritized based on the materiality of the ESG factor to the specific investment or portfolio.

In 2025, our investment teams held just under 1,500 ESG-related engagements [1]

Source: RBC GAM, Commitment to the UK Stewardship Code, 2025

The objectives of our ESG-related engagements typically include:

Information gathering on material ESG factors and the steps the issuer is taking to address these factors.

Seeking better public disclosure of material ESG factors and the steps the issuer is taking to address those factors.

Encouraging more effective management of material ESG factors, when we believe they may affect the value of the investment or portfolio.

Where an issuer is lagging its peers on a material ESG factor, requesting specific actions, monitoring those actions, and encouraging continued improvement on the material factor, if we believe this may affect the value of the investment or portfolio.

Source: RBC GAM, Our Approach to Responsible Investment

1. The reported figures may not fully capture all ESG engagements as some may not be included in our tracking systems. Engagements purely on non-ESG factors are excluded. The reported figure includes instances where we engaged with the same issuer more than once.

Proxy Voting: Shareholder Proposals

We vote on proxies in line with our Proxy Voting Guidelines and disclose our proxy voting records on our regional website.[1] We review shareholder proposals on a case-by-case basis, considering:

Materiality

- Is the issue raised by the proponent material to the issuer?

Existing disclosures and/or practices

- Are the issuer's existing disclosures and/or practices adequate?
- Can shareholders reasonably assess risk and opportunity?

Benefits to shareholders

- Would fulfilling the proposal's request meaningfully benefit shareholders?

Burden and prescriptiveness

- Is the proposal unduly burdensome or prescriptive?
- Is the proposal micromanaging the company or mandating a specific course of action?

1. RBC GAM, Proxy Voting Guidelines, March 2025

Proxy voting statistics: January 1 to December 31, 2025

	Canada	U.S.	Rest of World	Overall
Proposals	2,933	12,482	13,363	28,778
Votes WITH management	2,691	10,376	12,162	25,229
Votes AGAINST management	242	2,106	1,201	3,549
% of votes AGAINST management	**8.25%**	**16.87%**	**8.99%**	**12.33%**

Source: RBC GAM
Notes: The proxy voting statistics include voting for RBC GAM except for externally managed sub-advised funds and certain institutional accounts.

Voting statistics account for proxy votes submitted by RBC GAM and may include instances where RBC GAM's proxy votes were rejected at the time of meeting, which may occur due to proxy voting administration issues. Voting statistics exclude instances where RBC GAM intentionally did not vote due to shareblocking restrictions, a decision to vote on a competing proxy card in a proxy contest, or due to logistical impediments. Regions based on Institutional Shareholder Services' (ISS) market classification. Rest of World includes all markets other than Canada and USA.

RI industry initiatives

Canadian Coalition for GOOD GOVERNANCE
THE VOICE OF THE SHAREHOLDER

PRI Principles for Responsible Investment

Climate Action 100+
Global Investors Driving Business Transition

RIA
Responsible Investment Association

CLIMATE ENGAGEMENT CANADA

Council of Institutional Investors®
The voice of corporate governance

ICGN
International Corporate Governance Network

IFRS Sustainability Alliance

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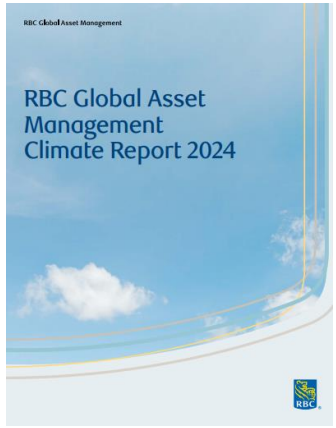
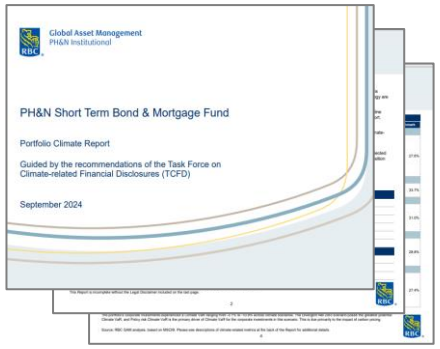
In some cases, a specific RBC GAM affiliate may serve as signatory to or member of these initiatives, depending on factors including, but not limited to, the asset class, sub-asset class, or region relevant to the initiative. References made to RI activities conducted as part of industry affiliations/professional associations are not an endorsement by any third party to invest with RBC GAM and are not indicative of future performance. Investors should not rely on awards/industry affiliations/professional associations for any purpose and should conduct their own review prior to investing. Some memberships/affiliations require a fee payment (information available upon request) and confers benefits to investor members such access to resources and support to facilitate ESG incorporation efforts, attendance at convened events. Membership is related to the organization and not related to funds.

RI Reports



RBC GAM publishes an **annual climate report** that is guided by the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD).

The Climate Report 2025 is our sixth annual report, and the third report published in line with the U.K. Financial Conduct Authority ESG Sourcebook.



Portfolio Climate Reports are available to institutional clients in some regions, on request.

These are client-facing reports that meet the requirements of the United Kingdom Financial Conduct Authority (FCA), ESG Sourcebook. The reports include a range of climate metrics for investment strategies, funds, or accounts. This includes metrics related to carbon emissions (absolute and intensity based), temperature alignment, and climate scenario analysis.

RBC GAM is a signatory to the **UK Stewardship Code** 2020 (The UK Code).

The UK Code aims to enhance the quality of engagement between asset managers and companies to help improve long-term risk-adjusted returns to shareholders.

RBC GAM's 2024 Annual Stewardship Report met the expected standard of reporting of the Financial Reporting Council (FRC). RBC GAM has submitted its 2025 report to the FRC.

RI Insights

Examples of publications:

- Perspectives on climate change and nature
- What is the road ahead for shareholder proposals?
- Investor perspectives on modern slavery and supply chain risks

See rbcgam.com

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REPORT

To: ONE Joint Investment Board
From: Keith Taylor, Chief Investment Officer, ONE Investment
Date: May 28, 2026
Re: 2026 Investment Plan review for Aurora, Clarington, Central Frontenac, Huntsville, and Innisfil
Report: ONE JIB 2026-014

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the Investment Policy Statements (IPS) and Municipal Client Questionnaires (MCQ) from the following Participating Municipalities, summarized in the table below:

Municipality	MNRI Value March 31, 2026	IPS	MCQ
Town of Aurora	$58,144,864	Attachment 1	Attachment 2
Municipality of Clarington	23,968,461	Attachment 4	Attachment 5
Township of Central Frontenac	3,784,080	Attachment 7	Attachment 8
Town of Huntsville	12,328,039	Attachment 10	Attachment 11
Town of Innisfil	68,575,864	Attachment 13	Attachment 14

2. Approve the following Investment Plans, which are summarized in the table below:

Municipality	Contribution (withdrawal) of MNRI	Current Consolidated Equity Exposure	Proposed Model Assigned (equity weight)	Allocation to Alternative Investments	Investment Plan
Town of Aurora	-	Model E (50% Equity)	Unchanged	Does not permit	Attachment 3
Municipality of Clarington	-	Model G+ (70% Equity)	Unchanged	Permits	Attachment 6
Township of Central Frontenac	+$500,000	Model F (60% Equity)	Unchanged	Does not permit	Attachment 9
Town of Huntsville	+$3,500,000	Model D (40% Equity)	Unchanged	Does not permit	Attachment 12
Town of Innisfil	-	Model C (30% Equity)	Unchanged	Does not permit	Attachment 15

2. SUMMARY

This report provides updates to the Investment Plans for the five ONE JIB Participating Municipalities scheduled for annual review at the May 2026 ONE JIB meeting. There have been no significant changes in their circumstances this year that require a change in their assigned investment allocation. In all cases, the recommended investment model for each remains unchanged, since the strategic asset allocations in place remain aligned with each municipality's needs and circumstances. Therefore, no adjustments to the assigned allocations are required.

The Town of Innisfil anticipates significant drawdowns in its MNRI over the next few years, and its updated Municipal Client Questionnaire (MCQ) reflects a shorter investment horizon for municipal reserves. Substantial uncertainty persists regarding the precise timing of these drawdowns, and greater clarity may warrant assigning a model portfolio with a lower risk profile. Consequently, adjustments to the selected model will likely be required in future years, when there is better clarity on liquidity needs.

All five municipalities use the approved Model Portfolios, with only one of these municipalities using a model that has exposure to alternative investments. Clarington's council-approved IPS permits the use of long-term alternative investments, while the other four municipalities have not elected to permit the use of alternative investments.

3. BACKGROUND

The investment plans being reviewed all use the JIB-approved model portfolios

Each Investment Plan under review contains allocations from the eleven model portfolios approved by ONE JIB. These models span a range of risk-return profiles suitable for municipal clients. Some of these models also have exposure to alternative investments, which may be used only if municipal councils explicitly approve their use. The most recent model portfolio review occurred at the ONE JIB meeting on September 4, 2025, where the overall risk and return profiles of the models remained largely unchanged

There are seven approved models, each with a different equity allocation, with an additional four models that also offer exposure to alternative investments. The details of the Model Portfolios considered on September 4, 2025, can be found here: Model Portfolio Review 2025 – Slide 9.

Investment returns help provide municipalities with an additional source of revenue

Ontario municipalities are under growing pressure to deliver the kinds of infrastructure residents expect, including recreation facilities, fire halls, roads, and libraries, while keeping property tax and rate increases at a reasonable level. Balancing these expectations with available revenue sources is becoming increasingly difficult as costs rise and demand grows.

When funding for capital projects cannot be secured through other channels, such as government grants or the existing tax or rate base, municipalities often have no choice but to delay or scale back their capital plans or resort to debt financing. Under the *Municipal Act*, municipalities are prohibited from running an operating deficit. These further limit their ability to respond to these demands.

Earnings from municipal investments can make a meaningful difference. By applying these returns to capital costs, municipalities can reduce pressure on the tax base, maintain service levels, and advance key projects in a manner that is both financially sustainable and responsible. There are limits to how much municipalities can rely on tax increases to fund capital projects. This underscores the importance of investment income as a complementary source of funding that can reduce potential property tax increases. For context, Table 1 below summarizes the revenue that would be raised by a 1% increase in property taxes for the municipalities identified in this report.

Table 1: Impact of a 1% tax increase on revenues.

Municipality	**Revenue impact of a 1% tax increase**
Town of Aurora	$636,988
Municipality of Clarington	$880,000
Township of Central Frontenac	$140,000
Town of Huntsville	$250,000
Town of Innisfil	$1,020,000

The objectives and circumstances of the five Participating Municipalities are broadly unchanged since the last annual review

Following a review of each Participating Municipality's circumstances, the investment objectives for all five remain unchanged with circumstances that are substantially the same as the last update, and time horizons remaining largely consistent. As a result, the assigned models remain unchanged for all Investment Plans.

The investment horizon associated with municipal reserves remains a key consideration in the analysis. Reserves with longer horizons can typically assume a higher risk profile, as a longer investment horizon provides sufficient time for the portfolio to recover from any short-term loss. For this reason, the investment horizon of MNRI reserves or categories can provide direct insight into the risk tolerance associated with each municipality's MNRI. Details on the investments associated with municipal MNRI categories are set out in sections 5.1 and 5.2 of each municipality's MCQ, and this information has been considered in the recommended allocations.

The proposed investment allocations reflect prudent judgment, guided by the Participating Municipality’s objectives, constraints, and circumstances. The primary source documents

for the annual review include the IPS and MCQ, but supplemental information and context from municipal staff help inform the recommended model portfolio**.**

Central Frontenac and Huntsville plan to contribute additional MNRI following the 2026 annual review

Central Frontenac plans to make annual contributions of $500,000 to offset expected future roadwork spending. The annual contribution for 2026 was identified in the previously approved investment plan as an “in-year” contribution. The timing of the 2026 contribution by the municipality is being adjusted to coincide with the timing of the 2026 Investment Plan review.

Huntsville plans to make a $3.5 million MNRI contribution. As part of the annual review process, the Treasurer reevaluated balances in MRI versus near-term planned spending. As there was more than sufficient liquidity within MRI to address these needs, incremental money will be contributed to MNRI.

4. ANALYSIS

The process of determining the appropriate recommended allocations considers the horizon associated with municipal MNRI, but also considers qualitative factors

The recommended allocations for each Participating Municipality are discussed by the Chief Investment Officer (CIO), the Manager of Investment Services, and the External Investment Manager, and involve a process that includes analysis of reserves and additional qualitative factors.

The analysis of municipal MNRI begins with an assessment using the former Outcomes Framework[1], which generates a suggested consolidated equity allocation. This allocation serves as the foundational reference point for further evaluation. In parallel, the CIO calculates a weighted-average time horizon of MNRI, which serves as a basis for a second, independently derived equity allocation weight. These two suggested allocations are then compared and carefully considered when assigning the appropriate Model Portfolio.

Concurrently, the municipality’s specific circumstances, needs, and risk tolerance are assessed. This contextual evaluation is integrated into the decision-making process and, where appropriate, may justify adjustments to the recommended allocation derived from the MNRI analyses. In certain cases, the *ability* of a Participating Municipality to assume risk, as inferred from the time horizons of municipal reserves, may not align with the municipality’s *willingness* to accept risk. This qualitative assessment, based on the MCQ and discussions with the Treasurer, may lead to modifications to the recommended model.

[1] The Outcomes Framework, while no longer used as an investment strategy, is still deployed as a communication tool to help bridge between municipal finance perspectives and investment strategies.

The allocation for Aurora reflects the Town's long investment horizon, with no recommended changes

Aurora's circumstances remain broadly similar to last year, with the investment horizon associated with MNRI reserve balances remaining relatively long, with no known need to draw down MNRI balances within the next ten years. This long investment horizon allows Aurora's MNRI to be invested to achieve long-term growth. The Town also has significant Restricted Special Assets that can be liquidated to address liquidity needs as required, significantly reducing the likelihood that the Town will need to access MNRI for unexpected spending. Based on analysis of the circumstances and objectives, an allocation to Model E, which has a 50% equity allocation, remains appropriate. Table 2 summarizes the proposed allocations for Aurora (Model E).

The Treasurer noted that about $12.9 million of MNRI reflects water and wastewater DC reserves, which may be increasingly relevant for planning purposes, as the province is exploring changes that could modify the treatment of these reserves, which potentially could affect MNRI balances. This may be a source of uncertainty for Aurora's MNRI in future years, which is likely to also affect other municipalities.

Table 2: Aurora's Allocation Summary

50% EQUITY MODEL (E)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	37.5%	$21,804,324
Global Fixed Income and Credit	12.5%	$7,268,108
Canadian Equities	25%	$14,536,216
Global Equities	25%	$14,536,216
Alternatives	0%	$0
Total	100%	$58,144,864

Central Frontenac will be contributing $500,000 to MNRI to fund future maintenance expenses for Ontario Road 38

Central Frontenac's MNRI is associated with reserves to fund the future maintenance of Ontario Road 38. The financing plan for this maintenance includes annual contributions of $500,000 and anticipates drawdowns of MNRI to fund $8 million in recurring roadworks every eight to ten years. An in-year contribution was contemplated and approved in last year's Investment Plan update to reflect the 2026 MNRI contribution. Due to the timing of the annual review, the 2026 annual contribution will be made shortly after the Investment Plan is approved.

When Central Frontenac joined the ONE JIB in 2024, the Treasurer initially projected that $4 million in spending would be required in 2029, followed by $8 million every eight to ten

years thereafter. However, subsequent evaluations of road conditions indicate that these expenditures are unlikely to occur as originally forecast.

Although no formal update has been issued regarding the projected spending needs for Road 38, input from Public Works staff suggests that major asset management activities may be deferred or that actual costs could be lower than anticipated. Estimates for anticipated drawdowns are presented in Table 5.2 of the MCQ, indicating expected drawdowns of $8.4 million occurring at least 10 years from now.

Recent maintenance measures have helped preserve the condition of the existing roadway, thereby delaying the need for major resurfacing or reconstruction. In addition, favourable investment performance in 2025 increased the funds available for future capital spending needs. As actual spending will depend on future road conditions, there remains significant uncertainty regarding both the timing and magnitude of these expenditures.

It is unclear whether the annual contributions and investment growth will be sufficient to fund Road 38's asset management spending requirements over time. If the available reserves for capital spending are insufficient, spending may need to be reduced, or funding from alternative sources may be required. The Township recognizes that earnings from investments are only one of its potential funding options.

Overall, there has been no change in Central Frontenac's circumstances that would require a revised investment allocation, and Model F (60% equity) remains appropriate. The Township will remit this year's $500,000 contribution in June 2026. Table 3 summarizes the proposed allocations for Central Frontenac (Model F).

Table 3: Central Frontenac's Allocation Summary

60% EQUITY MODEL (F)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	30%	$1,285,224
Global Fixed Income and Credit	10%	$428,408
Canadian Equities	30%	$1,285,224
Global Equities	30%	$1,285,224
Alternatives	0%	$0
Total	100%	$4,284,080

Clarington continues to have a very long investment horizon associated with MNRI and expects to be making net contributions to MNRI over the next ten years

Clarington is currently in a period of significant infrastructure growth. Although it faces substantial near‑term expenditures related to the construction of a new recreation centre, an operations yard and facilities centre, these costs are being funded through MRI and have been incorporated into the municipality's long‑term financial planning.

As several major projects are completed, the annual budget allocations presently directed toward new infrastructure will be redirected to asset management activities, with a focus on building municipal reserves to address future needs identified in the asset management plan. Over time, it is anticipated that this may lead to Clarington's investment horizon becoming somewhat shorter.

Clarington's MNRI primarily reflects reserve balances with a horizon that is beyond 10 years. Clarington also expects that it will make net contributions to MNRI over the next 10 years and has sufficient liquidity within MRI to address potential contingencies.

The assigned investment allocation, Model G+, which has a 70% allocation to equities and 10% allocation to alternative investments, is suitable considering the municipality's circumstances and objectives. As there are no near-term liquidity needs associated with MNRI, an allocation to alternative investments is appropriate. The recommended investment allocation is unchanged from the Investment Plan approved last year, and Clarington will not be making contributions or withdrawals of MNRI this year. Details on the proposed investment model are provided in Table 4 below:

Table 4: Clarington's Allocation Summary

70% EQUITY MODEL (G+)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	20.0%	$4,793,692
Global Fixed Income and Credit	0.0%	$0
Canadian Equities	35%	$8,388,961
Global Equities	35%	$8,388,961
Alternatives	10%	$2,396,846
Total	100%	$23,968,461

Huntsville will be making a $3.5 million incremental contribution to MNRI

The Town of Huntsville will increase its MNRI investment with ONE JIB this year with a $3.5 million contribution to MNRI. The Town is not currently undertaking a significant capital spending project; although several potential projects are under consideration by Council, no near-term projects have been approved.

Potential capital projects under consideration include a new library, a new fire hall, and expansion of the operations centre. However, these have neither been approved nor budgeted. The Treasurer noted that, if approved by council, these three initiatives would likely require debt financing, which would not impact MNRI.

These circumstances suggest that there are no liquidity needs from MNRI in the foreseeable future. Most of Huntsville's MNRI has an investment horizon of less than 10 years, except for about $4 million in reserves set aside for Huntsville's share of a hospital

to be built in 10 years. Based on the investment horizon associated with MNRI reserves, Model D has been recommended for Huntsville. The recommended investment allocation is unchanged from the Investment Plan approved last year. The $3.5 million MNRI contribution represents reserves with a similar investment horizon as current MNRI balances. Details on the proposed investment model are provided in Table 5 below:

Table 5: Huntsville's Allocation Summary

40% EQUITY MODEL (D		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	45%	$7,122,618
Global Fixed Income and Credit	15%	$2,374,206
Canadian Equities	20%	$3,165,608
Global Equities	20%	$3,165,608
Alternatives	0%	$0
Total	100%	$15,828,039

Innisfil anticipates significant near-term infrastructure spending to support growth. This has shortened the investment horizon and may lead to most of its MNRI being drawn down within the next five years

Innisfil faces prospects for nearer-term withdrawals from MNRI, which could substantially deplete MNRI. However, the municipality's annual review has provided additional detail on the timing. For planning purposes, the MCQ indicates that all MNRI would be withdrawn within the next five years, which staff noted as a very conservative assumption. This implies that liquidity may increasingly become a consideration, and a reduction in equity exposure would be appropriate.

Although municipal staff are confident that significant withdrawals from MNRI will be required over the next five years, there is significant uncertainty about the exact timing. No immediate withdrawals are pending, but discussions with the Treasurer suggest that about half of MNRI could be withdrawn by 2029, with the remaining MNRI potentially offering a longer investment horizon.

Based solely on the investment horizon for municipal reserves as detailed in Table 5.1 of the MCQ, an equity allocation of 20% could be justified. However, with no firm timeline for the first withdrawal of MNRI, and the possibility that the withdrawals could be deferred, reducing equity exposure may be premature. The recommended investment allocation remains unchanged from the Investment Plan approved last year; therefore, it is recommended that the current allocation to Model C (30% equity) be retained. Details on the proposed investment allocation are provided in Table 6 below:

Table 6: Innisfil's Allocation Summary

30% EQUITY MODEL (C)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	55.0%	$37,716,725
Global Fixed Income and Credit	15.0%	$10,286,380
Canadian Equities	14%	$9,600,621
Global Equities	16%	$10,972,138
Alternatives	0%	$0
Total	100%	$68,575,864

5. CONCLUSION

Annual reviews of investment Plans have been completed for five Participating Municipalities. The investment horizons associated with municipal reserves, investment objectives, and circumstances have not materially changed for any of these Participating Municipalities. As a result, no change in the recommended model portfolio allocations is proposed.

Central Frontenac and Huntsville will make incremental contributions shortly after approval of their Investment Plans.

ATTACHMENTS
Attachment 1- Aurora's 2026 IPS
Attachment 2 - Aurora's 2026 MCQ
Attachment 3 - Aurora's proposed Investment Plan 2026

Attachment 4 - Clarington's 2026 IPS
Attachment 5 - Clarington's 2026 MCQ
Attachment 6 - Clarington's proposed Investment Plan 2026

Attachment 7 - Central Frontenac's 2026 IPS
Attachment 8 - Central Frontenac 2026 MCQ
Attachment 9 - Central Frontenac's proposed Investment Plan 2026

Attachment 10 - Huntsville's 2026 IPS
Attachment 11- Huntsville's 2026 MCQ
Attachment 12 - Huntsville's proposed Investment Plan 2026

Attachment 13 - Innisfil's 2026 IPS
Attachment 14 - Innisfil's 2026 MCQ
Attachment 15 - Innisfil's proposed Investment Plan 2026

Attachment 16 - Summary of Approved Model Portfolio Allocations

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Town of Aurora

Policy

Financial Management

Contact: Advisor, Financial Management

Approval Authority: Aurora Town Council

Effective: August 11, 2015

Revised: May 27, 2025

Investment

Overview

Municipalities that are subject to the Municipal Act, 2001 (the “Act”) have no general power to invest money. Such powers must be found either in express provisions of the Act or by necessary implication.

Historically, municipalities that are subject to the Act had very limited express investment powers under section 418 of the Act. Section 418 continues to apply to all municipalities that are subject to the Act unless they elect to pass a by-law pursuant to the new section 418.1. Section 418 of the Act provides that “money that is not required immediately” (M.N.R.I.) can only be invested in securities prescribed by the Province in O. Reg. 438/97 (the “Regulation”). These prescribed securities are generally referred to as the “Legal List Securities” and are included in Part I of the Regulation.

Effective January 1, 2019, the new section 418.1 of the Act came into force. Section 418.1 provides that M.N.R.I. can be invested under that section in any security, provided that in making the investment the municipality exercises the care, skill, diligence and judgment that a prudent investor would exercise in making the investment. If a municipality elects to pass a by-law under section 418.1, the effect will be that its M.N.R.I. must be invested in accordance with the prudent investor regime. The rules, conditions and procedures that apply to investments under section 418.1 are set out in Part II of the Regulation.

Investing M.N.R.I. in Legal List Securities or in accordance with the prudent investor regime are mutually exclusive alternatives. That is to say, section 418 does not apply to a municipality that has adopted the prudent investor regime under section 418.1.

Every municipality, regardless of whether section 418 or 418.1 applies to it, has M.N.R.I. and also money that is required immediately (M.R.I.). Municipalities retain the management and control of their M.R.I. The Act does not include any express

provisions that deal with the investment of M.R.I. However, it is consistent with prudent practice to invest such money until it is actually spent, in order to preserve the capital value of that money. Accordingly, it is necessarily implied that a municipality has the power to invest such money on a short term basis. Because the Act is silent as to how municipalities are to deal with M.R.I. and because of the historical investment powers under the Act, a conservative approach is to invest M.R.I. in appropriate Legal List Securities.

Municipalities that elect to pass a by-law pursuant to the new section 418.1 include in their investment policy:

i. the basis upon which they distinguish between M.N.R.I. and M.R.I.,
ii. principles governing the investment of each category of money, and
iii. This Investment Policy Statement (I.P.S.) is intended to respond to the foregoing requirements.

Town of Aurora staff and Council understand that the funds being invested belong to the residents of Aurora. This investment and procedures documentation will ensure that all funds are invested with care, diligence and judgement of a prudent investor with a primary objective of principal preservation while maximizing returns.

Purpose

This I.P.S. governs the investment of the Municipality's M.N.R.I. and M.R.I. It is intended, among other things, to direct the Treasurer in the investment of M.R.I. and to direct ONE Joint Investment Board (ONE J.I.B.) in the investment of M.N.R.I. by implementing the Authorizing By-law 6502-23 pursuant to which the Municipality authorized the establishment of guidelines for the prudent management of the Municipality's M.N.R.I. pursuant to section 418.1 of the Act.

ln addition to the Municipality's M.R.I. and M.N.R.I., the Municipality is from time to time entrusted with the management of money and investments for a third-party beneficiary ("third party trust funds"), or Third-Party trust Funds. The Municipality’s Third-Party Trust Funds are listed in Schedule B of this I.P.S.

There are also source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Such source(s) of money, referred to in this I.P.S. as "Designated Funds", are listed in Schedule B of this I.P.S. The Designated Funds and the Restricted Special Assets, listed in Schedule A of this I.P.S., are identified in this I.P.S. for the sole purpose of enabling the Municipality to better see, on an aggregated basis, the various financial assets in which the Municipality has an interest.

ONE J.I.B. is not responsible for the investment activities or performance of Third- Party Trust Funds, Designated Funds or Restricted Special Assets.

The goals of this I.P.S. are to:

- Define and assign responsibilities for investment of M.R.I. and M.N.R.I.;
- Describe the Municipality's responsibilities with respect to Restricted Special Assets, Third-Party Trust Funds and Designated Funds;
- Ensure compliance with the applicable legislation;
- Direct ONE J.I.B. as to the Municipality's investment goals and risk tolerance;
- Provide guidance and limitations regarding the investments and their underlying risks;
- Establish a basis of evaluating investment performance and the underlying risks; and,
- Establish a reporting standard to Council.

Governing Legislation
Investments of M.R.I. will, in accordance with this I.P.S., only be made in Legal List Securities.

Investments of M.N.R.I. are governed by the Prudent Investor Standard in accordance with Section 418.1 of the Act. This standard is similar to that which governs trustees and pension fund administrators and creates a fiduciary responsibility. Prudent investment in compliance with the Act and the Regulation enhances the potential for the Municipality to earn improved risk-adjusted rates of return.

Money and investments that the Municipality holds as Restricted Special Assets, Third-Party Trust Funds or has an interest in as Designated Funds will be subject to applicable legislation and any related agreements or instruments.

The Act provides that the Municipality, and therefore ONE J.I.B., must consider the following criteria in planning investments of M.N.R.I., in addition to other criteria relevant to the circumstances:

- General economic conditions;
- The possible effect of inflation or deflation;
- The role that each investment plays within the Municipality's total portfolio of investments;
- The expected total return from income and the appreciation of capital; and
- Needs for liquidity, regularity of income and preservation or appreciation of capital.

Prudent Investor Standard
For M.N.R.I., the standard to be used by the Municipality and ONE J.I.B. shall be the Prudent Investor Standard as required by section 418.1 of the Act and Part II of the Regulation in the context of managing the Municipality's M.N.R.I. and investments thereof. Investments shall be made with the care, skill, diligence, and judgment, taking into account the prevailing circumstances, that persons of prudence, discretion and integrity would exercise in the management of investments, considering the necessity of preserving capital as well as the need for income and appreciation of capital. The Act includes a duty to obtain the advice that a prudent investor would obtain under comparable circumstances.

Officers, employees and investment agents acting in accordance with written procedures and the I.P.S. and exercising due diligence shall take all necessary actions to optimize performance of investments on a portfolio basis, taking into account the prescribed risk and other parameters set out in this I.P.S. and market factors. The Municipality's staff acting in accordance with written procedures and this I.P.S., shall be relieved of personal responsibility for an investment's performance, provided underperformance relative to expectations is reported to Council and the liquidation or sale of investments is carried out in accordance with this I.P.S.

Scope
This I.P.S. applies to employees of the Municipality, to ONE J.I.B. and to the employees of ONE Investment. ONE J.I.B., the Treasurer, and any agent, sub-investment manager or advisor providing services to ONE J.I.B. in connection with the investment of the portfolio shall accept and strictly adhere to this I.P.S.

Definitions
The following capitalized terms are defined terms which have the meanings set out below:

Act
Means the Municipal Act, 2001, S.O. 2001, c. 25, as amended from time to time.

Agent
Means any administrator, Custodian, payment servicer, investment counsel, consultant, banker, broker, dealer or other service provider engaged or appointed by ONE J.I.B. and authorized by ONE J.I.B. to exercise any of the functions of ONE J.I.B. pursuant to a written agreement, in the manner and to the extent provided in the Regulation and without limiting the generality of the foregoing, Agent includes ONE Investment, and the Sub- Investment Manager.

Alternative Assets
Means investments outside traditional investments such as equities, fixed income, and cash which may include, hedge funds, private equity, natural resources, real estate and infrastructure. Alternative investments are typically less liquid that traditional investments and are appropriate only for allocations with a long investment horizon.

Asset Class
An asset class is a specific category of assets or investments, such as cash, fixed income, equities, alternative investments, real estate etc.

Asset Mix (or Asset Allocation)
Means the proportion of each asset class in a portfolio. Asset classes include bank deposits, money market securities, bonds and equities, among other things.

Authorizing By-law
Means a by-law of the Municipality that authorizes it to invest its money and investments that it does not require immediately in the O.C.I.O. offering of ONE J.I.B. pursuant to section 418.1 of the Act, to approve various documents, the entering into of agreements including a Prudent Effective Date Agreement and the delegation of certain powers and duties to ONE J.I.B./ONE Investment.

Benchmark
Means an index that is representative of a specific securities market (e.g. the S&P/TSX Composite Index, the FTSE/TMX 91 Day T-bill Index, etc.) against which investment performance can be compared. Performance benchmarks refer to total return indices in Canadian dollar terms.

CHUMS Financing Corporation (CHUMS)
Means a subsidiary of Municipal Finance Officers' Association of Ontario (M.F.O.A.) which, in conjunction with L.A.S., established ONE Investment.

CFA Institute
Refers to the global, not-for-profit professional association that administers the Chartered Financial Analyst (C.F.A.) and the Certificate in Investment Performance Measurement (C.I.P.M.) curricula and examination programs worldwide, publishes research, conducts professional development programs, and sets voluntary, ethics-based professional and performance reporting standards for the investment industry.

Credit Risk
Means the possibility of a loss resulting from a borrower's failure to repay a loan or meet contractual obligations. That is, the risk that a lender may not receive the owed principal and interest.

Custodian
Means a specialized financial institution that is responsible for safeguarding a municipality's investments and is not engaged in "traditional" commercial or consumer/retail banking. Global custodians hold investments for their clients in multiple jurisdictions around the world, using their own local branches or other local custodian banks ("sub-custodians" or "agent banks").

Designation Funds
Means source(s) of money in which the municipality may have an indirect interest but which the Municipality currently has no authority to invest. Designated Funds are listed in Schedule B of this I.P.S.

Diversification
Means a risk management technique that mixes a variety of investment types within a portfolio to help mitigate portfolio risk. A diversified portfolio holds different kinds of investments to improve the risk adjusted returns.

Derivative
A derivative is a contract between two or more parties whose value is based on an agreed-upon underlying financial asset (like a security) or set of assets (like an index). Common underlying instruments include bonds, commodities, currencies, interest rates, market indexes, and stocks.

Environment, Social and Governance (E.S.G.) Investing
Means considering and integrating E.S.G. factors into the investment process, rather than eliminating investments based on E.S.G. factors alone. Integrating E.S.G. information can lead to more comprehensive analysis of a company.

External Portfolio Managers
Means external third-party investment management firms whose investment offerings are accessed by ONE J.I.B. directly or through services provided to a Pooled Fund. External Portfolio Managers are agents authorized by ONE J.I.B. in accordance with Part II of the Regulation.

Interest Rate Risk
Refers to the possibility that the value of a bond or other fixed- income investment will suffer as the result of a change in interest rates. Interest rate risk can be managed to help improve investment outcomes.

Internal Controls
Means a system of controls that may include authorities, policies, procedures, separation and segregation of duties, compliance checks, performance measurement and attribution, reporting protocols, measures for safekeeping of property and data, and the audit process.

Investment Plan
Means the investment plan applicable to the M.N.R.I. and adopted by ONE J.I.B. under the Regulation, as it may be amended from time to time.

Investment Policy Statement (I.P.S.)
Means the investment policy applicable to the Municipality's investments adopted and maintained by the Council of the Municipality for M.N.R.I. under the Regulation, and for M.R.I., as the same may be amended from time to time. The I.P.S. may also apply to the money and investments held by the Municipality for the benefit of persons other than the Municipality itself and may make reference to source(s) of money in which the Municipality may have an indirect interest but which the Municipality has no authority to invest.

J.I.B.
Is short for Joint Investment Board and means a joint municipal service board that is established under section 202 of the Act by two or more municipalities for the purposes of Part II of the Regulation.

Legal List Securities
Means the securities and other investments and financial instruments that are included from time to time in Part I of the Regulation.

Leverage
Means an instrument strategy of using borrowed money – specifically, the use of various financial instruments or borrowed capital – to increase the potential return of an investment. Typically leverage also tends to increase investment risks.

Liquidity
Means the ability to turn an investment into cash relatively quickly, without a substantial loss in value. For Example, a savings account is more liquid than real estate.

Local Authority Services (L.A.S.)
Means an entity which, in conjunction with M.F.O.A./CHUMS, established ONE Investment.

Local Distribution Corporation or L.D.C.
Means a corporation incorporated under section 142 of the Electricity Act, 1998.

Market Value
Means the price at which a security is trading and could presumably be sold. Also known as Fair Market Value it represents the current value of the investment.

Maturity
Means the date upon which the principal or stated value of an investment becomes due.

Modern Portfolio Theory
Means a theory of portfolio management that looks towards the portfolio as a whole, rather than towards the prudence of each investment in the portfolio. This is found in the CFA Institute Standards of Practice Handbook.

Money Not Required Immediately (M.N.R.I.)
Means the money that is not required immediately by the Municipality that will be under the control and management of ONE J.I.B. and as defined in this I.P.S. that will be invested in accordance with the Prudent Investor Standard.

Money Required Immediately
Means the money that is required immediately by the Municipality that remains under the control and management of the Municipality and, that can be invested in accordance with the Legal List Securities or other applicable legislation.

Municipal Services Corporation (MSC)
Means a corporation established under section 203 of the Act in accordance with the applicable regulation (Ontario Regulation 599/06).

Municipality
Means The Corporation of the Town of Aurora.

O.C.I.O. Offering
Means the comprehensive investment program made available through ONE Investment as an agent for ONE J.I.B., where a qualified investment manager is engaged to advise a Participating Municipality with regard to the investment of the Participating Municipality's M.N.R.I. and to invest and manage such M.N.R.I. in accordance with the terms and conditions set out in the ONE J.I.B. Agreement.

ONE Investment
Means the not-for-profit corporation established by CHUMS and L.A.S. which provides certain management, administrative and other services to ONE J.I.B. as its agents.

ONE J.I.B.
Means ONE Joint Investment Board, established by certain founding municipalities under section 202 of the Act as a J.I.B. for purposes of Part II of the Regulation, which is the duly appointed J.I.B. for the Municipality, as constituted from time to time and which acts in accordance with the Act, the Regulation, the ONE J.I.B. Agreement, including the Terms of Reference, this I.P.S. and the Investment Plan.

ONE J.I.B. Agreement
Means the agreement effective as of the Prudent Effective Date, entered into in accordance with the requirements of the Regulation, pursuant to which ONE J.I.B. has control and management of the Municipality's M.N.R.I.

Participating Municipality
Means from time to time each of the municipalities for whom ONE J.I.B. acts as the J.I.B. under the terms of the ONE J.I.B. Agreement.

Pooled Fund
Means a unit trust established under a trust instrument, generally not available to the public, in which institutional, sophisticated or high net worth investors contribute monies that are invested and managed by an External Portfolio Manager. Monies are pooled or combined with monies of other investors.

Portfolio
Means any collection of funds that are grouped together and required for specific purposes.

Proxy Voting
Means a legal transfer to another party of a shareholder's right to vote thereby allowing shareholders who cannot attend meetings to participate. External Portfolio Managers usually vote proxies on behalf of their clients.

Prudent Effective Date
Means the mutually agreed-upon date by the Municipality and ONE Investment on which the prudent investor regime applies to the municipality as a participating municipality.

Prudent Effective Date Agreement
Means an agreement entered into by the Municipality and ONE Investment that sets out the day on which the prudent investor regime starts to apply to the Municipality.

Prudent Investment Standard
Means the standard that applies when the Municipality invests money that it does not require immediately under section 418.1 of the Act. It requires the Municipality to exercise the care, skill, diligence and judgment that a prudent investor would exercise in making such an investment and the standard does not restrict the securities in which the Municipality can invest. The Prudent Investor Standard applies the standard of prudence to the entire portfolio in respect of the Municipality’s M.N.R.I. rather than to individual securities. It identifies the fiduciary's central consideration as the trade-off between risk and return as found in the C.F.A. Institute Standards of Practice Handbook.

Rebalancing
Means the process of realigning the weightings of a portfolio of assets. Rebalancing involves periodically buying or selling securities in a portfolio to maintain an original or desired level of asset allocation or risk.

Regulation
Means Ontario Regulation 438/97.

Restricted Special Assets
Means investments specified by this I.P.S. and held by the Municipality as of the Prudent Effective Date, where ONE J.I.B. is not able to exercise control. Restricted Special Assets are listed in Schedule A of the I.P.S. and are not considered to be M.N.R.I.

Risk
Means the uncertainty of future investment returns or chance of loss of capital.

Risk Tolerance
Means the financial ability and willingness to absorb a loss in return for greater potential for gains.

Safekeeping
Means the holding of assets (e.g. securities) by a financial institution.

Securities Lending
Means loaning a security to another market participant. The borrower is required to deliver to the lender, as security for the loan, acceptable collateral with value greater than the value of the securities loaned. The Securities Lending program is managed by the Custodian or another appointed agent on behalf of investors. A Securities Lending program is widely used by institutional investors to generate additional marginal returns on the total portfolio.

Sinking Fund
Means a fund established to fulfil the requirements to make annual contributions in respect of various debenture issues wherein money is to be regularly set aside for the payment of the principal of the debentures at maturity.

Sinking Fund Required Contributions (Annual Sinking Fund Requirement)
Means the amount of money to be set aside each year for deposit into a sinking fund or a retirement fund, as applicable, for each sinking fund and term debenture issue in accordance with the Municipality's debenture by-laws when such debentures are issued.

Sinking Fund Required Earnings
Means the investment earnings needed for the Sinking Fund Contributions to continue to grow to a value sufficient to repay the principal at maturity for each issue of sinking fund and term debentures.

Sinking Fund Excess Earnings
Means the investment earnings in excess of the required earnings.

Sub-Investment Manager
Means and asset management firm or investment consultant, acting as a sub-investment manager for ONE J.I.B. that provides investment advice and professional services and is involved in the implementation and operational aspects of the O.C.I.O. Offering, and that has full responsibility for the investment and management of a Participating Municipality's M.N.R.I. through ONE Investment, based on an I.P.S. approved by the Council of the municipality.

Third-Party Trust Funds
Means money over which the Municipality exercises both management and policy control but whose assets are not owned by the Municipality. These funds are governed by a variety of agreements and, in some cases, by legislation. Some funds may have externally mandated investment policies, and some may have investment policies that are determined by the Municipality. Third-Party Trust Funds are listed in Schedule B of this I.P.S.

Trust Fund
Means a fund which consists of assets that have been converted or assigned to a trustee to be administered as directed by agreement or statue. As a result, a trustee holds title to the assets for the purposes of providing benefits, and being accountable, to the beneficiary. The Municipality is the trustee of funds that are to be used for specific purposes by the Municipality or any related parties.

Policy

Money Required Immediately and Money Not Required Immediately

Determination of M.N.R.I. and M.R.I.
Determination of the Municipality's M.N.R.I. is the responsibility of Council. In making the determination, Council may consider:

- the time horizon within which the monies are needed to meet financial obligations
- the purpose for which the monies have been collected or set aside and are to be used
- the source of the money
- any combination of the foregoing

The Municipality has defined M.N.R.I. as money from the municipality's own reserves, reserve funds, sinking funds and current ONE Investments that will not be required to meet financial obligations that become due more than 2 years from the receipt of such money. The purpose of the money is to fund the municipality's future capital, operational and contingency needs.

For certainty, all money and investments of the Municipality that have not been identified as M.N.R.I. (other than Restricted Special Assets, Third-Party Trust Funds and any Designated Funds referenced in the Purpose section of this policy) shall be deemed for purposes of this I.P.S. to be M.R.I.

Determination of the Municipality's M.N.R.I. and M.R.I. may be modified at any time and from time to time by action of Council and with respect to specific money by the Treasurer in accordance with the provisions of the Flow of Money Otherwise than through the Budget Process section of this policy.

Any changes in this I.P.S. regarding the Municipality's M.N.R.I. and M.R.I. must be communicated immediately in writing to ONE J.I.B.

Overview of Portfolios
The Municipality's portfolios represent funds available to support Municipal needs. A high-level description of each of these portfolios and their objectives is provided in the Investment section below. This I.P.S. applies to the following money of the Municipality, its agencies, boards and commissions including:

- M.R.I. which is invested in Legal List Securities; and/or
- M.N.R.I. which is invested under the Prudent Investor Standard.

Investment

M.R.I.
The Municipality's M.R.I. is described in this I.P.S. consists of money that is needed to meet the short-term financial obligations of the Municipality and are controlled and managed by the Treasurer.

M.R.I.: Investment Objectives
The main focus of the investment of M.R.I. is cash management, and the interest income generated by the investment of these monies contribute to municipal revenues. To the extend possible, the Municipality shall attempt to match its investments with anticipated obligations.

Capital Preservation is the paramount objective for M.R.I. investments, and these investments need to be highly liquid. Consequently, only high-quality investments that are also Legal List Securities will be held in this portfolio. The Municipality may invest in full liquid money market securities and deposit accounts. The Municipality aims to maximize returns subject to the constraints set out in Part I of the Regulation, as amended from time to time, with a view to preservice capital and to further manage risk through diversification by issuer and credit quality.

The investment objectives, in the order of priority, for the Municipality for Short-Term Money are:

- **Compliance with Portfolio Restrictions**: The legal authority to invest funds comes from the Act. All investments acquired shall be in conformity with portfolio restrictions and permissions set out in O. Reg. 438/97 – Eligible Investments and Related Financial Agreements, as amended from time to time. The Municipality shall not invest in a security that is expressed or payable in any currency other than Canadian dollars.
- **Preservation of Principal**: Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. Investments shall be made with judgement and care, not for speculation, but for investment, considering the probable safety of the principal invested as well as the probable income derived. Staff shall also endeavor to mitigate credit and interest rate risk by: pre-qualifying the financial institutions, brokers/dealers and advisors with which the Municipality does business; diversifying the investment portfolio; structuring the investment portfolio so that maturing securities meet ongoing cash flow requirements; and investing operating funds primarily in shorter-term securities or approved liquid investment pools.
- **Maintenance of Liquidity**: The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. All non-equity investments shall be interest bearing in nature and equity exposure will be limited to investments in the ONE Investment Program equity funds. The Municipalities portfolio should be well staggered, using a ladder approach which allows investments to mature at various times and provides the Municipality the opportunity to build up the portfolio based on market conditions/opportunities. A portion of the portfolio may be placed in the ONE Investment Program, which offers compliance and liquidity.
- **Maximization of the Rate of Return**: The Investment Portfolio shall be designed with the goal of maximizing the rate of return through budgetary and economic cycles, considering the investment risk constraints and liquidity needs. Staff will explore and utilize any eligible investment vehicles in building the Municipality's investment portfolio. The investment portfolio will be managed with prudent investor principles, to maximize returns within established risk parameters. To take advantage of short-term fluctuations in interest rates, securities may be sold prior to maturity. Investments shall be purchased once multiple bids are received and analysed. The highest yielding bid, which meets the Municipality's cash flow requirements, will be accepted. If the highest yielding bid is not selected, an explanation describing the rationale shall be provided. Staff involved will retain written records of each transaction, including the name of the financial institutions, rates quoted, description of the security, investment selected, and any special considerations that had an impact on the decision. With the goal of maximizing the rate of return on its investments, staff may utilize eligible

investment vehicles for which there is a sole available supplier, such as the ONE Investment Program products. In instances such as this, multiple bids will not be solicited.

M.R.I.: Eligible Investments

M.R.I. may be invested in high quality investments that are also Legal List Securities available from banks, dealers and other financial institutions. Investments issued or guaranteed by approved institutions will be permitted by this I.P.S., as deemed eligible by the Regulation or as authorized by subsequent provincial regulations.

M.N.R.I.: Long-Term Money

The Municipality's M.N.R.I. is described in the Determination of M.R.I. and M.N.R.I. section of this policy. In accordance with the ONE J.I.B. Agreement and this I.P.S., ONE J.I.B. has exclusive control and management of the 2M.N.R.I. and the investments made therewith.

From time to time, the Municipality may require money immediately to meet financial obligations and may require ONE J.I.B. to liquidate one or more investments in order to generate money to meet those obligations. ONE J.I.B. will select the investment(s) to be liquidated. The timing of such liquidation will be determined by ONE J.I.B. in consultation with the Treasurer.

M.N.R.I.: Investment Objectives

In setting the objectives noted below, the Municipality has taken into account the following considerations:

- Preservation of capital;
- Adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements;
- Diversification by asset class, market, sector, issuer, credit quality and term to maturity;
- Income and capital appreciation; and,
- Macro risks, such as inflation, economic growth and interest rates.

Investment of M.N.R.I. is managed by ONE J.I.B. in a way that balances investment objectives, expected returns, and risk to develop asset allocations that achieve the Municipality's financial objectives within stated risk tolerances.

Investment of M.N.R.I. is to be managed by ONE J.I.B., in a way that balances the investment objectives, with a level of risk that is appropriate for the municipality. The M.N.R.I. invested with ONE J.I.B. will be broadly diversified to help reduce the volatility of returns. Returns have an impact on revenues, as well as a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. To the extent

possible, the Long-Term Money's investment horizons are aligned with the Municipality's obligations and cash flow requirements and may consist of liquid and non-liquid securities based on future cash flow requirements.

M.N.R.I.: Eligible Investments

Eligible investments for Long-Term Money include any Pooled Fund or other collective investment vehicle or institutional investment management product approved or selected by ONE Investment for the Prudent Investment Program (O.C.I.O. Offering), provided always that the products and the selection of products comply in all material respects with the I.P.S.

Additionally, nothing in this I.P.S. prevents M.N.R.I. from being held in cash, short term money market instruments, or overnight deposits.

M.N.R.I.: Sinking Funds

Sinking Funds are currently not applicable to the Municipality; however, should any sinking funds be established in the future, they are to be classified as M.N.R.I. and will be managed separately by ONE J.I.B.

Local Distribution Corporation (L.D.C.) Securities

Not applicable to this Municipality.

Restricted Special Assets

With the exception of the Municipality's investments held in the ONE Investment Legal List Portfolios specified below, all existing assets, listed in Schedule A of this I.P.S. and held by the Municipality on the Prudent Effective Date, shall be considered to be Restricted Special Assets, and shall not be held by ONE J.I.B. as M.N.R.I. The Treasurer may choose to liquidate these investments and determine that the proceeds are M.N.R.I., to be invested as per this I.P.S. and the approved ONE J.I.B. Investment Plan.

For certainty, Restricted Special Assets are not M.N.R.I. of the Municipality, and such assets are not under the control or management of ONE J.I.B.

The ONE Investment Legal List Portfolio Investments, held by the Municipality, shall be considered to be M.N.R.I. and transferred to ONE J.I.B. to be invested as M.N.R.I., unless deemed by the Municipality to be M.R.I.

Third Party Trust Funds and Designated Funds

Not applicable to this Municipality.

Investment Management

Investment Management of M.R.I.

The investment of Short-Term Funds shall be controlled and managed by the Treasurer and his/her designate as documented in By-law #6212-19, Schedule "C".

Investment Management of M.N.R.I.

The investment of M.N.R.I. shall be controlled and managed by ONE J.I.B. in accordance with this I.P.S. and the ONE J.I.B. Agreement.

The selected Sub-Investment Manager shall enter into an agreement with ONE Investment related to the O.C.I.O. Offering, that complies with this I.P.S. and Part II of the Regulation and will provide compliance and performance reports to ONE J.I.B. and ONE Investment. ONE J.I.B. shall make any investment management changes deemed in the best interest of the Municipality.

Transition to Prudent Investor Regime/O.C.I.O. Offering

Until the Prudent Effective Date, the Municipality will continue to control and manage its M.R.I., M.N.R.I. and investments in Legal List Securities. Some Legal List investments were made with M.R.I. and some with M.N.R.I.

During the transition to the O.C.I.O. Offering the Chair and Vice-Chair of ONE J.I.B. have discretionary power to approve temporary investments recommended by the Sub-Investment Manager that may not be expressly described in this I.P.S. but are, in the opinion of the Chair and Vice-Chair, in the best interests of the Municipality and are entirely consistent with their fiduciary obligations to the Municipality.

All M.N.R.I. that is not Third-Party Trust Funds, Designated Funds or Restricted Special Assets shall be provide to ONE J.I.B. on the Prudent Effective Date.

Investment Constraints

Environmental, Social and Governance (ESG) Investing

The Municipality supports ESG investing for M.R.I. and M.N.R.I. The Municipality believes that well-managed companies are those that demonstrate high ethical and environmental standards and respect for their employees, human rights, and the communities in which they do business, and that these actions contribute to long term financial performance.

For the investment of M.R.I. will be done in compliance with the investment objectives identified in the M.R.I.: Investment Objectives section of this policy. Accommodating specific ESG considerations may not be possible due to conflicts with the investment objectives. The Municipality has chosen to monitor the developments of ESG factors and will reconsider its approach to ESG investing for the Short-Term Portfolio as and when appropriate to do so.

For the investment of M.N.R.I., ONE J.I.B. is required to explore and consider how the O.C.I.O. is implementing responsible investing principles at the time of hiring and during periodic reviews. It may report on results periodically, if requested.

Securities Lending

For the investment of M.R.I. Securities Lending is not permitted.

For the investment of M.N.R.I., the Municipality may invest in pooled funds, and other investment funds that are managed by the Sub-Investment Manager who may engage in Securities Lending if the policies of the O.C.I.O. permit such an action.

Derivatives

Derivatives may not be used for the investment of M.R.I. For the investment of M.N.R.I., futures and forward contracts, options and other derivative instruments may only be used to (a) create an asset mix position that does not leverage the portfolio, (b) replicate the performance of a capital market index, or (c) reduce risk as part of a hedging strategy.

Use of Leverage

Nothing in this I.P.S. prevents the use of leverage, provided it is prudent to do so. Leverage is inherent in the use of certain types of investment strategies and instruments. Where leverage is employed, ONE J.I.B. (for M.N.R.I.) and the Treasurer (for M.R.I.) shall have in place monitoring procedures to manage overall exposure to any counterparty. Leverages should not be exercised for speculative purposes but may be used as a hedging tool.

Pooled Funds

Investments in open-ended pooled funds, closed-ended pooled funds, limited partnerships and other specialist corporate structures (e.g. L.L.C.s), are permitted provided that the assets of such funds are permissible investments under this I.P.S. or provided that any non-permitted investments are disclosed by the Sub-Investment Manager. Within pooled funds, the External Portfolio Manager’s policies will take precedence over this I.P.S.

Currency Hedging

The M.R.I. Investment Portfolio will not utilize currency hedging.

The Municipality’s funding requirements are in Canadian dollars. However, some exposure to foreign currencies in the M.N.R.I. Investment Portfolio may be advantageous to provide diversification and potentially enhance returns. Therefore, it shall not be a violation of this I.P.S. for investments in global mandates to be unhedged, in whole or in part, where the diversification benefits embedded in the currency exposure are considered to be beneficial or desirable by ONE J.I.B.

Alternative Asset Classes
The applicable legislation does not prevent the direct/indirect placement of the M.N.R.I. in Alternative Asset Classes; this I.P.S. restricts investments in alternative investments for the purposes of management of M.N.R.I. under One J.I.B.

Alternative Asset Classes, such as infrastructure or real estate, may have uncorrelated return characteristics with traditional Asset Classes that may improve diversification within the portfolio, which may lead to better risk adjusted returns. Typically, these investments may not be fully liquid and are only appropriate for inclusion in portfolios with long investment horizons.

Prohibited Investments
Not applicable for this Municipality.

Performance Monitoring, Rebalancing and Management

M.R.I.
For the investment of M.R.I., Municipality staff will monitor the cash flow needs of the Municipality on a periodic basis. Should the needs on the Municipality no longer be met by the asset mix, staff will make changes, at the discretion of the Treasurer, taking into consideration the M.R.I. Investment objectives.

M.N.R.I.
For the investment of M.N.R.I., ONE J.I.B. shall establish parameters for monitoring investments and rebalancing through policy or directly within the investment plan.

Investments are expected to achieve returns at least equal to their benchmarks measured over a rolling five-year period. At minimum, ONE J.I.B. shall provide reporting described in the Reporting section of this policy that shows the Municipality's holdings, confirms compliance with this I.P.S. and reports on the Sub-Investment Manager's performance.

Administrative Policies

Flow of Money and Annual Municipal Budget

Transfer to ONE J.I.B. as Part of Annual Review Process
On an annual basis, as part of the Municipality's Annual Review process, the Municipality shall identify the amount, if any, of M.N.R.I. that it holds. Any M.N.R.I. not already under the control and management of ONE J.I.B. shall be transferred to ONE J.I.B. as soon as practicable.

Transfer to Municipality as Part of the Annual Review Process
On an annual basis, ONE J.I.B. shall be notified by the Treasurer as to the amount, if any, required by the Municipality from the M.N.R.I. then under the control and management of ONE J.I.B. for the Municipality's operational purposes. Such amount shall be deemed

to be M.R.I. and shall be returned to the Municipality in a lump sum or by way of periodic payments, as directed by the Treasurer.

Flow of Money Otherwise than through the Budget Process

Surplus Funds

The M.R.I. captures revenues received by the Municipality during each year after the approval of the Municipality's budget for the year. Any amounts deemed to be M.N.R.I. by the Treasurer at any such time during the year shall be transferred to ONE J.I.B. to be under its management and control as M.N.R.I. Amounts so transferred will be recorded annually in the Investment Plan and allocated by ONE J.I.B. in accordance with the Investment Plan.

Contingencies

The Treasurer is authorized, to direct ONE J.I.B. to return any amounts determined by the Treasurer to be required to meet expenditures for unexpected contingencies not anticipated by the Municipality's budget in force for that year, provided however that the aggregate of the amounts to be returned to the Municipality under this section during the year shall not exceed 25% of the M.N.R.I. under the control and management of ONE J.I.B. as at the date that the Municipality approved its budget for the year (the Budgeted M.N.R.I.). In determining the Budgeted M.N.R.I. for purposes of calculating the 25% limit, any M.N.R.I. to be transferred to the control and management of ONE J.I.B. in accordance with that year's Annual Review pursuant to the Transfer to ONE J.I.B. as Part of Annual Review Process section of this policy shall be included and any amount to be returned by ONE J.I.B. to the Municipality pursuant to the Transfer to Municipality as Part of the Annual Review Process section of this policy shall be excluded. ONE Investment should be made aware of material transactions in advance to ensure the orderly sale of securities to fund withdrawals.

Valuation of Investments

Investments shall be valued according to the values provided by the Custodian(s). For the investment of M.N.R.I., values of unitized vehicles shall be valued according to the unit values published by the Custodian. Other investments shall be valued at their market value when that is available from regular public trading. If a market valuation of an investment is not available, then a fair value shall be supplied by the Sub-Investment Manager to ONE Investment no less frequently than quarterly.

Voting Rights

The Sub-Investment Manager shall assume the responsibility of exercising voting rights in respect of the Municipality's M.N.R.I. and will report their voting policies to ONE J.I.B. annually. The Municipality may access these policies at any time.

Internal Controls
The Treasurer shall establish an annual process of review of all investments made under this I.P.S. This review will provide internal control by assuring compliance with governing legislation and with policies and procedures established by the Treasurer. To the extent ONE J.I.B.'s input is needed, these requirements will be communicated in advance to ONE J.I.B.

Custodians
All municipal investments and assets of the investment portfolios shall be held by a Custodian and any of the Custodian's sub-custodians or nominees. For M.N.R.I., the Custodian shall be acceptable to ONE Investment.

For M.R.I. the following is a list of financial institutions authorized to provide investment services to the Municipality. This list will be maintained and updated as the business environment changes:

- TD Canada Trust
- CIBC Wood Gundy
- BMO Nesbitt Burns Inc.
- RBC Dominion Securities Inc.
- Raymond James Ltd.
- Canaccord Genuity
- ONE Investment

Reporting
M.R.I.
For the investment of M.R.I., the Treasurer shall provide an annual investment report to Council. The Investment report shall contain:

- A statement about the performance of the investments during the period covered by the report;
- A statement by the Treasurer as to whether or not, in their opinion, all investments are consistent with the investments policies and goals of the Municipality;
- Listing of all investments by maturity date;
- Percentage of total portfolio that each type of investment represents; and
- Such other information that Council may request, or that the Treasurer may consider pertinent.

M.N.R.I.

The Regulation provides that ONE J.I.B. shall submit an investment report to Council in respect of the investment of M.N.R.I. at least annually. This report shall include the following.

- Investment performance during the period covered by the report;
- Asset mix of the total portfolio;
- A listing of individual investments held at the fund level at the end of the reporting period showing, where appropriate book value, market value, realized/unrealized gains/losses and actual income received;
- A list of all transactions including the security name, trade date, and the purchase and/or sale price;
- A statement by the Treasurer as to whether all investments were made in accordance with the I.P.S. and as to whether all investments were made in accordance with the Investment Plan; and
- Any other pertinent information in the opinion of the Treasurer.

All securities invested on behalf of the Municipality by ONE J.I.B. or with the assistance of ONE Investment shall be held for safekeeping in the name of the Municipality by a Custodian.

Approval, Subsequent Modifications and Effective Date

Revocation/Amendment of Previous Investment Policy

This policy replaces any existing investment policy of the Municipality, in its entirety, and all previous investment policies are revoked and repealed.

Modifications to the I.P.S.

At least annually Council shall review the I.P.S. and update it, if required. In the course of reviewing the I.P.S., Council may request comments from the Treasurer with respect to the investment of M.R.I. and from ONE J.I.B. with respect to the investment of M.N.R.I.

Following the Council's review of the I.P.S., ONE J.I.B. shall review the Investment Plan and update it, if required.

At a minimum, the annual review will consider:

- the adequacy of funding for capital works;
- the Municipality's ability to reduce other spending;
- flexibility of the timeframe to payout; and
- sensitivity to loss.

Effective Date
This I.P.S. is adopted by Council of the Municipality effective May 27, 2025. The Treasurer is directed to sign a copy of this I.P.S. to evidence approval and to deliver a copy of this I.P.S. to ONE J.I.B.

Responsibilities

ONE J.I.B.
ONE J.I.B. has been appointed by the Municipality in accordance with the requirements of the Act and the Regulation and on the terms and conditions set out in the ONE J.I.B. Agreement (Appendix I).

ONE J.I.B. exercises control and management of the Municipality's M.N.R.I. and the investments made by it in accordance with the objectives and risk tolerance established in this I.P.S.

Among the responsibilities of ONE J.I.B. are the following:

- Reviewing this I.P.S.;
- Adopting and maintaining an Investment Plan that complies with this I.P.S.;
- Engaging Custodians, administrators and other investment professionals (Agents);
- Allocating the money and investments under its control and management in compliance with this I.P.S.;
- Monitoring the performance of the O.C.I.O. Offering and Agents; and,
- Reporting to the Municipality.

The foregoing is subject to the more detailed terms and conditions contained in the ONE J.I.B. Agreement.

Municipal Staff
This I.P.S. is approved and adopted by Council with input from the Treasurer, and from ONE J.I.B. with respect to M.N.R.I. M.R.I. of the Municipality, in addition to any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in the Purpose section of this policy, remain under the control and management of the Treasurer.

Consistent with this I.P.S., the Treasurer is responsible for the implementation of the investment program and the establishment of investment procedures which shall include:

- Investment management of M.R.I. and any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in the Purpose section of this policy by, or under the direction of, the Treasurer;

- The deposit or withdrawal of M.N.R.I., under the explicit delegation of authority regarding M.N.R.I., and the investment thereof, to ONE J.I.B., which is responsible for the control and management of such funds and investments; and,
- A system of controls exercised by the Treasurer to regulate the activities of Deputy Treasurers and Financial Management Advisors.

No person including, without limitation, ONE J.I.B., may engage in an investment transaction except as provided under the terms of this I.P.S.

In the management of M.R.I. of the Municipality, and any Third-Party Trust Funds, Designated Assets and Restricted Special Assets referenced in the Purpose section of this policy, the Treasurer may engage one or more agents and service providers. ONE Investment can assist with the investment of the Municipality's M.R.I., in Legal List Securities, and with the investment of Third-Party Trust Funds, in accordance with the terms of the applicable trust, if permitted, at the request of the Municipality.

Ethics and Conflict of Interest
Individuals who are responsible for the Municipality's Short-Term Portfolio shall comply with the Municipality's Conflict of Interest guidelines and any relevant professional codes of conduct (e.g. the CPA Code of Professional Conduct).

ONE J.I.B., in its capacity as a joint municipal service board, in addition to being a local board of each member Municipality is subject to a Code of Conduct as required by the Municipal Act, 2001 (the "Act"). This Code of Conduct applies to the Chair and the other Members of ONE J.I.B. acting in their capacity as Members of ONE J.I.B.

Monitoring and Maintenance

C.A.O. / directors / managers / supervisors and employees should work collaboratively to resolve issues related to this policy. Any employee found to be disrespecting the terms of this policy other than under exceptional circumstances, emergencies or operational requirement is subject to an investigation and discipline deemed appropriate by their immediate supervisor, Human Resources, the Town Clerk and / or C.A.O.

This policy will be reviewed two years from its effective or revision date, in accordance with the Town of Aurora's policy maintenance schedule.

References

- Electricity Act, 1998, S.O. 1998, c. 15, Sched. A
- Municipal Act, 2001, S.O. 2001, c. 25
- O. Reg. 438/97: Eligible Investments, Related Financial Agreements and Prudent Investment
- O. Reg. 599/06: Municipal Services Corporations

- By-law – Prudent Investor Enabling – 6502-23
- By-law – Delegation of Authority – 6212-19

Schedule A: Restricted Special Assets

Other

- Guaranteed Investment Certificates $1,000,000
- Bonds $2,527,974.12
- Protected Principal Notes $8,247,000
- Accrual Notes $7,134,000
- Step-up Notes $7,500,000

Schedule B: Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

None

Designated Funds

None

Appendix I: ONE J.I.B. Agreement

Appendix II: ONE External Portfolio Manager Mandates

Attachment 2

Print

Clear Form

Municipal Client Questionnaire (MCQ)

The MCQ is part of the ONE Investment / ONE JIB annual Investment Plan review (approval) process. The MCQ along with the Council approved (reviewed) Investment Policy informs ONE JIB of the municipal circumstances to consider with the approval of the Investment Plan.

During the year, outside of the annual review, please update the MCQ within 90 days if the municipality experiences any significant changes, *including a significant change in your municipality's financial circumstances*, or *significant change in the amount of your municipality's "money that it does not require immediately".* For changes between annual reviews, provide written notice of changes by using the in-year MCQ update form on the last page of this document.

Section 1 – Client Information

Name of Municipality: Town of Aurora

Address: 100 John West Way, Aurora ON, L4G 6J1

Treasurer Information

Name: Rachel Wainwright-van Kessel

Phone Number: (905) 726-4772 Extension: _____

Email: RvanKessel@aurora.ca

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*Primary Day to Day Contact Information** ☐ *Check if same information as Treasurer above*

Name: Sandy Dhillon

Phone Number: (905) 727-1953 Extension: _____

Email: sdhillon@aurora.ca

*Primary day-to-day contact should have a comprehensive understanding of your Municipality's financial position and investment needs.

Section 2 - Investment Knowledge and Experience

2.1 Which statement best describes the Municipal staff (person most responsible for managing investments)'s level of investment knowledge and experience with financial markets and products? *Please check one*

- ○ Very limited knowledge
- ○ Basic knowledge and minimal experience
- ◉ Good knowledge and some experience
- ○ Strong knowledge and experience
- ○ Advanced knowledge and extensive experience

2.2 If Municipal staff have strong or advanced knowledge, please describe where this knowledge was acquired (e.g., education, designations experience).

2.3 Please indicate if your municipality has used / held any of the following investment types within the past five years. *Please check all that apply.*

- ☒ Canadian money market securities
- ☒ Locked-in Investments (e.g., GICs, PPNs etc.)
- ☐ Local Distribution Corporation Securities (LDC securities)
- ☐ Securities held in third party trusts (i.e., cemetery trust, legacy fund etc.)
- ☒ Fixed income (government and/or corporate bonds)
- ☒ Equities
- ☐ Other – Please Describe

Section 3 – General Municipal Information

This section provides some high-level demographic information on the municipality

3.1 What is the population of the Municipality? 62,000

3.2 Is your municipality a single tier, upper tier or lower tier? lower Tier

3.3 How much does a 1% tax rate increase generate? 636,988

3.4 Is there any other demographic information about your municipality you would like the ONE JIB to know? *(optional)*

The Town of Aurora is centrally located in York Region and covers 49 square kilometres. Aurora is home to 62,000 residents (2021 Census) and includes 2,300 businesses covering more than 150 major industries and head offices for large corporations.
Income levels of Aurora residents are one of the highest in the nation with an average of $147,000, well above York Region and Ontario averages of approximately $110,000 and $97,800 respectively.
Aurora's community has diverse needs and is home to people that speak 100 different languages as their mother tongue. As per the 2021 Census, 35 percent of residents first language is not English or French. Their language is one of 98 others identified in the census. After English, the five
most common languages are Mandarin, Yue (Cantonese), Iranian Persian, Russian and Italian.

Section 4 – Municipal MNRI Information

4.1 This section summarizes the current MNRI under the management and control of the ONE JIB and the projected change identified in the annual review. *The total value should equal the total MNRI shown in Question 5.1 Investment Objectives and Horizon*

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Description	**Value**
Portfolio Value (A) - *For existing municipalities this is the amount currently invested with ONE JIB as of your last monthly statement.* - *For new municipalities this should be $0*	$ 57,296,293
Change to MNRI: Additional contribution (+) or withdrawal (-) (B) - For existing municipalities this is the MNRI change identified during the annual review (fund transfers are typically completed with 30 days of ONE JIB's approval of the updated investment plan) - For new municipalities, this equals your initial deposit as of the Prudent effective date (TBD)	$ 0
Total MNRI under the management and control of ONE JIB (A + B)	$ 57,296,293

☐ Additional details have been included as an attachment to this MCQ (optional).

4.2 Use this *optional* box to provide any additional MNRI details related to 4.1 above (in lieu of a separate attachment)

As of December 2025, approximately $12.9million of the total One JIB fund belongs to water and wastewater DC reserves and the asset management water and wastewater reserves.

Currently, the province is exploring the idea of centralizing all municipal water and wastewater infrastructure and its management in each region. If these services will be taken away from the municipalities at some point in future than the reserve portfolios will be taken away from the municipalities as well.

Section 5 – MNRI Investment Objectives and Liquidity Needs

This section asks about your Municipality's MNRI, the purpose or investment objective and the expected investment horizon or when funds may be required to meet forecasted municipal obligations.

5.1 What is the Municipal *funding objective(s), investment horizon(s) and purpose(s)* for the MNRI? *The total MNRI value should equal the total MNRI shown in Question 4.1 Municipal MNRI Information*

MNRI by Investment Horizon

Description	Total MNRI ($) (A+B+C) *auto calculate*	Investment Horizon < 5 Years (A)	Investment Horizon 5-10 Years (B)	Investment Horizon >10 Years (C)
Development Charges	$ 10,200,000	$ 1,200,000	$ 3,500,000	$ 5,500,000
Contingency Reserves	$ 7,500,000	$ 2,000,000	$ 2,000,000	$ 3,500,000
Special Purpose Reserves	$ 10,000,000	$ 2,500,000	$ 3,000,000	$ 4,500,000
Asset Management Reserves	$ 20,000,000	$ 4,000,000	$ 4,000,000	$ 12,000,000
Growth and New infrastructure	$ 9,596,293	$ 996,293	$ 3,600,000	$ 5,000,000
Total MNRI - *auto calculate*	$ 57,296,293	$ 10,696,293	$ 16,100,000	$ 30,500,000

Note – Description is up to the municipality, it could be total MNRI (one line) or broken out into the funding objective/investment purpose, or municipal reserve name/group (multiple lines)

☐ Additional details have been included as an attachment to this MCQ (optional).

5.2 Based on *current* municipal forecasts, please provide details that may help inform the ONE JIB about ***potential drawdowns/additions to MNRI*** that may be anticipated in future years.

Cash Flow Projections Potentially Affecting Future MNRI

Description	Next Year	2 years	3-5 years	5-10 years	10 years +
Anticipated MNRI Drawdowns (-)	$ 0	$ 0	$ 0	$ 0	$ 0
Anticipated MNRI Contributions (+)	$ 0	$ 0	$ 0	$ 0	$ 0
Net Change to MNRI	$ 0	$ 0	$ 0	$ 0	$ 0

5.3 Does the municipal forecasts used (above in 5.2) reflect

☐ Drawdowns of current reserve balances, or

☒ Drawdowns of current reserve balances inclusive of projected future budgetary contributions

5.4 What *assumptions or factors* do your municipality include in the MNRI cash flow projections? For example, but not limited to, inflation assumptions on capital projects, assumptions on future tax-based reserve contributions, forecasted development charge revenue etc.

For the MNRI cash flow projections, all cash outlays include capital project budgeted expenses including inflation. Whereas, inflows include DC revenue projections based of latest legislation changes and budgeted tax levy increase to the future reserve contributions. We also take into consideration the 10-year reserve forecast details which provides a detailed summary of changes in reserve balances in the upcoming years.

5.5 Does your municipality forecast beyond 5 years, if yes, what is the level of accuracy?

We complete a 10 year capital forecast at the project level with estimated costs as well as the 10-year reserve plan which includes yearly contributions from and to Town's Asset management. development charge and rate funded reserves.

5.6 Does your current municipal forecast include any large (or unusual) capital expenditures, which are outside of normal operations?

☐ Yes ☒ No

5.7 Do you anticipate any *potential* change in *liquidity needs* in the future (i.e. within 2 years, within 5 years or beyond 5 years) which may impact on the investment time horizon? An example could be a large capital infrastructure project with timing TBD, or with grant funding pending etc. If yes, please elaborate.

Currently, the province is exploring the idea of centralizing all municipal water, wastewater and storm water infrastructure and its management in each region. If these services will be taken away from the municipalities at some point in future than the reserve portfolios will be taken away from the municipalities as well.

5.8 How does your Municipality manage unanticipated requests for funding? Can you characterize the probability that your municipality may need to draw down MNRI to fund unexpected budget shortfalls?

The Municipality will manage unforeseen requests for funding through short-term reserves. The probability is low that the Town will need to draw down MNRI to fund unexpected budget shortfalls. If additional funds are required the plan is to use investments currently classified as restricted special assets first.
The Town currently has a combination of MRI and RSA which mature prior to September 2027 of roughly $30.5M.

5.9 Are there any *other unique circumstances* to your municipalitythat may impact your cash flow MNRI forecast, return objectives and risk tolerance that the Investment Plan should consider?

Not at this time

Municipal Client Questionnaire (MCQ)

Section 6 – Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this 25 day of March, 2026

Rachel Wainwright-van Kessel

Digitally signed by Rachel Wainwright-van Kessel
DN: cn=Rachel Wainwright-van Kessel, c=CA, o=Director, Finance, ou=Finance, email=rvankessel@aurora.ca
Date: 2026.03.25 10:22:24 -04'00'

Name and Signature of Treasurer

Second Signature (if required)

Appendix 1 – In-year MCQ Updates Form

Please provide details below that explain the nature of your requested change. This should describe: the money involved, the timing of transactions required, and any other context to support the change request. This will allow ONE JIB to understand how this update may change the cashflow characteristics or investment horizons of MNRI relative to your current MCQ and Investment Plan.

Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this_____day of_____, 20_____

_____ _____

_____ _____

Name and Signature of Treasurer Second Signature (if required)

Attachment 3

INVESTMENT PLAN FOR

The Town of Aurora

DATE: May 28, 2026

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1

DEFINITIONS

Definitions applicable to this Investment Plan can be found on the ONE Investment webpage under Education & Training / Glossary.

2

PURPOSE

As required under the prudent investor regime authorized by the Municipal Act, 2001 (Act), and Ontario Regulation 438/97 (Regulation), this Investment Plan (Plan) establishes how ONE JIB will invest the Town of Aurora's Money Not Required Immediately (MNRI) as defined in Aurora's Investment Policy Statement (IPS).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Town of Aurora.

3

RESPONSIBILITY FOR PLAN

This Plan is the responsibility of ONE JIB, which has authorized its agent, ONE Investment, to exercise its administrative investment functions in accordance with the Regulation. ONE JIB oversees ONE Investment staff using procedures, reports, and regular reviews to monitor compliance with the Act, the Regulation and the Town of Aurora's IPS.

ONE Investment has engaged PH&N Institutional to provide OCIO services. PH&N Institutional is the business division of RBC Global Asset Management responsible for managing assets for Canadian institutional clients. PH&N Institutional will be involved in implementing the Investment Plan, monitoring and reporting investments, and providing ancillary services to support the OCIO Offering.

RBC GAM's investment professionals are committed to providing each client with investment solutions that are appropriately tailored to address the client's investment situation. This means understanding macroeconomic trends and strategies and the diverse and evolving investment needs of clients.

4

INVESTMENT GOALS AND OBJECTIVES

The Town of Aurora's investment needs, as described in its IPS, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the MCQ and dialogue with the Treasurer inform ONE JIB about Aurora's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Aurora's MNRI in this Plan is consistent with the details as disclosed in Aurora's IPS and MCQ. Aurora's IPS provides specific information that characterizes the objectives for MNRI, as detailed in Table 1 below:

Table 1: The investment objectives for MNRI.

Category	**Objective & Risk Tolerance**
Objectives for overall MNRI	• Preservation of capital • Provide adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements • Diversification by asset class, market sector, issuer, credit quality, and term to maturity • Achieve capital appreciation and income while managing risk to an appropriate level.

The MNRI invested with ONE JIB will be broadly diversified across asset class, market, sector, issuer, credit quality, and term to maturity to help reduce investment return volatility. Returns impact revenues and have a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. The MNRI shall be invested to obtain a progressively higher rate of return for longer-term investment horizons, commensurate with stated risk tolerances.

The MNRI balances will be invested primarily to achieve capital growth over time. Achieving returns above inflation is a key investment objective.

5

INVESTMENT PORTFOLIO

Asset allocations are typically expected to be relatively stable until the next annual review. Any contributions or withdrawals of MNRI must be communicated to ONE JIB formally as outlined in the ONE JIB Withdrawals of Money Not Required Immediately (MNRI) Policy

5.1 Account Structure

MNRI Investment Horizon	Risk Tolerance / Model Assigned	Allocation
Consolidated MNRI Holdings	Model E (50% Equity) assigned.	$58,144,864

Other considerations:

- There were no significant changes in the Town's circumstances or financial planning that would require material changes in the Town's investment allocations.
- Aurora's Investment Plan update does not involve either a contribution or withdrawal of MNRI this year.
- No near-term liquidity needs have been identified, with no withdrawals of MNRI anticipated within the next 10 years.
- Aurora has $26 million in Restricted Special Assets that are sufficiently liquid to address any unanticipated funding needs, limiting the potential for MNRI drawdowns for contingency purposes.
- The investment horizon associated with MNRI reserves is relatively long, with half of MNRI having a 10-year+ investment horizon.
- The Treasurer noted that about 22% of MNRI is water/wastewater reserves.
    - This is an area of uncertainty as the province is considering revising treatment in future years, which might reduce MNRI balances.
- Aurora's approved IPS does not permit the use of longer-term alternative investments.
- The average time horizon associated with MNRI balances continues to be very long.

5.2 Allocations

50% EQUITY MODEL (E)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	25	37.5%	45
Global Fixed Income and Credit	0	12.5%	25
Canadian Equities	15	25%	35
Global Equities	15	25%	35
Alternatives	0	0%	0
Total		100%	

* Further details on holdings and benchmarks for this model are detailed in a ONE JIB report approved on September 4, 2025. (Model Portfolio Review 2025).

6

APPLICABLE ONE JIB POLICIES

The Plan adheres to the following ONE JIB Policies subject to periodic review and updating and are posted to the ONE Investment website.

- ONE Anti-Money Laundering Policy
- ONE JIB Fund Deviation Policy
- ONE JIB Principles of Good Benchmarks Policy
- ONE JIB Withdrawals of MNRI Policy
- ONE JIB In-Kind Securities Policy
- ONE JIB Responsible Investment Policy
- ONE JIB Policy for Reviewing the External Sub-Investment Manager
- ONE JIB OCIO Compliance Monitoring Policy

7

ELIGIBLE FUNDS

The eligible funds are listed under Schedule "A" of the Investment Management Agreement between RBC Global Asset Management Inc. and ONE Investment, which may be reviewed and updated periodically.

In asset classes where more than one fund is eligible for investment, the OCIO will be responsible for determining which fund(s) to include in the client portfolio after due consideration for (1) the individual characteristics of the fund, (2) prevailing market conditions impacting the fund's liquidity and capacity, and (3) its alignment with the municipality's investment objectives and philosophy.

The Manager shall manage the RBC GAM Fund(s) according to the pooled fund investment mandate including the investment guidelines contained therein developed by the Manager in respect of each RBC GAM Fund (each, an "Investment Mandate").

Asset Classes	**Sub-Asset Classes**	**Eligible Fund Names (Schedule "A" of IMA)**
	Fixed Income	
Cash & Equivalent	Money Market	PH&N Canadian Money Market Fund
Canadian Fixed Income	Short-Term Bonds	PH&N Short Term Bond & Mortgage Fund RBC Vision Fossil Fuel Free Short Term Bond Fund
	Universe Bonds	PH&N Bond Fund PH&N Enhanced Total Return Bond Fund RBC Vision Bond Fund RBC Vision Fossil Fuel Free Bond Fund
	Corporate Bonds	PH&N Corporate Bond Trust*
	Private Placement Corporate Debt	PH&N Private Placement Corporate Debt Fund*
	Commercial Mortgages	PH&N Mortgage Pension Trust* RBC Commercial Mortgage Fund*
Global Fixed Income and Credit	High-Yield Bonds	RBC High Yield Bond Fund PH&N High Yield Bond Fund
	Global Multi-Asset Credit	BlueBay Total Return Credit Fund
	Global Bonds	RBC Global Bond Fund
	Emerging Markets Bonds	RBC Emerging Markets Bond Fund

	Equities	
Canadian Equities	Canadian Equities	PH&N Canadian Equity Value Fund PH&N Canadian Equity Fund RBC Vision Canadian Equity Fund RBC QUBE Canadian Equity Fund
	Canadian Low Volatility Equities	RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund RBC QUBE Low Volatility Canadian Equity Fund
Global Equities	U.S. Equities	PH&N US Equity Fund RBC QUBE US Equity Fund
	U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Fund
	International Equities	RBC International Equity Fund RBC International Equity Index Fund RBC QUBE International Equity Fund
	Global Equities	RBC Global Equity Focus Fund RBC Global Equity Leaders Fund RBC Vision Global Equity Fund RBC Vision Fossil Fuel Free Global Equity Fund RBC QUBE Global Equity Fund
	Global Low Volatility Equities	RBC QUBE Low Volatility Global Equity Fund
	Emerging Markets Equities	RBC Emerging Markets Equity Fund RBC Emerging Markets Dividend Fund
Alternatives	Real Estate	RBC Canadian Core Real Estate Fund
	Infrastructure	RBC Global Infrastructure Fund

8

REBALANCING

The OCIO is authorized to execute trades, as appropriate, to maintain compliance with the Investment Plan.

Rebalancing shall occur in accordance with the Participating Municipality's Investment Policy Statement and Investment Plan.

Rebalancing plans and exact timing should account for upcoming material changes that may impact the Investment Plans, such as updates to the Investment Policy Statement or the Municipal Client Questionnaire.

As appropriate, the size and frequency of trading activities shall be minimized to help reduce the administration and costs of trading.

9

IMPLEMENTATION

9.1 Custodian

All marketable investments under the control and management of ONE JIB, shall be held for safekeeping by ONE Investment's Custodian.

9.2 Implementation Plan

Timeline	Implementation Details
NA	Not Applicable

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested as per the ONE Distribution Policy PI and cashflow needs of Aurora are expected to be financed with the sale of units of the pooled funds. Payment of OCIO Fees and Governance fees will also be financed with the sale of investment pool units.

Attachment 4

Council Policy

If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131

Number:	CP-011
Title:	**Investment Policy**
Type:	**Financial Management**
Sub-type:	**Investments**
Owner:	**Finance and Technology** **Financial Planning**
Approved By:	**Council**
Approval Date:	**April 22, 2024**
Effective Date:	**April 22, 2024**
Revised Date:	**May 26, 2025**
Applicable to:	**Finance and Technology**

1. Legislative or Administrative Authority:

1.1. This policy was developed in accordance with Section 418.1 of the Municipal Act, 2001, which authorizes a municipality to invest money that it does not require immediately in accordance with the prudent investor standard. The policy follows the Ontario Regulation 438/97, Eligible Investments, Related Financial Agreements and Prudent Investment.

2. Purpose:

2.1. This Investment Policy Statement (IPS) governs the investment of the Municipality's Money Not Required Immediately (MNRI) and Money Required Immediately (MRI). It is intended, among other things, to direct the Deputy CAO/Treasurer, Finance and Technology in the investment of MRI and to direct ONE Joint Investment Board (ONE JIB) in the investment of MNRI by implementing the Authorizing By-law 2024-016 pursuant to which the Municipality authorized the establishment of guidelines for the prudent management of the Municipality's MNRI pursuant to section 418.1 of the Act.

2.2. In addition to the Municipality's MRI and MNRI, the Municipality is from time to time entrusted with the management of money and investments for a third-party beneficiary ("third-party trust funds"). The Municipality’s Third-Party Trust Funds are listed in Schedule B of this Policy.

2.3. There are also sources of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Such sources of money, referred to in this IPS as "designated funds", are listed in Schedule A attached hereto. The designated funds are identified in this IPS

for the sole purpose of enabling the Municipality to better see, on an aggregated basis, the various financial assets in which the Municipality has an interest. The Municipality is not responsible for the investment activities or performance of designated funds.

2.4. The goals of this IPS are to:

a) Define and assign responsibilities for investment of MRI and MNRI;

b) Describe the Municipality's responsibilities with respect to third-party trust funds and designated funds;

c) Ensure compliance with the applicable legislation;

d) Direct ONE JIB as to the Municipality's investment goals and risk tolerance;

e) Provide guidance and limitations regarding the investments and their underlying risks;

f) Establish a basis of evaluating investment performance and the underlying risks; and,

g) Establish a reporting standard to Council.

2.5. This IPS applies to employees of the Municipality, to ONE JIB and to the employees of ONE Investment. ONE JIB, the Deputy CAO, Finance and Technology/Treasurer, and any agent or advisor providing services to ONE JIB in connection with the investment of the portfolio shall accept and strictly adhere to this IPS.

3. Scope:

3.1. This policy includes all funds that are managed by the Municipality of Clarington.

4. Definitions:

4.1. **Act** – means the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended from time to time.

4.2. **Agent** – means any administrator, Custodian, payment servicer, portfolio manager, investment counsel, consultant, banker, broker, dealer or other service provider engaged or appointed by ONE JIB and authorized by ONE JIB to exercise any of the functions of ONE JIB pursuant to a written agreement, in the manner and to the extent provided in the Regulation and without limiting the generality of the foregoing, Agent includes ONE Investment.

4.3. **Alternative Assets** – means investments outside traditional investments such as equities, fixed income, and cash which may include, hedge funds, private equity, natural resources, real estate and infrastructure. Alternative investments are typically less liquid than traditional investments, are appropriate only for allocations with a long investment horizon.

4.4. **Asset Class** – An asset class is a specific category of assets or investments, such as cash, fixed income, equities, alternative investments, real estate etc.

4.5. **Asset Mix (or Asset Allocation)** – means the proportion of each asset class in a portfolio. Asset classes include bank deposits, money market securities, bonds and equities, among other things.

4.6. **Authorizing By-law** – means a by-law of a Founding Municipality which authorizes: (i) the entering into of the Initial Formation Agreement; (ii) the establishment of ONE JIB; (iii) the approval of the Client Questionnaire and the adoption of the IPS; and (iv) the entering into of the ONE JIB Agreement.

4.7. **Benchmark** – means an index that is representative of a specific securities market (e.g. the S&P/TSX Composite Index, the FTSE/TMX 91 Day T-bill Index, etc.) against which investment performance can be compared. Performance benchmarks refer to total return indices in Canadian dollar terms.

4.8. **CHUMS Financing Corporation (CHUMS)** – means a subsidiary of Municipal Finance Offcers' Association of Ontario (MFOA) which, in conjunction with LAS, established ONE Investment.

4.9. **CFA Institute** – refers to the global, not-for-profit professional association that administers the Chartered Financial Analyst (CFA) and the Certificate in Investment Performance Measurement (CIPM) curricula and examination programs worldwide, publishes research, conducts professional development programs, and sets voluntary, ethics-based professional and performance reporting standards for the investment industry.

4.10. **Custodian** – means a specialized financial institution that is responsible for safeguarding a municipality's investments and is not engaged in "traditional" commercial or consumer/retail banking. Global custodians hold investments for their clients in multiple jurisdictions around the world, using their own local branches or other local custodian banks ("sub-custodians" or "agent banks").

4.11. **Designated Funds** – means source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Designated Funds are listed in Schedule B of this Policy.

4.12. **Derivative** – A derivative is a contract between two or more parties whose value is based on an agreed-upon underlying financial asset (like a security) or set of assets (like an index). Common underlying instruments include bonds, commodities, currencies, interest rates, market indexes, and stocks.

4.13. **Diversification** – means a risk management technique that mixes a variety of investment types within a portfolio to help mitigate portfolio risk. A diversified portfolio holds different kinds of investments to improve the risk adjusted returns.

4.14. **Environmental, Social and Governance (ESG) Investing** – means considering and integrating ESG factors into the investment process, rather than eliminating investments based on ESG factors alone. Integrating ESG information can lead to more comprehensive analysis of a company.

4.15. **Internal Controls** – means a system of controls that may include authorities, policies, procedures, separation and segregation of duties, compliance checks, performance measurement and attribution, reporting protocols, measures for safekeeping of property and data, and the audit process.

4.16. **Investment Plan** – means the investment plan applicable to the MNRI and adopted by ONE JIB under the Regulation, as it may be amended from time to time.

4.17. **Investment Policy Statement (IPS)** – means the investment policy applicable to the Municipality's investments adopted and maintained by the Council of the Municipality for MNRI under the Regulation, and for MRI, as the same may be amended from time to time. The IPS may also apply to the money and investments held by the Municipality for the benefit of persons other than the Municipality itself and may make reference to source(s) of money in which the

Municipality may have an indirect interest but which the Municipality has no authority to invest.

4.18. **JIB** – is short for Joint Investment Board and means a joint municipal service board that is established under section 202 of the Act by two or more municipalities for the purposes of Part II of the Regulation.

4.19. **Legal List Securities** – means the securities and other investments and financial instruments that are included from time to time in Part I of the Regulation.

4.20. **Leverage** – means an investment strategy of using borrowed money—specifically, the use of various financial instruments or borrowed capital—to increase the potential return of an investment. Typically leverage also tends to increase investment risks.

4.21. **Liquidity** – means the ability to turn an investment into cash relatively quickly, without a substantial loss in value. For example, a savings account is more liquid than real estate.

4.22. **Local Authority Services (LAS)** – means an entity which, in conjunction with MFOA/CHUMS, established ONE Investment.

4.23. **Local Distribution Corporation or LDC** – means a corporation incorporated under section 142 of the Electricity Act, 1998.

4.24. **Market Value** – means the price at which a security is trading and could presumably be sold. Also known as Fair Value it represents the current value of the investment.

4.25. **Maturity** – means the date upon which the principal or stated value of an investment becomes due.

4.26. **Money Required Immediately (MRI)** – municipal funds not included in the Money Not Required (MNRI) definition included in this policy, funds are governed in accordance with Section 418 of the Act.

4.27. **Money Not Required Immediately (MNRI)** – long term municipal funds defined in this policy, that are governed by the Prudent Investor Standard in accordance with Section 418.1 of the Act.

4.28. **Municipal Services Corporation (MSC)** – means a corporation established under section 203 of the Act in accordance with the applicable regulation (Ontario Regulation 599/06).

4.29. **Municipality** – means the Municipality of Clarington.

4.30. **OCIO Offering** - means the comprehensive investment program made available through ONE Investment as agent for ONE JIB, where a qualified investment manager is engaged to advise a Participating Municipality with regard to the investment of the Participating Municipality's MNRI and to invest and manage such MNRI in accordance with the terms and conditions set out in the ONE JIB Agreement.

4.31. **ONE Investment** – means the not-for-profit corporation established by CHUMS and LAS which provides certain management, administrative and other services to ONE JIB as its agent.

4.32. **ONE JIB** - means ONE Joint Investment Board, established by certain founding municipalities under section 202 of the Act as a JIB for purposes of Part II of the Regulation, which is the duly appointed JIB for the Municipality, as constituted from time to time and which acts in accordance with the Act, the Regulation, the ONE JIB Agreement, including the Terms of Reference, this IPS and the Investment Plan.

4.33. **ONE JIB Agreement** – means the agreement effective as of January 13, 2025 entered into in accordance with the requirements of the Regulation, pursuant to which ONE JIB has control and management of the Municipality's MNRI.

4.34. **Participating Municipality** - means from time to time each of the municipalities for whom ONE JIB acts as the JIB under the terms of the ONE JIB Agreement.

4.35. **Pooled Fund** - means a unit trust established under a trust instrument, generally not available to the public, in which institutional, sophisticated or high net worth investors contribute monies that are invested and managed by an External Portfolio Manager. Monies are pooled or combined with monies of other investors.

4.36. **Portfolio** - means any collection of funds that are grouped together and required for specific purposes.

4.37. **Proxy Voting** - means a legal transfer to another party of a shareholder's right to vote thereby allowing shareholders who cannot attend meetings to participate. External Portfolio Managers usually vote proxies on behalf of their clients.

4.38. **Prudent Effective Date** - means the date on which the prudent investor regime applies to the Municipality.

4.39. **Prudent Effective Date Agreement** – means an agreement entered into by the Municipality and ONE Investment that sets out the day on which the prudent investor regime starts to apply to the Municipality.

4.40. **Prudent Investor Standard** - means the standard that applies when the Municipality invests money that it does not require immediately under section 418.1 of the Act. It requires the Municipality to exercise the care, skill, diligence and judgment that a prudent investor would exercise in making such an investment and the standard does not restrict the securities in which the Municipality can invest. The Prudent Investor Standard makes use of Modern Portfolio Theory and applies the standard of prudence to the entire portfolio in respect of the Municipality's MNRI rather than to individual securities. It identifies the fiduciary's central consideration as the trade-off between risk and return as found in the CFA Institute Standards of Practice Handbook.

4.41. **Rebalancing** – means the process of realigning the weightings of a portfolio of assets. Rebalancing involves periodically buying or selling securities in a portfolio to maintain an original or desired level of asset allocation or risk.

4.42. **Regulation** – means Ontario Regulation 438/97.

4.43. **Restricted Special Assets** – means investments specified by this Policy and held by the Municipality as of the Prudent Effective Date, where ONE JIB is not able to exercise control. Restricted Special Assets are listed in Schedule A of this Policy and are not considered to be MNRI.

4.44. **Risk** – means the uncertainty of future investment returns or chance of loss of capital.

4.45. **Risk Tolerance** – means the financial ability and willingness to absorb a loss in return for greater potential for gains.

4.46. **Safekeeping** – means the holding of assets (e.g. securities) by a financial institution.

4.47. **Securities Lending** – means loaning a security to another market participant. The borrower is required to deliver to the lender, as security for the loan, acceptable collateral with value greater than the value of the securities loaned. The Securities Lending program is managed by the Custodian or another appointed agent on behalf of investors. A Securities Lending program is widely used by institutional investors to generate additional marginal returns on the total portfolio.

4.48. **Sinking Fund** – means a fund established to fulfil the requirements to make annual contributions in respect of various debenture issues wherein money is to be regularly set aside for the payment of the principal of the debentures at maturity.

4.49. **Sinking Fund Required Contributions (Annual Sinking Fund Requirement)** – means the amount of money to be set aside each year for deposit into a sinking fund or a retirement fund, as applicable, for each sinking fund and term debenture issue in accordance with the Municipality's debenture by-laws.

4.50. **Sinking Fund Required Earnings** – means the investment earnings needed for the Sinking Fund Contributions to continue to grow to a value sufficient to repay the principal at maturity for each issue of sinking fund and term debentures.

4.51. **Sinking Fund Excess Earnings** – means the investment earnings in excess of the required earnings.

4.52. **Sub-Investment Manager** - means an asset management firm or investment consultant, acting as a sub-investment manager for ONE JIB that provides investment advice and professional services and is involved in the implementation and operational aspects of the OCIO Offering, and that has full responsibility for the investment and management of a Participating Municipality's MNRI through ONE Investment, based on an IPS approved by the Council of the municipality.

4.53. **Third-Party Trust Funds** – means money over which the Municipality exercises both management and policy control but whose assets are not owned by the Municipality. These funds are governed by a variety of

agreements and, in some cases, by legislation. Some funds may have externally mandated investment policies, and some may have investment policies that are determined by the Municipality. Third-Party Trust Funds are listed in Schedule B of this IPS**.**

4.54. **Trust Fund** – means a fund which consists of assets that have been conveyed or assigned to a trustee to be administered as directed by agreement or statute. As a result, a trustee holds title to the assets for the purpose of providing benefits, and being accountable, to a beneficiary. The Municipality is the trustee of funds that are to be used for specific purposes by the Municipality or any related parties.

4.55. **Treasurer** – means the Deputy CAO, Finance and Technology/Treasurer, or other individual appointed by Council to fill role of Treasurer as required by the Municipal Act, 2001

5. Policy Requirements:

General Statements

5.1. Investments of Money Required Immediately (MRI) will, in accordance with this IPS and Section 418 of the Act, only be made in Legal List Securities.

5.2. Investments of Money Not Required Immediately (MNRI) are governed by the Prudent Investor Standard in accordance with Section 418.1 of the Act. This standard is similar to that which governs trustees and pension fund administrators and creates a fiduciary responsibility. Prudent investment in compliance with the Act and the Regulation enhances the potential for the Municipality to earn improved risk-adjusted rates of return.

5.3. The Act provides that the Municipality, and therefore ONE JIB, must consider the following criteria in planning investments of MNRI, in addition to other criteria relevant to the circumstances:

a) General economic conditions;

b) The possible effect of inflation or deflation;

c) The role that each investment plays within the Municipality's total portfolio of investments;

d) The expected total return from income and the appreciation of capital; and

e) Needs for liquidity, regularity of income and preservation or appreciation of capital.

5.4. Money and investments that the Municipality holds as Restricted Special Assets, Third-Party Trust Funds or has an interest in as Designated Funds will be subject to applicable legislation and any related agreements or instruments.

5.5. Use of Prudent Investor Standard

5.5.1. For MNRI, the standard to be used by the Municipality and ONE JIB shall be the Prudent Investor Standard as required by section 418.1 of the Act and Part II of the Regulation in the context of managing the Municipality's MNRI and investments thereof. Investments shall be made with the care, skill, diligence, and judgment, taking into account the prevailing circumstances, that persons of prudence, discretion and integrity would exercise in the management of investments, considering the necessity of preserving capital as well as the need for income and appreciation of capital. The Act includes a duty to obtain the advice that a prudent investor would obtain under comparable circumstances.

5.5.2. Officers, employees and investment agents acting in accordance with written procedures and the IPS and exercising due diligence shall take all necessary actions to optimize performance of investments on a portfolio basis, taking into account the prescribed risk and other parameters set out in this IPS and market factors. The Municipality's staff acting in accordance with written procedures and this IPS, shall be relieved of personal responsibility for an investment's performance, provided underperformance relative to expectations is reported to Council and the liquidation or sale of investments is carried out in accordance with this IPS.

Determination of Money Required Immediately and Money Not Required Immediately

5.6. Determination of the Municipality's MNRI is the responsibility of Council. In making the determination, Council may consider:

5.6.1. the time horizon within which the monies are needed to meet financial obligations;

5.6.2. the purpose for which the monies have been collected or set aside and are to be used;

5.6.3. the source of the money; or

5.6.4. any combination of the foregoing

5.7. There is no legislated definition of MRI or MNRI and no guidance is provided. The municipality has the responsibility to define the basis of MNRI in a way that is most appropriate for their circumstances.

5.8. The Municipality defines MNRI as funds that are, in the opinion of the Treasurer, not required within the next 36 month period.

5.9. For certainty, all money and investments of the Municipality that have not been identified as MNRI (other than Restricted Special Assets, Third-party Trusts Funds and any Designated Funds referenced in Section 5.3) shall be deemed for purposes of this IPS to be MRI.

5.10. Determination of the Municipality's MNRI and MRI may be modified at any time and from time to time by action of Council and with respect to specific money by the Treasurer in accordance with the provisions of Section 5.37.

5.11. Any changes in this IPS regarding the Municipality's MNRI and MRI must be communicated immediately in writing to ONE JIB.

5.12. The Municipality's portfolios represent funds required for specific purposes. A high-level description of each of these portfolios and their objectives is provided in Section 5.17 below. This IPS applies to the following money of the Municipality, its agencies, boards and commissions including:

5.12.1. MRI which is invested in Legal List Securities; and/or,

5.12.2. MNRI which is invested under the Prudent Investor Standard.

Investment

5.13. The Municipality's MRI is described in this IPS consists of money that is needed to meet the short-term financial obligations of the Municipality and are

controlled and managed by the Deputy CAO/Treasurer, Finance and Technology or designate.

5.14. Money Required Immediately: Investment Objectives

5.14.1. The main focus of the investment of MRI is cash management, and the interest income generated by the investment of these monies contribute to municipal revenues. To the extent possible, the Municipality shall attempt to match its investments with anticipated obligations.

5.14.2. Capital preservation is the paramount objective for MRI investments, and these investments need to be highly liquid. Consequently, only high-quality, short-term investments that are also Legal List Securities will be held in this portfolio. The Municipality may invest in fully liquid money market securities and deposit accounts. The Municipality aims to maximize returns subject to the constraints set out in Part I of the Regulation, as amended from time to time, with a view to preserving capital and to further manage risk through diversification by issuer and credit quality.

5.14.3. The investment objectives for MRI, ranked in priority, are as follows:

a) Security of Principal

The primary objective for MRI is to ensure the security of principal. To minimize the risk of loss, investments shall be subject to minimum credit ratings and shall be diversified by maturity, type of investment and issuer. Investing activities will be reviewed on a regular basis as actual, revised and forecasted operating and capital plans are completed. Maturity dates should be structured so that investment cash inflows occur when needed.

b) Liquidity Requirements

Liquidity is measured by the ease with which securities can be converted to cash to meet forecast spending. The investments that are eligible under Ontario's Eligible Investments and Related Financial Agreements Regulation possess different features and thus market prices will vary depending on market conditions, as well as the particular features of the type of investment.

To ensure adequate liquidity, the Municipality's investments shall be diversified by holding securities of various terms to maturity and by various types of investments and issuers and to the extent possible, the term of such

investments shall match the forecasted requirements for such monies to meet expenditures.

c) Rate of Return

The Municipality's money shall be invested to maximize the rate of return within acceptable risk levels while respecting the security of principal, legal constraints and the liquidity needs of each investment portfolio.

The composition of each portfolio, including its term to maturity and type of investments, shall be adjusted within the guidelines of this Policy to take advantage of market opportunities. Such changes shall be made with the periodic interest rate outlook and target portfolio structure approved by the Treasurer.

5.15. MRI: Eligible Investments

5.15.1. MRI may be invested in high quality, short-term investments that are also Legal List Securities available from banks, dealers and other financial institutions. Investments issued or guaranteed by approved institutions will be permitted by this Policy, as deemed eligible by Ontario Regulation 438/97 or as authorized by subsequent provincial regulations. Investments will be limited to securities issues maintaining a minimum credit rating by an appropriate credit rating agency.

5.15.2. The Municipality's existing Investment Policy CP-003, which is referred to in Part I of the Regulation as a statement of investment policies and goals, is attached as Appendix III and will apply to its MRI. Necessary modifications will apply and in the event of a conflict between this IPS and the attached investment policy in respect of the MRI, the provisions of the CP-003 Investment Policy (Legal List) will prevail.

5.16. MNRI

5.16.1. The Municipality's MNRI is described in Section 5.8. In accordance with the ONE JIB Agreement and this IPS, ONE JIB has exclusive control and management of the MNRI and the investments made therewith.

5.16.2. From time to time, the Municipality may require money immediately to meet financial obligations and may require ONE JIB to liquidate one or more investments in order to generate money to meet those obligations. ONE JIB

will select the investment(s) to be liquidated. The timing of such liquidation will be determined by ONE JIB in consultation with the Treasurer.

5.17. MNRI: Investment Objectives

5.17.1. In setting the objectives noted below, the Municipality has taken into account the following considerations:

a) Preservation of capital;

b) Adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements;

c) Diversification by asset class, market, sector, issuer, credit quality and term to maturity;

d) Income and capital appreciation; and,

e) Macro risks, such as inflation, economic growth and interest rates.

5.17.2. Investment of MNRI is to be managed by ONE JIB in a way that balances the investment objectives, expected returns and risk, to develop asset allocations that achieve the Municipality's financial needs with stated risk tolerances.

5.17.3. The investment objectives for MNRI are as follows:

MNRI Horizon	Objective	Risk Tolerance	Investment Horizon
Short Term	Preservation of Capital	Low Risk	3-4 years
Medium Term	Contributions towards capital projects, mitigating inflation impacts and meeting target funding requirements	Moderate Risk	5-10 years

MNRI Horizon	Objective	Risk Tolerance	Investment Horizon
Long Term	Contributions towards capital projects, mitigating and meeting target funding requirements. Emphasis on long term inflation adjusted growth	Moderate to Moderate High Risk	> 10 Years

5.17.4. The MNRI invested with ONE JIB will be broadly diversified to help reduce the volatility of investment returns. Returns have an impact on revenues, as well as a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. To the extent possible, the MNRI horizons are aligned with the Municipality's obligations and cash flow requirements and may consist of liquid and non-liquid securities based on future cash flow requirements.

5.18. MNRI: Eligible Investments

5.18.1. Eligible investments for MNRI include any Pooled Fund or other collective investment vehicle or institutional investment management product approved or selected by ONE Investment for the Prudent Investment Program (OCIO Offering), provided always that the products and the selection of products comply in all material respects with the IPS.

5.18.2. Additionally, nothing in this IPS prevents MNRI from being held in cash, short-term money market instruments, or overnight deposits.

5.19. MNRI: Sinking Funds

5.19.1. Sinking Funds are currently not applicable to the Municipality, however, should any sinking funds be established in the future, they are to be classified as MNRI and will be managed separately by ONE JIB.

5.20. Local Distribution Corporation (LDC) Securities

5.20.1. The direct investment in LDC shares and promissory notes, as listed in Schedule A, shall be considered Restricted Special Assets and shall not be held by ONE JIB as MNRI.

5.20.2. The investment in Elexicon Corporation is considered to be an investment in an LDC for the purposes of this policy as it is the sole shareholder of Elexicon Energy which is an LDC.

5.21. Restricted Special Assets

5.21.1. For certainty, Restricted Special Assets are not MNRI of the Municipality, and such assets are not under the control or management of ONE JIB.

5.22. Third-Party Trust Funds and Designated Funds

5.22.1. In addition to the Municipality's own money, the Municipality is from time to time entrusted with third-party trust funds, and the Municipality's responsibilities and obligations with respect thereto may be subject to other legislation and governed by other agreements and instruments. To the extent that there is any conflict or inconsistency between the provisions of this IPS and the terms and conditions contained in such other legislation, agreements or instruments applicable to third-party trust funds, the latter shall prevail.

5.22.2. The Municipality's third-party trust funds and the designated funds are listed in Schedule B.

5.22.3. For certainty, the third-party trust funds and the designated funds are not MNRI of the Municipality, and such monies are not under the control or management of ONE JIB.

Investment Management

5.23. Investment Management of MRI

5.23.1. The investment of MRI shall be controlled and managed by the Treasurer.

5.24. Investment Management of MNRI

5.24.1. The investment of MNRI shall be controlled and managed by ONE JIB in accordance with this IPS and the ONE JIB Agreement.

5.24.2. The selected Sub-Investment Manager shall enter into agreement with ONE Investment related to the OCIO Offering, that complies with this IPS and Part II of the Regulation and will provide compliance and performance reports to ONE JIB and ONE Investment. ONE JIB shall make any investment management changes deemed in the best interest of the Municipality.

5.25. Transition to Prudent Investor Regime

5.25.1. Until the Prudent Effective Date, the Municipality will continue to control and manage its MRI, MNRI and investments in Legal List Securities. Some Legal List investments were made with MRI and some with MNRI.

5.25.2. Upon and after the Prudent Effective Date, the control and management of money and investments that are determined to be not required immediately shall be given to ONE JIB. Nothing in this IPS requires that such investments need be liquidated or disposed of. It is not contrary to this IPS for investments that the Municipality does not require immediately to be held, and to continue to be held by, ONE JIB in instruments such as term deposits, guaranteed investment certificates or principal protected notes issued by a financial institution. They can be held to maturity and invested upon receipt of cash proceeds.

5.25.3. During the transition to the OCIO Offering the Chair and Vice-Chair of ONE JIB have discretionary power to approve temporary investments recommended by the Sub-Investment Manager that may not be expressly described in this IPS but are, in the opinion of the Chair and Vice-Chair, in the best interests of the Municipality and are entirely consistent with their fiduciary obligations to the Municipality.

5.25.4. All MNRI that is not Third-Party Trust Funds, Designated Funds or Restricted Special Assets shall be provided to the ONE JIB on the Prudent Effective Date.

Investment Constraints

5.26. Environmental, Social and Governance (ESG) Investing

5.26.1. The Municipality supports ESG investing for MRI and MNRI. The Municipality believes that well-managed companies are those that demonstrate high ethical and environmental standards and respect for their employees, human rights, and the communities in which they do business, and that these actions contribute to long term financial performance.

5.26.2. The Municipality has chosen to monitor the developments of ESG factors and will reconsider its approach to ESG investing for the MRI Investment Portfolio as and when appropriate to do so.

5.26.3. For the Investment of MNRI, ONE JIB is required to explore and consider how the OCIO is implementing responsible investing principles at the time of hiring and during periodic reviews. It may report on results periodically, if requested.

5.27. Securities Lending

5.27.1. For the investment of MRI, Securities Lending is not permitted.

5.27.2. For the investment of MNRI, the Municipality may invest in pooled funds, and other investment funds that are managed by the Sub Investment Manager who may engage in Securities Lending if the policies of the OCIO permit such an action.

5.28. Derivatives

5.28.1. For the investment of MNRI, futures and forwards contracts, options and other derivative instruments may only be used to:

a) create an asset mix position that does not leverage the portfolio,

b) replicate the performance of a capital market index, or

c) reduce risk as part of a hedging strategy

5.29. Use of Leverage

5.29.1. Nothing in this IPS prevents the use of leverage, provided it is prudent to do so. Leverage is inherent in the use of certain types of investment strategies and instruments. Where leverage is employed, ONE JIB (for MNRI) and the Treasurer (for MRI) shall have in place monitoring procedures to manage overall exposure to any counterparty Leverage should not be exercised for speculative purposes but may be used as a hedging tool.

5.30. Pooled Funds

5.30.1. Investments in open-ended pooled funds, closed-ended pooled funds, limited partnerships and other specialist corporate structures (e.g. LLCs), are permitted provided that the assets of such funds are permissible investments

under this IPS or provided that any non-permitted investments are disclosed by the Sub-Investment Manager. Within pooled funds, the External Portfolio Manager's policies will take precedence over this IPS.

5.31. Currency Hedging

5.31.1. The MRI Investment Portfolio may consider the utilization of currency hedging only in cases where the Municipality can allocate the hedge to a specific capital purchase denominated in a foreign currency.

5.31.2. The Municipality's funding requirements are in Canadian dollars. However, some exposure to foreign currencies in the MNRI Investment Portfolio may be advantageous to provide diversification and potentially enhance returns. Therefore, it shall not be a violation of this IPS for investments in global mandates to be unhedged, in whole or in part, where the diversification benefits embedded in the currency exposure are considered to be beneficial or desirable by ONE JIB.

5.32. Alternative Asset Classes

5.32.1. The applicable legislation does not prevent the direct or indirect placement of the MNRI in Alternative Assets Classes, this IPS permits investments in alternative investments for the purpose of management of MNRI under ONE JIB.

5.32.2. Alternative Asset Classes, such as infrastructure or real estate, may have uncorrelated return characteristics with traditional Asset Classes that may improve diversification within the portfolio, which may lead to better risk adjusted returns. Typically investment may not be fully liquid, and are only appropriate for inclusion in portfolios with long investment horizons.

5.33. Prohibited Investments

5.33.1. There are no investments specifically listed as prohibited.

5.34. Performance Monitoring, Rebalancing and Management

5.34.1. MRI

5.34.2. Reporting of MRI shall be in accordance with policy CP-003 Investment Policy (Legal List).

5.34.3. MNRI

5.34.4. For the investment of MNRI, ONE JIB shall establish parameters for monitoring investments and rebalancing through policy or directly within the Investment Plan.

5.34.5. Investments are expected to achieve returns at least equal to their benchmarks measured over a rolling five-year period. At minimum, ONE JIB shall provide reporting described in Section 5.42 that shows the Municipality's holdings, declares compliance with this IPS, and reports on the Sub-Investment Manager's performance.

Administrative Policies

5.35. Flow of Money and Annual Municipal Budget

5.35.1. On an annual basis, as part of the Municipality's Annual Review process, the Municipality shall identify the amount, if any, of MNRI that it holds. Any MNRI not already under the control and management of ONE JIB shall be transferred to ONE JIB as soon as practicable.

5.35.2. On an annual basis, ONE JIB shall be notified by the Treasurer as to the amount, if any, required by the Municipality from the MNRI then under the control and management of ONE JIB for the Municipality's operational purposes. Such amount shall be deemed to be MRI and shall be returned to the Municipality in a lump sum or by way of periodic payments, as directed by the Treasurer.

5.36. Flow of Money Otherwise than through the Budget Process

5.36.1. The MRI captures revenues received by the Municipality during each year after the approval of the Municipality's budget for the year. Any amounts deemed to be MNRI by the Treasurer at any such time during the year shall be transferred to ONE JIB to be under its management and control as MNRI. Amounts so transferred will be recorded annually in the Investment Plan and allocated by ONE JIB in accordance with the Investment Plan.

5.36.2. The Treasurer is authorized to direct ONE JIB to return any amounts determined by the Treasurer to be required to meet expenditures for unexpected contingencies not anticipated by the Municipality's budget in force for that year, provided however that the aggregate of the amounts to be returned to the Municipality under this Section 6.2.2 during the year shall not exceed 25% of the MNRI under the control and management of ONE JIB as at the date that the Municipality approved its budget for the year (the Budgeted MNRI). In determining the Budgeted MNRI for purposes of calculating the 25% limit, any MNRI to be transferred to the control and management of ONE JIB in accordance with that year's Annual Review pursuant to Section 5.41.2 shall be included and any amount to be returned by ONE JIB to the Municipality pursuant to Section 6.1.2 shall be excluded.

5.37. Valuation of Investments

5.37.1. Investments shall be valued according to the values provided by the Custodian(s). For the investment of MNRI, values of unitized vehicles shall be valued according to the unit values published by the Custodian. Other investments shall be valued at their market value when that is available from regular public trading. If a market valuation of an investment is not available, then a fair value shall be supplied by the Sub-Investment Manager to ONE Investment no less frequently than quarterly.

5.38. Voting Rights

5.38.1. The Sub-Investment Manager shall assume the responsibility of exercising voting rights in respect of the Municipality's MNRI and will report its voting policies to the ONE JIB annually. The Municipality may access these policies at any time.

5.39. Internal Controls

5.39.1. The Treasurer shall establish an annual process of review of all investments made under this IPS. This review will provide internal control by assuring compliance with governing legislation and with policies and procedures established by the Treasurer. To the extent ONE JIB's input is needed, these requirements will be communicated in advance to ONE JIB.

5.40. Custodians

5.40.1. All investments and assets of the investment portfolios shall be held by a Custodian and any of the Custodian's sub-custodians or nominees. For MNRI, the Custodian shall be acceptable to ONE Investment. For MRI the Custodian shall be acceptable to ONE Investment if ONE Investment products are being used for the investment of the Municipality's MRI, otherwise the Custodian shall be acceptable to the Municipality.

5.41. Reporting

5.41.1. For the investment of MRI, the Treasurer shall report at least annually to Council, the report to be in a form and contain such content as Council may request. Subject to any reporting obligations contained in the Municipality's Investment Policy (Legal List) the report to Council shall include investment performance during the period covered and any other information required under the Regulation and that the Treasurer may consider to be pertinent.

5.41.2. The Regulation provides that ONE JIB shall submit an investment report to Council in respect of the investment of MNRI at least annually. This report shall include the following.

a) Investment performance during the period covered by the report;

b) Asset mix of the total portfolio;

c) A listing of individual investments held at the fund level at the end of the reporting period showing, where appropriate, book value, market value, realized/unrealized gains/losses and actual income received;

d) A list of all transactions including the security name, trade date, and the purchase and/or sale price;

e) A statement by the Treasurer as to whether all investments were made in accordance with the IPS and as to whether all investments were made in accordance with the Investment Plan; and

f) Any other pertinent information in the opinion of the Treasurer.

5.41.3. All securities invested on behalf of the Municipality by ONE JIB or with the assistance of ONE Investment shall be held for safekeeping in the name of the Municipality by a Custodian.

5.42. Approval, Subsequent Modifications and Effective Date

5.42.1. Policy CP-003 Investment Policy shall be renamed CP-003 Investment Policy (Legal List) and will be reviewed on an annual basis.

5.42.2. At least annually, Council shall review the IPS and update it, if required. In the course of reviewing the IPS, Council may request comments from the Treasurer with respect to the investment of MRI and from ONE JIB with respect to the investment of MNRI.

5.42.3. Following the Council's review of the IPS, ONE JIB shall review the Investment Plan and update it, if required.

5.42.4. At a minimum, the annual IPS review will consider:

a) the adequacy of funding for capital works;

b) the Municipality's ability to reduce other spending;

c) flexibility of the timeframe to payout; and

d) sensitivity to loss.

5.43. Effective Date

5.43.1. This IPS is adopted by Council of the Municipality, and will come into force effective the date of the Prudent Effective Date Agreement as signed by ONE JIB and the Municipality. The Treasurer is directed to sign a copy of this IPS to evidence approval and to deliver a copy of this IPS to ONE JIB.

6. Roles and Responsibilities:

6.1. **Council is responsible for:**

6.1.1. Approving the Municipality's Investment Policy and reviewing the policy on an annual basis.

6.2. **Chief Administrative Officer (CAO) is responsible for:**

6.2.1. Ensuring compliance with this policy

6.3. **Deputy CAO, Finance and Technology/Treasurer is responsible for:**

6.3.1. This IPS is approved and adopted by Council with input from the Treasurer, and from ONE JIB with respect to MNRI. MRI of the Municipality, in addition to any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 5.3, remain under the control and management of the Treasurer.

6.3.2. Consistent with this IPS, the Treasurer is responsible for the implementation of the investment program and the establishment of investment procedures which shall include:

a) Investment management of MRI and any Third-Party Trust Funds, Designated Funds, and Restricted Special Assets referenced in Section 5.9 by, or under the direction of, the Treasurer;

b) The deposit or withdrawal of MNRI, under the explicit delegation of authority regarding MNRI, and the investment thereof, to ONE JIB, which

is responsible for the control and management of such funds and investments; and,

c) A system of controls exercised by the Treasurer to regulate the activities of employees.

6.3.3. No person including, without limitation, ONE JIB, may engage in an investment transaction except as provided under the terms of this IPS.

6.3.4. In the management of MRI of the Municipality, and any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 2.1, the Treasurer may engage one or more agents and service providers. ONE Investment can assist with the investment of the Municipality's MRI, in Legal List Securities, and with the investment of third-party trust funds, in accordance with the terms of the applicable trust, if permitted, at the request of the Municipality.

6.4. **ONE JIB is responsible for:**

6.4.1. ONE JIB has been appointed by the Municipality in accordance with the requirements of the Act and the Regulation and on the terms and conditions set out in the ONE JIB Agreement (Appendix I).

6.4.2. ONE JIB exercises control and management of the Municipality's MNRI and the investments made by it in accordance with the objectives and risk tolerance established in this IPS.

6.4.3. Among the responsibilities of ONE JIB are the following:

a) Reviewing this IPS;

b) Adopting and maintaining an Investment Plan that complies with this IPS;

c) Engaging Custodians, administrators and other investment professionals (Agents);

d) Allocating the money and investments under its control and management in compliance with this IPS;

e) Monitoring the performance of the OCIO Offering and Agents; and,

f) Reporting to the Municipality.

6.4.4. The foregoing is subject to the more detailed terms and conditions contained in the ONE JIB Agreement.

6.4.5. ONE JIB, in its capacity as a joint municipal service board, in addition to being a local board of each member Municipality is subject to a Code of Conduct as required by the Municipal Act, 2001 (the "Act"). This Code of Conduct applies to the Chair and the other Members of ONE JIB acting in their capacity as Members of ONE JIB.

6.5. **All Staff are responsible for:**

6.5.1. Individuals who are responsible for the Municipality's MRI Investment Portfolio shall comply with the Municipality's Conflict of Interest guidelines and any relevant professional codes of conduct (e.g., the CPA Code of Professional Conduct).

7. Related Documents:

7.1. CP-003 Investment Policy (Legal List)

7.2. O.Reg.438/97: Eligible Investments, Related Financial Agreements and Prudent Investment

8. Inquiries:

8.1. Manager, Financial Planning/Deputy Treasurer

8.2. Deputy CAO, Finance and Technology/Treasurer

9. Revision History:

Date	Description of Changes	Approved By
April 22, 2024	Updated Policy name	Council
April 22, 2024	Prudent Investment adoption	Council

Council Policy

If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131

May 26, 2025	Annual update to investment policy. • References to portfolio manager have been changed to Sub-Investment Manager to reflect change to OCIO. • References to short-term or long-term money changed to MRI or MNRI • Definitions added or removed. • New section on restricted special assets and corresponding amendments to LDC investment. • Added Appendix 1 and 2	Council

Schedule A

Restricted Special Assets

Debt Securities

None

Own-Debt Securities

Not applicable

LDC or other MSC **Securities**

Investments in Elexicon Corporation, Elexicon Energy or Elexicon Group

Other

None

Council Policy

If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131

Schedule B

Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

Care and Maintenance trust funds under the Funeral, Burial and Cremation Services Act, 2002.

Designated Funds

Not Applicable

Attachment 5

Print

Clear Form

Municipal Client Questionnaire (MCQ)

The MCQ is part of the ONE Investment / ONE JIB annual Investment Plan review (approval) process. The MCQ along with the Council approved (reviewed) Investment Policy informs ONE JIB of the municipal circumstances to consider with the approval of the Investment Plan.

During the year, outside of the annual review, please update the MCQ within 90 days if the municipality experiences any significant changes, *including a significant change in your municipality's financial circumstances*, or *significant change in the amount of your municipality's "money that it does not require immediately".* For changes between annual reviews, provide written notice of changes by using the in-year MCQ update form on the last page of this document.

Section 1 – Client Information

Name of Municipality: Municipality of Clarington

Address: 40 Temperance Street, Bowmanville, ON, L1C 3A6

Treasurer Information

Name: Trevor Pinn, CPA, CA

Phone Number: (905) 623-3379 Extension: 2602

Email: tpinn@clarington.net

`

*Primary Day to Day Contact Information** ☑ *Check if same information as Treasurer above*

Name:

Phone Number: Extension:

Email:

*Primary day-to-day contact should have a comprehensive understanding of your Municipality's financial position and investment needs.

Section 2 - Investment Knowledge and Experience

2.1 Which statement best describes the Municipal staff (person most responsible for managing investments)'s level of investment knowledge and experience with financial markets and products? *Please check one*

- ○ Very limited knowledge
- ○ Basic knowledge and minimal experience
- ○ Good knowledge and some experience
- ◉ Strong knowledge and experience
- ○ Advanced knowledge and extensive experience

2.2 If Municipal staff have strong or advanced knowledge, please describe where this knowledge was acquired (e.g., education, designations experience).

Municipal Treasurer is a CPA with a familial background in banking, over 13 years of municipal investment experience including 6 years on the Board of ONE Investment. Deputy Treasurer is a CPA with limited investment background. Remaining team has limited investment knowledge but includes economist with strong forecasting skills and economic background.

2.3 Please indicate if your municipality has used / held any of the following investment types within the past five years. *Please check all that apply.*

- ☒ Canadian money market securities
- ☒ Locked-in Investments (e.g., GICs, PPNs etc.)
- ☒ Local Distribution Corporation Securities (LDC securities)
- ☒ Securities held in third party trusts (i.e., cemetery trust, legacy fund etc.)
- ☒ Fixed income (government and/or corporate bonds)
- ☒ Equities
- ☐ Other – Please Describe

Equities have been through ONE pools or PI

Section 3 – General Municipal Information

This section provides some high-level demographic information on the municipality

3.1 What is the population of the Municipality? 114,000

3.2 Is your municipality a single tier, upper tier or lower tier? Lower

3.3 How much does a 1% tax rate increase generate? 880,000

3.4 Is there any other demographic information about your municipality you would like the ONE JIB to know? *(optional)*

Based on BMA Study, Clarington is one of Ontario's fastest growing municipalities. It also has a higher than average working age demographic, very family oriented demographic. This puts pressure on service infrastructure investments and service delivery.

Clarington's household income is approximately $146,600 which is higher than the Provincial average.

Section 4 – Municipal MNRI Information

4.1 This section summarizes the current MNRI under the management and control of the ONE JIB and the projected change identified in the annual review. *The total value should equal the total MNRI shown in Question 5.1 Investment Objectives and Horizon*

.

Description	**Value**
Portfolio Value (A) - *For existing municipalities this is the amount currently invested with ONE JIB as of your last monthly statement.* - *For new municipalities this should be $0*	$ 23,965,226
Change to MNRI: Additional contribution (+) or withdrawal (-) (B) - For existing municipalities this is the MNRI change identified during the annual review (fund transfers are typically completed with 30 days of ONE JIB's approval of the updated investment plan) - For new municipalities, this equals your initial deposit as of the Prudent effective date (TBD)	$ 0
Total MNRI under the management and control of ONE JIB (A + B)	$ 23,965,226

☐ Additional details have been included as an attachment to this MCQ (optional).

4.2 Use this *optional* box to provide any additional MNRI details related to 4.1 above (in lieu of a separate attachment)

Section 5 – MNRI Investment Objectives and Liquidity Needs

This section asks about your Municipality's MNRI, the purpose or investment objective and the expected investment horizon or when funds may be required to meet forecasted municipal obligations.

5.1 What is the Municipal *funding objective(s), investment horizon(s) and purpose(s)* for the MNRI? *The total MNRI value should equal the total MNRI shown in Question 4.1 Municipal MNRI Information*

MNRI by Investment Horizon

Description	Total MNRI ($) (A+B+C) *auto calculate*	Investment Horizon < 5 Years (A)	Investment Horizon 5-10 Years (B)	Investment Horizon >10 Years (C)
Capital Growth	$ 23,965,226		$ 250,000	$ 23,715,226
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 23,965,226	$ 0	$ 250,000	$ 23,715,226

Note – Description is up to the municipality, it could be total MNRI (one line) or broken out into the funding objective/investment purpose, or municipal reserve name/group (multiple lines)

☐ Additional details have been included as an attachment to this MCQ (optional).

5.2 Based on *current* municipal forecasts, please provide details that may help inform the ONE JIB about ***potential drawdowns/additions to MNRI*** that may be anticipated in future years.

Cash Flow Projections Potentially Affecting Future MNRI

Description	Next Year	2 years	3-5 years	5-10 years	10 years +
Anticipated MNRI Drawdowns (-)	$ 0	$ 0	$ 0	($ 250,000)	($ 750,000)
Anticipated MNRI Contributions (+)	$ 250,000	$ 0	$ 500,000	$ 16,750,000	
Net Change to MNRI	$ 250,000	$ 0	$ 500,000	$ 16,500,000	($ 750,000)

5.3 Does the municipal forecasts used (above in 5.2) reflect

☐ Drawdowns of current reserve balances, or

☒ Drawdowns of current reserve balances inclusive of projected future budgetary contributions

5.4 What *assumptions or factors* do your municipality include in the MNRI cash flow projections? For example, but not limited to, inflation assumptions on capital projects, assumptions on future tax-based reserve contributions, forecasted development charge revenue etc.

We include assumptions on inflation, forecasted development charge revenues, transfers into reserve funds, gains/losses from MOC held investments, inflow from debentures, principal and interest debt payments and minimum required reserve fund balances

5.5 Does your municipality forecast beyond 5 years, if yes, what is the level of accuracy?

5 to 10 years, however the level of accuracy at this point would be moderate. We continue to develop long-term financial planning processes.

5.6 Does your current municipal forecast include any large (or unusual) capital expenditures, which are outside of normal operations?

☒ Yes ☐ No

5.7 Do you anticipate any *potential* change in *liquidity needs* in the future (i.e. within 2 years, within 5 years or beyond 5 years) which may impact on the investment time horizon? An example could be a large capital infrastructure project with timing TBD, or with grant funding pending etc. If yes, please elaborate.

Forecasts only include approved grants, awards of additional grants will impact the future needs. The timing of large capital projects that are forecasted within the next 5 years are pretty concrete, smaller capital projects may be deferred etc (ie. vehicles, small building repairs).

There may be additional projects required in the future as a result of approvals of in progress secondary plans which have not yet been approved. The timing would be identified once those plans have been approved.

5.8 How does your Municipality manage unanticipated requests for funding? Can you characterize the probability that your municipality may need to draw down MNRI to fund unexpected budget shortfalls?

The cash flow model developed is reviewed periodically by the Treasurer who takes a conservative approach in estimating needs. Further, a time horizon of 3 years is used for MRI to mitigate the impacts of unanticipated requests and the ability of the Municipality to adapt needs within that time frame.

5.9 Are there any *other unique circumstances* to your municipalitythat may impact your cash flow MNRI forecast, return objectives and risk tolerance that the Investment Plan should consider?

The model we have used assumes growth based on historical numbers, if there is a significant decline this may result in either cash being needed earlier or a delay in the project completely. Conversely, as we are projected to be a high growth municipality, significant growth above our assumed numbers would bring in more cash through development charges which could improve the MNRI numbers in the short term.

Municipal Client Questionnaire (MCQ)

Section 6 – Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this 9 day of April, 2026

Trevor Pinn Digitally signed by Trevor Pinn Date: 2026.04.09 11:20:01 -04'00'

Name and Signature of Treasurer

Second Signature (if required)

Appendix 1 – In-year MCQ Updates Form

Please provide details below that explain the nature of your requested change. This should describe: the money involved, the timing of transactions required, and any other context to support the change request. This will allow ONE JIB to understand how this update may change the cashflow characteristics or investment horizons of MNRI relative to your current MCQ and Investment Plan.

Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this_____day of_____, 20_____

_____ _____

_____ _____

Name and Signature of Treasurer Second Signature (if required)

Attachment 6

INVESTMENT PLAN FOR

The Municipality of Clarington

DATE: May 28, 2026

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1

DEFINITIONS

Definitions applicable to this Investment Plan can be found on the ONE Investment webpage under Education & Training / Glossary.

2

PURPOSE

As required under the prudent investor regime authorized by the Municipal Act, 2001 (Act), and Ontario Regulation 438/97 (Regulation), this Investment Plan (Plan) establishes how ONE JIB will invest the Municipality of Clarington's Money Not Required Immediately (MNRI) as defined in section 5.8 of Clarington's Investment Policy Statement (IPS).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Municipality of Clarington.

3

RESPONSIBILITY FOR PLAN

This Plan is the responsibility of ONE JIB, which has authorized its agent, ONE Investment, to exercise its administrative investment functions in accordance with the Regulation. ONE JIB oversees ONE Investment staff using procedures, reports, and regular reviews to monitor compliance with the Act, the Regulation and the Municipality of Clarington's IPS.

ONE Investment has engaged PH&N Institutional to provide OCIO services. PH&N Institutional is the business division of RBC Global Asset Management responsible for managing assets for Canadian institutional clients. PH&N Institutional will be involved in implementing the Investment Plan, monitoring and reporting investments, and providing ancillary services to support the OCIO Offering.

RBC GAM's investment professionals are committed to providing each client with investment solutions that are appropriately tailored to address the client's investment situation. This means understanding macroeconomic trends and strategies and the diverse and evolving investment needs of clients.

4

INVESTMENT GOALS AND OBJECTIVES

The Municipality of Clarington's investment needs, as described in its IPS, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the MCQ and dialogue with the Treasurer inform ONE JIB about Clarington's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Clarington's MNRI in this Plan is consistent with the details as disclosed in Clarington's IPS and MCQ. Section 5.17 of Clarington's IPS provides specific information that characterizes the objectives for MNRI, as detailed in Table 1 below:

Table 1: The investment objectives for MNRI.

Category	**Objective & Risk Tolerance**
Objectives for overall MNRI	• Preservation of capital • Provide adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements • Diversification by asset class, market sector, issuer, credit quality, and term to maturity • Achieve capital appreciation and income while managing risk to an appropriate level.

The MNRI invested with ONE JIB will be broadly diversified across asset class, market, sector, issuer, credit quality, and term to maturity to help reduce investment return volatility. Returns impact revenues and have a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. The MNRI shall be invested to obtain a progressively higher rate of return for longer-term investment horizons, commensurate with stated risk tolerances.

The MNRI balances will be invested primarily to achieve capital growth over time. Achieving returns above inflation is a key investment objective. Clarington does not foresee that drawdowns of MNRI would be required within the next 10 years.

5

INVESTMENT PORTFOLIO

Asset allocations are typically expected to be relatively stable until the next annual review. Any contributions or withdrawals of MNRI must be communicated to ONE JIB formally as outlined in the ONE JIB Withdrawals of Money Not Required Immediately (MNRI) Policy

5.1 Account Structure

MNRI Investment Horizon	Risk Tolerance / Model Assigned	Allocation
Consolidated MNRI Holdings	Model G+ (70% Equity) assigned.	$23,968,461

Other considerations:

- Clarington will neither contribute nor withdraw MNRI as part of the Investment Plan update this year.
- Clarington's approved IPS permits the use of longer-term alternative investments.
    - No near-term liquidity needs have been identified, and the MNRI has very long investment horizon.
    - This confirms that an allocation to long-term alternative investments is appropriate.
- The recommended investment allocation has a target allocation of 10% to alternative investments.
- The average time horizon associated with MNRI balances continues to be very long.
- Clarington is one of Ontario's fastest-growing municipalities, which may require incremental infrastructure investments over time.
- Clarington's MRI includes balances sufficient to cover any potential near-term liquidity needs or unexpected spending due to contingencies.
    - This mitigates the potential for MNRI to be drawn down unexpectedly due to unplanned events or changing circumstances.
- Clarington's MNRI is currently invested in Model G+, which has a 70% allocation to equities and includes exposure to alternative investments.
    - As the circumstances and objectives have not changed materially, this model continues to be appropriate for Clarington's MNRI.

5.2 Allocations

70% EQUITY MODEL (F+)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	10	20%	40
Global Fixed Income and Credit	0	0%	10
Canadian Equities	25	35%	45
Global Equities	25	35%	45
Alternatives	0	10%	20
Total		100%	

* Further details on holdings and benchmarks for this model are detailed in a ONE JIB report approved on September 4, 2025. (Model Portfolio Review 2025).

6

APPLICABLE ONE JIB POLICIES

The Plan adheres to the following ONE JIB Policies subject to periodic review and updating and are posted to the ONE Investment website.

- ONE Anti-Money Laundering Policy
- ONE JIB Fund Deviation Policy
- ONE JIB Principles of Good Benchmarks Policy
- ONE JIB Withdrawals of MNRI Policy
- ONE JIB In-Kind Securities Policy
- ONE JIB Responsible Investment Policy
- ONE JIB Policy for Reviewing the External Sub-Investment Manager
- ONE JIB OCIO Compliance Monitoring Policy

7

ELIGIBLE FUNDS

The eligible funds are listed under Schedule "A" of the Investment Management Agreement between RBC Global Asset Management Inc. and ONE Investment, which may be reviewed and updated periodically.

In asset classes where more than one fund is eligible for investment, the OCIO will be responsible for determining which fund(s) to include in the client portfolio after due consideration for (1) the individual characteristics of the fund, (2) prevailing market conditions impacting the fund's liquidity and capacity, and (3) its alignment with the municipality's investment objectives and philosophy.

The Manager shall manage the RBC GAM Fund(s) according to the pooled fund investment mandate including the investment guidelines contained therein developed by the Manager in respect of each RBC GAM Fund (each, an "Investment Mandate").

Asset Classes	Sub-Asset Classes	Eligible Fund Names (Schedule "A" of IMA)
	Fixed Income	
Cash & Equivalent	Money Market	PH&N Canadian Money Market Fund
Canadian Fixed Income	Short-Term Bonds	PH&N Short Term Bond & Mortgage Fund RBC Vision Fossil Fuel Free Short Term Bond Fund
	Universe Bonds	PH&N Bond Fund PH&N Enhanced Total Return Bond Fund RBC Vision Bond Fund RBC Vision Fossil Fuel Free Bond Fund
	Corporate Bonds	PH&N Corporate Bond Trust*
	Private Placement Corporate Debt	PH&N Private Placement Corporate Debt Fund*
	Commercial Mortgages	PH&N Mortgage Pension Trust* RBC Commercial Mortgage Fund*
Global Fixed Income and Credit	High-Yield Bonds	RBC High Yield Bond Fund PH&N High Yield Bond Fund
	Global Multi-Asset Credit	BlueBay Total Return Credit Fund
	Global Bonds	RBC Global Bond Fund
	Emerging Markets Bonds	RBC Emerging Markets Bond Fund

	Equities	
Canadian Equities	Canadian Equities	PH&N Canadian Equity Value Fund PH&N Canadian Equity Fund RBC Vision Canadian Equity Fund RBC QUBE Canadian Equity Fund
	Canadian Low Volatility Equities	RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund RBC QUBE Low Volatility Canadian Equity Fund
Global Equities	U.S. Equities	PH&N US Equity Fund RBC QUBE US Equity Fund
	U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Fund
	International Equities	RBC International Equity Fund RBC International Equity Index Fund RBC QUBE International Equity Fund
	Global Equities	RBC Global Equity Focus Fund RBC Global Equity Leaders Fund RBC Vision Global Equity Fund RBC Vision Fossil Fuel Free Global Equity Fund RBC QUBE Global Equity Fund
	Global Low Volatility Equities	RBC QUBE Low Volatility Global Equity Fund
	Emerging Markets Equities	RBC Emerging Markets Equity Fund RBC Emerging Markets Dividend Fund
Alternatives	Real Estate	RBC Canadian Core Real Estate Fund
	Infrastructure	RBC Global Infrastructure Fund

8

REBALANCING

The OCIO is authorized to execute trades, as appropriate, to maintain compliance with the Investment Plan.

Rebalancing shall occur in accordance with the Participating Municipality's Investment Policy Statement and Investment Plan.

Rebalancing plans and exact timing should account for upcoming material changes that may impact the Investment Plans, such as updates to the Investment Policy Statement or the Municipal Client Questionnaire.

As appropriate, the size and frequency of trading activities shall be minimized to help reduce the administration and costs of trading.

9

IMPLEMENTATION

9.1 Custodian

All marketable investments under the control and management of ONE JIB, shall be held for safekeeping by ONE Investment's Custodian.

9.2 Implementation Plan

Timeline	Implementation Details
NA	Not Applicable

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested as per the ONE Distribution Policy PI and cashflow needs of Clarington are expected to be financed with the sale of units of the pooled funds. Payment of OCIO Fees and Governance fees will also be financed with the sale of investment pool units.

Attachment 7

INVESTMENT POLICY STATEMENT

FOR

TOWNSHIP OF CENTRAL FRONTENAC (the "Municipality")

AUGUST 13, 2024

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Township of Central Frontenac

Investment Policy Statement

1. GLOSSARY AND DEFINITIONS

The following capitalized terms are defined terms which have the meanings set out below:

Act: means the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended from time to time.

Agent: means any administrator, Custodian, payment servicer, investment counsel, consultant, banker, broker, dealer or other service provider engaged or appointed by ONE JIB and authorized by ONE JIB to exercise any of the functions of ONE JIB pursuant to a written agreement, in the manner and to the extent provided in the Regulation and without limiting the generality of the foregoing, Agent includes ONE Investment.

Alternative Assets: means investments outside traditional investments such as equities, fixed income, and cash which may include, hedge funds, private equity, natural resources, real estate and infrastructure. Alternative investments are typically less liquid than traditional investments and are appropriate only for allocations with a long investment horizon.

Asset Class: An asset class is a specific category of assets or investments, such as cash, fixed income, equities, alternative investments, real estate etc.

Asset Mix (or Asset Allocation): means the proportion of each asset class in a portfolio. Asset classes include bank deposits, money market securities, bonds and equities, among other things.

Benchmark: means an index that is representative of a specific securities market (e.g. the S&P/TSX Composite Index, the FTSE/TMX 91 Day T-bill Index, etc.) against which investment performance can be compared. Performance benchmarks refer to total return indices in Canadian dollar terms.

CHUMS Financing Corporation (CHUMS): means a subsidiary of the Municipal Finance Officers' Association of Ontario (MFOA) which, in conjunction with LAS, established ONE Investment.

CFA Institute: refers to the global, not-for-profit professional association that administers the Chartered Financial Analyst (CFA) and the Certificate in Investment Performance Measurement (CIPM) curricula and examination programs worldwide, publishes research, conducts professional development programs, and sets voluntary, ethics-based professional and performance reporting standards for the investment industry.

Custodian: means a specialized financial institution that is responsible for safeguarding a municipality's investments and is not engaged in "traditional" commercial or consumer/retail banking. Global custodians hold investments for their clients in multiple jurisdictions around the world, using their own local branches or other local custodian banks ("sub-custodians" or "agent banks").

Diversification: means a risk management technique that mixes a variety of investment types within a portfolio to help mitigate portfolio risk. A diversified portfolio holds different kinds of investments to improve the risk adjusted returns.

Derivative: means a contract between two or more parties whose value is based on an agreed-upon underlying financial asset (like a security) or set of assets (like an index). Common underlying instruments include bonds, commodities, currencies, interest rates, market indexes, and stocks.

Environmental, Social and Governance (ESG) Investing: means considering and integrating ESG factors into the investment process, rather than eliminating investments based on ESG factors alone. Integrating ESG information can lead to more comprehensive analysis of a company.

Internal Controls: means a system of controls that may include authorities, policies, procedures, separation and segregation of duties, compliance checks, performance measurement and attribution, reporting protocols, measures for safekeeping of property and data, and the audit process.

Investment Plan: means the investment plan applicable to the Long-Term Money investments and adopted by ONE JIB under the Regulation, as it may be amended from time to time.

Investment Policy Statement (IPS): means the investment policy, or policies, applicable to the Municipality's investments adopted and maintained by the Council of the Municipality for Long-Term Money under the Regulation, and for Short-Term Money, as the same may be amended from time to time. The IPS may also apply to the money and investments held by the Municipality for the benefit of persons other than the Municipality itself and may make reference to source(s) of money in which the Municipality may have an indirect interest but which the Municipality has no authority to invest.

JIB: is short for Joint Investment Board and means a joint municipal service board that is established under section 202 of the Act by two or more municipalities for the purposes of Part II of the Regulation.

Legal List Securities: means the securities and other investments and financial instruments that are included from time to time in Part I of the Regulation.

Leverage: means an investment strategy of using borrowed money—specifically, the use of various financial instruments or borrowed capital—to increase the potential return of an investment. Typically leverage also tends to increase investment risks.

Liquidity: means the ability to turn an investment to cash relatively quickly, without a substantial loss in value. For example, a savings account is more liquid than real estate.

Local Authority Services (LAS): means an entity which, in conjunction with MFOA, established ONE Investment.

Local Distribution Corporation or LDC: means a corporation incorporated under Section 142 of the *Electricity Act, 1998*.

Long-Term Money: means money that the municipality has defined as long-term and characterized as money that is not required immediately by the Municipality as described in section 5.2. Monies that are Long Term Money will be invested in accordance with the Prudent Investor Standard.

Market Value: means the price at which a security is trading and could presumably be sold. Also known as Fair Value it represents the current value of the investment.

Maturity: means the date upon which the principal or stated value of an investment becomes due.

Money not Required Immediately (MNRI): means the long-term money that will be invested in accordance with the Prudent Investor Standard.

Money Required Immediately (MRI): means the short-term money to be used to meet financial obligations within the next 2 years.

Municipality: means the Township of Central Frontenac.

OCIO Offering: means the comprehensive investment program made available through ONE JIB pursuant to which a duly qualified investment manager is engaged by ONE Investment to advise a participating municipality with regard to the investment of the participating municipality's MNRI and to invest and manage such MNRI in accordance with the terms and conditions set out in the ONE JIB Agreement.

ONE Investment: means the not-for-profit corporation founded by CHUMS and LAS which provides certain management, administrative and other services to ONE JIB as their agent.

ONE JIB: means ONE Joint Investment Board, established by certain founding municipalities under Section 202 of the Act as a JIB for purposes of Part II of the Regulation, which is the duly appointed JIB for the Municipality, as constituted from time to time and which acts in accordance with the Act, the Regulation, the ONE JIB Agreement, including the Terms of Reference, this IPS and the Investment Plan.

ONE JIB Agreement: means the agreement effective as of the Prudent Effective Date, entered into in accordance with the requirements of the Regulation, pursuant to which ONE JIB has control and management of the Municipality's Long-Term Money.

Outsourced Chief Investment Officer (OCIO): means a submanager of ONE Investment that provides investment advice and professional services and is involved in the implementation and operational aspects of the OCIO Offering.

Participating Municipality: means from time to time each of the municipalities for whom ONE JIB acts as the JIB under the terms of the ONE JIB Agreement.

Pooled Fund: means a unit trust established under a trust instrument, generally not available to the public, in which institutional, sophisticated or high net worth investors contribute monies that are invested and managed by an External Portfolio Manager. Monies are pooled or combined with monies of other investors.

Portfolio: means any collection of funds that are grouped together and required for specific purposes.

Proxy Voting: means a legal transfer to another party of a shareholder's right to vote thereby allowing shareholders who cannot attend meetings to participate. External Portfolio Managers usually vote proxies on behalf of their clients.

Prudent Effective Date: means the agreed upon date to which the prudent investor regime applies to the Municipality.

Prudent Investor Standard: means the standard that applies when the Municipality invests money that it does not require immediately under section 418.1 of the Act. It requires the Municipality to exercise the care, skill, diligence and judgment that a prudent investor would exercise in making such an investment and the standard does not restrict the securities in which the Municipality can invest. The Prudent Investor Standard makes use of Modern Portfolio Theory and applies the standard of prudence to the entire portfolio in respect of the Municipality's Long-Term Money rather than to individual securities. It identifies the fiduciary's central consideration as the trade-off between risk and return as found in the CFA Institute Standards of Practice Handbook.

Rebalancing: means the process of realigning the weightings of a portfolio of assets. Rebalancing involves periodically buying or selling securities in a portfolio to maintain an original or desired level of asset allocation or risk.

Regulation: means Ontario Regulation 438/97.

Risk: means the uncertainty of future investment returns or chance of loss of capital.

Risk Tolerance: means the financial ability and willingness to absorb a loss in return for greater potential for gains.

Safekeeping: means the holding of assets (e.g., securities) by a financial institution.

Securities Lending: means loaning a security to another market participant. The borrower is required to deliver to the lender, as security for the loan, acceptable collateral with value greater than the value of the securities loaned. The Securities Lending program is managed by the Custodian or another appointed agent on behalf of investors. A Securities Lending program is widely used by institutional investors to generate additional marginal returns on the total portfolio.

Short-Term Money: means money that is required immediately by the Municipality as described in section 5.1 and which remains under the control and management of the Municipality. The money can be invested in appropriate Legal List Securities.

Sinking Fund: means a fund established to fulfil the requirements to make annual contributions in respect of various debenture issues wherein money is to be regularly set aside for the payment of the principal of the debentures at maturity.

Sinking Fund Required Contributions (Annual Sinking Fund Requirement): means the amount of money to be set aside each year for deposit into a sinking fund or a retirement fund, as applicable,

for each sinking fund and term debenture issue in accordance with the Municipality's debenture by-laws.

Sinking Fund Required Earnings: means the investment earnings needed for the Sinking Fund Contributions to continue to grow to a value sufficient to repay the principal at maturity for each issue of sinking fund and term debentures.

Sinking Fund Excess Earnings: means the investment earnings in excess of the required earnings.

Trust Fund: means a fund which consists of assets that have been conveyed or assigned to a trustee to be administered as directed by agreement or statute. As a result, a trustee holds title to the assets for the purpose of providing benefits and being accountable to a beneficiary. The Municipality is the trustee of funds that are to be used for specific purposes by the Municipality or any related parties.

2. PURPOSE AND LEGISLATIVE FRAMEWORK

2.1 Purpose of Policy

This IPS governs the investment of the Municipality's MNRI and MRI. It is intended, among other things, to direct the Treasurer in the investment of MRI and to direct ONE Joint Investment Board (ONE JIB) in the investment of MNRI by implementing the Authorizing Prudent Investor By-law # 2024-26 pursuant to which the Municipality authorized the establishment of guidelines for the prudent management of the Municipality's MNRI pursuant to section 418.1 of the Act.

In addition to the Municipality's MRI and MNRI, the Municipality is from time to time entrusted with the management of money and investments for a third-party beneficiary ("third-party trust funds").

There are also source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Such source(s) of money, referred to in this IPS as "designated funds", are listed in this policy. The designated funds are identified in this IPS for the sole purpose of enabling the Municipality to better see, on an aggregated basis, the various financial assets in which the Municipality has an interest. The Municipality is not responsible for the investment activities or performance of designated funds.

The goals of this IPS are to:

- Define and assign responsibilities for investment of MRI and MNRI;
- Describe the Municipality's responsibilities with respect to third-party trust funds and designated funds;
- Ensure compliance with the applicable legislation;
- Direct ONE JIB as to the Municipality's investment goals and risk tolerance;
- Provide guidance and limitations regarding the investments and their underlying risks;

- Establish a basis of evaluating investment performance and the underlying risks; and,
- Establish a reporting standard to Council.

This IPS applies to employees of the Municipality, to ONE JIB and to the employees of ONE Investment. ONE JIB, the Treasurer, and any agent, sub-manager, or advisor providing services to ONE JIB in connection with the investment of the portfolio shall accept and strictly adhere to this IPS.

2.2 Governing Legislation

Investments of MRI will only be made in Legal List Investments in accordance with this IPS and Section 418 of the Act. Investments of MNRI are governed by the Prudent Investor Standard in accordance with Section 418.1 of the Act. This standard is similar to that which governs trustees and pension fund administrators and creates a fiduciary responsibility. Prudent investment in compliance with the Act and the Regulation enhances the potential for the Municipality to earn improved risk-adjusted rates of return.

The Act provides that the Municipality, and therefore ONE JIB, must consider the following criteria in planning investments of MNRI, in addition to other criteria relevant to the circumstances:

- General economic conditions;
- The possible effect of inflation or deflation;
- The role that each investment plays within the Municipality's total portfolio of investments;
- The expected total return from income and the appreciation of capital; and
- Needs for liquidity, regularity of income and preservation or appreciation of capital.

Money and investments that the Municipality holds as third-party trust funds or has an interest in as designated funds will be subject to applicable legislation and any related agreements or instruments.

2.3 Prudent Investor Standard

For MNRI, the standard to be used by the Municipality and ONE JIB shall be the Prudent Investor Standard as required by Section 418.1 of the Act and Part II of the Regulation in the context of managing the Municipality's MNRI and investments thereof. Investments shall be made with the care, skill, diligence, and judgment, taking into account the prevailing circumstances, that persons of prudence, discretion and integrity would exercise in the management of investments, considering the necessity of preserving capital as well as the need for income and appreciation of capital. The Act includes a duty to obtain the advice that a prudent investor would obtain under comparable circumstances.

Officers, employees and investment agents acting in accordance with written procedures and the IPS and exercising due diligence shall take all necessary actions to optimize

performance of investments on a portfolio basis, taking into account the prescribed risk and other parameters set out in this IPS and market factors. The Municipality's staff acting in accordance with written procedures and this IPS, shall be relieved of personal responsibility for an investment's performance, provided underperformance relative to expectations is reported to Council and the liquidation or sale of investments is carried out in accordance with this IPS.

3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY

3.1 Determination of MNRI and MRI

Determination of the Municipality's MNRI is the responsibility of Council. In making the determination, Council may consider:

- the time horizon within which the monies are needed to meet financial obligations;
- the purpose for which the monies have been collected or set aside and are to be used;
- the source of the money; or
- any combination of the foregoing

MNRI will be comprised of money that is to be used to meet financial obligations that become due more than two years from the date of receipt of such money by the Municipality.

For certainty, all money and investments of the Municipality that have not been identified as MNRI (other than third-party trust funds and any designated funds referenced in Section 2.1) shall be deemed for purposes of this IPS to be MRI.

Determination of the Municipality's MNRI and MRI may be modified at any time and from time to time by action of Council and with respect to specific money by the Treasurer in accordance with the provisions of Section 6.2.

Any changes in this IPS regarding the Municipality's MNRI and MRI must be communicated immediately in writing to ONE JIB.

3.2 Overview of Portfolios

The Municipality's portfolios represent funds required for specific purposes. A high-level description of each of these portfolios and their objectives is provided in Section 5 below. This IPS applies to the following money of the Municipality, its agencies, boards and commissions including:

- MRI which is invested in Legal List Securities; and/or
- MNRI which is invested under the Prudent Investor Standard.

4. ROLES AND RESPONSIBILITIES

4.1 Role of ONE JIB

ONE JIB has been appointed by the Municipality in accordance with the requirements of the Act and the Regulation and on the terms and conditions set out in the ONE JIB Agreement (Appendix I).

ONE JIB exercises control and management of the Municipality's MNRI and the investments made by it in accordance with the objectives and risk tolerance established in this IPS.

Among the responsibilities of ONE JIB are the following:

- Reviewing this IPS;
- Adopting and maintaining an Investment Plan that complies with this IPS;
- Engaging Custodians, administrators and other investment professionals (i.e. Agents);
- Allocating the money and investments under its control and management in compliance with this IPS;
- Monitoring the performance of the OCIO Offering and Agents; and,
- Reporting to the Municipality.

The foregoing is subject to the more detailed terms and conditions contained in the ONE JIB Agreement.

4.2 Role of Municipal Staff

This IPS is approved and adopted by Council with input from the Treasurer, and from ONE JIB with respect to MNRI. MRI of the Municipality, and any third-party trust funds referenced in Section 2.1, remain under the control and management of the Treasurer.

Consistent with this IPS, the Treasurer is responsible for the implementation of the investment program and the establishment of investment procedures which shall include:

- Investment management of MRI and any third-party trust funds referenced in Section 2.1 by, or under the direction of, the Treasurer;
- The deposit or withdrawal of MNRI, under the explicit delegation of authority regarding MNRI, and the investment thereof, to ONE JIB, which is responsible for the control and management of such funds and investments; and,
- A system of controls exercised by the Treasurer to regulate the activities of subordinate officials.

No person including, without limitation, ONE JIB, may engage in an investment transaction except as provided under the terms of this IPS.

In the management of MRI of the Municipality, and any third-party trust funds referenced in Section 2.1, the Treasurer may engage one or more agents and service providers. ONE Investment can assist with the investment of the Municipality's MRI, in Legal List

Securities, and with the investment of third-party trust funds, in accordance with the terms of the applicable trust, if permitted, at the request of the Municipality.

4.3 Ethics and Conflicts of Interest

Individuals who are responsible for the Municipality's Short-Term Investment Portfolio shall comply with the Municipality's Conflict of Interest guidelines and any relevant professional codes of conduct (e.g., the CPA Code of Professional Conduct).

ONE JIB, in its capacity as a joint municipal service board, in addition to being a local board of each member Municipality is subject to a Code of Conduct as required by the Municipal Act, 2001 (the "Act"). This Code of Conduct applies to the Chair and the other Members of ONE JIB acting in their capacity as Members of ONE JIB.

5. INVESTMENT

5.1 MRI: Short-Term Money

The Municipality's MRI is described in this IPS as Short-Term Money. Short-Term Money consists of money that is needed to meet the short-term financial obligations of the Municipality and are controlled and managed by the Treasurer.

5.1.1 Short-Term Money: Investment Objectives

The main focus of the investment of Short-Term Money is cash management, and the interest income generated by the investment of these monies contribute to municipal revenues. To the extent possible, the Municipality shall attempt to match its investments with anticipated obligations.

Capital preservation is the paramount objective for short-term investments, and these investments need to be highly liquid. Consequently, only high quality, short-term investments that are also Legal List Securities will be held in this portfolio. The Municipality aims to maximize returns subject to the constraints set out in Part I of the Regulation, as amended from time to time, with a view to preserving capital and to further manage risk through diversification by issuer and credit quality.

The investment objectives for short term money, ranked in priority, are as follows:

a) Security of Principal
The primary objective for MRI is to ensure the security of principal. To minimize the risk of loss, investments shall be subject to minimum credit ratings and shall be diversified by maturity, type of investment and issuer. Investing activities will be reviewed on a regular basis as actual, revised and forecasted operating and capital plans are completed. Maturity dates should be structured so that investment cash inflows occur when needed.

b) Liquidity Requirements
Liquidity is measured by the ease with which securities can be converted to cash to meet forecast spending. The investments that are eligible under Ontario's Eligible Investments and Related Financial Agreements Regulation possess different features and thus market

prices will vary depending on market conditions, as well as the particular features of the type of investment.

To ensure adequate liquidity, the Municipality's investments shall be diversified by holding securities of various terms to maturity and by various types of investments and issuers and to the extent possible, the term of such investments shall match the forecasted requirements for such monies to meet expenditures.

c) Rate of Return
The Municipality's money shall be invested to maximize the rate of return within acceptable risk levels while respecting the security of principal, legal constraints and the liquidity needs of each investment portfolio.

5.1.2 Short-Term Money: Eligible Investments

Short Term Money may be invested in high quality, short-term investments that are also Legal List Securities available from banks, dealers and other financial institutions. Investments issued or guaranteed by approved institutions will be permitted by this Policy, as deemed eligible by Ontario Regulation 438/97 or as authorized by subsequent provincial regulations.

The Municipality's existing investment policy (see Appendix 2) will continue to apply to its Short-Term Money.

5.2 MNRI: Long-Term Money

The Municipality's MNRI is described in Section 3.1 as Long-Term Money. In accordance with the ONE JIB Agreement and this IPS, ONE JIB has exclusive control and management of the Long-Term Money and the investments made therewith.

From time to time, the Municipality may require money immediately to meet financial obligations and may require ONE JIB to liquidate one or more investments in order to generate money to meet those obligations. ONE JIB will select the investment(s) to be liquidated. The timing of such liquidation will be determined by ONE JIB in consultation with the Treasurer.

5.2.1 Long-Term Money: Investment Objectives

In setting the objectives noted below, the Municipality has taken into account the following considerations:

- Preservation of capital;
- Adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements;
- Diversification by asset class, market, sector, issuer, credit quality and term to maturity;
- Income and capital appreciation; and,
- Macro risks, such as inflation, economic growth and interest rates.

Investment of Long-Term Money (MNRI) is managed by ONE JIB in a way that balances investment objectives, expected returns, and risk to develop asset allocations that achieve the Municipality's financial needs within stated risk tolerances.

The primary investment objective for the Municipality's MNRI is growth to contribute toward funding future large capital road projects. The overall MNRI portfolio investment horizon shall be in line with the nature of the municipality's annual capital forecast and underlying liabilities. The risk tolerance to capital losses is to be minimized while weighing the benefits of higher expected returns over a longer investment horizon.

Investment of long-term money is to be managed by ONE JIB in a way that balances the investment objectives with a level of risk that is appropriate for the municipality. The MNRI invested with ONE JIB will be broadly diversified to help reduce the volatility of investment returns. Returns have an impact on revenues, as well as a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. To the extent possible, the Long-Term Money's investment horizons are aligned with the Municipality's obligations and cash flow requirements and may consist of liquid and non-liquid securities based on future cash flow requirements.

5.2.2 Long-Term Money: Eligible Investments

Eligible investments for Long-Term Money include any Pooled Fund or other collective investment vehicle or institutional investment management product approved or selected by ONE Investment for the Prudent Investment Program (OCIO Offering), provided always that the products and the selection of products comply in all material respects with the IPS.

Additionally, nothing in this IPS prevents Long-Term Money from being held in cash, short term money market instruments, or overnight deposits.

5.2.3 Long-Term Money: Sinking Funds

Not Applicable to this Municipality

5.2.4 Long-Term Money: Local Distribution Corporation (LDC) Securities

Not Applicable to this Municipality

5.3 Third-Party Trust Funds and Designated Funds

In addition to the Municipality's own money, the Municipality is from time to time entrusted with third-party trust funds, and the Municipality's responsibilities and obligations with respect thereto may be subject to other legislation and governed by other agreements and instruments. To the extent that there is any conflict or inconsistency between the provisions of this IPS and the terms and conditions contained in such other legislation, agreements or instruments applicable to third-party trust funds, the latter shall prevail.

The Municipality's third-party trust funds and the designated funds are listed in Schedule A.

For certainty, the third-party trust funds and the designated funds are not MNRI of the Municipality, and such monies are not under the control or management of ONE JIB.

5.4 Investment Management

5.4.1 Investment Management of Short-Term Money

The investment of Short-Term Funds shall be controlled and managed by the Treasurer.

5.4.2 Investment Management of Long-Term Money

The investment of Long-Term Money shall be controlled and managed by ONE JIB in accordance with this IPS.

5.5 Transition to Prudent Investor Regime

Until the Prudent Effective Date, the Municipality will continue to control and manage its MRI, MNRI and investments in Legal List Securities. Some Legal List investments were made with MRI and some with MNRI.

Upon and after the Prudent Effective Date, the control and management of money and investments that are determined to be not required immediately shall be given to ONE JIB. Nothing in this IPS requires that such investments need be liquidated or disposed of. It is not contrary to this IPS for investments that the Municipality does not require immediately to be held, and to continue to be held by ONE JIB, in instruments such as term deposits, guaranteed investment certificates or principal protected notes issued by a financial institution. They can be held to maturity and invested upon receipt of cash proceeds.

Management of third-party trust funds and any designated funds is not directly affected by the Prudent Effective Date.

5.6 Investment Constraints

5.6.1 Environmental, Social and Governance (ESG) Investing

The Municipality supports ESG investing for Short-Term and Long-Term Money. The Municipality believes that well-managed companies are those that demonstrate high ethical and environmental standards and respect for their employees, human rights, and the communities in which they do business, and that these actions contribute to long term financial performance.

For the investment of Long-Term Money, ONE JIB is required to explore and consider how the OCIO sub-manager is implementing responsible investing principles at the time of hiring and during periodic reviews. It may report on results periodically, if requested.

5.6.2 Securities Lending

For the investment of Short-Term Money, Securities Lending is not Permitted.

For the investment of Long-Term Money, the Municipality may invest in pooled funds, and other investment funds that are managed by the OCIO sub-manager who may engage in Securities Lending if the policies of the OCIO permit such an action.

5.6.3 Derivatives

Derivatives shall not be used for the investment of Short-Term Money.

For the investment of Long-Term Money, futures and forwards contracts, options and other derivative instruments may only be used for to (a) create an asset mix position that does not leverage the portfolio, (b) replicate the performance of a capital market index, or (c) reduce risk as part of a hedging strategy.

5.6.4 Use of Leverage

Nothing in this IPS prevents the use of leverage, provided it is prudent to do so. Leverage is inherent in the use of certain types of investment strategies and instruments. Where leverage is employed, ONE JIB (for MNRI) and the Treasurer (for MRI) shall have in place monitoring procedures to manage overall exposure to any counterparty. Leverages should not be exercised for speculative purposes but may be used as a hedging tool.

5.6.5 Pooled Funds

Investments in open-ended pooled funds, closed-ended pooled funds, limited partnerships and other specialist corporate structures (e.g. LLCs), are permitted provided that the assets of such funds are permissible investments under this Policy or provided that any non-permitted investments are disclosed by the Investment manager. Within pooled funds, the Investment Managers' policies will take precedence over this Statement of Investment Policies and Goals.

5.6.6 Currency Hedging

The Short-Term Investment Portfolio will not utilize currency hedging.

The Municipality's funding requirements are in Canadian dollars. However, some exposure to foreign currencies in the Long-Term Investment Portfolio may be advantageous to provide diversification and potentially enhance returns. Therefore, it shall not be a violation of this IPS for investments in global mandates to be unhedged, in whole or in part, where the diversification benefits embedded in the currency exposure are considered to be beneficial or desirable by ONE JIB.

5.6.7 Alternative Asset Classes

The Legislation does not prevent the direct / indirect placement of the Long-Term Money in Alternative Assets Classes; this IPS restricts investments in alternative investments for the purpose of management of Long-Term Money under the ONE JIB.

Alternative Asset Classes may have uncorrelated return characteristics with traditional asset classes that may improve diversification within the portfolio, which may lead to better risk adjusted returns. Typically, these investments may not be fully liquid, and are only appropriate for inclusion in portfolios with long investment horizons.

5.7 Performance Monitoring, Rebalancing and Management

5.7.1 Short-Term Money

The performance benchmarks may vary from time to time, as decided by the Treasurer, subject to the investment constraints listed in the IPS.

The investment of Short-Term Money will be monitored and rebalanced – at the direction of the Treasurer as per the existing investment policy attached as Appendix II.

5.7.2 Long-Term Money

For the investment of Long-Term Money, ONE JIB shall establish parameters for monitoring investments and rebalancing through policy or directly within the investment plan.

Investments are expected to achieve returns at least equal to their benchmarks measured over a rolling five-year period. At minimum, ONE JIB shall provide reporting described in Section 6.7 that shows the Municipality's holdings, declares compliance with this IPS, and shows External Portfolio Manager performance.

6. ADMINISTRATIVE POLICIES

6.1 Flow of Money and Annual Municipal Budget

6.1.1 Transfer to ONE JIB as Part of Annual Review Process

On an annual basis, as part of the Municipality's Annual Review process, the Municipality shall identify the amount, if any, of Long-Term Money that it holds. Any Long-Term Money not already under the control and management of ONE JIB shall be transferred to ONE JIB as soon as practicable.

6.1.2 Transfer to Municipality as Part of Annual Review Process

On an annual basis, ONE JIB shall be notified by the Treasurer as to the amount, if any, required by the Municipality from the Long-Term Money then under the control and management of ONE JIB for the Municipality's operational purposes. Such amount shall be deemed to be Short-Term Money and shall be returned to the Municipality in a lump sum or by way of periodic payments, as directed by the Treasurer.

6.2 Flow of Money Otherwise than through the Budget Process

6.2.1 Surplus Funds

The Short-Term Funds capture revenues received by the Municipality during each year after the approval of the Municipality's budget for the year. Any amounts deemed to be MNRI by the Treasurer at any such time during the year shall be transferred to ONE JIB to be under its management and control as Long-Term Money. Amounts so transferred will be recorded annually in the Investment Plan and allocated by ONE JIB in accordance with the Investment Plan.

6.2.2 Contingencies

The Treasurer is authorized to direct ONE JIB to return any amounts determined by the Treasurer to be required to meet expenditures for unexpected contingencies not anticipated by the Municipality's budget in force for that year, provided however that the aggregate of the amounts to be returned to the Municipality under this Section 6.2.2 during the year shall not exceed 25% of the Long-Term Money under the control and management of ONE JIB as at the date that the Municipality approved its budget for the year (the Budgeted Long-Term Money). In determining the Budgeted Long-Term Money for purposes of calculating the 25% limit, any Long-Term Money to be transferred to the control and management of ONE JIB in accordance with that year's Annual Review pursuant to Section 6.1.1 shall be included and any amount to be returned by ONE JIB to the Municipality pursuant to Section 6.1.2 shall be excluded. ONE Investment should be made aware of material transactions in advance to ensure the orderly sale of securities to fund withdrawals.

6.3 Valuation of Investments

Investments shall be valued according to the values provided by the Custodian(s). For the investment of Long-Term Money, values of unitized vehicles shall be valued according to the unit values published by the Custodian. Other investments shall be valued at their market value when that is available from regular public trading. If a market valuation of an investment is not available, then a fair value shall be supplied by the OCIO to the Custodian no less frequently than quarterly.

6.4 Voting Rights

Subject to the provisions of Section 5.2.4 with respect to LDC securities, where External Portfolio Managers have been appointed, such External Portfolio Managers shall assume the responsibility of exercising voting rights and will report their voting policies to ONE JIB annually. The Municipality may access these policies at any time.

6.5 Internal Controls

The Treasurer shall establish an annual process of review of all investments made under this IPS. This review will provide internal control by assuring compliance with governing legislation and with policies and procedures established by the Treasurer. To the extent

ONE JIB's input is needed, these requirements will be communicated in advance to ONE JIB.

6.6 Custodians

All investments and assets of the investment portfolios shall be held by a Custodian and any of the Custodian's sub-custodians or nominees. For Long-Term Money, the Custodian shall be acceptable to ONE Investment. For Short-Term Money the Custodian shall be acceptable to ONE Investment, if ONE Investment is administering the investment of the Municipality's Short-Term Money, otherwise the Custodian shall be acceptable to the Municipality.

6.7 Reporting

6.7.1 Short-Term Money

For the investment of Short-Term Money, the Treasurer shall report at least annually to Council, the report to be in a form and contain such content as Council may request or as prescribed by our existing investment policy in Appendix II. The report to Council shall include investment performance during the period covered and any other information required under the Regulation and that the Treasurer may consider to be pertinent.

6.7.2 Long-Term Money

The Regulation provides that ONE JIB shall submit an investment report to Council in respect of the investment of Long-Term Money at least annually. This report shall include the following.

- Investment performance during the period covered by the report;
- Asset mix of the total portfolio;
- A listing of individual investments held at the fund level at the end of the reporting period showing, where appropriate, book value, market value, realized/unrealized gains/losses and actual income received;
- A list of all transactions including the security name, trade date, and the purchase and/or sale price;
- A statement by the Treasurer as to whether all investments were made in accordance with the IPS and as to whether all investments were made in accordance with the Investment Plan; and
- Any other pertinent information in the opinion of the Treasurer.

All securities invested on behalf of the Municipality by ONE JIB or with the assistance of ONE Investment shall be held for safekeeping in the name of the Municipality by a Custodian.

7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE

7.1 Revocation / Amendment of Previous Investment Policy

There are no amendments to the existing investment policy (Appendix II), as it still applies to Short-Term Money

This IPS will operate alongside of the existing Investment Policy , and will be applicable for only Long Term Money that is not required immediately.

7.2 Modifications to the IPS

At least annually, Council shall review the IPS and update it, if required. In the course of reviewing the IPS, Council may request comments from the Treasurer with respect to the investment of Short-Term Money and from ONE JIB with respect to the investment of Long-Term Money.

Following the Council's review of the IPS, ONE JIB shall review the Investment Plan and update it, if required.

At a minimum, the annual IPS review will consider:

- the adequacy of funding for capital works;
- the Municipality's ability to reduce other spending;
- flexibility of the timeframe to payout; and
- sensitivity to loss.

7.3 Effective Date

This IPS is adopted by Council of the Municipality effective August 13, 2024. The Treasurer is directed to sign a copy of this IPS to evidence approval and to deliver a copy of this IPS to ONE JIB.

Following approval of the municipality by ONE JIB, a Prudent Investor Effective Date will be agreed upon by the Municipality and ONE JIB to commence the transition to the Prudent Investment Program.

J. Michael McGovern

Signed by:

J. Michael McGovern

[Treasurer]

August 14, 2024

Date

Schedule A

Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

Bank - Cemetery Plot Olden
Bank - Cemetery Monument Olden
Bank - Cemetery Hinchinbrooke
Bank – Bordenwood
Bank – Oconto Cemetery Donations
Bank – Zealand Cemetery
Bank – St. Paul's
Investments – Cemetery National Trust Olden

Designated Funds

Not applicable

Appendix I: ONE JIB Agreement

Appendix II: Investment Policy for Short-Term Money

Corporation of the Municipality of Central Frontenac
Municipal Investment Policy

1. PURPOSE

This policy establishes guidelines for municipal investments, as defined by and in compliance with the requirements of s. 418 to s. 420 of the Municipal Act, 2001 and of O.Reg.438/97. The goals of this policy are to ensure compliance with legislation and to establish a reporting practice to council, where, at least annually, a full disclosure of information relating to municipality held investments is provided.

2. POLICY

It is the policy of the Corporation of The Municipality of Central Frontenac to ensure

2.1 All investments are in compliance with O.Reg.438/97 and with s.418 to s.420 of the Municipal Act, 2001.

2.2 Preservation of capital

2.3 Maintenance of liquidity

2.4 Competitive return on investments

3. SCOPE

This investment policy applies to any investment of the financial assets of the Municipality of Central Frontenac, including Current, Capital, Reserve, Trust, and Gas Tax Funds.

4. AUTHORIZED INVESTMENTS

The eligible securities are prescribed under Ontario Regulation 438/97.

In addition, the Municipality further restricts investments to:

a. Guaranteed Investment Certificates;

b. the Money Market Fund, the Bond Fund, the Corporate Bond Fund and the Equity Fund, operated by *The One Investment Program*;

c. Deposit receipts, deposit notes, certificates of deposit or investment, acceptances or similar instruments issued, guaranteed or endorsed by,

i. a bank listed in Schedule I, II or III to the *Bank Act* (Canada),

ii. a loan corporation or trust corporation registered under the *Loan and Trust Corporations Act*, or

iii. a credit union or league to which the *Credit Unions and Caisses Populaires Act, 1994* applies.

The Treasurer will attempt where possible to diversify the investments so that certificates are covered under the Bank of Canada Deposit Insurance Act.

5. CURRENCY

The Municipality shall not invest in a security that is expressed or payable in any currency other than Canadian dollars. O. Reg. 438/97, s.6 (1).

6. REPORTING

The Treasurer or designate has a specific responsibility to prepare and provide, at least annually, an annual investment report to council. O. Reg. 438/97, s.8 (1). This report shall contain the following information:

6.1 a statement about the performance of the portfolio of investments of the municipality during the period covered by the report.

6.2 an estimated proportion of the long-term and short-term securities compared to the total investments and a description of the change, if any, in that estimated proportion since the previous year's report.

6.3 a statement by the treasurer as to whether or not, in his or her opinion, all investments were made in accordance with the investments policies and goals adopted by the municipality; and

6.4 a record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale price of each security.

6.5 such other information that the council may require or that, in the opinion of the treasurer, should be included. O. Reg. 438/97, s. 8 (2); O. Reg. 655/05, s. 6.

7. AUTHORITY

Authority to invest public funds is derived from section 418 to section 420 of the Municipal Act, 2001.

The Municipal Treasurer shall have the responsibility for the management of the investment program and to ensure that all investments are made in accordance with this Policy and Ontario's Eligible Investments and Related Financial Agreements Regulation O.Reg 438/97. All investment documents which authorize the transfer of funds from the Township's General Bank Account must be co-signed by the Township's Mayor or designate.

This policy is approved by resolution of the Council of The Municipality of Central Frontenac,

READ a first and second time this 8th day of July, 2014.

READ a third time and passed this 8th day of July, 2014.

Frances Smith, Mayor

Steve Silver, Interim CAO/Clerk

Attachment 8

Print

Clear Form

Municipal Client Questionnaire (MCQ)

The MCQ is part of the ONE Investment / ONE JIB annual Investment Plan review (approval) process. The MCQ along with the Council approved (reviewed) Investment Policy informs ONE JIB of the municipal circumstances to consider with the approval of the Investment Plan.

During the year, outside of the annual review, please update the MCQ within 90 days if the municipality experiences any significant changes, *including a significant change in your municipality's financial circumstances*, or *significant change in the amount of your municipality's "money that it does not require immediately"*. For changes between annual reviews, provide written notice of changes by using the in-year MCQ update form on the last page of this document.

Section 1 – Client Information

Name of Municipality: Township of Central Frontenac

Address: 14216 Road 38, Sharbot Lake, ON, K0H 2P0

Treasurer Information

Name: J. Michael McGovern

Phone Number: (613) 279-2935 Extension: 224

Email: treasury@centralfrontenac.com

*Primary Day to Day Contact Information** ☑ *Check if same information as Treasurer above*

Name:

Phone Number: Extension:

Email:

*Primary day-to-day contact should have a comprehensive understanding of your Municipality's financial position and investment needs.

Section 2 - Investment Knowledge and Experience

2.1 Which statement best describes the Municipal staff (person most responsible for managing investments)'s level of investment knowledge and experience with financial markets and products? *Please check one*

- ○ Very limited knowledge
- ◉ Basic knowledge and minimal experience
- ○ Good knowledge and some experience
- ○ Strong knowledge and experience
- ○ Advanced knowledge and extensive experience

2.2 If Municipal staff have strong or advanced knowledge, please describe where this knowledge was acquired (e.g., education, designations experience).

n/a

2.3 Please indicate if your municipality has used / held any of the following investment types within the past five years. *Please check all that apply.*

- ☐ Canadian money market securities
- ☐ Locked-in Investments (e.g., GICs, PPNs etc.)
- ☐ Local Distribution Corporation Securities (LDC securities)
- ☐ Securities held in third party trusts (i.e., cemetery trust, legacy fund etc.)
- ☒ Fixed income (government and/or corporate bonds)
- ☒ Equities
- ☐ Other – Please Describe

Section 3 – General Municipal Information

This section provides some high-level demographic information on the municipality

3.1 What is the population of the Municipality? 3,833

3.2 Is your municipality a single tier, upper tier or lower tier? Lower

3.3 How much does a 1% tax rate increase generate? 140,000

3.4 Is there any other demographic information about your municipality you would like the ONE JIB to know? *(optional)*

We have higher than average percentage of seniors.

Section 4 – Municipal MNRI Information

4.1 This section summarizes the current MNRI under the management and control of the ONE JIB and the projected change identified in the annual review. *The total value should equal the total MNRI shown in Question 5.1 Investment Objectives and Horizon*

.

Description	**Value**
Portfolio Value (A) - *For existing municipalities this is the amount currently invested with ONE JIB as of your last monthly statement.* - *For new municipalities this should be $0*	$ 3,924,127
Change to MNRI: Additional contribution (+) or withdrawal (-) (B) - For existing municipalities this is the MNRI change identified during the annual review (fund transfers are typically completed with 30 days of ONE JIB's approval of the updated investment plan) - For new municipalities, this equals your initial deposit as of the Prudent effective date (TBD)	$ 500,000
Total MNRI under the management and control of ONE JIB (A + B)	$ 4,424,127

☐ Additional details have been included as an attachment to this MCQ (optional).

4.2 Use this *optional* box to provide any additional MNRI details related to 4.1 above (in lieu of a separate attachment)

100% of MNRI related to asset management related to Highway 38

ONE INVESTMENT

Municipal Client Questionnaire (MCQ)

Section 5 – MNRI Investment Objectives and Liquidity Needs

This section asks about your Municipality's MNRI, the purpose or investment objective and the expected investment horizon or when funds may be required to meet forecasted municipal obligations.

5.1 What is the Municipal *funding objective(s), investment horizon(s) and purpose(s)* for the MNRI? *The total MNRI value should equal the total MNRI shown in Question 4.1 Municipal MNRI Information*

MNRI by Investment Horizon

Description	Total MNRI ($) (A+B+C) *auto calculate*	Investment Horizon < 5 Years (A)	Investment Horizon 5-10 Years (B)	Investment Horizon >10 Years (C)
Maintain investments along with annual $500k investment to fund a portion of Road 38	$ 4,424,127		$ 4,424,127	
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 4,424,127	$ 0	$ 4,424,127	$ 0

Note – Description is up to the municipality, it could be total MNRI (one line) or broken out into the funding objective/investment purpose, or municipal reserve name/group (multiple lines)

☐ Additional details have been included as an attachment to this MCQ (optional).

5.2 Based on *current* municipal forecasts, please provide details that may help inform the ONE JIB about ***potential drawdowns/additions to MNRI*** that may be anticipated in future years.

Cash Flow Projections Potentially Affecting Future MNRI

Description	Next Year	2 years	3-5 years	5-10 years	10 years +
Anticipated MNRI Drawdowns (-)					($ 8,424,127)
Anticipated MNRI Contributions (+)	$ 500,000	$ 500,000	$ 1,500,000	$ 2,500,000	$ 2,500,000
Net Change to MNRI	$ 500,000	$ 500,000	$ 1,500,000	$ 2,500,000	($ 5,924,127)

5.3 Does the municipal forecasts used (above in 5.2) reflect

☒ Drawdowns of current reserve balances, or

☐ Drawdowns of current reserve balances inclusive of projected future budgetary contributions

5.4 What *assumptions or factors* do your municipality include in the MNRI cash flow projections? For example, but not limited to, inflation assumptions on capital projects, assumptions on future tax-based reserve contributions, forecasted development charge revenue etc.

Assuming that our tax levy will increase annually by at least the Consumer Price Index. Assume a 95% collection rate of taxes billed. Assume our expenses are increasing by 3.9% in budget forecasting models.

Withdrawal in table above is expected to occur in year 10 - 15. There is currently uncertainty on timing (dependent on road conditions). Drawdown is an estimate based on known information. Roadworks will be deferred if possible. There are funds in the operating budget annually to provide preventative maintenance to extend the lifespan of the road. Current full surface replacement cost is $16M and full Replacement cost is $78M.
Estimated drawdowns are believed to be conservative.

5.5 Does your municipality forecast beyond 5 years, if yes, what is the level of accuracy?

No

5.6 Does your current municipal forecast include any large (or unusual) capital expenditures, which are outside of normal operations?

☐ Yes ☒ No

5.7 Do you anticipate any *potential* change in *liquidity needs* in the future (i.e. within 2 years, within 5 years or beyond 5 years) which may impact on the investment time horizon? An example could be a large capital infrastructure project with timing TBD, or with grant funding pending etc. If yes, please elaborate.

No, Just the normal draw down every 8 ish years to pay for roadwork.

5.8 How does your Municipality manage unanticipated requests for funding? Can you characterize the probability that your municipality may need to draw down MNRI to fund unexpected budget shortfalls?

We try to live within our means as much as possible. I don't believe that we will need to draw down MNRI to fund expected budget shortfalls.

5.9 Are there any *other unique circumstances* to your municipalitythat may impact your cash flow MNRI forecast, return objectives and risk tolerance that the Investment Plan should consider?

No

Municipal Client Questionnaire (MCQ)

Section 6 – Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this 24 day of March, 2026

J. Michael McGovern

Name and Signature of Treasurer

Second Signature (if required)

Appendix 1 – In-year MCQ Updates Form

Please provide details below that explain the nature of your requested change. This should describe: the money involved, the timing of transactions required, and any other context to support the change request. This will allow ONE JIB to understand how this update may change the cashflow characteristics or investment horizons of MNRI relative to your current MCQ and Investment Plan.

Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this_____day of_____, 20_____

_____ _____

_____ _____

Name and Signature of Treasurer Second Signature (if required)

Attachment 9

INVESTMENT PLAN FOR

The Township of Central Frontenac

DATE: May 28, 2026

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1

DEFINITIONS

Definitions applicable to this Investment Plan can be found on the ONE Investment webpage under Education & Training / Glossary.

2

PURPOSE

As required under the prudent investor regime authorized by the Municipal Act, 2001 (Act), and Ontario Regulation 438/97 (Regulation), this Investment Plan (Plan) establishes how ONE JIB will invest the Township of Central Frontenac's Money Not Required Immediately (MNRI) as defined in section 3.1 of Central Frontenac's Investment Policy Statement (IPS).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Township of Central Frontenac.

3

RESPONSIBILITY FOR PLAN

This Plan is the responsibility of ONE JIB, which has authorized its agent, ONE Investment, to exercise its administrative investment functions in accordance with the Regulation. ONE JIB oversees ONE Investment staff using procedures, reports, and regular reviews to monitor compliance with the Act, the Regulation and the Township of Central Frontenac's IPS.

ONE Investment has engaged PH&N Institutional to provide OCIO services. PH&N Institutional is the business division of RBC Global Asset Management responsible for managing assets for Canadian institutional clients. PH&N Institutional will be involved in implementing the Investment Plan, monitoring and reporting investments, and providing ancillary services to support the OCIO Offering.

RBC GAM's investment professionals are committed to providing each client with investment solutions that are appropriately tailored to address the client's investment situation. This means understanding macroeconomic trends and strategies and the diverse and evolving investment needs of clients.

4

INVESTMENT GOALS AND OBJECTIVES

The Township of Central Frontenac's investment needs, as described in its IPS, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the MCQ and dialogue with the Treasurer inform ONE JIB about Central Frontenac's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Central Frontenac's MNRI in this Plan is consistent with the details as disclosed in Central Frontenac's IPS and MCQ. Section 5.2.1 of Central Frontenac's IPS provides specific information that characterizes the objectives for MNRI, as detailed in Table 1 below:

Table 1: The investment objectives for MNRI.

Category	**Objective & Risk Tolerance**
Objectives for overall MNRI	• Preservation of capital • Provide adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements • Diversification by asset class, market sector, issuer, credit quality, and term to maturity • Achieve capital appreciation and income while managing risk to an appropriate level.

The MNRI invested with ONE JIB will be broadly diversified across asset class, market, sector, issuer, credit quality, and term to maturity to help reduce investment return volatility. Returns impact revenues and have a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. The MNRI shall be invested to obtain a progressively higher rate of return for longer-term investment horizons, commensurate with stated risk tolerances.

The MNRI balances will be invested primarily to achieve capital growth over time. Achieving returns above inflation is a key investment objective. The Investment Plan contemplates annual contributions and drawdowns every 8 years to fund road maintenance. Current projections indicate the first drawdown could be deferred by a few years or may be smaller than $8 million.

5

INVESTMENT PORTFOLIO

Asset allocations are typically expected to be relatively stable until the next annual review. Any contributions or withdrawals of MNRI must be communicated to ONE JIB formally as outlined in the ONE JIB Withdrawals of Money Not Required Immediately (MNRI) Policy

5.1 Account Structure

MNRI Investment Horizon	Risk Tolerance / Model Assigned	Allocation
Consolidated MNRI Holdings	Model F (60% Equity) assigned.	$4,284,080

Other considerations:

- Central Frontenac will be making a $500,000 contribution to MNRI this year, as contemplated in last year's Investment Plan.
    - This contribution is expected to occur in June 2026
    - Recurring contributions of $500,000 are anticipated every year.
- The annual MNRI contribution will be invested in Model F (60% equity).
- Central Frontenac anticipates a pattern of recurring drawdowns of $8 million every eight years thereafter.
- The size and magnitude of drawdowns relate to the capital spending required to maintain Ontario Road 38.
    - These amounts cannot be forecasted with a high degree of accuracy.
    - Unofficial update from public works suggests that it may be 10 or more years before drawdowns will be required, and the magnitude of drawdowns could be lower than projections.
    - Central Frontenac's MNRI may not be able to fund the required spending plans indefinitely.
    - Additional funding sources for the planned capital expenditure could be required in the future.
- This municipality's Investment Policy Statement (IPS) does not permit the use of long-term alternative investments.
- Central Frontenac's MNRI will be invested in Model F, as detailed in Section 5.2 below.

5.2 Allocations

60% EQUITY MODEL (F)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	20	30%	40
Global Fixed Income and Credit	0	10%	20
Canadian Equities	20	30%	40
Global Equities	20	30%	40
Alternatives	0	0%	0
Total		100%	

* Further details on holdings and benchmarks for this model are detailed in a ONE JIB report approved on September 4, 2025. (Model Portfolio Review 2025).

6

APPLICABLE ONE JIB POLICIES

The Plan adheres to the following ONE JIB Policies subject to periodic review and updating and are posted to the ONE Investment website.

- ONE Anti-Money Laundering Policy
- ONE JIB Fund Deviation Policy
- ONE JIB Principles of Good Benchmarks Policy
- ONE JIB Withdrawals of MNRI Policy
- ONE JIB In-Kind Securities Policy
- ONE JIB Responsible Investment Policy
- ONE JIB Policy for Reviewing the External Sub-Investment Manager
- ONE JIB OCIO Compliance Monitoring Policy

7

ELIGIBLE FUNDS

The eligible funds are listed under Schedule "A" of the Investment Management Agreement between RBC Global Asset Management Inc. and ONE Investment, which may be reviewed and updated periodically.

In asset classes where more than one fund is eligible for investment, the OCIO will be responsible for determining which fund(s) to include in the client portfolio after due consideration for (1) the individual characteristics of the fund, (2) prevailing market conditions impacting the fund's liquidity and capacity, and (3) its alignment with the municipality's investment objectives and philosophy.

The Manager shall manage the RBC GAM Fund(s) according to the pooled fund investment mandate including the investment guidelines contained therein developed by the Manager in respect of each RBC GAM Fund (each, an "Investment Mandate").

Asset Classes	**Sub-Asset Classes**	**Eligible Fund Names (Schedule "A" of IMA)**
	Fixed Income	
Cash & Equivalent	Money Market	PH&N Canadian Money Market Fund
Canadian Fixed Income	Short-Term Bonds	PH&N Short Term Bond & Mortgage Fund RBC Vision Fossil Fuel Free Short Term Bond Fund
	Universe Bonds	PH&N Bond Fund PH&N Enhanced Total Return Bond Fund RBC Vision Bond Fund RBC Vision Fossil Fuel Free Bond Fund
	Corporate Bonds	PH&N Corporate Bond Trust*
	Private Placement Corporate Debt	PH&N Private Placement Corporate Debt Fund*
	Commercial Mortgages	PH&N Mortgage Pension Trust* RBC Commercial Mortgage Fund*
Global Fixed Income and Credit	High-Yield Bonds	RBC High Yield Bond Fund PH&N High Yield Bond Fund
	Global Multi-Asset Credit	BlueBay Total Return Credit Fund
	Global Bonds	RBC Global Bond Fund
	Emerging Markets Bonds	RBC Emerging Markets Bond Fund

	Equities	
Canadian Equities	Canadian Equities	PH&N Canadian Equity Value Fund PH&N Canadian Equity Fund RBC Vision Canadian Equity Fund RBC QUBE Canadian Equity Fund
	Canadian Low Volatility Equities	RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund RBC QUBE Low Volatility Canadian Equity Fund
Global Equities	U.S. Equities	PH&N US Equity Fund RBC QUBE US Equity Fund
	U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Fund
	International Equities	RBC International Equity Fund RBC International Equity Index Fund RBC QUBE International Equity Fund
	Global Equities	RBC Global Equity Focus Fund RBC Global Equity Leaders Fund RBC Vision Global Equity Fund RBC Vision Fossil Fuel Free Global Equity Fund RBC QUBE Global Equity Fund
	Global Low Volatility Equities	RBC QUBE Low Volatility Global Equity Fund
	Emerging Markets Equities	RBC Emerging Markets Equity Fund RBC Emerging Markets Dividend Fund
Alternatives	Real Estate	RBC Canadian Core Real Estate Fund
	Infrastructure	RBC Global Infrastructure Fund

8

REBALANCING

The OCIO is authorized to execute trades, as appropriate, to maintain compliance with the Investment Plan.

Rebalancing shall occur in accordance with the Participating Municipality's Investment Policy Statement and Investment Plan.

Rebalancing plans and exact timing should account for upcoming material changes that may impact the Investment Plans, such as updates to the Investment Policy Statement or the Municipal Client Questionnaire.

As appropriate, the size and frequency of trading activities shall be minimized to help reduce the administration and costs of trading.

9

IMPLEMENTATION

9.1 Custodian

All marketable investments under the control and management of ONE JIB, shall be held for safekeeping by ONE Investment's Custodian.

9.2 Implementation Plan

Timeline	Implementation Details
June 2026	• Central Frontenac will remit the $500,000 MNRI contribution to ONE Investment. • The incremental MNRI will be deployed into Model F, and allocation weights will be rebalanced towards the intended target weights. • Trade Implementation expected to take place in June 2026.

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested as per the ONE Distribution Policy PI and cashflow needs of Central Frontenac are expected to be financed with the sale of units of the pooled funds. Payment of OCIO Fees and Governance fees will also be financed with the sale of investment pool units.

Attachment 10

SECTION: Finance	**EFFECTIVE DATE:** April 28, 2025
RECOMMENDATION NO.: GC28-25	**COUNCIL APPROVAL:** Res. No. 74-25
SUBJECT: Investment Policy Statement	**POLICY NUMBER:** Budget&Financial-30

The Town of Huntsville

Investment Policy Statement

1. DEFINITIONS

The following capitalized terms are defined terms which have the meanings set out below:

Act: means the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended from time to time.

Agent: means any administrator, Custodian, payment servicer, investment counsel, consultant, banker, broker, dealer or other service provider engaged or appointed by ONE JIB and authorized by ONE JIB to exercise any of the functions of ONE JIB pursuant to a written agreement, in the manner and to the extent provided in the Regulation and without limiting the generality of the foregoing, Agent includes ONE Investment, and the Sub-Investment Manager.

Alternative Assets: means investments outside traditional investments such as equities, fixed income, and cash which may include, hedge funds, private equity, natural resources, real estate and infrastructure. Alternative investments are typically less liquid than traditional investments, are appropriate only for allocations with a long investment horizon.

Asset Class: means a specific category of assets or investments, such as cash, fixed income, equities, alternative investments, real estate etc.

Asset Mix (or Asset Allocation): means the proportion of each Asset Class in a portfolio.

Authorizing By-law: means a by-law of the Municipality that authorizes it to invest its money and investments that it does not require immediately in the OCIO offering of ONE JIB pursuant to section 418.1 of the Act, to approve various documents, the entering into of agreements including a Prudent Effective Date Agreement and the delegation of certain powers and duties to ONE JIB/ONE Investment.

Benchmark: means an index that is representative of a specific securities market (e.g. the S&P/TSX Composite Index, the FTSE/TMX 91 Day T-bill Index, etc.) against which

investment performance can be compared. Performance benchmarks refer to total return indices in Canadian dollar terms.

CHUMS Financing Corporation (CHUMS): means a subsidiary of Municipal Finance Officers' Association of Ontario (MFOA) which, in conjunction with LAS, established ONE Investment.

CFA Institute: refers to the global, not-for-profit professional association that administers the Chartered Financial Analyst (CFA) and the Certificate in Investment Performance Measurement (CIPM) curricula and examination programs worldwide, publishes research, conducts professional development programs, and sets voluntary, ethics-based professional and performance reporting standards for the investment industry.

Custodian: means a specialized financial institution that is responsible for safeguarding a municipality's investments and is not engaged in "traditional" commercial or consumer/retail banking. Global custodians hold securities for their clients in multiple jurisdictions around the world, using their own local branches or other local custodian banks ("sub-custodians" or "agent banks").

Designated Funds means source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Designated Funds are listed in Schedule B of this IPS.

Diversification: means a risk management technique that mixes a variety of investment types within a portfolio to help mitigate portfolio risk. A diversified portfolio holds different kinds of investments to improve the risk adjusted returns.

Derivative: means a contract between two or more parties whose value is based on an agreed-upon underlying financial asset (like a security) or set of assets (like an index). Common underlying instruments include bonds, commodities, currencies, interest rates, market indexes, and stocks.

Environmental, Social and Governance (ESG) Investing: means considering and integrating ESG factors into the investment process, rather than eliminating investments based on ESG factors alone. Integrating ESG information can lead to a more comprehensive analysis of a company.

External Portfolio Managers: means external third-party investment management firms whose investment offerings are accessed by ONE JIB directly or through services provided to a Pooled Fund. External Portfolio Managers are agents authorized by ONE JIB in accordance with Part II of the Regulation.

Internal Controls: means a system of controls that may include authorities, policies, procedures, separation and segregation of duties, compliance checks, performance measurement and attribution, reporting protocols, measures for safekeeping of property and data, and the audit process.

Investment Plan: means the investment plan applicable to the MNRI and adopted by ONE JIB under the Regulation, as it may be amended from time to time.

Investment Policy Statement (IPS): means the investment policy applicable to the Municipality's investments adopted and maintained by the Council of the Municipality for MNRI under the Regulation, and for MRI, as the same may be amended from time to time. The IPS may also apply to the money and investments held by the Municipality for the benefit of persons other than the Municipality itself and may make reference to source(s) of money in which the Municipality may have an indirect interest but which the Municipality has no authority to invest.

JIB: is short for Joint Investment Board and means a joint municipal service board that is established under section 202 of the Act by two or more municipalities for the purposes of Part II of the Regulation.

Legal List Securities: means the securities and other investments and financial instruments that are included from time to time in Part I of the Regulation.

Leverage: means an investment strategy of using borrowed money—specifically, the use of various financial instruments or borrowed capital—to increase the potential return of an investment. Typically leverage also tends to increase investment risks.

Liquidity: means the ability to turn an investment into cash relatively quickly, without a substantial loss in value. For example, a savings account is more liquid than real estate.

Local Authority Services (LAS): means an entity which, in conjunction with MFOA/CHUMS, established ONE Investment.

Local Distribution Corporation or LDC: means a corporation incorporated under Section 142 of the *Electricity Act, 1998*.

Market Value: means the price at which a security is trading and could presumably be sold. Also known as Fair Value it represents the current value of the investment.

Maturity: means the date upon which the principal or stated value of an investment becomes due.

Money not Required Immediately (MNRI): means the money that is not required immediately by the Municipality that will be under the control and management of ONE JIB and as defined in this IPS that will be invested in accordance with the Prudent Investor Standard.

Money Required Immediately (MRI): means the money that is required immediately by the Municipality that remains under the control and management of the Municipality and, that can be invested in accordance with the Legal List Securities or other applicable legislation.

Municipal Services Corporation (MSC): means a corporation established under section 203 of the Act in accordance with the applicable regulation (Ontario Regulation 599/06).

Municipality: means the Corporation of the Town of Huntsville

OCIO Offering: means the comprehensive investment program made available through ONE Investment as agent for ONE JIB, where a qualified investment manager is

engaged to advise a Participating Municipality with regard to the investment of the Participating Municipality's MNRI and to invest and manage such MNRI in accordance with the terms and conditions set out in the ONE JIB Agreement.

ONE Investment: means the not-for-profit corporation established by CHUMS and LAS which provides certain management, administrative and other services to ONE JIB as its agent.

ONE JIB: means ONE Joint Investment Board, established by certain founding municipalities under section 202 of the Act as a JIB for purposes of Part II of the Regulation, which is the duly appointed JIB for the Municipality, as constituted from time to time and which acts in accordance with the Act, the Regulation, the ONE JIB Agreement, including the Terms of Reference, this IPS and the Investment Plan.

ONE JIB Agreement: means the agreement effective as of the Prudent Effective Date, entered into in accordance with the requirements of the Regulation, pursuant to which ONE JIB has control and management of the Municipality's MNRI.

Participating Municipality: means from time to time each of the municipalities for whom ONE JIB acts as the JIB under the terms of the ONE JIB Agreement.

Pooled Fund: means a unit trust established under a trust instrument, generally not available to the public, in which institutional, sophisticated or high net worth investors contribute monies that are invested and managed by an External Portfolio Manager. Monies are pooled or combined with monies of other investors.

Portfolio: means any collection of funds that are grouped together and available to support the infrastructure needs of the Municipality.

Proxy Voting: means a legal transfer to another party of a shareholder's right to vote thereby allowing shareholders who cannot attend meetings to participate. External Portfolio Managers usually vote proxies on behalf of their clients.

Prudent Effective Date: means the mutually agreed-upon date by the Municipality and ONE Investment on which the prudent investor regime applies to the Municipality. The Prudent Effective Date shall be on or after ONE JIB approves the Municipality as a participating municipality.

Prudent Effective Date Agreement: means an agreement entered into by the Municipality and ONE Investment that sets out the day on which the prudent investor regime starts to apply to the Municipality

Prudent Investor Standard: means the standard that applies when the Municipality invests money that it does not require immediately under section 418.1 of the Act. It requires the Municipality to exercise the care, skill, diligence and judgment that a prudent investor would exercise in making such an investment and the standard does not restrict the securities in which the Municipality can invest. The Prudent Investor Standard applies the standard of prudence to the entire portfolio in respect of the Municipality's MNRI rather than to individual securities. It identifies the fiduciary's central consideration as the trade-off between risk and return as found in the CFA Institute Standards of Practice Handbook.

Rebalancing: means the process of realigning the weightings of a portfolio of assets. Rebalancing involves periodically buying or selling securities in a portfolio to maintain an original or desired level of asset allocation or risk.

Regulation: means Ontario Regulation 438/97.

Restricted Special Assets: means investments specified by this IPS and held by the Municipality as of the Prudent Effective Date, where ONE JIB is not able to exercise control. Restricted Special Assets are listed in Schedule A of this IPS and are not considered to be MNRI.

Risk: means the uncertainty of future investment returns or chance of loss of capital.

Risk Tolerance: means the financial ability and willingness to absorb a loss in return for greater potential for gains.

Safekeeping: means the holding of assets (e.g., securities) by a financial institution.

Securities Lending: means lending a security to another market participant. The borrower is required to deliver to the lender, as security for the loan, acceptable collateral with value greater than the value of the securities loaned. The Securities Lending program is managed by the Custodian or another appointed agent on behalf of investors. A Securities Lending program is widely used by institutional investors to generate additional incremental returns on the total portfolio.

Sinking Fund: means a fund established to fulfil the requirements to make annual contributions in respect of various debenture issues wherein money is to be regularly set aside for the payment of the principal of the debentures at maturity.

Sinking Fund Required Contributions (Annual Sinking Fund Requirement): means the amount of money to be set aside each year for deposit into a sinking fund or a retirement fund, as applicable, for each sinking fund debenture issue in accordance with the Municipality's debenture by-laws.

Sinking Fund Required Earnings: means the investment earnings needed for the Sinking Fund Contributions to continue to grow to a value sufficient to repay the principal at maturity for each issue of sinking fund debentures.

Sinking Fund Excess Earnings: means the investment earnings in excess of the required earnings.

Sub-Investment Manager: means an asset management firm or investment consultant, acting as a sub-investment manager for ONE JIB that provides investment advice and professional services and is involved in the implementation and operational aspects of the OCIO Offering, and that has full responsibility for the investment and management of a Participating Municipality's MNRI through ONE Investment, based on an IPS approved by the Council of the municipality.

Third-Party Trust Funds means money over which the Municipality exercises both management and policy control but whose assets are not owned by the Municipality. These funds are governed by a variety of agreements and, in some cases, by legislation. Some funds may have externally mandated investment policies, and some may have

investment policies that are determined by the Municipality. Third-Party Trust Funds are listed in Schedule B of this IPS**.**

Trust Fund: means a fund which consists of assets that have been conveyed or assigned to a trustee to be administered as directed by agreement or statute. As a result, a trustee holds title to the assets for the purpose of providing benefits, and being accountable, to a beneficiary. The Municipality is the trustee of funds that are to be used for specific purposes by the Municipality or any related parties.

2. PURPOSE AND LEGISLATIVE FRAMEWORK

2.1 Purpose of Policy

This IPS governs the investment of the Municipality's MNRI and MRI. It is intended, among other things, to direct the Treasurer in the investment of MRI and to direct ONE Joint Investment Board (ONE JIB) in the investment of MNRI by implementing the Authorizing By-law (By-law 2020-53 Prudent Investor Enabling) pursuant to which the Municipality authorized the establishment of guidelines for the prudent management of the Municipality's MNRI pursuant to section 418.1 of the Act.

In addition to the Municipality's MRI and MNRI, the Municipality is from time to time entrusted with the management of money and investments for a third-party beneficiary, or Third-Party Trust Funds. The Municipality’s Third-Party Trust Funds are listed in Schedule B of this IPS.

There are also source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Such source(s) of money, referred to in this IPS as "Designated Funds", are listed in Schedule B of this IPS. The Designated Funds and the Restricted Special Assets, listed in Schedule A of this IPS, are identified in this IPS for the sole purpose of enabling the Municipality to better see, on an aggregated basis, the various financial assets in which the Municipality has an interest.

ONE JIB is not responsible for the investment activities or performance of Third-Party Trust Funds, Designated Funds or Restricted Special Assets.

The goals of this IPS are to:

- Define and assign responsibilities for investment of MRI and MNRI;
- Describe the Municipality’s responsibilities with respect to Restricted Special Assets, Third-Party Trust Funds and Designated Funds;
- Ensure compliance with the applicable legislation;
- Direct ONE JIB as to the Municipality’s investment goals and risk tolerance;
- Provide guidance and limitations regarding the investments and their underlying risks;
- Establish a basis of evaluating investment performance and the underlying risks; and,
- Establish a reporting standard to Council.

This IPS applies to employees of the Municipality, to ONE JIB and to the employees of ONE Investment. ONE JIB, the Treasurer, and any agent, sub-investment manager, or advisor providing services to ONE JIB in connection with the investment of the portfolio shall accept and strictly adhere to this IPS.

2.2 Governing Legislation

Investments of MRI will only be made in Legal List Securities in accordance with this IPS and Section 418 of the Act. Investments of MNRI are governed by the Prudent Investor Standard in accordance with Section 418.1 of the Act. This standard is similar to that which governs trustees and pension fund administrators and creates a fiduciary responsibility. Prudent investment in compliance with the Act and the Regulation enhances the potential for the Municipality to earn improved risk-adjusted rates of return.

The Act provides that the Municipality, and therefore ONE JIB, must consider the following criteria in planning investments of MNRI, in addition to other criteria relevant to the circumstances:

- General economic conditions;
- The possible effect of inflation or deflation;
- The role that each investment plays within the Municipality's total portfolio of investments;
- The expected total return from income and the appreciation of capital; and
- Needs for liquidity, regularity of income and preservation or appreciation of capital.

Money and investments that the Municipality holds as Restricted Special Assets, Third-Party Trust Funds or has an interest in as Designated Funds will be subject to applicable legislation and any related agreements or instruments.

2.3 Prudent Investor Standard

For MNRI, the standard to be used by the Municipality and ONE JIB shall be the Prudent Investor Standard as required by section 418.1 of the Act and Part II of the Regulation in the context of managing the Municipality's MNRI and investments thereof. Investments shall be made with the care, skill, diligence, and judgment, taking into account the prevailing circumstances, that persons of prudence, discretion and integrity would exercise in the management of investments, considering the necessity of preserving capital as well as the need for income and appreciation of capital. The Act includes a duty to obtain the advice that a prudent investor would obtain under comparable circumstances.

Officers, employees and investment agents acting in accordance with written procedures and the IPS and exercising due diligence shall take all necessary actions to optimize performance of investments on a portfolio basis, taking into account the prescribed risk and other parameters set out in this IPS and market factors. The Municipality's staff acting in accordance with written procedures and this IPS, shall be relieved of personal responsibility for an investment's performance, provided underperformance relative to expectations is reported to

Council and the liquidation or sale of investments is carried out in accordance with this IPS.

3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY

3.1 Determination of MNRI and MRI

Determination of the Municipality's MNRI is the responsibility of Council. In making the determination, Council may consider:

- the time horizon within which the monies are needed to meet financial obligations;
- the purpose for which the monies have been collected or set aside and are to be used;
- the source of the money; or
- any combination of the foregoing

The Municipality has defined MNRI as money from the municipality's own reserves, reserve funds, sinking funds and current ONE Investment investments that will not be required to meet financial obligations that become due more than 18 months (1.5 years) from the date of receipt of such money. The purpose of the money is to fund the municipality's future capital, operational, and contingency needs.

For certainty, all money and investments of the Municipality that have not been identified as MNRI (other than Restricted Special Assets, Third-Party Trust Funds and any Designated Funds referenced in Section 2.1) shall be deemed for purposes of this IPS to be MRI.

Determination of the Municipality's MNRI and MRI may be modified at any time and from time to time by action of Council and with respect to specific money by the Treasurer in accordance with the provisions of Section 6.2.

Any changes in this IPS regarding the Municipality's MNRI and MRI must be communicated immediately in writing to ONE JIB.

3.2 Overview of Portfolios

The Municipality's portfolios represent funds available to support Municipal needs. A high-level description of each of these portfolios and their objectives is provided in Section 5 below. This IPS applies to the following money of the Municipality, its agencies, boards and commissions including:

- MRI which is invested in Legal List Securities; and/or
- MNRI which is invested under the Prudent Investor Standard.

4. ROLES AND RESPONSIBILITIES

4.1 Role of ONE JIB

ONE JIB has been appointed by the Municipality in accordance with the requirements of the Act and the Regulation and on the terms and conditions set out in the ONE JIB Agreement (Appendix 1).

ONE JIB exercises control and management of the Municipality's MNRI and the investments made by it in accordance with the objectives and risk tolerance established in this IPS.

Among the responsibilities of ONE JIB are the following:

- Reviewing this IPS;
- Adopting and maintaining an Investment Plan that complies with this IPS;
- Engaging Custodians, administrators and other investment professionals (i.e. Agents);
- Allocating the money and investments under its control and management in compliance with this IPS;
- Monitoring the performance of the OCIO Offering and Agents; and,
- Reporting to the Municipality.

The foregoing is subject to the more detailed terms and conditions contained in the ONE JIB Agreement.

4.2 Role of Municipal Staff

This IPS is approved and adopted by Council with input from the Treasurer, and from ONE JIB with respect to MNRI. MRI of the Municipality, in addition to any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 2.1, remain under the control and management of the Treasurer.

Consistent with this IPS, the Treasurer is responsible for the implementation of the investment program and the establishment of investment procedures which shall include:

- Investment management of MRI and any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 2.1 by, or under the direction of, the Treasurer;
- The deposit or withdrawal of MNRI, under the explicit delegation of authority regarding MNRI, and the investment thereof, to ONE JIB, which is responsible for the control and management of such funds and investments; and,
- A system of controls exercised by the Treasurer to regulate the activities of subordinate officials.

No person including, without limitation, ONE JIB, may engage in an investment transaction except as provided under the terms of this IPS.

In the management of MRI of the Municipality, and any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 2.1, the Treasurer may engage one or more agents and service providers. ONE Investment can assist with the investment of the Municipality's MRI, in Legal List Securities, and with the investment of Third-Party Trust Funds, in accordance with the terms of the applicable trust, if permitted, at the request of the Municipality.

4.3 Ethics and Conflicts of Interest

Individuals who are responsible for the Municipality's MRI Investment Portfolio shall comply with the Municipality's Conflict of Interest guidelines and any relevant professional codes of conduct (e.g., the CPA Code of Professional Conduct).

ONE JIB, in its capacity as a joint municipal service board, in addition to being a local board of each member Municipality is subject to a Code of Conduct as required by the Act. This Code of Conduct applies to the Chair and the other Members of ONE JIB acting in their capacity as Members of ONE JIB.

5. INVESTMENT

5.1 MRI

The Municipality's MRI is described in this IPS consists of money that is needed to meet the short-term financial obligations of the Municipality and are controlled and managed by the Treasurer.

5.1.1 MRI: Investment Objectives

The main focus of the investment of MRI is cash management, and the interest income generated by the investment of these monies contribute to municipal revenues. To the extent possible, the Municipality shall attempt to match its investments with anticipated obligations.

Capital preservation is the paramount objective for MRI investments, and these investments need to be highly liquid. Consequently, only high quality investments that are also Legal List Securities will be held in this portfolio. The Municipality may invest in fully liquid money market securities and deposit accounts. The Municipality aims to maximize returns subject to the constraints set out in Part I of the Regulation, as amended from time to time, with a view to preserving capital and to further manage risk through diversification by issuer and credit quality.

The investment objectives for MRI, ranked in priority, are as follows:

a) Security of Principal
The primary objective for MRI is to ensure the security of principal. To minimize the risk of loss, investments shall be subject to minimum credit ratings and shall be diversified by maturity, type of investment and issuer. Investing activities will be reviewed on a regular basis as actual, revised and forecasted operating and

capital plans are completed. Maturity dates should be structured so that investment cash inflows occur when needed.

b) Liquidity Requirements
Liquidity is measured by the ease with which securities can be converted to cash to meet forecasted spending. The investments that are eligible under the Regulation possess different features and thus market prices will vary depending on market conditions, as well as the particular features of the type of investment.

To ensure adequate liquidity, the Municipality's investments shall be diversified by holding securities of various terms to maturity and by various types of investments and issuers and to the extent possible, the term of such investments shall match the forecasted requirements for such monies to meet expenditures.

c) Rate of Return
The Municipality's money shall be invested to maximize the rate of return within acceptable risk levels while respecting the security of principal, legal constraints and the liquidity needs of each investment portfolio.

The composition of each portfolio, including its term to maturity and type of investments, shall be adjusted within the guidelines of this IPS to take advantage of market opportunities. Such changes shall be made with the periodic interest rate outlook and target portfolio structure approved by the Treasurer.

5.1.2 MRI: Eligible Investments

MRI may be invested in high quality, investments that are also Legal List Securities available from banks, dealers and other financial institutions. Investments issued or guaranteed by approved institutions will be permitted by this IPS, as deemed eligible by the Regulation or as authorized by subsequent provincial regulations. Investments will be limited to securities issues maintaining a minimum credit rating by an appropriate credit rating agency.

Eligible investments include, but are not limited to, the following offerings by ONE Investment:

- ONE Investment High Interest Savings Account; and
- ONE Investment Canadian Government Bond Portfolio

Investment in the foregoing is subject to the Municipality entering into the prescribed Agency Agreement with LAS and CHUMS.

5.2 MNRI

The Municipality's MNRI is described in Section 3.1. In accordance with the ONE JIB Agreement and this IPS, ONE JIB has exclusive control and management of the MNRI and the investments made therewith.

From time to time, the Municipality may require money immediately to meet financial obligations and may require ONE JIB to liquidate one or more investments in order to generate money to meet those obligations. ONE JIB will

select the investment(s) to be liquidated. The timing of such liquidation will be determined by ONE JIB in consultation with the Treasurer.

5.2.1 MNRI: Investment Objectives

In setting the objectives noted below, the Municipality has taken into account the following considerations:

- Preservation of capital;
- Adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements;
- Diversification by asset class, market, sector, issuer, credit quality and term to maturity;
- Income and capital appreciation; and,
- Macro risks, such as inflation, economic growth and interest rates.

Investment of MNRI is managed by ONE JIB in a way that balances investment objectives, expected returns, and risk to develop asset allocations that achieve the Municipality's financial objectives within stated risk tolerances.

The overall MNRI portfolio investment horizon shall be in line with the nature of the Municipality's forecasts and underlying liabilities. The portfolio should balance risk and the benefits of higher expected returns over a longer investment horizon.

Investment of MNRI is to be managed by ONE JIB in a way that balances the investment objectives with a level of risk that is appropriate for the municipality. The MNRI invested with ONE JIB will be broadly diversified to help reduce the volatility of investment returns. Returns have an impact on revenues, as well as a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. To the extent possible, the MNRI's investment horizons are aligned with the Municipality's obligations and cash flow requirements and may consist of liquid and non-liquid securities based on future cash flow requirements.

5.2.2 MNRI: Eligible Investments

Eligible investments for MNRI include any Pooled Fund or other collective investment vehicle or institutional investment management product approved or selected by ONE Investment for the Prudent Investment Program (OCIO Offering), provided always that the products and the selection of products comply in all material respects with the IPS.

Additionally, nothing in this IPS prevents MNRI from being held in cash, short term money market instruments, including treasuries or overnight deposits.

5.2.3 MNRI: Sinking Funds

Sinking Funds are currently not applicable to the Municipality; however, should any sinking funds be established in the future, they are to be classified as MNRI and will be managed separately by ONE JIB.

5.2.4 Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities

The direct investment in LDC/MSC shares and/or promissory notes, as listed in Schedule A, shall be considered to be Restricted Special Assets and shall not be held by ONE JIB as MNRI.

5.2.5 Restricted Special Assets

With the exception of the Municipality's investments held in the ONE Investment Legal List Portfolios specified below, all existing assets, listed in Schedule A of this IPS and held by the Municipality on the Prudent Effective Date, shall be considered to be Restricted Special Assets, and shall *not* be held by ONE JIB as MNRI. The Treasurer may choose to liquidate these investments and determine that the proceeds are MNRI, to be invested as per this IPS and the approved ONE JIB Investment Plan.

For certainty, Restricted Special Assets are not MNRI of the Municipality, and such assets are not under the control or management of ONE JIB.

The ONE Investment Legal List Portfolio Investments, held by the Municipality, shall be considered to be MNRI and transferred to ONE JIB to be invested as MNRI, unless deemed by the Municipality to be MRI.

5.3 Third-Party Trust Funds and Designated Funds

In addition to the Municipality's own money, the Municipality is from time to time entrusted with Third-Party Trust Funds, and the Municipality's responsibilities and obligations with respect thereto may be subject to other legislation and governed by other agreements and instruments. To the extent that there is any conflict or inconsistency between the provisions of this IPS and the terms and conditions contained in such other legislation, agreements or instruments applicable to Third-Party Trust Funds, the latter shall prevail.

The Municipality's Third-Party Trust Funds, the Designated Funds are listed in Schedule B.

For certainty, the Third-Party Trust Funds and the Designated Funds are not MNRI of the Municipality, and such assets are not under the control or management of ONE JIB.

5.4 Investment Management

5.4.1 Investment Management of MRI

The investment of MRI shall be controlled and managed by the Treasurer.

5.4.2 Investment Management of MNRI

The investment of MNRI shall be controlled and managed by ONE JIB in accordance with this IPS and the ONE JIB Agreement.

The selected Sub-Investment Manager shall enter into an agreement with ONE Investment related to the OCIO Offering, that complies with this IPS and Part II of the Regulation and will provide compliance and performance reports to ONE JIB and One Investment. ONE JIB shall make any investment management changes deemed in the best interest of the Municipality.

5.5 Transition to Prudent Investor Regime / OCIO Offering

Until the Prudent Effective Date, the Municipality will continue to control and manage its MRI, MNRI and investments in Legal List Securities. Some Legal List investments were made with MRI and some with MNRI.

During the transition to the OCIO Offering the Chair and Vice-Chair of ONE JIB have discretionary power to approve temporary investments recommended by the Sub-Investment Manager that may not be expressly described in this IPS but are, in the opinion of the Chair and Vice-Chair, in the best interests of the Municipality and are entirely consistent with their fiduciary obligations to the Municipality.

All MNRI that is not Third-Party Trust Funds, Designated Funds or Restricted Special Assets shall be provided to ONE JIB on the Prudent Effective Date.

5.6 Investment Constraints

5.6.1 Environmental, Social and Governance (ESG) Investing

The Municipality supports ESG investing for MRI and MNRI. The Municipality believes that well-managed companies are those that demonstrate high ethical and environmental standards and respect for their employees, human rights, and the communities in which they do business, and that these actions contribute to long term financial performance.

For the investment of MRI, the Municipality has chosen to monitor the developments of ESG factors and will reconsider its approach to ESG investing for the MRI Investment Portfolio as and when appropriate to do so.

For the investment of MNRI, ONE JIB is required to explore and consider how the OCIO is implementing responsible investing principles at the time of hiring and during periodic reviews. It may report on results periodically, if requested.

5.6.2 Securities Lending

For the investment of MRI, Securities Lending is not permitted.

For the investment of MNRI, the Municipality may invest in pooled funds, and other investment funds that are managed by the Sub-Investment Manager who may engage in Securities Lending if the policies of the OCIO permit such an action.

5.6.3 Derivatives

Derivatives shall not be used for the investment of MRI.

For the investment of MNRI, futures and forwards contracts, options and other derivative instruments may only be used to (a) create an asset mix position that does not leverage the portfolio, (b) replicate the performance of a capital market index, or (c) reduce risk as part of a hedging strategy

5.6.4 Use of Leverage

Nothing in this IPS prevents the use of leverage, provided it is prudent to do so. Leverage is inherent in the use of certain types of investment strategies and instruments. Where leverage is employed, ONE JIB (for MNRI) and the Treasurer (for MRI) shall have in place monitoring procedures to manage overall exposure to any counterparty. Leverages should not be exercised for speculative purposes but may be used as a hedging tool.

5.6.5 Pooled Funds

Investments in open-ended pooled funds, closed-ended pooled funds, limited partnerships and other specialist corporate structures (e.g. LLCs), are permitted provided that the assets of such funds are permissible investments under this IPS or provided that any non-permitted investments are disclosed by the Sub-Investment Manager. Within pooled funds, the External Portfolio Manager's policies will take precedence over this IPS.

5.6.6 Currency Hedging

The MRI Investment Portfolio will not utilize currency hedging.

The Municipality's funding requirements are in Canadian dollars. However, some exposure to foreign currencies in the MNRI Investment Portfolio may be advantageous to provide diversification and potentially enhance returns. Therefore, it shall not be a violation of this IPS for investments in global mandates to be unhedged, in whole or in part, where the diversification benefits embedded in the currency exposure are considered to be beneficial or desirable by ONE JIB.

5.6.7 Alternative Asset Classes

The applicable legislation does not prevent the direct / indirect placement of the MNRI in Alternative Assets Classes; this IPS restricts investments in alternative investments for the purpose of management of MNRI under ONE JIB.

Alternative Asset Classes, such as infrastructure or real estate, may have uncorrelated return characteristics with traditional Asset Classes that may improve diversification within the portfolio, which may lead to better risk adjusted returns. Typically, these investments may not be fully liquid, and are only appropriate for inclusion in portfolios with long investment horizons.

5.6.8 Prohibited Investments

Not applicable.

5.7 Performance Monitoring, Rebalancing and Management

5.7.1 MRI

The performance benchmarks may vary from time to time, as decided by the Treasurer, subject to the investment constraints listed in the IPS.

5.7.2 MNRI

For the investment of MNRI, ONE JIB shall establish parameters for monitoring investments and rebalancing through policy or directly within the Investment Plan.

Investments are expected to achieve returns at least equal to their benchmarks measured over a rolling five-year period. At minimum, ONE JIB shall provide reporting described in Section 6.7 below that shows the Municipality's holdings, confirms compliance with this IPS, and reports on the Sub-Investment Manager's performance.

6. ADMINISTRATIVE POLICIES

6.1 Flow of Money and Annual Municipal Budget

6.1.1 Transfer to ONE JIB as Part of Annual Review Process

On an annual basis, as part of the Municipality's Annual Review process, the Municipality shall identify the amount, if any, of MNRI that it holds. Any MNRI not already under the control and management of ONE JIB shall be transferred to ONE JIB as soon as practicable.

6.1.2 Transfer to Municipality as Part of Annual Review Process

On an annual basis, ONE JIB shall be notified by the Treasurer as to the amount, if any, required by the Municipality from the MNRI then under the control and management of ONE JIB for the Municipality's operational purposes. Such amount shall be deemed to be MRI and shall be returned to the Municipality in a lump sum or by way of periodic payments, as directed by the Treasurer.

6.2 Flow of Money Otherwise than through the Budget Process

6.2.1 Surplus Funds

The MRI captures revenues received by the Municipality during each year after the approval of the Municipality's budget for the year. Any amounts deemed to be MNRI by the Treasurer at any such time during the year shall be transferred to ONE JIB to be under its management and control as MNRI. Amounts so transferred will be recorded annually in the Investment Plan and allocated by ONE JIB in accordance with the Investment Plan.

6.2.2 Contingencies

The Treasurer is authorized to direct ONE JIB to return any amounts determined by the Treasurer to be required to meet expenditures for unexpected contingencies not anticipated by the Municipality's budget in force for that year, provided however that the aggregate of the amounts to be returned to the Municipality under this Section 6.2.2 during the year shall not exceed 25% of the MNRI under the control and management of ONE JIB as at the date that the Municipality approved its budget for the year (the Budgeted MNRI). In determining the Budgeted MNRI for purposes of calculating the 25% limit, any MNRI to be transferred to the control and management of ONE JIB in accordance with that year's Annual Review pursuant to Section 6.1.1 above shall be included and any amount to be returned by ONE JIB to the Municipality pursuant to Section 6.1.2 shall be excluded. ONE Investment should be made aware of material transactions in advance to ensure the orderly sale of securities to fund withdrawals.

6.3 Valuation of Investments

Investments shall be valued according to the values provided by the Custodian(s). For the investment of MNRI, values of unitized vehicles shall be valued according to the unit values published by the Custodian. Other investments shall be valued at their market value when that is available from regular public trading. If a market valuation of an investment is not available, then a fair value shall be supplied by the Sub-Investment Manager to ONE Investment no less frequently than quarterly.

6.4 Voting Rights

The Sub-Investment Manager shall assume the responsibility of exercising voting rights in respect of the Municipality's MNRI and will report its voting policies to ONE JIB annually. The Municipality may access these policies at any time.

6.5 Internal Controls

The Treasurer shall establish an annual process of review of all investments made under this IPS. This review will provide internal control by assuring compliance with governing legislation and with policies and procedures established by the Treasurer. To the extent ONE JIB's input is needed, these requirements will be communicated in advance to ONE JIB.

6.6 Custodians

All municipal investments and assets of the investment portfolios may be held by a Custodian and any of the Custodian's sub-custodians or nominees. For MNRI, the Custodian shall be acceptable to ONE Investment. For MRI the Custodian shall be acceptable to ONE Investment, if ONE Investment is administering the investment of the Municipality's MRI; otherwise the Custodian shall be acceptable to the Municipality.

6.7 Reporting

6.7.1 MRI

For the investment of MRI, the Treasurer shall report at least annually to Council, the report to be in a form and contain such content as Council may request.*]* The report to Council shall include investment performance during the period covered and any other information required under the Regulation and that the Treasurer may consider to be pertinent.

6.7.2 MNRI

The Regulation provides that ONE JIB shall submit an investment report to Council in respect of the investment of MNRI at least annually. This report shall include the following.

- Investment performance during the period covered by the report;
- Asset mix of the total portfolio;
- A listing of individual investments held at the fund level at the end of the reporting period showing, where appropriate, book value, market value, realized/unrealized gains/losses and actual income received;
- A list of all transactions including the security name, trade date, and the purchase and/or sale price;
- A statement by the Treasurer as to whether all investments were made in accordance with the IPS and as to whether all investments were made in accordance with the Investment Plan; and
- Any other pertinent information in the opinion of the Treasurer.

All MNRI or MRI invested on behalf of the Municipality by ONE JIB or with the assistance of ONE Investment shall be held for safekeeping in the name of the Municipality by a Custodian.

7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE

7.1 Revocation / Amendment of Previous Investment Policy

This IPS amends, and restates as so amended, the existing Investment Policy Statement approved by Council on July 22, 2024.

7.2 Modifications to the IPS

At least annually, Council shall review the IPS and update it, if required. In the course of reviewing the IPS, Council may request comments from the Treasurer with respect to the investment of MRI and from ONE JIB with respect to the investment of MNRI.

Following the Council's review of the IPS, ONE JIB shall review the Investment Plan and update it, if required.

At a minimum, the annual IPS review will consider:

- the adequacy of funding for capital works;
- the Municipality's ability to reduce other spending;
- flexibility of the timeframe to payout; and

- sensitivity to loss.

7.3 Effective Date

This IPS is adopted by Council of the Municipality effective April 28, 2025. The Treasurer is directed to sign a copy of this IPS to evidence approval and to deliver a copy of this IPS to ONE JIB.

Signed by:

[Title: Treasurer]

Date

LDC and other MSC Securities

- Lakeland Holdings Ltd. Ownership in common shares

Schedule B

Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

Care and maintenance trust funds under the *Funeral, Burial and Cremation Services Act*, 2002 which are to be invested pursuant to the *Trustee Act*.

Designated Funds

The Municipality has no authority or responsibility with respect to investment of designated funds.

Reserve Funds of the Huntsville Business Improvement Area (BIA)

- Reserve Funds of the Huntsville Business Improvement Area (BIA)
- Municipal Accommodation Tax Funds – Tourism Entity Share

Appendix 1: ONE JIB Agreement

Attachment 11

Print

Clear Form

Municipal Client Questionnaire (MCQ)

The MCQ is part of the ONE Investment / ONE JIB annual Investment Plan review (approval) process. The MCQ along with the Council approved (reviewed) Investment Policy informs ONE JIB of the municipal circumstances to consider with the approval of the Investment Plan.

During the year, outside of the annual review, please update the MCQ within 90 days if the municipality experiences any significant changes, *including a significant change in your municipality's financial circumstances*, or *significant change in the amount of your municipality's "money that it does not require immediately".* For changes between annual reviews, provide written notice of changes by using the in-year MCQ update form on the last page of this document.

Section 1 – Client Information

Name of Municipality: Town of Huntsville

Address: 37 Main Street East, Huntsville, ON P1H 1A1

Treasurer Information

Name: Julia McKenzie, Director of Finance/Treasurer

Phone Number: (705) 789-1751 Extension: 2250

Email: julia.mckenzie@huntsville.ca

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*Primary Day to Day Contact Information** ☑ *Check if same information as Treasurer above*

Name:

Phone Number: Extension:

Email:

*Primary day-to-day contact should have a comprehensive understanding of your Municipality's financial position and investment needs.

Section 2 - Investment Knowledge and Experience

2.1 Which statement best describes the Municipal staff (person most responsible for managing investments)'s level of investment knowledge and experience with financial markets and products? *Please check one*

- ○ Very limited knowledge
- ○ Basic knowledge and minimal experience
- ◉ Good knowledge and some experience
- ○ Strong knowledge and experience
- ○ Advanced knowledge and extensive experience

2.2 If Municipal staff have strong or advanced knowledge, please describe where this knowledge was acquired (e.g., education, designations experience).

2.3 Please indicate if your municipality has used / held any of the following investment types within the past five years. *Please check all that apply.*

- ☒ Canadian money market securities
- ☒ Locked-in Investments (e.g., GICs, PPNs etc.)
- ☒ Local Distribution Corporation Securities (LDC securities)
- ☒ Securities held in third party trusts (i.e., cemetery trust, legacy fund etc.)
- ☒ Fixed income (government and/or corporate bonds)
- ☒ Equities
- ☐ Other – Please Describe

Section 3 – General Municipal Information

This section provides some high-level demographic information on the municipality

3.1 What is the population of the Municipality? 21,147

3.2 Is your municipality a single tier, upper tier or lower tier? Lower tier

3.3 How much does a 1% tax rate increase generate? $ 250,000

3.4 Is there any other demographic information about your municipality you would like the ONE JIB to know? *(optional)*

Town has been experiencing periods of growth over the past decade, the housing market seems to be slowing down which is seen in a decline in building permits and development charges collected.

Section 4 – Municipal MNRI Information

4.1 This section summarizes the current MNRI under the management and control of the ONE JIB and the projected change identified in the annual review. *The total value should equal the total MNRI shown in Question 5.1 Investment Objectives and Horizon*

.

Description	**Value**
Portfolio Value (A) - *For existing municipalities this is the amount currently invested with ONE JIB as of your last monthly statement.* - *For new municipalities this should be $0*	$ 12,217,906
Change to MNRI: Additional contribution (+) or withdrawal (-) (B) - For existing municipalities this is the MNRI change identified during the annual review (fund transfers are typically completed with 30 days of ONE JIB's approval of the updated investment plan) - For new municipalities, this equals your initial deposit as of the Prudent effective date (TBD)	$ 3,500,000
Total MNRI under the management and control of ONE JIB (A + B)	$ 15,717,906

☐ Additional details have been included as an attachment to this MCQ (optional).

4.2 Use this *optional* box to provide any additional MNRI details related to 4.1 above (in lieu of a separate attachment)

The current book value of the investments is $11,935,044, the Town would like to increases this to approximately $16,000,000 based on the latest review of the MNRI.

(Note: transfer will be within 30 days of May 28th - one JIB meeting unless otherwise stated here)

Section 5 – MNRI Investment Objectives and Liquidity Needs

This section asks about your Municipality's MNRI, the purpose or investment objective and the expected investment horizon or when funds may be required to meet forecasted municipal obligations.

5.1 What is the Municipal *funding objective(s), investment horizon(s) and purpose(s)* for the MNRI? *The total MNRI value should equal the total MNRI shown in Question 4.1 Municipal MNRI Information*

MNRI by Investment Horizon

Description	Total MNRI ($) (A+B+C) *auto calculate*	Investment Horizon < 5 Years (A)	Investment Horizon 5-10 Years (B)	Investment Horizon >10 Years (C)
Capital replacement reserve	$ 1,625,197	$ 306,502	$ 1,318,695	
Special projects	$ 6,731,510	$ 498,280	$ 874,602	$ 5,358,628
Securities/Planning Act	$ 567,197	$ 567,197		
Development Charges	$ 2,364,198	$ 1,672,634	$ 691,564	
Stabilization reserves	$ 4,429,803	$ 3,257,410	$ 1,172,393	
Total MNRI - *auto calculate*	$ 15,717,905	$ 6,302,023	$ 4,057,254	$ 5,358,628

Note – Description is up to the municipality, it could be total MNRI (one line) or broken out into the funding objective/investment purpose, or municipal reserve name/group (multiple lines)

☐ Additional details have been included as an attachment to this MCQ (optional).

5.2 Based on *current* municipal forecasts, please provide details that may help inform the ONE JIB about ***potential drawdowns/additions to MNRI*** that may be anticipated in future years.

Cash Flow Projections Potentially Affecting Future MNRI

Description	Next Year	2 years	3-5 years	5-10 years	10 years +
Anticipated MNRI Drawdowns (-)					
Anticipated MNRI Contributions (+)	$ 0				
Net Change to MNRI	$ 0	$ 0	$ 0	$ 0	$ 0

5.3 Does the municipal forecasts used (above in 5.2) reflect

☐ Drawdowns of current reserve balances, or

☒ Drawdowns of current reserve balances inclusive of projected future budgetary contributions

5.4 What *assumptions or factors* do your municipality include in the MNRI cash flow projections? For example, but not limited to, inflation assumptions on capital projects, assumptions on future tax-based reserve contributions, forecasted development charge revenue etc.

Assume that tax funded contributions to capital will continue to increase and that spending on asset replacement will continue. Forecast does not factor in any inflation to cost estimations for capital. Assumes that the Local Share for the Hospital will be paid out around 2035 but could be 2035-2040. Development charge revenue forecast are based on 2024 collections, could be lower if development declines.

Does not include funding for new buildings that have been contemplated but not yet approved (i.e. Public Library, Operations centre (roads), Fire Hall

5.5 Does your municipality forecast beyond 5 years, if yes, what is the level of accuracy?

The Town is working on a 10 year capital plan for all assets, currently the normal projection is for 5 years. That being said the capital forecast for development charges is for 10 years. Projects that may have a significant impact on MNRI have been contemplated but not yet formalized or approved by Council and have not been identified in the withdraws of MNRI as the timing and amounts are not yet known.

5.6 Does your current municipal forecast include any large (or unusual) capital expenditures, which are outside of normal operations?

☐ Yes ☒ No

5.7 Do you anticipate any *potential* change in *liquidity needs* in the future (i.e. within 2 years, within 5 years or beyond 5 years) which may impact on the investment time horizon? An example could be a large capital infrastructure project with timing TBD, or with grant funding pending etc. If yes, please elaborate.

Several large capital projects being contemplated, however not yet been formally approved by Council to move forward, or identify amounts and timing.

5.8 How does your Municipality manage unanticipated requests for funding? Can you characterize the probability that your municipality may need to draw down MNRI to fund unexpected budget shortfalls?

Not likely, due to past experience. If money is required to be drawn down it will be for a capital infrastructure project that will most likely be approved by Council well in advance of the capital construction funding needs.

That being said, if Council decided a property could come up for purchase that requires funds to be withdrawn. However nothing is currently on the record.

5.9 Are there any *other unique circumstances* to your municipalitythat may impact your cash flow MNRI forecast, return objectives and risk tolerance that the Investment Plan should consider?

The amount held for the Local share for the Hospital is a reserve that is to be utilized as the Town's local share contribution (in conjunction with the District of Muskoka and Town of Bracebridge), it is not yet known when this will be paid out. The commitment from Huntsville is to transfer $10,000,000 as part of its "local share" contribution. The 2025 balance of this fund is $5,488,870 and any income from ONE Investment on these funds are allocated directly to this reserve.

Municipal Client Questionnaire (MCQ)

Section 6 – Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this 15 day of April, 2026

Julia McKenzie

Julia McKenzie Digitally signed by Julia McKenzie Date: 2026.04.15 16:52:19 -04'00'

Name and Signature of Treasurer

Second Signature (if required)

Appendix 1 – In-year MCQ Updates Form

Please provide details below that explain the nature of your requested change. This should describe: the money involved, the timing of transactions required, and any other context to support the change request. This will allow ONE JIB to understand how this update may change the cashflow characteristics or investment horizons of MNRI relative to your current MCQ and Investment Plan.

Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this_____day of_____, 20_____

_____ _____

_____ _____

Name and Signature of Treasurer Second Signature (if required)

Attachment 12

INVESTMENT PLAN FOR

The Town of Huntsville

DATE: May 28, 2026

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1

DEFINITIONS

Definitions applicable to this Investment Plan can be found on the ONE Investment webpage under Education & Training / Glossary.

2

PURPOSE

As required under the prudent investor regime authorized by the Municipal Act, 2001 (Act), and Ontario Regulation 438/97 (Regulation), this Investment Plan (Plan) establishes how ONE JIB will invest the Town of Huntsville's Money Not Required Immediately (MNRI) as defined in Section 3.1 of Huntsville's Investment Policy Statement (IPS).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Town of Huntsville.

3

RESPONSIBILITY FOR PLAN

This Plan is the responsibility of ONE JIB, which has authorized its agent, ONE Investment, to exercise its administrative investment functions in accordance with the Regulation. ONE JIB oversees ONE Investment staff using procedures, reports, and regular reviews to monitor compliance with the Act, the Regulation and the Town of Huntsville's IPS.

ONE Investment has engaged PH&N Institutional to provide OCIO services. PH&N Institutional is the business division of RBC Global Asset Management responsible for managing assets for Canadian institutional clients. PH&N Institutional will be involved in implementing the Investment Plan, monitoring and reporting investments, and providing ancillary services to support the OCIO Offering.

RBC GAM's investment professionals are committed to providing each client with investment solutions that are appropriately tailored to address the client's investment situation. This means understanding macroeconomic trends and strategies and the diverse and evolving investment needs of clients.

4

INVESTMENT GOALS AND OBJECTIVES

The Town of Huntsville's investment needs, as described in its IPS, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the MCQ and dialogue with the Treasurer inform ONE JIB about Huntsville's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Huntsville's MNRI in this Plan is consistent with the details as disclosed in Huntsville's IPS and MCQ. Section 5.2.1 of Huntsville's IPS provides specific information that characterizes the objectives for MNRI, as detailed in Table 1 below:

Table 1: The investment objectives for MNRI.

Category	**Objective & Risk Tolerance**
Objectives for overall MNRI	• Preservation of capital • Provide adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements • Diversification by asset class, market sector, issuer, credit quality, and term to maturity • Achieve capital appreciation and income while managing risk to an appropriate level.

The MNRI invested with ONE JIB will be broadly diversified across asset class, market, sector, issuer, credit quality, and term to maturity to help reduce investment return volatility. Returns impact revenues and have a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. The MNRI shall be invested to obtain a progressively higher rate of return for longer-term investment horizons, commensurate with stated risk tolerances.

The MNRI balances will be invested primarily to achieve capital growth over time. Achieving returns above inflation is a key investment objective.

5

INVESTMENT PORTFOLIO

Asset allocations are typically expected to be relatively stable until the next annual review. Any contributions or withdrawals of MNRI must be communicated to ONE JIB formally as outlined in the ONE JIB Withdrawals of Money Not Required Immediately (MNRI) Policy

5.1 Account Structure

MNRI Investment Horizon	Risk Tolerance / Model Assigned	Allocation
Consolidated MNRI Holdings	Model D (40% Equity) assigned.	$15,828,039

Other considerations:

- There were no significant changes in the Town's circumstances or financial planning that would require material changes in the Town's investment allocations.
- Huntsville will be contributing $3.5 million to MNRI this year.
- No additional contributions or withdrawals are contemplated within the next 10 years
- No near-term liquidity needs have been identified, with no withdrawals of MNRI anticipated within the next 10 years.
- The investment horizon associated with MNRI reserves is long, with one-third of MNRI having a 10-year+ investment horizon.
- Huntsville's approved IPS does not permit the use of longer-term alternative investments.
- About $4 million of MNRI represents Huntsville's contribution to a hospital that will be built in the future.
    - This has been identified as 10-year+ money in Table 51 of the MCQ
    - $10 million will be required.
    - It is hoped that investment gains from MNRI will fund this commitment.

5.2 Allocations

40% EQUITY MODEL (D)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	35	45%	55
Global Fixed Income and Credit	5	15%	25
Canadian Equities	10	20%	30
Global Equities	10	20%	30
Alternatives	0	0%	0
Total		100%	

* Further details on holdings and benchmarks for this model are detailed in a ONE JIB report approved on September 4, 2025. (Model Portfolio Review 2025).

6

APPLICABLE ONE JIB POLICIES

The Plan adheres to the following ONE JIB Policies subject to periodic review and updating and are posted to the ONE Investment website.

- ONE Anti-Money Laundering Policy
- ONE JIB Fund Deviation Policy
- ONE JIB Principles of Good Benchmarks Policy
- ONE JIB Withdrawals of MNRI Policy
- ONE JIB In-Kind Securities Policy
- ONE JIB Responsible Investment Policy
- ONE JIB Policy for Reviewing the External Sub-Investment Manager
- ONE JIB OCIO Compliance Monitoring Policy

7

ELIGIBLE FUNDS

The eligible funds are listed under Schedule "A" of the Investment Management Agreement between RBC Global Asset Management Inc. and ONE Investment, which may be reviewed and updated periodically.

In asset classes where more than one fund is eligible for investment, the OCIO will be responsible for determining which fund(s) to include in the client portfolio after due consideration for (1) the individual characteristics of the fund, (2) prevailing market conditions impacting the fund's liquidity and capacity, and (3) its alignment with the Municipality's investment objectives and philosophy.

The Manager shall manage the RBC GAM Fund(s) according to the pooled fund investment mandate including the investment guidelines contained therein developed by the Manager in respect of each RBC GAM Fund (each, an "Investment Mandate").

Asset Classes	Sub-Asset Classes	Eligible Fund Names (Schedule "A" of IMA)
	Fixed Income	
Cash & Equivalent	Money Market	PH&N Canadian Money Market Fund
Canadian Fixed Income	Short-Term Bonds	PH&N Short Term Bond & Mortgage Fund RBC Vision Fossil Fuel Free Short Term Bond Fund
	Universe Bonds	PH&N Bond Fund PH&N Enhanced Total Return Bond Fund RBC Vision Bond Fund RBC Vision Fossil Fuel Free Bond Fund
	Corporate Bonds	PH&N Corporate Bond Trust*
	Private Placement Corporate Debt	PH&N Private Placement Corporate Debt Fund*
	Commercial Mortgages	PH&N Mortgage Pension Trust* RBC Commercial Mortgage Fund*
Global Fixed Income and Credit	High-Yield Bonds	RBC High Yield Bond Fund PH&N High Yield Bond Fund
	Global Multi-Asset Credit	BlueBay Total Return Credit Fund
	Global Bonds	RBC Global Bond Fund
	Emerging Markets Bonds	RBC Emerging Markets Bond Fund

	Equities	
Canadian Equities	Canadian Equities	PH&N Canadian Equity Value Fund PH&N Canadian Equity Fund RBC Vision Canadian Equity Fund RBC QUBE Canadian Equity Fund
	Canadian Low Volatility Equities	RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund RBC QUBE Low Volatility Canadian Equity Fund
Global Equities	U.S. Equities	PH&N US Equity Fund RBC QUBE US Equity Fund
	U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Fund
	International Equities	RBC International Equity Fund RBC International Equity Index Fund RBC QUBE International Equity Fund
	Global Equities	RBC Global Equity Focus Fund RBC Global Equity Leaders Fund RBC Vision Global Equity Fund RBC Vision Fossil Fuel Free Global Equity Fund RBC QUBE Global Equity Fund
	Global Low Volatility Equities	RBC QUBE Low Volatility Global Equity Fund
	Emerging Markets Equities	RBC Emerging Markets Equity Fund RBC Emerging Markets Dividend Fund
Alternatives	Real Estate	RBC Canadian Core Real Estate Fund
	Infrastructure	RBC Global Infrastructure Fund

8

REBALANCING

The OCIO is authorized to execute trades, as appropriate, to maintain compliance with the Investment Plan.

Rebalancing shall occur in accordance with the Participating Municipality's Investment Policy Statement and Investment Plan.

Rebalancing plans and exact timing should account for upcoming material changes that may impact the Investment Plans, such as updates to the Investment Policy Statement or the Municipal Client Questionnaire.

As appropriate, the size and frequency of trading activities shall be minimized to help reduce the administration and costs of trading.

9

IMPLEMENTATION

9.1 Custodian

All marketable investments under the control and management of ONE JIB, shall be held for safekeeping by ONE Investment's Custodian.

9.2 Implementation Plan

Timeline	Implementation Details
June 2026	• Huntsville will remit the $3,500,000 MNRI contribution to ONE Investment. • The incremental MNRI will be deployed into Model D, and allocation weights will be rebalanced towards the intended target weights. • Trade Implementation expected to take place in June 2026.

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested as per the ONE Distribution Policy PI and cashflow needs of Huntsville are expected to be financed with the sale of units of the pooled funds. Payment of OCIO Fees and Governance fees will also be financed with the sale of investment pool units.

Corporate Policy		CP.7.1.6
Section	**7**	**Financial**
Subsection	**1**	**General**
Subject	**6**	**Investment Policy Statement**
Approval Authority: 2025.06.25-CR-01	**Effective Date:** May 6, 2026	

Investment Policy Statement

for

Town of Innisfil (the “Municipality”)

May 6, 2026

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Town of Innisfil

Investment Policy Statement

OVERVIEW

Municipalities that are subject to the *Municipal Act, 2001* (the "**Act**") have no general power to invest money. Such powers must be found either in express provisions of the Act or by necessary implication.

Historically, municipalities that are subject to the Act had very limited express investment powers under section 418 of the Act. Section 418 continues to apply to all municipalities that are subject to the Act unless they elect to pass a by-law pursuant to the new section 418.1. Section 418 of the Act provides that "money that is not required immediately" can only be invested in securities prescribed by the Province in O. Reg. 438/97 (the "**Regulation**"). These prescribed securities are generally referred to as the "Legal List Securities" and are included in Part I of the Regulation.

Effective January 1, 2019, the new section 418.1 of the Act came into force. Section 418.1 provides that "money that is not required immediately" can be invested under that section in any security, provided that in making the investment the municipality exercises the care, skill, diligence and judgment that a prudent investor would exercise in making the investment. If a municipality elects to pass a by-law under section 418.1, the effect will be that its "money that is not required immediately" must be invested in accordance with the prudent investor regime. The rules, conditions and procedures that apply to investments under section 418.1 are set out in Part II of the Regulation.

Investing "money that is not required immediately" (MNRI) in Legal List Securities or in accordance with the prudent investor regime are mutually exclusive alternatives. That is to say, section 418 does not apply to a municipality that has adopted the prudent investor regime under section 418.1.

Every municipality, regardless of whether section 418 or 418.1 applies to it, has MNRI and also money that is required immediately (MRI). Municipalities retain the management and control of their MRI. The Act does not include any express provisions that deal with the investment of MRI. However, it is consistent with prudent practice to invest such money until it is actually spent, in order to preserve the capital value of that money. Accordingly, it is necessarily implied that a municipality has the power to invest such money on a short-term basis. Because the Act is silent as to how municipalities are to deal with MRI and because of the historical investment powers under the Act, a conservative approach is to invest MRI in appropriate Legal List Securities.

Municipalities that elect to pass a by-law pursuant to the new section 418.1 include in their investment policy:

i. the basis upon which they distinguish between MNRI and MRI

ii. principles governing the investment of each category of money

This Investment Policy Statement (IPS) is intended to respond to the foregoing requirements.

1. DEFINITIONS

The following capitalized terms are defined terms which have the meanings set out below:

Act: means the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended from time to time.

Agent: means any administrator, Custodian, payment servicer, , investment counsel, consultant, banker, broker, dealer or other service provider engaged or appointed by ONE JIB and authorized by ONE JIB to exercise any of the functions of ONE JIB pursuant to a written agreement, in the manner and to the extent provided in the Regulation and without limiting the generality of the foregoing, Agent includes ONE Investment, and the Sub-Investment Manager.

Alternative Assets: means investments outside traditional investments such as equities, fixed income, and cash which may include, hedge funds, private equity, natural resources, real estate and infrastructure. Alternative investments are typically less liquid than traditional investments, are appropriate only for allocations with a long investment horizon.

Asset Class: means a specific category of assets or investments, such as cash, fixed income, equities, alternative investments, real estate etc.

Asset Mix (or Asset Allocation): means the proportion of each asset class in a portfolio.

Authorizing By-law: means a by-law of the Municipality that authorizes it to invest its money and investments that it does not require immediately in the OCIO offering of ONE JIB pursuant to section 418.1 of the Act, to approve various documents, the entering into of agreements including a Prudent Effective Date Agreement and the delegation of certain powers and duties to ONE JIB /ONE Investment.

Benchmark: means an index that is representative of a specific securities market (e.g. the S&P/TSX Composite Index, the FTSE/TMX 91 Day T-bill Index, etc.) against which investment performance can be compared. Performance benchmarks refer to total return indices in Canadian dollar terms.

CHUMS Financing Corporation (CHUMS): means a subsidiary of Municipal Finance Officers' Association of Ontario (MFOA) which, in conjunction with LAS, established ONE Investment.

CFA Institute: refers to the global, not-for-profit professional association that administers the Chartered Financial Analyst (CFA) and the Certificate in Investment Performance Measurement (CIPM) curricula and examination programs worldwide, publishes research, conducts professional development programs, and sets voluntary, ethics-based professional and performance reporting standards for the investment industry.

Custodian: means a specialized financial institution that is responsible for safeguarding a municipality's investments and is not engaged in "traditional" commercial or

consumer/retail banking. Global custodians hold securities for their clients in multiple jurisdictions around the world, using their own local branches or other local custodian banks ("sub-custodians" or "agent banks").

Designated Funds: means source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Designated Funds are listed in Schedule B of this IPS.

Diversification: means a risk management technique that mixes a variety of investment types within a portfolio to help mitigate portfolio risk. A diversified portfolio holds different kinds of investments to improve the risk adjusted returns.

Derivative: means a contract between two or more parties whose value is based on an agreed-upon underlying financial asset (like a security) or set of assets (like an index). Common underlying instruments include bonds, commodities, currencies, interest rates, market indexes, and stocks.

Environmental, Social and Governance (ESG) Investing: means considering and integrating ESG factors into the investment process, rather than eliminating investments based on ESG factors alone. Integrating ESG information can lead to a more comprehensive analysis of a company.

External Portfolio Managers: means external third-party investment management firms whose investment offerings are accessed by ONE JIB directly or through services provided to a Pooled Fund. External Portfolio Managers are agents authorized by ONE JIB in accordance with Part II of the Regulation.

Internal Controls: means a system of controls that may include authorities, policies, procedures, separation and segregation of duties, compliance checks, performance measurement and attribution, reporting protocols, measures for safekeeping of property and data, and the audit process.

Investment Plan: means the investment plan applicable to the MNRI and adopted by ONE JIB under the Regulation, as it may be amended from time to time.

Investment Policy Statement (IPS): means the investment policy applicable to the Municipality's investments adopted and maintained by the Council of the Municipality for MNRI under the Regulation, and for MRI, as the same may be amended from time to time. The IPS may also apply to the money and investments held by the Municipality for the benefit of persons other than the Municipality itself and may make reference to source(s) of money in which the Municipality may have an indirect interest but which the Municipality has no authority to invest.

JIB: is short for Joint Investment Board and means a joint municipal service board that is established under section 202 of the Act by two or more municipalities for the purposes of Part II of the Regulation.

Legal List Securities: means the securities and other investments and financial instruments that are included from time to time in Part I of the Regulation.

Leverage: means an investment strategy of using borrowed money—specifically, the use of various financial instruments or borrowed capital to increase the potential return of an investment. Typically leverage also tends to increase investment risks.

Liquidity: means the ability to turn an investment into cash relatively quickly, without a substantial loss in value. For example, a savings account is more liquid than real estate.

Local Authority Services (LAS): means an entity which, in conjunction with MFOA/CHUMS, established ONE Investment.

Local Distribution Corporation or LDC: means a corporation incorporated under Section 142 of the *Electricity Act, 1998*.

Market Value: means the price at which a security is trading and could presumably be sold. Also known as Fair Value it represents the current value of the investment.

Maturity: means the date upon which the principal or stated value of an investment becomes due.

Money not Required Immediately (MNRI): means the money that is not required immediately by the Municipality that will be under the control and management of ONE JIB and as defined in this IPS that will be invested in accordance with the Prudent Investor Standard.

Money Required Immediately (MRI): means the money that is required immediately by the Municipality that remains under the control and management of the Municipality and, that can be invested in accordance with the Legal List Securities or other applicable legislation.

Municipal Services Corporation (MSC): means a corporation established under section 203 of the Act in accordance with the applicable regulation (Ontario Regulation 599/06).

Municipality: means The Town of Innisfil.

OCIO Offering: means the comprehensive investment program made available through ONE Investment as agent for ONE JIB, where a qualified investment manager is engaged to advise a Participating Municipality with regard to the investment of the Participating Municipality's MNRI and to invest and manage such MNRI in accordance with the terms and conditions set out in the ONE JIB Agreement.

ONE Investment: means the not-for-profit corporation established by CHUMS and LAS which provides certain management, administrative and other services to ONE JIB as its agent.

ONE JIB: means ONE Joint Investment Board, established by certain founding municipalities under section 202 of the Act as a JIB for purposes of Part II of the Regulation, which is the duly appointed JIB for the Municipality, as constituted from time to time and which acts in accordance with the Act, the Regulation, the ONE JIB Agreement, including the Terms of Reference, this IPS and the Investment Plan.

ONE JIB Agreement: means the agreement effective as of the Prudent Effective Date, entered into in accordance with the requirements of the Regulation, pursuant to which ONE JIB has control and management of the Municipality's MNRI.

Participating Municipality: means from time to time each of the municipalities for whom ONE JIB acts as the JIB under the terms of the ONE JIB Agreement.

Pooled Fund: means a unit trust established under a trust instrument, generally not available to the public, in which institutional, sophisticated or high net worth investors contribute -monies that are invested and managed by an External Portfolio Manager. Monies are pooled or combined with monies of other investors.

Portfolio: means any collection of funds that are grouped together and available to support the infrastructure needs of the Municipality.

Proxy Voting: means a legal transfer to another party of a shareholder's right to vote thereby allowing shareholders who cannot attend meetings to participate. External Portfolio Managers usually vote proxies on behalf of their clients.

Prudent Effective Date: means the mutually agreed-upon date by the Municipality and ONE Investment on which the prudent investor regime applies to the Municipality. The Prudent Effective Date shall be on or after ONE JIB approves the Municipality as a participating municipality.

Prudent Effective Date Agreement: means an agreement entered into by the Municipality and ONE Investment that sets out the day on which the prudent investor regime starts to apply to the Municipality

Prudent Investor Standard: means the standard that applies when the Municipality invests money that it does not require immediately under section 418.1 of the Act. It requires the Municipality to exercise the care, skill, diligence and judgment that a prudent investor would exercise in making such an investment and the standard does not restrict the securities in which the Municipality can invest. The Prudent Investor Standard applies the standard of prudence to the entire portfolio in respect of the Municipality's MNRI rather than to individual securities. It identifies the fiduciary's central consideration as the trade-off between risk and return as found in the CFA Institute Standards of Practice Handbook.

Rebalancing: means the process of realigning the weightings of a portfolio of assets. Rebalancing involves periodically buying or selling securities in a portfolio to maintain an original or desired level of asset allocation or risk.

Regulation: means Ontario Regulation 438/97.

Restricted Special Assets: means investments specified by this IPS and held by the Municipality as of the Prudent Effective Date, where ONE JIB is not able to exercise control. Restricted Special Assets are listed in Schedule A of this IPS and are not considered to be MNRI.

Risk: means the uncertainty of future investment returns or chance of loss of capital.

Risk Tolerance: means the financial ability and willingness to absorb a loss in return for greater potential for gains.

Safekeeping: means the holding of assets (e.g., securities) by a financial institution.

Securities Lending: means lending a security to another market participant. The borrower is required to deliver to the lender, as security for the loan, acceptable collateral with value greater than the value of the securities loaned. The Securities Lending program is managed by the Custodian or another appointed agent on behalf of investors. A Securities Lending program is widely used by institutional investors to generate additional incremental returns on the total portfolio.

Sinking Fund: means a fund established to fulfil the requirements to make annual contributions in respect of various debenture issues wherein money is to be regularly set aside for the payment of the principal of the debentures at maturity.

Sinking Fund Required Contributions (Annual Sinking Fund Requirement): means the amount of money to be set aside each year for deposit into a sinking fund or a retirement fund, as applicable, for each sinking fund debenture issue in accordance with the Municipality's debenture by-laws.

Sinking Fund Required Earnings: means the investment earnings needed for the Sinking Fund Contributions to continue to grow to a value sufficient to repay the principal at maturity for each issue of sinking fund debentures.

Sinking Fund Excess Earnings: means the investment earnings in excess of the required earnings.

Sub-Investment Manager: means an asset management firm or investment consultant, acting as a sub-investment manager for ONE JIB that provides investment advice and professional services and is involved in the implementation and operational aspects of the OCIO Offering, and that has full responsibility for the investment and management of a Participating Municipality's MNRI through ONE Investment, based on an IPS approved by the Council of the municipality.

Third-Party Trust Funds means money over which the Municipality exercises both management and policy control but whose assets are not owned by the Municipality. These funds are governed by a variety of agreements and, in some cases, by legislation. Some funds may have externally mandated investment policies, and some may have investment policies that are determined by the Municipality. Third-Party Trust Funds are listed in Schedule B of this IPS**.**

Trust Fund: means a fund which consists of assets that have been conveyed or assigned to a trustee to be administered as directed by agreement or statute. As a result, a trustee holds title to the assets for the purpose of providing benefits, and being accountable, to a beneficiary. The Municipality is the trustee of funds that are to be used for specific purposes by the Municipality or any related parties.

2. PURPOSE AND LEGISLATIVE FRAMEWORK

2.1 Purpose of Policy

This IPS governs the investment of the Municipality's MNRI and MRI. It is intended, among other things, to direct the Treasurer in the investment of MRI and to direct ONE Joint Investment Board (ONE JIB) in the investment of MNRI, by implementing the Authorizing By-law 053-20, pursuant to which the Municipality authorized the establishment of guidelines for the prudent management of the Municipality's MNRI pursuant to section 418.1 of the Act.

In addition to the Municipality's MRI and MNRI, the Municipality is from time to time entrusted with the management of money and investments for a third-party beneficiary, or Third-Party Trust Funds. The Municipality's Third-Party Trust Funds are listed in Schedule B of this IPS.

There are also source(s) of money in which the Municipality may have an indirect interest but which the Municipality currently has no authority to invest. Such source(s) of money, referred to in this IPS as "Designated Funds", are listed in Schedule B of this IPS. The Designated Funds and the Restricted Special Assets, listed in Schedule A of this IPS, are identified in this IPS for the sole purpose of enabling the Municipality to better see, on an aggregated basis, the various financial assets in which the Municipality has an interest.

ONE JIB is not responsible for the investment activities or performance of Third-Party Trust Funds, Designated Funds or Restricted Special Assets.

The goals of this IPS are to:

- Define and assign responsibilities for investment of MRI and MNRI;
- Describe the Municipality's responsibilities with respect to Restricted Special Assets, Third-Party Trust Funds and Designated Funds;
- Ensure compliance with the applicable legislation;
- Direct ONE JIB as to the Municipality's investment goals and risk tolerance;
- Provide guidance and limitations regarding the investments and their underlying risks;
- Establish a basis of evaluating investment performance and the underlying risks; and,
- Establish a reporting standard to Council.

This IPS applies to employees of the Municipality, to ONE JIB and to the employees of ONE Investment. ONE JIB, the Treasurer and any agent, sub-investment manager, or advisor providing services to ONE JIB in connection with the investment of the portfolio shall accept and strictly adhere to this IPS.

2.2 Governing Legislation

Investments of MRI will only be made in Legal List Securities in accordance with this IPS and Section 418 of the Act.

Investments of MNRI are governed by the Prudent Investor Standard in accordance with Section 418.1 of the Act. This standard is similar to that which governs trustees and pension fund administrators and creates a fiduciary responsibility. Prudent investment in compliance with the Act and the Regulation enhances the potential for the Municipality to earn improved risk-adjusted rates of return.

The Act provides that the Municipality, and therefore ONE JIB, must consider the following criteria in planning investments of MNRI, in addition to other criteria relevant to the circumstances:

- General economic conditions;
- The possible effect of inflation or deflation;
- The role that each investment plays within the Municipality's total portfolio of investments;
- The expected total return from income and the appreciation of capital; and
- Needs for liquidity, regularity of income and preservation or appreciation of capital.

Money and investments that the Municipality holds as Restricted Special Assets, Third-Party Trust Funds or has an interest in as Designated Funds will be subject to applicable legislation and any related agreements or instruments.

2.3 Prudent Investor Standard

For MNRI, the standard to be used by the Municipality and ONE JIB shall be the Prudent Investor Standard as required by section 418.1 of the Act and Part II of the Regulation in the context of managing the Municipality's MNRI and investments thereof. Investments shall be made with the care, skill, diligence, and judgment, taking into account the prevailing circumstances, that persons of prudence, discretion and integrity would exercise in the management of investments, considering the necessity of preserving capital as well as the need for income and appreciation of capital. The Act includes a duty to obtain the advice that a prudent investor would obtain under comparable circumstances.

Officers, employees and investment agents acting in accordance with written procedures and the IPS and exercising due diligence shall take all necessary actions to optimize performance of investments on a portfolio basis, taking into account the prescribed risk and other parameters set out in this IPS and market factors. The Municipality's staff acting in accordance with written procedures and this IPS, shall be relieved of personal responsibility for an investment's performance, provided underperformance relative to expectations is reported to Council and the liquidation or sale of investments is carried out in accordance with this IPS.

3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY

3.1 Determination of MNRI and MRI

Determination of the Municipality's MNRI is the responsibility of Council. In making the determination, Council may consider:

- the time horizon within which the monies are needed to meet financial obligations
- the purpose for which the monies have been collected or set aside and are to be used
- the source of the money; or
- any combination of the foregoing

The Municipality has defined MNRI as money from the municipality's own reserves, reserves funds, sinking funds and current ONE Investment investments that will not be required to meet financial obligations that become due more than 24 months from the date of receipt of such money. The purpose of the money is to fund the municipality's future capital, operational, and contingency needs.

For certainty, all money and investments of the Municipality that have not been identified as MNRI (other than Restricted Special Assets, Third-Party Trust Funds and any Designated Funds referenced in Section 2.1) shall be deemed for purposes of this IPS to be MRI.

Determination of the Municipality's MNRI and MRI may be modified at any time and from time to time by action of Council and with respect to specific -money by the Treasurer in accordance with the provisions of Section 6.2.

Any changes in this IPS regarding the Municipality's MNRI and MRI must be communicated immediately in writing to ONE JIB.

3.2 Overview of Portfolios

The Municipality's portfolios represent funds available to support Municipal needs. A high-level description of each of these portfolios and their objectives is provided in Section 5 below. This IPS applies to the following money of the Municipality, its agencies, boards and commissions including:

- MRI which is invested in Legal List Securities; and/or
- MNRI which is invested under the Prudent Investor Standard.

4. ROLES AND RESPONSIBILITIES

4.1 Role of ONE JIB

ONE JIB has been appointed by the Municipality in accordance with the requirements of the Act and the Regulation and on the terms and conditions set out in the ONE JIB Agreement (Appendix 1).

ONE JIB exercises control and management of the Municipality's MNRI and the investments made by it in accordance with the objectives and risk tolerance established in this IPS.

Among the responsibilities of ONE JIB are the following:

- Reviewing this IPS;
- Adopting and maintaining an Investment Plan that complies with this IPS;
- Engaging Custodians, administrators and other investment professionals (i.e. Agents);
- Allocating the money and investments under its control and management in compliance with this IPS;
- Monitoring the performance of the OCIO Offering and Agents; and,
- Reporting to the Municipality.

The foregoing is subject to the more detailed terms and conditions contained in the ONE JIB Agreement.

4.2 Role of Municipal Staff

This IPS is approved and adopted by Council with input from the Treasurer, and from ONE JIB with respect to MNRI. MRI of the Municipality, in addition to any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 2.1, remain under the control and management of the Treasurer.

Consistent with this IPS, the Treasurer is responsible for the implementation of the investment program and the establishment of investment procedures which shall include:

- Investment management of MRI and any -Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 2.1 by, or under the direction of, the Treasurer;
- The deposit or withdrawal of MNRI, under the explicit delegation of authority regarding MNRI, and the investment thereof, to ONE JIB, which is responsible for the control and management of such funds and investments; and,
- A system of controls exercised by the Treasurer to regulate the activities of subordinate officials.

No person including, without limitation, ONE JIB, may engage in an investment transaction except as provided under the terms of this IPS.

In the management of MRI of the Municipality, and any Third-Party Trust Funds, Designated Funds and Restricted Special Assets referenced in Section 2.1, the Treasurer may engage one or more agents and service providers. ONE Investment can assist with the investment of the Municipality's MRI, in Legal List Securities, and with the investment of Third-Party Trust Funds, in accordance with the terms of the applicable trust, if permitted, at the request of the Municipality.

4.3 Ethics and Conflicts of Interest

Individuals who are responsible for the Municipality's MRI Investment Portfolio shall comply with the Municipality's Conflict of Interest guidelines and any relevant professional codes of conduct (e.g., the CPA Code of Professional Conduct).

ONE JIB, in its capacity as a joint municipal service board, in addition to being a local board of each member Municipality is subject to a Code of Conduct as required by the Act. This Code of Conduct applies to the Chair and the other Members of ONE JIB acting in their capacity as Members of ONE JIB.

5. INVESTMENT

5.1 MRI

The Municipality's MRI is described in this IPS consists of money that is needed to meet the short-term financial obligations of the Municipality and are controlled and managed by the Treasurer.

5.1.1 MRI: Investment Objectives

The main focus of the investment of MRI is cash management, and the interest income generated by the investment of these monies contribute to municipal revenues. To the extent possible, the Municipality shall attempt to match its investments with anticipated obligations.

Capital preservation is the paramount objective for MRI investments, and these investments need to be highly liquid. Consequently, only high quality, investments that are also Legal List Securities will be held in this portfolio. The Municipality may invest in fully liquid money market securities and deposit accounts. The Municipality aims to maximize returns subject to the constraints set out in Part I of the Regulation, as amended from time to time, with a view to preserving capital and to further manage risk through diversification by issuer and credit quality.

The investment objectives for MRI, ranked in priority, are as follows:

a) Security of Principal
The primary objective for MRI is to ensure the security of principal. To minimize the risk of loss, investments shall be subject to minimum credit ratings and shall be diversified by maturity, type of investment and issuer. Investing activities will be reviewed on a regular basis as actual, revised and forecasted operating and capital plans are completed. Maturity dates should be structured so that investment cash inflows occur when needed.

b) Liquidity Requirements
Liquidity is measured by the ease with which securities can be converted to cash to meet forecasted spending. The investments that are eligible under the Regulation possess different features and thus market prices will vary depending on market conditions, as well as the particular features of the type of investment.

To ensure adequate liquidity, the Municipality's investments shall be diversified by holding securities of various terms to maturity and by various types of investments and issuers and to the extent possible, the term of such investments shall match the forecasted requirements for such monies to meet expenditures.

c) Rate of Return
The Municipality's money shall be invested to maximize the rate of return within acceptable risk levels while respecting the security of principal, legal constraints and the liquidity needs of each investment portfolio.

The composition of each portfolio, including its term to maturity and type of investments, shall be adjusted within the guidelines of this IPS to take advantage of market opportunities. Such changes shall be made with the periodic interest rate outlook and target portfolio structure approved by the Treasurer.

5.1.2 MRI: Eligible Investments

MRI may be invested in high quality, investments that are also Legal List Securities available from banks, dealers and other financial institutions. Investments issued or guaranteed by approved institutions will be permitted by this IPS, as deemed eligible by the Regulation or as authorized by subsequent provincial regulations. Investments will be limited to securities issues maintaining a minimum credit rating by an appropriate credit rating agency.

Eligible investments include, but are not limited to, the following offerings by ONE Investment:

- ONE Investment High Interest Savings Account; and
- ONE Investment Canadian Government Bond Portfolio

Investment in the foregoing is subject to the Municipality entering into the prescribed Agency Agreement with LAS and CHUMS.

5.2 MNRI

The Municipality's MNRI is described in Section 3.1. In accordance with the ONE JIB Agreement and this IPS, ONE JIB has exclusive control and management of the MNRI and the investments made therewith.

From time to time, the Municipality may require money immediately to meet financial obligations and may require ONE JIB to liquidate one or more investments in order to generate money to meet those obligations. ONE JIB will select the investment(s) to be liquidated. The timing of such liquidation will be determined by ONE JIB in consultation with the Treasurer.

5.2.1 MNRI: Investment Objectives

In setting the objectives noted below, the Municipality has taken into account the following considerations:

- Preservation of capital;
- Adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements;
- Diversification by asset class, market, sector, issuer, credit quality and term to maturity;
- Income and capital appreciation; and,
- Macro risks, such as inflation, economic growth and interest rates.

Investment of MNRI is managed by ONE JIB in a way that balances investment objectives, expected returns, and risk to develop asset allocations that achieve the Municipality's financial objectives within stated risk tolerances.

Investment of MNRI is to be managed by ONE JIB in a way that balances the investment objectives with a level of risk that is appropriate for the municipality. The MNRI invested with ONE JIB will be broadly diversified to help reduce the volatility of investment returns. Returns have an impact on revenues, as well as a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. To the extent possible, the MNRI's investment horizons are aligned with the Municipality's obligations and cash flow requirements and may consist of liquid and non-liquid securities based on future cash flow requirements.

5.2.2 MNRI: Eligible Investments

Eligible investments for MNRI include any Pooled Fund or other collective investment vehicle or institutional investment management product approved or selected by ONE Investment for the Prudent Investment Program (OCIO Offering), provided always that the products and the selection of products comply in all material respects with the IPS.

Additionally, nothing in this IPS prevents MNRI from being held in cash, short term money market instruments, including treasuries or overnight deposits.

5.2.3 MNRI: Sinking Funds

Not applicable.

5.2.4 Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities

The direct investment in LDC/MSC shares and/or promissory notes, as listed in Schedule A, shall be considered to be Restricted Special Assets and shall not be held by ONE JIB as MNRI.

5.2.5 Restricted Special Assets:

With the exception of the Municipality's investments held in the ONE Investment Legal List Portfolios specified below, all existing assets, listed in Schedule A of this IPS and held by the Municipality on the Prudent Effective Date, shall be considered to be Restricted Special Assets, and shall not be held by ONE JIB as MNRI. The Treasurer may choose to liquidate these investments and determine that the proceeds are MNRI, to be invested as per this IPS and the approved ONE JIB Investment Plan.

For certainty, Restricted Special Assets are not MNRI of the Municipality, and such assets are not under the control or management of ONE JIB.

The ONE Investment Legal List Portfolio Investments, held by the Municipality, shall be considered to be MNRI and transferred to ONE JIB to be invested as MNRI, unless deemed by the Municipality to be MRI.

5.3 Third- Party Trust Funds and Designated Funds

In addition to the Municipality's own money, the Municipality is from time to time entrusted with Third-Party Trust Funds, and the Municipality's responsibilities and obligations with respect thereto may be subject to other legislation and governed by other agreements and instruments. To the extent that there is any conflict or inconsistency between the provisions of this IPS and the terms and conditions contained in such other legislation, agreements or instruments applicable to Third-Party Trust-Funds, the latter shall prevail.

The Municipality's Third-Party Trust Funds, the Designated Funds are listed in Schedule B.

For certainty, the Third-Party Trust Funds and the Designated Funds are not MNRI of the Municipality, and such assets are not under the control or management of ONE JIB.

5.4 Investment Management

5.4.1 Investment Management of MRI

The investment of MRI shall be controlled and managed by the Treasurer.

5.4.2 Investment Management of MNRI

The investment of MNRI shall be controlled and managed by ONE JIB in accordance with this IPS and the ONE JIB Agreement.

The selected Sub-Investment Manager shall enter into an agreement with ONE Investment related to the OCIO Offering, that complies with this IPS and Part II of the Regulation and will provide compliance and performance reports to ONE JIB and One Investment. ONE JIB shall make any investment management changes deemed in the best interest of the Municipality.

5.5 Transition to Prudent Investor Regime / OCIO Offering

Until the Prudent Effective Date, the Municipality will continue to control and manage its MRI, MNRI and investments in Legal List Securities. Some Legal List investments were made with MRI and some with MNRI.

During the transition to the OCIO Offering the Chair and Vice-Chair of ONE JIB have discretionary power to approve temporary investments recommended by the Sub-Investment Manager that may not be expressly described in this IPS but are, in the opinion of the Chair and Vice-Chair, in the best interests of the Municipality and are entirely consistent with their fiduciary obligations to the Municipality.

All MNRI that is not Third-Party Trust Funds, Designated Funds or Restricted Special Assets shall be provided to ONE JIB on the Prudent Effective Date.

5.6 Investment Constraints

5.6.1 Environmental, Social and Governance (ESG) Investing

The Municipality supports ESG investing for MRI and MNRI. The Municipality believes that well-managed companies are those that demonstrate high ethical and environmental standards and respect for their employees, human rights, and the communities in which they do business, and that these actions contribute to long term financial performance.

For the investment of MRI, the Municipality has chosen to monitor the developments of ESG factors and will reconsider its approach to ESG investing for the MRI as and when appropriate to do so.

For the investment of MNRI, ONE JIB is required to explore and consider how the OCIO is implementing responsible investing principles at the time of hiring and during periodic reviews. It may report on results periodically, if requested.

5.6.2 Securities Lending

For the investment of MRI, Securities Lending is not permitted.

For the investment of MNRI, the Municipality may invest in pooled funds, and other investment funds that are managed by the Sub-Investment Manager who may engage in Securities Lending if the policies of the OCIO permit such an action.

5.6.3 Derivatives

Derivatives shall not be used for the investment of MRI.

For the investment of MNRI, futures and forwards contracts, options and other derivative instruments may only be used to (a) create an asset mix position that does not leverage the portfolio, (b) replicate the performance of a capital market index, or (c) reduce risk as part of a hedging strategy.

5.6.4 Use of Leverage

Nothing in this IPS prevents the use of leverage, provided it is prudent to do so. Leverage is inherent in the use of certain types of investment strategies and instruments. Where leverage is employed, ONE JIB (for MNRI) and the Treasurer (for MRI) shall have in place monitoring procedures to manage overall exposure to any counterparty. Leverages should not be exercised for speculative purposes but may be used as a hedging tool.

5.6.5 Pooled Funds

Investments in open-ended pooled funds, closed-ended pooled funds, limited partnerships and other specialist corporate structures (e.g. LLCs), are permitted provided that the assets of such funds are permissible investments under this IPS or provided that any non-permitted investments are disclosed by the Sub-Investment Manager. Within pooled funds, the External Portfolio Manager's policies will take precedence over this IPS.

5.6.6 Currency Hedging

The MRI Investment Portfolio will not utilize currency hedging.

The Municipality's funding requirements are in Canadian dollars. However, some exposure to foreign currencies in the MNRI Investment Portfolio may be advantageous to provide diversification and potentially enhance returns. Therefore, it shall not be a violation of this IPS for investments in global mandates to be unhedged, in whole or in part, where the diversification benefits embedded in the currency exposure are considered to be beneficial or desirable by ONE JIB.

5.6.7 Alternative Asset Classes

The applicable legislation does not prevent the direct / indirect placement of the MNRI in Alternative Assets Classes; this IPS restricts investments in alternative investments for the purpose of management of MNRI under ONE JIB.

Alternative Asset Classes, such as infrastructure or real estate, may have uncorrelated return characteristics with traditional Asset Classes that may improve diversification within the portfolio, which may lead to better risk adjusted returns. Typically, these investments may not be fully liquid, and are only appropriate for inclusion in portfolios with long investment horizons.

5.6.8 Prohibited Investments

Not applicable

5.7 Performance Monitoring, Rebalancing and Management

5.7.1 MRI

The performance benchmarks may vary from time to time, as decided by the Treasurer, subject to the investment constraints listed in the IPS.

Municipal staff will monitor the cash flow needs of the Municipality. Should the needs no longer be met by the asset mix, changes will be made, at the discretion of the Treasurer, taking into consideration the MRI Investment objectives.

5.7.2 MNRI

For the investment of MNRI, ONE JIB shall establish parameters for monitoring investments and rebalancing through policy or directly within the Investment Plan.

Investments are expected to achieve returns at least equal to their benchmarks measured over a rolling five-year period. At minimum, ONE JIB shall provide reporting described in Section 6.7 below that shows the Municipality's holdings, confirms compliance with this IPS and reports on the Sub-Investment Manager's performance.

6. ADMINISTRATIVE POLICIES

6.1 Flow of Money and Annual Municipal Budget

6.1.1 Transfer to ONE JIB as Part of Annual Review Process

On an annual basis, as part of the Municipality's Annual Review process, the Municipality shall identify the amount, if any, of MNRI that it holds. Any MNRI not already under the control and management of ONE JIB shall be transferred to ONE JIB as soon as practicable.

6.1.2 Transfer to Municipality as Part of Annual Review Process

On an annual basis, ONE JIB shall be notified by the Treasurer as to the amount, if any, required by the Municipality from the MNRI then under the control and management of ONE JIB for the Municipality's operational purposes. Such amount shall be deemed to be MRI and shall be returned to the Municipality in a lump sum or by way of periodic payments, as directed by the Treasurer.

6.2 Flow of Money Otherwise than through the Budget Process

6.2.1 Surplus Funds

The MRI captures revenues received by the Municipality during each year after the approval of the Municipality's budget for the year. Any amounts deemed to be MNRI by the Treasurer at any such time during the year shall be transferred to ONE JIB to be under its management and control as MNRI. Amounts so transferred will be recorded annually in the Investment Plan and allocated by ONE JIB in accordance with the Investment Plan.

6.2.2 Contingencies

The Treasurer is authorized, to direct ONE JIB to return any amounts determined by the Treasurer to be required to meet expenditures for unexpected contingencies not anticipated by the Municipality's budget in force for that year, provided however that the aggregate of the amounts to be returned to the Municipality under this

Section 6.2.2 during the year shall not exceed 25% of the MNRI under the control and management of ONE JIB as at the date that the Municipality approved its budget for the year (the Budgeted MNRI). In determining the Budgeted MNRI for purposes of calculating the 25% limit, any MNRI to be transferred to the control and management of ONE JIB in accordance with that year's Annual Review pursuant to Section 6.1.1 above shall be included and any amount to be returned by ONE JIB to the Municipality pursuant to Section 6.1.2 shall be excluded. ONE Investment should be made aware of material transactions in advance to ensure the orderly sale of securities to fund withdrawals.

6.3 Valuation of Investments

Investments shall be valued according to the values provided by the Custodian(s). For the investment of MNRI, values of unitized vehicles shall be valued according to the unit values published by the Custodian. Other investments shall be valued at their market value when that is available from regular public trading. If a market valuation of an investment is not available, then a fair value shall be supplied by the Sub-Investment Manager to ONE Investment no less frequently than quarterly.

6.4 Voting Rights

The Sub-Investment Manager shall assume the responsibility of exercising voting rights in respect of the Municipality's MNRI and will report its voting policies to ONE JIB annually. The Municipality may access these policies at any time.

6.5 Internal Controls

The Treasurer shall establish an annual process of review of all investments made under this IPS. This review will provide internal control by assuring compliance with governing legislation and with policies and procedures established by the Treasurer. To the extent ONE JIB's input is needed, these requirements will be communicated in advance to ONE JIB.

6.6 Custodians

All municipal investments and assets of the investment portfolios may be held by a Custodian and any of the Custodian's sub-custodians or nominees. For MNRI, the Custodian shall be acceptable to ONE Investment. For MRI the Custodian shall be acceptable to ONE Investment, if ONE Investment is administering the investment of the Municipality's MRI; otherwise the Custodian shall be acceptable to the Municipality.

6.7 Reporting

6.7.1 MRI

For the investment of MRI, the Treasurer shall report at least annually to Council, the report to be in a form and contain such content as Council may request. The report to Council shall include investment performance during the period covered and any other information required under the Regulation and that the Treasurer may consider to be pertinent.

6.7.2 MNRI

The Regulation provides that ONE JIB shall submit an investment report to Council in respect of the investment of MNRI at least annually. This report shall include the following.

- Investment performance during the period covered by the report;
- Asset mix of the total portfolio;
- A listing of individual investments held at the fund level at the end of the reporting period showing, where appropriate, book value, market value, realized/unrealized gains/losses and actual income received;
- A list of all transactions including the security name, trade date, and the purchase and/or sale price;
- A statement by the Treasurer as to whether all investments were made in accordance with the IPS and as to whether all investments were made in accordance with the Investment Plan; and
- Any other pertinent information in the opinion of the Treasurer.

All MNRI or MRI invested on behalf of the Municipality by ONE JIB or with the assistance of ONE Investment shall be held for safekeeping in the name of the Municipality by a Custodian.

7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE

7.1 Revocation / Amendment of Previous Investment Policy

This IPS replaces the existing Investment Policy CP.7.1.6.

7.2 Modifications to the IPS

At least annually, Council shall review the IPS and update it, if required. In the course of reviewing the IPS, Council may request comments from the Treasurer with respect to the investment of MRI and from ONE JIB with respect to the investment of MNRI.

Following the Council's review of the IPS, ONE JIB shall review the Investment Plan and update it, if required.

At a minimum, the annual IPS review will consider:

- the adequacy of funding for capital works;
- the Municipality's ability to reduce other spending;
- flexibility of the timeframe to payout; and
- sensitivity to loss.

7.3 Effective Date

This IPS is adopted by Council of the Town of Innisfil effective June 25, 2025. The Treasurer is directed to sign a copy of this IPS to evidence approval and to deliver a copy of this IPS to ONE JIB.

Signed by:

Audrey Webb

Treasurer

June 25, 2025

Date

REVISION HISTORY

Revision Number	Date	Summary of Changes	Approval Authority
V1	2015.10.21	Policy Adoption	CR-208-12.15
V2	2020.03.11	Annual Review	2020.03.11-CR-01
V3	2021.06.02	Annual Review	2021.06.02-CR-01
V4	2022.05.25	Annual Review	2022.05.25-CR-02
V5	2023.05.10	Annual Review	2023.05.10-CR-01
V6	2024.06.26	Annual Review	2024.06.26-CR-01
V7	2025.06.25	Annual Review	2025.06.25-CR-01
V8	2026.05.06	Annual Review – No Chnages	2026.05.06-CR-01

Schedule A

Restricted Special Assets

LDC and other MSC Securities

LDC - InnPower Corporation	$37,392,142
LDC – Innterprises Inc.	$3,234
MSC – InnServices Utilities Inc.	$208,698,897

Schedule B

Third Party Trust Funds and Designated Funds

Third Party Trust Funds

Not applicable.

Designated Funds

Funds collected under the *Responsibility Agreement*, between the Town of Innisfil and Friday Harbour and Big Bay Resort Association.

Appendix I: ONE JIB Agreement

Attachment 14

Print

Clear Form

Municipal Client Questionnaire (MCQ)

The MCQ is part of the ONE Investment / ONE JIB annual Investment Plan review (approval) process. The MCQ along with the Council approved (reviewed) Investment Policy informs ONE JIB of the municipal circumstances to consider with the approval of the Investment Plan.

During the year, outside of the annual review, please update the MCQ within 90 days if the municipality experiences any significant changes, *including a significant change in your municipality's financial circumstances*, or *significant change in the amount of your municipality's "money that it does not require immediately".* For changes between annual reviews, provide written notice of changes by using the in-year MCQ update form on the last page of this document.

Section 1 – Client Information

Name of Municipality: Town of Innisfil

Address: 2101 Innisfil Beach Road, Innisfil, ON, L9S 1A1

Treasurer Information

Name: Audrey Webb

Phone Number: (705) 436-3710 Extension: 2302

Email: awebb@innisfil.ca

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*Primary Day to Day Contact Information** ☑ *Check if same information as Treasurer above*

Name:

Phone Number: Extension:

Email:

*Primary day-to-day contact should have a comprehensive understanding of your Municipality's financial position and investment needs.

Section 2 - Investment Knowledge and Experience

2.1 Which statement best describes the Municipal staff (person most responsible for managing investments)'s level of investment knowledge and experience with financial markets and products? *Please check one*

- ○ Very limited knowledge
- ◉ Basic knowledge and minimal experience
- ○ Good knowledge and some experience
- ○ Strong knowledge and experience
- ○ Advanced knowledge and extensive experience

2.2 If Municipal staff have strong or advanced knowledge, please describe where this knowledge was acquired (e.g., education, designations experience).

2.3 Please indicate if your municipality has used / held any of the following investment types within the past five years. *Please check all that apply.*

- ☒ Canadian money market securities
- ☒ Locked-in Investments (e.g., GICs, PPNs etc.)
- ☒ Local Distribution Corporation Securities (LDC securities)
- ☒ Securities held in third party trusts (i.e., cemetery trust, legacy fund etc.)
- ☒ Fixed income (government and/or corporate bonds)
- ☒ Equities
- ☐ Other – Please Describe

Investments outside of GICs were held within ONE JIB

Section 3 – General Municipal Information

This section provides some high-level demographic information on the municipality

3.1 What is the population of the Municipality? 48,000

3.2 Is your municipality a single tier, upper tier or lower tier? Lower tier

3.3 How much does a 1% tax rate increase generate? 1,020,000

3.4 Is there any other demographic information about your municipality you would like the ONE JIB to know? *(optional)*

Section 4 – Municipal MNRI Information

4.1 This section summarizes the current MNRI under the management and control of the ONE JIB and the projected change identified in the annual review. *The total value should equal the total MNRI shown in Question 5.1 Investment Objectives and Horizon*

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Description	**Value**
Portfolio Value (A) - *For existing municipalities this is the amount currently invested with ONE JIB as of your last monthly statement.* - *For new municipalities this should be $0*	$ 68,257,088
Change to MNRI: Additional contribution (+) or withdrawal (-) (B) - For existing municipalities this is the MNRI change identified during the annual review (fund transfers are typically completed with 30 days of ONE JIB's approval of the updated investment plan) - For new municipalities, this equals your initial deposit as of the Prudent effective date (TBD)	
Total MNRI under the management and control of ONE JIB (A + B)	$ 68,257,088

☐ Additional details have been included as an attachment to this MCQ (optional).

4.2 Use this *optional* box to provide any additional MNRI details related to 4.1 above (in lieu of a separate attachment)

Section 5 – MNRI Investment Objectives and Liquidity Needs

This section asks about your Municipality's MNRI, the purpose or investment objective and the expected investment horizon or when funds may be required to meet forecasted municipal obligations.

5.1 What is the Municipal *funding objective(s), investment horizon(s) and purpose(s)* for the MNRI? *The total MNRI value should equal the total MNRI shown in Question 4.1 Municipal MNRI Information*

MNRI by Investment Horizon

Description	Total MNRI ($) (A+B+C) *auto calculate*	Investment Horizon < 5 Years (A)	Investment Horizon 5-10 Years (B)	Investment Horizon >10 Years (C)
Asset Renewal	$ 68,257,088	$ 68,257,088	$ 0	
DCs	$ 0			
	$ 0	$ 0		
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 68,257,088	$ 68,257,088	$ 0	$ 0

Note – Description is up to the municipality, it could be total MNRI (one line) or broken out into the funding objective/investment purpose, or municipal reserve name/group (multiple lines)

☐ Additional details have been included as an attachment to this MCQ (optional).

5.2 Based on *current* municipal forecasts, please provide details that may help inform the ONE JIB about ***potential drawdowns/additions to MNRI*** that may be anticipated in future years.

Cash Flow Projections Potentially Affecting Future MNRI

Description	Next Year	2 years	3-5 years	5-10 years	10 years +
Anticipated MNRI Drawdowns (-)		$ 0	($ 68,257,088)		
Anticipated MNRI Contributions (+)					
Net Change to MNRI	$ 0	$ 0	($ 68,257,088)	$ 0	$ 0

5.3 Does the municipal forecasts used (above in 5.2) reflect

☒ Drawdowns of current reserve balances, or

☐ Drawdowns of current reserve balances inclusive of projected future budgetary contributions

5.4 What *assumptions or factors* do your municipality include in the MNRI cash flow projections? For example, but not limited to, inflation assumptions on capital projects, assumptions on future tax-based reserve contributions, forecasted development charge revenue etc.

- inflation for capital projects has been factored in at rates determined by departments
- indexing of DC rates
- assume that the Town's annual 1% increase of the blended rate will continue for at least next 10 years
- includes an increase in OLG gaming revenues, consistent with historical trends
- DC revenue projections have been reduced from DCBS for 2026-2028, and then back up to DCBS projections for 2029 and beyond. There is risk in the 2029 and beyond growth projections.
- assume depts will only spend 65% of what they plan to spend

5.5 Does your municipality forecast beyond 5 years, if yes, what is the level of accuracy?

Yes, we develop a 10-year capital plan. The most recent plan covered the period 2025–2034. Staff are currently working on an update to the Long-Range Financial Plan and will prepare the next 10-year capital plan in 2026 for the period 2027–2036. As the projected value of the capital plan is expected to exceed available revenue sources and debt capacity, staff will need to undertake further discussions to determine a plan that is both affordable and achievable.

5.6 Does your current municipal forecast include any large (or unusual) capital expenditures, which are outside of normal operations?

☒ Yes ☐ No

5.7 Do you anticipate any *potential* change in *liquidity needs* in the future (i.e. within 2 years, within 5 years or beyond 5 years) which may impact on the investment time horizon? An example could be a large capital infrastructure project with timing TBD, or with grant funding pending etc. If yes, please elaborate.

The Town has some very large growth related road projects, that have a large non-growth portion. As the Town works to build a realistic 10 year capital plan, we will develop more certainty in our 10 year cash flow projections.

5.8 How does your Municipality manage unanticipated requests for funding? Can you characterize the probability that your municipality may need to draw down MNRI to fund unexpected budget shortfalls?

Finance reviews additional requests, and where possible, the dept is required to identify funds in other capital projects that can be deferred or returned to the reserve/reserve fund and re-purposed for the additional request. If funds cannot be re-purposed from another project, Finance will review the affordability of the request for approval by the CAO/Treasurer or Council, dependent on the amount being requested.

5.9 Are there any *other unique circumstances* to your municipalitythat may impact your cash flow MNRI forecast, return objectives and risk tolerance that the Investment Plan should consider?

The Town is currently in negotiations with the Orbit developer to determine the share of capital that the Town will be responsible for. These impacts have not been fully included in the 10-year capital plan.

Municipal Client Questionnaire (MCQ)

Section 6 – Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this 16th day of April, 2026

Audrey Webb, Treasurer

Audrey Webb Digitally signed by Audrey Webb Date: 2026.04.16 11:50:40 -04'00'

Name and Signature of Treasurer

Second Signature (if required)

Appendix 1 – In-year MCQ Updates Form

Please provide details below that explain the nature of your requested change. This should describe: the money involved, the timing of transactions required, and any other context to support the change request. This will allow ONE JIB to understand how this update may change the cashflow characteristics or investment horizons of MNRI relative to your current MCQ and Investment Plan.

Acknowledgement

I confirm that information provided to ONE Investment in this form is complete and accurate to the best of my knowledge as at the date below.

Dated this_____day of_____, 20_____

_____ _____

_____ _____

Name and Signature of Treasurer Second Signature (if required)

Attachment 15

INVESTMENT PLAN FOR

The Town of Innisfil

DATE: May 28, 2026

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1

DEFINITIONS

Definitions applicable to this Investment Plan can be found on the ONE Investment webpage under Education & Training / Glossary.

2

PURPOSE

As required under the prudent investor regime authorized by the Municipal Act, 2001 (Act), and Ontario Regulation 438/97 (Regulation), this Investment Plan (Plan) establishes how ONE JIB will invest the Town of Innisfil's Money Not Required Immediately (MNRI) as defined in of Innisfil's Investment Policy Statement (IPS).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Town of Innisfil.

3

RESPONSIBILITY FOR PLAN

This Plan is the responsibility of ONE JIB, which has authorized its agent, ONE Investment, to exercise its administrative investment functions in accordance with the Regulation. ONE JIB oversees ONE Investment staff using procedures, reports, and regular reviews to monitor compliance with the Act, the Regulation and the Town of Innisfil's IPS.

ONE Investment has engaged PH&N Institutional to provide OCIO services. PH&N Institutional is the business division of RBC Global Asset Management responsible for managing assets for Canadian institutional clients. PH&N Institutional will be involved in implementing the Investment Plan, monitoring and reporting investments, and providing ancillary services to support the OCIO Offering.

RBC GAM's investment professionals are committed to providing each client with investment solutions that are appropriately tailored to address the client's investment situation. This means understanding macroeconomic trends and strategies and the diverse and evolving investment needs of clients.

4

INVESTMENT GOALS AND OBJECTIVES

The Town of Innisfil's investment needs, as described in its IPS, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the MCQ and dialogue with the Treasurer inform ONE JIB about Innisfil's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Innisfil's MNRI in this Plan is consistent with the details as disclosed in Innisfil's IPS and MCQ. Innisfil's IPS provides specific information that characterizes the objectives for MNRI, as detailed in Table 1 below:

Table 1: The investment objectives for MNRI.

Category	**Objective & Risk Tolerance**
Objectives for overall MNRI	• Preservation of capital • Provide adequate liquidity that takes into account the needs of financial obligations and reasonably anticipated budgetary requirements • Diversification by asset class, market sector, issuer, credit quality, and term to maturity • Achieve capital appreciation and income while managing risk to an appropriate level.

The MNRI invested with ONE JIB will be broadly diversified across asset class, market, sector, issuer, credit quality, and term to maturity to help reduce investment return volatility. Returns impact revenues and have a longer-term impact on future years' budgets and should, at a minimum, keep pace with inflation. The MNRI shall be invested to obtain a progressively higher rate of return for longer-term investment horizons, commensurate with stated risk tolerances.

The MNRI balances will be invested primarily to achieve capital growth over time. Achieving returns above inflation is a key investment objective.

5

INVESTMENT PORTFOLIO

Asset allocations are typically expected to be relatively stable until the next annual review. Any contributions or withdrawals of MNRI must be communicated to ONE JIB formally as outlined in the ONE JIB Withdrawals of Money Not Required Immediately (MNRI) Policy

5.1 Account Structure

MNRI Investment Horizon	Risk Tolerance / Model Assigned	Allocation
Consolidated MNRI Holdings	Model C (30% Equity) assigned.	$68,575,864

Other considerations:

- Innisfil will neither contribute nor withdraw MNRI as part of the Investment Plan update at this time.
- It was expected that Innisfil's investment horizon would shorten as spending on major capital projects draws near. The updated MCQ reflects this.
    - The updated MCQ indicates that 100% of MNRI will be needed within the next five years to fund some of these capital projects.
- Overall, the investment horizon associated with MNRI is very short, but there is considerable uncertainty about when drawdowns will occur.
- Current internal planning suggests that half of MNRI will need to be utilized within three years.
    - There is less confidence regarding the investment horizon of the remaining MNRI.
- The Town's cashflow/drawdown forecasts are conservative, and potentially the drawdowns may occur on a slower timeline than suggested in Table 5.1 of the MCQ.
- Staff continue to revise and improve the forecasting, but there remains considerable uncertainty about when the MNRI will be required.
- It is recommended that the investment allocation to Model C be maintained until there is greater certainty regarding the timeline of drawdowns.
- Innisfil's IPS does not permit the use of longer-term alternative investments, and none will be included in Innisfil's allocations.
- The Treasurer noted that the slowdown in housing starts is affecting the activity in Innisfil, and they are not moving forward on projects at the pace that was previously anticipated. This creates additional uncertainty that affects municipal planning and may have implications for the cashflow analysis provided.

5.2 Allocations

30% EQUITY MODEL (C)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	45	55%	65
Global Fixed Income and Credit	5	15%	25
Canadian Equities	5	14%	25
Global Equities	5	16%	25
Alternatives	0	0%	0
Total		100%	

* Further details on holdings and benchmarks for this model are detailed in a ONE JIB report approved on September 4, 2025. (Model Portfolio Review 2025).

6

APPLICABLE ONE JIB POLICIES

The Plan adheres to the following ONE JIB Policies subject to periodic review and updating and are posted to the ONE Investment website.

- ONE Anti-Money Laundering Policy
- ONE JIB Fund Deviation Policy
- ONE JIB Principles of Good Benchmarks Policy
- ONE JIB Withdrawals of MNRI Policy
- ONE JIB In-Kind Securities Policy
- ONE JIB Responsible Investment Policy
- ONE JIB Policy for Reviewing the External Sub-Investment Manager
- ONE JIB OCIO Compliance Monitoring Policy

7

ELIGIBLE FUNDS

The eligible funds are listed under Schedule "A" of the Investment Management Agreement between RBC Global Asset Management Inc. and ONE Investment, which may be reviewed and updated periodically.

In asset classes where more than one fund is eligible for investment, the OCIO will be responsible for determining which fund(s) to include in the client portfolio after due consideration for (1) the individual characteristics of the fund, (2) prevailing market conditions impacting the fund's liquidity and capacity, and (3) its alignment with the municipality's investment objectives and philosophy.

The Manager shall manage the RBC GAM Fund(s) according to the pooled fund investment mandate including the investment guidelines contained therein developed by the Manager in respect of each RBC GAM Fund (each, an "Investment Mandate").

Asset Classes	**Sub-Asset Classes**	**Eligible Fund Names (Schedule "A" of IMA)**
	Fixed Income	
Cash & Equivalent	Money Market	PH&N Canadian Money Market Fund
Canadian Fixed Income	Short-Term Bonds	PH&N Short Term Bond & Mortgage Fund RBC Vision Fossil Fuel Free Short Term Bond Fund
	Universe Bonds	PH&N Bond Fund PH&N Enhanced Total Return Bond Fund RBC Vision Bond Fund RBC Vision Fossil Fuel Free Bond Fund
	Corporate Bonds	PH&N Corporate Bond Trust*
	Private Placement Corporate Debt	PH&N Private Placement Corporate Debt Fund*
	Commercial Mortgages	PH&N Mortgage Pension Trust* RBC Commercial Mortgage Fund*
Global Fixed Income and Credit	High-Yield Bonds	RBC High Yield Bond Fund PH&N High Yield Bond Fund
	Global Multi-Asset Credit	BlueBay Total Return Credit Fund
	Global Bonds	RBC Global Bond Fund
	Emerging Markets Bonds	RBC Emerging Markets Bond Fund

	Equities	
Canadian Equities	Canadian Equities	PH&N Canadian Equity Value Fund PH&N Canadian Equity Fund RBC Vision Canadian Equity Fund RBC QUBE Canadian Equity Fund
	Canadian Low Volatility Equities	RBC Vision QUBE Fossil Fuel Free Low Volatility Canadian Equity Fund RBC QUBE Low Volatility Canadian Equity Fund
Global Equities	U.S. Equities	PH&N US Equity Fund RBC QUBE US Equity Fund
	U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Fund
	International Equities	RBC International Equity Fund RBC International Equity Index Fund RBC QUBE International Equity Fund
	Global Equities	RBC Global Equity Focus Fund RBC Global Equity Leaders Fund RBC Vision Global Equity Fund RBC Vision Fossil Fuel Free Global Equity Fund RBC QUBE Global Equity Fund
	Global Low Volatility Equities	RBC QUBE Low Volatility Global Equity Fund
	Emerging Markets Equities	RBC Emerging Markets Equity Fund RBC Emerging Markets Dividend Fund
Alternatives	Real Estate	RBC Canadian Core Real Estate Fund
	Infrastructure	RBC Global Infrastructure Fund

8

REBALANCING

The OCIO is authorized to execute trades, as appropriate, to maintain compliance with the Investment Plan.

Rebalancing shall occur in accordance with the Participating Municipality's Investment Policy Statement and Investment Plan.

Rebalancing plans and exact timing should account for upcoming material changes that may impact the Investment Plans, such as updates to the Investment Policy Statement or the Municipal Client Questionnaire.

As appropriate, the size and frequency of trading activities shall be minimized to help reduce the administration and costs of trading.

9

IMPLEMENTATION

9.1 Custodian

All marketable investments under the control and management of ONE JIB, shall be held for safekeeping by ONE Investment's Custodian.

9.2 Implementation Plan

Timeline	Implementation Details
NA	Not Applicable

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested as per the ONE Distribution Policy PI and cashflow needs of Innisfil are expected to be financed with the sale of units of the pooled funds. Payment of OCIO Fees and Governance fees will also be financed with the sale of investment pool units.

Attachment 16

Model portfolios – allocations

Approved on Sept. 4 2025	A	B	C	D	E	F	G	D+	E+	F+	G+	Durham Short	Durham Med	Durham Long
Fixed Income	**100%**	**80%**	**70%**	**60%**	**50%**	**40%**	**30%**	**50%**	**40%**	**30%**	**20%**	**100%**	**70%**	**70%**
Canadian Money Market														
Short-Term Bonds and Mortgages	50%	50%	35%	25%	20%	20%	20%	20%	20%	20%	20%	50%	35%	17.5%
Enhanced Universe Bond Strategy														17.5%
Corporate Bonds	20%											20%		
Private Placement Corporate Debt	5%	10%	10%	10%	7.5%			5%	2.5%			5%	10%	10%
Commercial Mortgages	5%	10%	10%	10%	10%	10%	10%	10%	10%	10%		5%	10%	10%
High Yield Bonds	5%											5%		
Global Multi-Asset Credit	15%	10%	15%	15%	12.5%	10%		15%	7.5%			15%	15%	15%
Equities		**20%**	**30%**	**40%**	**50%**	**60%**	**70%**	**40%**	**50%**	**60%**	**70%**		**30%**	**30%**
Canadian Equities		5%	7%	10%	12.5%	20%	30%	10%	12.5%	20%	35%		7.5%	7.5%
Canadian Low Volatility Equities		5%	7%	10%	12.5%	10%	5%	10%	12.5%	10%			7.5%	7.5%
U.S. Equities		2%	4%	5%	4%	5%	6%	5%	4%	5%	9%		5%	5%
U.S. Low Volatility Equities		2%	4%	5%	4%	5%	6%	5%	4%	5%	3%		5%	5%
International Equities		6%	8%	10%	12%	14%	16%	10%	12%	14%	16%		5%	5%
Emerging Market Equities					5%	6%	7%		5%	6%	7%			
Alternatives								**10%**	**10%**	**10%**	**10%**			
Canadian Core Real Estate								5%	5%	5%	5%			
Global Infrastructure								5%	5%	5%	5%			

REPORT

To: ONE Joint Investment Board
From: Keith Taylor, Chief Investment Officer, ONE Investment
Date: May 28, 2026
Re: External Investment Manager (OCIO) Review
Report: ONE JIB 2026-016

1. RECOMMENDATIONS

It is recommended that the Board:

1. Approve the continuation of PH&N Institutional as the External Investment Manager

2. SUMMARY

ONE JIB's Policy on Reviewing the External Investment Manager contemplates periodic review of the External Investment Manager for the Prudent Investment Offering. This review process includes a comprehensive review conducted at least every three years by an external consultant. The review will be conducted more frequently in the early years of the relationship with the Investment Manager.

Eckler Ltd. has been retained to conduct the review for calendar year 2025, which includes assessing the service level and operations of the External Investment Manager - PH&N Institutional. This review includes confidential commercial and financial information and a presentation in closed session as part of the process.

PH&N has generally met the expectations related to investment advisory and investment operations of the ONE JIB mandate, and staff will continue working with them to support the manager's strengths and work with them on any improvements that are necessary.

3. BACKGROUND

A formal review of the External Investment Manager is required periodically as part of ONE JIB's Policy on Reviewing the External Investment Manager

Reviewing key external service providers, including the External Investment Manager ("Investment Manager"), is part of ONE JIB's responsibility to ensure proper governance of the Prudent Investment Offering. Eckler Ltd. has been retained by ONE Investment to assist with this review process.

PH&N Institutional began managing the MNRI of certain Participating Municipalities in July 2024, when Durham Region joined ONE JIB. In March 2025, the MNRI of all Participating Municipalities was transitioned over to PH&N. The evaluation covered in Eckler's report (see Attachment 1) covers the calendar year ending December 31, 2025.

The review of the Investment Manager will be conducted in a closed session due to the confidential nature of the discussion

This analysis and discussion related to the Investment Manager review includes confidential commercial and financial information intended to be shared with ONE JIB for evaluation purposes. This discussion is appropriate for a closed session as the information could reasonably be expected to significantly prejudice the competitive position or interfere with contractual or other negotiations of ONE JIB, ONE Investment, and/or the Investment Manager.

4. ANALYSIS

The investment performance of the Investment Manager is broadly acceptable, but some themes have been identified with respect to performance that highlight the manager's strengths and areas for improvement.

Eckler's report notes that the Investment Manager has generally met the expectations related to investment advisory and investment operations of the ONE JIB mandate. Some areas are still being refined based on input from ONE staff, and PH&N has been receptive to these requests.

The Investment Manager has proven to be strong at managing Canadian fixed income and has consistently added value. Both the scope of the offering and performance demonstrate this is a key area of strength in PH&N's investment offering.

With equity funds, while there are no performance issues, there are patterns apparent in the manager's ability to add value. Over the past 10 years, the gross performance of Canadian funds broadly tracks the benchmark, which is the specific market index used to measure the investment success of a fund. The performance of US funds was at or slightly below the benchmark, while the international equity funds have meaningfully beaten their benchmark.

The equity funds tend to be well diversified with large holdings lists, and it appears that the Investment Manager attempts to minimize each fund's benchmark risk, which is the risk that a fund's performance will deviate too far from its benchmark index. To provide deeper clarity, improvements in attribution analysis, a method that breaks down exactly how much return was driven by asset allocation versus specific stock selection, would significantly improve staff and ONE JIB members' understanding of the drivers behind fund performance. In the alternative investments space, the Investment Manager offers limited choice as part of ONE's offering, but the choices are appropriate for our clients' needs. The performance of these alternative investment options is too short for a meaningful performance evaluation.

Looking forward, ONE staff want to leverage our positive partnership with the Investment Manager. We wish to consider the use of index funds (or ETFs) in the most efficient markets (i.e., US equities) to potentially reduce average investment fees.

Reporting is one area that continues to be worked on. Areas that the CIO and the CCO have identified for improvement include improved performance attribution, enhanced

reporting on capital gains and income received and better ability to reconcile positions between RBC Investment Services and the Investment Manager. This affects internal oversight and external reporting, and solutions that include monitoring data within the Harmony investment management system are being considered as part of the solution.

Staff acknowledge the outstanding effort from the Investment Manager team to provide presentations and support to ONE's marketing efforts, for their thoughtful analysis and content for ONE JIB meetings, and for their engagement in finding solutions to issues.

Staff will leverage this positive relationship to continue improving the reporting available for CIO/CCO oversight. We will also work to address one-off issues related to investment plan implementation. As an example, at the February 26th ONE JIB meeting, a revised Investment Plan approved Quinte West, moving their MNRI from Model D (40% equity) to Model F (60% equity). March month-end reporting showed that the municipality was still invested in Model D. Quinte West's allocation was moved to Model F on April 28.

A full debrief of the situation led to process changes to ensure the model changes are implemented more promptly. The delay in implementation resulted in slightly better returns for the client. Municipal staff were understanding of the delay when the CIO reached out.

Staff have reviewed this issue with PH&N. Moving forward, staff will set a planning/action meeting with PH&N following every ONE JIB meeting to ensure all approved actions are implemented in a timely manner. ONE is also working to ingest custodial data into the Harmony portfolio management system at regular intervals to improve ONE Investment's oversight ability.

5. CONCLUSION

The manager evaluation process evaluated multiple aspects of the relationship and services provided by the external manager. A review of fund and model performance did not reveal performance issues, with manager strength most apparent within the fixed income mandates. The service level provided and supplemental analysis to support the ONE JIB were also noted as a key strength. The manager met all operational expectations. This manager review process supports the recommendation that ONE JIB approve the continuation of PH&N Institutional as the External Investment Manager. Future reviews of the Investment Manager will take place as required under the ONE JIB policy.

Drafted by: Keith Taylor, Chief Investment Officer
Approved by: Afshin Majidi (interim) and Donna Herridge, Co-Presidents/CEOs

REPORT

To: ONE Joint Investment Board
From: Denis Kelly, Board Secretary
Date: May 28, 2026
Re: Amendment to the ONE JIB September 2026 Meeting Date
Report: ONE JIB 2026-025

1. RECOMMENDATIONS

It is recommended that the Board:

1. Reschedule its meeting set for Thursday September 3, 2026 to Thursday, September 10, 2026, at the AMO Offices, beginning at 10:00 a.m.

2. SUMMARY

Logistical requirements have made it necessary to reschedule the ONE JIB meeting set for Thursday, September 3, 2026 to Thursday, September 10, 2026, beginning at 10:00 a.m.

3. BACKGROUND AND ANALYSIS

There are logistical challenges to holding a meeting of the ONE JIB on September 3, 2026

At its meeting of September 4, 2024, the ONE Joint Investment Board approved a schedule of regular meetings for 2025 and 2026. This included a meeting scheduled for Thursday, September 3, 2026.

It has become apparent over recent months that there is a very high level of interest by some municipalities in joining the ONE Joint Investment Board during this term of their council. The municipal election is taking place on October 26, 2026. This means that their staff are working on drafting an Investment Policy and a report to Council under very tight timelines and before their council's summer recess. ONE Investment staff are assisting them and will then need to prepare a draft Investment Plan and report to the ONE JIB for its September meeting in each case. The reporting cycle for ONE JIB means that the Investment Plan and report need to be prepared several weeks in advance.

The September meeting is currently scheduled for before Labour Day. With a high level of interest by some municipalities in joining the ONE Joint Investment Board and other logistical concerns, ONE Investment staff are requesting that the Board reschedule its meeting scheduled from Thursday, September 3, 2026 to Thursday, September 10, 2026 at the AMO offices. The meeting will begin at 10:00 a.m.

There has also been consideration to holding an additional meeting in late September at the City of Thunder Bay. This is no longer possible, given many of the same considerations plus the added logistics of scheduling travel, accommodation and a meeting at an external location. Staff at the City of Thunder Bay have been contacted and advised of the Board's appreciation of their kind offer to host the meeting. They understand and have offered to host a meeting next year. Consideration will be given to holding a meeting in Thunder Bay in 2027. The proposed meeting in late September 2026 in Thunder Bay was not formally approved by the Board so there is no need for further action in this regard.

4. CONCLUSION

Rescheduling the Thursday, September 3, 2026 meeting to Thursday, September 10, 2026 will facilitate the onboarding of new Participating Municipalities and the Board's continuing effective decision-making process.

Drafted by: Jennie Song, Board Coordinator and Denis Kelly, Board Secretary
Approved by: Afshin Majidi (interim) and Donna Herridge, Co-Presidents/CEO