ONE JIB

Regular Board Meeting

Agenda

Date: November 24 2026, 10:00 a.m.

Location: AMO Office

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

			Pages
1.		Land Acknowledgement	
2.		Disclosures of Pecuniary Interest	
3.		Minutes of Previous Meeting	
	3.a	Approval of September 10, 2026 ONE JIB Meeting Minutes	1 - 14
	3.b	Business Arising from the September 10, 2026 ONE JIB Meeting Minutes	
4.		Communications	
5.		Board Committee Report	
	5.a	Model Portfolio Review Highlights – PH&N Institutional Presentation	15 - 48
	5.b	Investment Policy Committee Report (2026-02) October 2, 2026	49 - 55
6.		Delegations	
	6.a	County of Frontenac	56 - 61
	6.b	Township of Lucan Biddulph	62 - 68
	6.c	Township of Ignace	69 - 82
	6.d	Township of Oro-Medonte	83 - 89
	6.e	City of Peterborough	90 - 94
7.		Reports	

	7.a	Request to Join ONE JIB – County of Frontenac, the Townships of Ignace, Lucan Biddulph and Oro-Medonte and the City of Peterborough	95 - 97
	7.b	Initial Investment Plan for the County of Frontenac	98 - 150
	7.c	Initial Investment Plan for the Township of Ignace	151 - 203
	7.d	Initial Investment Plan for the Township of Lucan Biddulph	204 - 253
	7.e	Initial Investment Plan for the Township of Oro-Medonte	254 - 306
	7.f	Initial Investment Plan for the City of Peterborough	307 - 370
8.	Consent Items		
	8.a	Risk and Audit Committee Update - Q4 2026	371 - 373
	8.b	Investment Plan Implementation Report Q3 2026	374 - 375
	8.c	Municipal Performance Reports - Q3 2026	376 - 425
	8.d	Compliance Report - Investment Queue Q3 2026	426 - 428
	8.e	Strategic Plan – Q3 2026 Progress	429 - 431
	8.f	Municipal Insights Report – Q4 2026	432 - 434
9.	Investment Oversight		
	9.a	External Investment Manager's Quarterly Reporting and Analysis Q3 2026 – PH&N Institutional Presentation	435 - 474
	9.b	External Investment Manager Oversight - Q3 2026	475 - 491
	9.c	Annual Investment Plan Reviews for Aylmer, Bracebridge, Georgian Bay, Kenora and Oliver Paipoonge	492 - 734
10.	Board Governance and Administrative Matters		
	10.a	Board Governance Self-Evaluation Report – Fall 2026	735 - 738
	10.b	2027 Workplan	739 - 741
11.	Strategy and Policy		
12.	Other Business		

13. Meeting Outcomes

14. Authorizing Motion

15. Adjournment

16. Next Meeting

16.a ONE JIB Regular Meeting - February 25, 2027 (10:00 a.m. - 3:00 p.m.)

ONE JIB

Regular Board Meeting

Minutes

Meeting #:	**2026-04**
Date:	**September 10, 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 (by phone)
C. Dyer
H. Franken
C. Fraser
J. Giles
D. Leckman
N. Pincombe
S. Pountney (virtual)
S. Rettie
R. Wainwright-van Kessel

Staff:
D. Herridge, Co-President/Co-CEO, ONE Investment
C. Pavone 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

1

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
K. Rusin, CFA, Institutional Portfolio Manager
Guest Speaker:
F. Franklin, Portfolio Manager BlueBay Fixed Income, Multi-Asset Credit, RBC Global Asset Management

2

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 also acknowledged and thanked Afshin Majidi who served as interim Co-CEO/Co-President and welcomed Christina Pavone, the new Co-CEO/Co-President as of September 1st.

2. Disclosures of Pecuniary Interest

There were no disclosures of pecuniary interest.

3. Minutes of Previous Meeting

3.a Approval of May 28, 2026 ONE JIB Regular Meeting and June 16, 2026 ONE JIB Special Meeting Minutes

Moved by Board Member Wainwright-van Kessel

THAT the Minutes of the May 28, 2026, ONE JIB Regular Meeting and June 16, 2026 ONE JIB Special Meeting be approved as circulated.

Carried

3.b Business Arising from May 28, 2026 ONE JIB Regular Meeting and June 16, 2026 ONE JIB Special Meeting Minutes

There was no business arising from the May 28, 2026 ONE JIB Regular Meeting and June 16, 2026 ONE JIB Special Meeting Minutes.

4. Communications

4.a Board Secretary – Appointment of a Chair and Vice-Chair

Moved by Board Member Giles

THAT the Board receive the communication from the Board Secretary.

3

Carried

5. Appointment of a Chair and Vice-Chair

Board Secretary Kelly conducted the election of the Board Chair.

Board Member Giles nominated Bill Hughes for the position of Board Chair for the three-year term ending September 10, 2029, and until a successor is appointed.

There were no further nominations.

Moved by Board Member Giles

THAT the nominations for the position of Board Chair be closed.

Carried

Moved by Board Member Fraser

THAT Bill Hughes be appointed as Board Chair for the three-year term ending September 10, 2029 and until a successor is appointed.

Carried Unanimously

Board Chair Hughes conducted the election of the Board Vice-Chair

Board Member Rettie nominated Geri James for the position of Board Vice-Chair.

There were no further nominations.

Moved by Board Member Rettie

THAT the nominations for the position of Board Vice-Chair be closed.

Carried

Moved by Board Member Pincombe

THAT Geri James be appointed as Board Vice-Chair for the three-year term ending September 10, 2029, and until a successor is appointed.

4

Carried Unanimously

6. Board Committee Reports

6.a Investment Policy Committee Report (2026-01) August 5, 2026

Committee Vice-Chair James provided a brief summary of the recommendations in the Investment Policy Committee Report (2026-01) dated August 5, 2026.

Moved by Board Vice-Chair James

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

1. Adopt the recommendations in the staff report, as follows:
   a. Recommend an investment allocation for Durham Region's sinking funds of 100% Money Market for years 1 and 2, with the ability to move to a 75% Money Market / 25% Short-term Bond, or 50/50 allocation in subsequent years as investment returns grow:

	Years 1, 2, and beyond as needed	Future Year options (as appropriate)	
Money market fund	100%	75%	50%
Short-term bond fund	0%	25%	50%

   b. Staff continue to work with the External Investment Manager to consider custom options for sinking fund investments, as appropriate, for other Participating Municipalities, based on their unique circumstances.

Carried

(see Minute No. 10.a.)

7. Delegation

7.a Municipality of Port Hope

David Baxter, Director of Finance, accompanied by Christin MacKinnon, Deputy Treasurer, made a presentation on behalf of the Municipality of Port Hope, outlining its location, population, budget components and urban and rural legacy funds.

5

Moved by Board Member Dyer

THAT the Board receive the presentation from Mr. Baxter on behalf of the Municipality of Port Hope.

Carried

8. Reports

8.a Municipality of Port Hope – Request to Join ONE JIB (2026-034)

Moved by Board Member Pincombe

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

1. Accept the Municipality of Port Hope as a Participating Municipalities with ONE JIB
2. Authorize the Board Chair and Board Secretary to execute the ONE JIB Agreement on behalf of ONE JIB with the Municipality of Port Hope.

Carried

8.b 2026 Initial Investment Plan for the Municipality of Port Hope (2026-033)

Moved by Board Member Rettie

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

1. Receive the Municipality of Port Hope's Investment Policy Statement (Attachment 1).
2. Receive the Municipality of Port Hope's Municipal Client Questionnaire (Attachment 2).
3. Approve the Municipality of Port Hope's proposed Investment Plan (Attachment 3).
4. Authorize the annual withdrawal of up to $350,000 starting in 2027 for both the Rural Legacy Fund and the Urban Legacy Fund ($700,000 combined total), to be withdrawn throughout the year in up to four payments.
5. Authorize the investment of any additional MNRI deposited by the municipality prior to the next annual review, over and beyond the amount shown in the MCQ, to be invested in the same model portfolio as identified in the approved Investment Plan.

Carried

6

9. Consent Items

Moved by Board Member Franken

THAT the Board adopt consent items 9.a, 9.b, 9.c, 9.d, 9.e, 9.f and 9.g together with the recommendations contained in the related staff reports, as follows:

9.a Risk and Audit Committee Update – Q3 2026 (2026-038)
Recommendation: Receive the Report

9.b Board Governance Self-Evaluation Fall 2026 (2026-039)
Recommendation:

1. Receive the report.
2. Direct ONE Investment staff to amend the ONE JIB Terms of Reference to provide a minimum biennial review rather than an annual review, as part of the 2027 Governance review.

9.c Compliance Report - Asset Class and Target Weight Allocations Q2 2026 (2026-047)
Recommendation: Receive the Report

9.d Strategic Plan – Q2 2026 Progress (2026-042)
Recommendation: Receive the Report

9.e Municipal Performance Reports Q2 2026 (2026-044)
Recommendation: Receive the Report

9.f Investment Plan Implementation Report Q2 2026 (2026-040)
Recommendation: Receive the Report

9.g 2027-2028 ONE JIB Meeting Dates (2026-049)
Recommendation:

1. Approve the 2027 and 2028 ONE JIB schedule of meetings as follows:
   Feb 25, 2027
   May 27, 2027
   Sept 16, 2027
   Nov 23, 2027

   Feb 24, 2028
   May 25, 2028
   Sept 14, 2028
   Nov 28, 2028

7

Carried

10. Investment Oversight

10.a 2026 Investment Plan Annual Review for the Regional Municipality of Durham (2026-041)

Moved by Board Member Rettie

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

1. Receive the Regional Municipality of Durham's Investment Policy Statement and Municipal Client Questionnaire included as Attachment 1 and 2 of this report.
2. Approve the Regional Municipality of Durham's 2026 Investment Plan included as Attachment 3 of this report.

Carried

10.b External Investment Manager Oversight Q2 2026

Moved by Board Member Fraser

THAT the Board adopt the recommendation to receive the report for information.

Carried

Moved by Board Member Giles

THAT the Board recess for 15 minutes.

Carried

The Board recessed at 10:58 a.m. and reconvened at 11:15 a.m.

8

10.c Investment Manager's Quarterly Reporting and Analysis Q2 2026 – PH&N Institutional

The following representatives from PH&N Institutional made a presentation on the Investment Manager's Quarterly Reporting and Analysis Q2 2026 :

Martin Leclair, CFA, Vice President and Institutional Portfolio Manager

Paul Purcell, CFA: Managing Director and Institutional Portfolio Manager

Katherine Rusin, CFA: Institutional Portfolio Manager,

together with guest speaker:

Findlay Franklin, Portfolio Manager, BlueBay Fixed Income, Multi-Asset Credit, RBC Global Asset Management (UK) Limited

Moved by Board Member Giles

THAT the Board receive the presentation.

Carried

Moved by Board Vice-Chair James

THAT the Board recess for lunch.

Carried

The Board recessed at 12:34 p.m. and reconvened at 1:25 p.m.

10.d Annual Investment Plan Reviews for the District Municipality of Muskoka, Red Lake, Thunder Bay, and Whitby (2026-031)

Moved by Board Member Fraser

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

1. Receive the Investment Policy Statements and Municipal Client Questionnaires (MCQ) from the following Participating Municipalities, summarized in the table below:

Municipality	**MNRI Value July 31, 2026**	**IPS**	**MCQ**

District Municipality of Muskoka	$166,590,566	Attachment 1	Attachment 2
Municipality of Red Lake	$2,722,597	Attachment 4	Attachment 5
City of Thunder Bay	$154,933,125	Attachment 7	Attachment 8
Town of Whitby	$228,384,795	Attachment 10	Attachment 11

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
District Municipality of Muskoka	N/A	Model E (50% Equity)	Model F (60% Equity)	Not Permitted	Attachment 3
Municipality of Red Lake	N/A	Model D (40% Equity)	Unchanged	Not Permitted	Attachment 6
City of Thunder Bay	N/A	Model E+ (50% Equity)	Unchanged	Permitted / Included	Attachment 9
Town of Whitby	N/A	Model D (40% Equity)	Unchanged	Permitted / Not Included	Attachment 12

Carried

11. Board Governance and Administrative Matters

11.a Reappointment of ONE JIB Members to ONE Investment Risk and Audit Committee (2026-046)

Moved by Board Member Wainwright-van Kessel

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

10

1. Reappoint Board Members Heidi Franken and Jim Giles to ONE Investment's Risk and Audit Committee for a term of two years.

Carried

11.b 2027 Pre-Budget Consultation (2026-035)

Moved by Board Member Dyer

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

1. Request that the ONE Investment Board provide sufficient resources for the ONE JIB to:
    a. Nurture and grow the pipeline of municipalities looking to become prudent investors.
    b. Provide strong ONE Investment staff support to ONE JIB, including development of a reporting and a data strategy to inform staff analysis for board reports and future strategic plans.
    c. Support strong governance practices by ONE JIB.
    d. Support continuing education and training of ONE JIB members.
2. Forward its recommendations to the ONE Investment Board for its consideration.

Carried

12. Strategy and Policy

12.a Mandated Policies for ONE JIB (2026-043)

Moved by Board Member Fraser

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

1. Receive this report and maintain the policies described in this report until the earlier of a change in the *Municipal Act, 2001* that affects ONE JIB's obligation to maintain such policies, or the five-year review referred to in this report.

Carried

11

13. Closed Session

13.a ONE JIB Services Agreement – Solicitor-client privilege under s. 239 (2)(f) of the Municipal Act

13.b ONE JIB Pipeline Update – Education Session under s. 239 (3.1) of the Municipal Act

Moved by Board Vice-Chair James

THAT the Board move into closed session for the purpose of receiving the confidential report on the ONE JIB Services Agreement and legal advice under subsection 239 (2)(f) of the *Municipal Act* and the confidential report on a Municipal Pipeline Update as part of an Education Session under s. 239 (3.1) of the *Municipal Act*.

Carried

The Board moved into closed session at 1:29 p.m.

14. Reconvene in Public Session

Moved by Board Member Rettie

THAT the Board reconvene in public session.

Carried

The Board reconvened in public session at 2:55 p.m.

ONE JIB Services Agreement

Moved by Board Vice-Chair James

THAT the Board approve the recommendations in the report, as amended, as follows:

1. Adopt the proposed changes to the ONE JIB Services Agreement as outlined in Attachment 1.
2. Approve the execution of the amended ONE JIB Services Agreement to be signed on behalf of ONE JIB by the Chair and Secretary
3. make the report public.

12

Carried

Municipal Pipeline Update

Moved by Board Member Pountney

THAT the Board receive the confidential report on potential new Participating Municipalities from the closed education session.

Carried

15. Other Business

There was no other business.

16. Meeting Outcomes

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

The Board:

- Reappointed the Board Chair and Vice-Chair for the next three years to September 10, 2029 and until their successors are appointed.
- Received and approved the Investment Policy Committee report from its August 5, 2026 meeting.
- Welcomed a new municipality, the Municipality of Port Hope, bringing the total number of Participating Municipalities to 22.
- Approved seven Consent items, and the recommendations in the related staff report. The consent items related to:
    - Risk and Audit Committee Update – Q3 2026
    - Board Governance Self-Evaluation Fall 2026
    - Compliance Reports - Asset Class and Target Weight Allocations Q2 2026
    - Strategic Plan – Q2 2026 Progress
    - Municipal Performance Reports Q2 2026
    - Investment Plan Implementation Report Q1 2026
    - 2027-2028 ONE JIB Meeting Dates
- Approved the Regional Municipality of Durham's 2026 Investment Plan
- Received and approved the Investment Manager's quarterly report and analysis for Q2 2026 from PH&N Institutional
- Approved the annual investment plans for Muskoka, Red Lake, Thunder Bay and Whitby

13

- Reappointed Board Members Franken and Giles to the ONE Investment Risk and Audit Committee
- Received the 2027 Pre-Budget Consultation with the recommendations to be forwarded to the ONE Investment Board
- Received and approved the three legislatively mandated policies for ONE JIB with no change
- Approved amendments to the ONE JIB Services Agreement
- Received information on municipalities that could become Participating Municipalities.

17. Authorizing Motion

Moved by Board Member Giles

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

18. Adjournment

Moved by Board Member Fraser

THAT the Board adjourn its meeting.

Carried

The meeting adjourned at 2:59 p.m.

17. Next Meeting

18.a ONE JIB Regular Meeting – November 24, 2026 (10:00 a.m. – 3:00 p.m.)

_____

Denis Kelly, Board Secretary

14

RBC Global Asset Management
PH&N Institutional

Portfolio modelling overview for ONE Investment

Presented by:

Paul Purcell, Institutional Portfolio Manager
Martin Leclair, Institutional Portfolio Manager
Katherine Rusin, Institutional Portfolio Manager

Novermber 24, 2026

Outline

1. 2025 Model Portfolios
2. Capital market assumptions
3. Proposed changes to constraints
4. 2026 proposed portfolios
   a) No alternatives
   b) With alternatives
5. Review of Durham portfolios

1. 2025 Model portfolios

Current model portfolios – no Alternatives

Models approved in September 2025

	A	B	C	D	E	F	G
Fixed Income	**100%**	**80%**	**70%**	**60%**	**50%**	**40%**	**30%**
Canadian Money Market	0%	0%	0%	0%	0%	0%	0%
Short-Term Bonds and Mortgages	50%	50%	35%	25%	20%	20%	20%
Corporate Bonds	20%	0%	0%	0%	0%	0%	0%
Private Placement Corporate Debt	5%	10%	10%	10%	7.5%	0%	0%
Commercial Mortgages	5%	10%	10%	10%	10%	10%	10%
High Yield Bonds	5%	0%	0%	0%	0%	0%	0%
Global Multi-Asset Credit	15%	10%	15%	15%	12.5%	10%	0%
Equities	**0%**	**20%**	**30%**	**40%**	**50%**	**60%**	**70%**
Canadian Equities	0%	5%	7%	10%	12.5%	20%	30%
Canadian Low Volatility Equities	0%	5%	7%	10%	12.5%	10%	5%
U.S. Equities	0%	2%	4%	5%	4%	5%	6%
U.S. Low Volatility Equities	0%	2%	4%	5%	4%	5%	6%
International Equities	0%	6%	8%	10%	12%	14%	16%
Emerging Market Equities	0%	0%	0%	0%	5%	6%	7%
Alternatives	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Canadian Core Real Estate	0%	0%	0%	0%	0%	0%	0%
Global Infrastructure	0%	0%	0%	0%	0%	0%	0%

[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

Current model portfolios – with Alternatives

Models approved in September 2025

	D+	E+	F+	G+
Fixed Income	**50%**	**40%**	**30%**	**20%**
Canadian Money Market	0%	0%	0%	0%
Short-Term Bonds and Mortgages	20%	20%	20%	20%
Corporate Bonds	0%	0%	0%	0%
Private Placement Corporate Debt	5%	2.5%	0%	0%
Commercial Mortgages	10%	10%	10%	0%
High Yield Bonds	0%	0%	0%	0%
Global Multi-Asset Credit	15%	7.5%	0%	0%
Equities	**40%**	**50%**	**60%**	**70%**
Canadian Equities	10%	12.5%	20%	35%
Canadian Low Volatility Equities	10%	12.5%	10%	0%
U.S. Equities	5%	4%	5%	9%
U.S. Low Volatility Equities	5%	4%	5%	3%
International Equities	10%	12%	14%	16%
Emerging Market Equities	0%	5%	6%	7%
Alternatives	**10%**	**10%**	**10%**	**10%**
Canadian Core Real Estate	5%	5%	5%	5%
Global Infrastructure	5%	5%	5%	5%

[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

Reviewing the ONE JIB model portfolios



Capital Market Assumptions

10-yr forward-looking capital market forecasts (Return, volatility, downside risk, correlations)



Eligible Capital Market Exposures

Money market, global fixed income and credit, global equity markets and private markets



Modeling Constraints

Ensure proper diversification, liquidity and practicality.



Portfolio Optimization

Proprietary modeling tools to help identify the balance of risk and reward opportunities

2. Capital market assumptions

Long-term assumptions for strategic portfolio modeling

Overview

The RBC Global Asset Management Long-Term Expected Return (LTER) Committee, led by the CIO, is ultimately responsible for approving best estimate return assumptions

Capital market assumptions are established by considering a variety of qualitative and quantitative sources of information including:



Different forecasting models



Internal and external research



Existing and implied future conditions as priced by capital markets



Internal views of our fund managers

Volatilities, downside risk and correlations are estimated from historical data and adjusted as required to reflect future market conditions

Updated capital market assumptions

- See full disclosure of capital market assumptions in the Appendix
  - Expected returns, risk and correlations at Q2/2026
  - Expected returns and risk at Q2/2025
  - Comparison of expected returns: Q2/2026 vs. Q2/2025

- Comparison of expected returns for some key asset classes:

Asset Classes	2026 Expected Long-Term Return	2025 Expected Long-Term Return	Difference
Cash	3.6%	3.1%	+0.5%
Canadian Universe Bonds	3.9%	3.6%	+0.3%
Global Multi-Asset Credit	6.7%	6.4%	+0.3%
Canadian Equities	6.1%	7.4%	-1.4%
U.S. Equities	6.1%	5.6%	+0.5%
International Equities	7.0%	7.8%	-0.8%
Emerging Market Equities	8.5%	8.3%	0.2%
Canadian Core Real Estate	6.3%	6.3%	0.0%
Global Infrastructure	6.7%	6.7%	0.0%

Capital market assumptions – Q2 2026

Expected risk and return

Asset Classes	Representative Data Series	Expected Long-Term Return	Expected Annual Volatility	Expected Annual Downside Risk
Cash	FTSE Canada 30 Day TBill Index	3.6%	0.4%	2.7%
Universe Bonds	FTSE Canada Universe Bond Index	3.9%	4.9%	-6.6%
Canadian Money Market	PH&N Canadian Money Market Strategy	3.7%	0.9%	1.8%
Short-Term Bonds and Mortgages	Custom Index[1]	3.9%	2.3%	-1.0%
Enhanced Universe Bond Strategy	Custom Index[2]	4.3%	5.0%	-6.9%
Corporate Bonds	Custom Index[3]	4.4%	4.3%	-5.7%
Private Placement Corporate Debt	Custom Index[4]	5.4%	4.7%	-6.3%
Commercial Mortgages*	Custom Index[5]	6.8%	3.3%	-6.1%
Global Sovereign Bonds	Custom Index[6]	3.7%	4.2%	-4.9%
High Yield Bonds	ICE BofA US High Yield Master II (CAD-Hedged)	5.9%	9.1%	-15.5%
Broad EMD	Custom Index[7]	5.6%	10.6%	-14.7%
Global Multi-Asset Credit	Custom Index[8]	6.7%	8.2%	-16.0%
Canadian Equities	S&P/TSX Composite Index	6.1%	16.9%	-25.3%
Canadian Low Volatility Equities	RBC QUBE Low Volatility Canadian Equity Strategy	5.4%	12.8%	-14.7%
U.S. Equities	S&P 500 Index (CAD)	6.1%	14.6%	-23.1%
U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Strategy (CAD)	5.5%	13.0%	-15.9%
International Equities	MSCI EAFE Index (CAD)	7.0%	16.2%	-28.0%
Global Equities	MSCI World Index (CAD)	6.5%	14.2%	-23.7%
Emerging Market Equities	MSCI Emerging Markets (EM) Index (CAD)	8.5%	21.1%	-31.7%
Canadian Core Real Estate*	RBC Canadian Core Real Estate Strategy	6.3%	9.6%	-13.1%
Global Infrastructure*	EDHEC Infra 300 Index (Local)	6.7%	11.6%	-16.5%
Inflation	Canadian CPI (Non-Seasonally Adjusted)	2.3%	1.5%	N/A

Please see disclosures on the following slide.

Capital market assumptions – Q2 2026

Correlations

Correlations	Cash	Universe Bonds	Canadian Money Market	Short-Term Bonds and Mortgages	Enhanced Universe Bond Strategy	Corporate Bonds	Private Placement Corporate Debt	Commercial Mortgages	Global Sovereign Bonds	High Yield Bonds	Broad EMD	Global Multi-Asset Credit	Canadian Equities	Canadian Low Volatility Equities	U.S. Equities	U.S. Low Volatility Equities	International Equities	Global Equities	Emerging Market Equities	Canadian Core Real Estate	Global Infrastructure
Cash	**1**																				
Universe Bonds	0.1	**1**																			
Canadian Money Market	1.0	0.1	**1**																		
Short-Term Bonds and Mortgages	0.2	0.9	0.2	**1**																	
Enhanced Universe Bond Strategy	0.1	1.0	0.1	0.9	**1**																
Corporate Bonds	0.1	0.9	0.1	0.9	1.0	**1**															
Private Placement Corporate Debt	0.1	0.9	0.1	0.9	1.0	1.0	**1**														
Commercial Mortgages	0.2	0.7	0.2	0.7	0.7	0.7	0.7	**1**													
Global Sovereign Bonds	0.1	0.9	0.1	0.8	0.8	0.7	0.8	0.6	**1**												
High Yield Bonds	-0.1	0.3	-0.1	0.2	0.4	0.5	0.4	0.2	0.2	**1**											
Broad EMD	0.0	0.4	0.0	0.3	0.5	0.5	0.5	0.3	0.4	0.7	**1**										
Global Multi-Asset Credit	0.0	0.3	0.0	0.3	0.5	0.5	0.5	0.2	0.3	0.9	0.9	**1**									
Canadian Equities	-0.1	0.1	0.0	0.1	0.3	0.3	0.3	0.1	0.1	0.7	0.6	0.7	**1**								
Canadian Low Volatility Equities	0.0	0.3	0.0	0.1	0.4	0.4	0.3	0.2	0.2	0.6	0.5	0.6	0.8	**1**							
U.S. Equities	-0.1	0.2	-0.1	0.1	0.2	0.3	0.2	0.2	0.1	0.5	0.3	0.4	0.6	0.5	**1**						
U.S. Low Volatility Equities	-0.1	0.3	-0.1	0.2	0.3	0.3	0.3	0.2	0.2	0.2	0.1	0.2	0.3	0.5	0.7	**1**					
International Equities	0.0	0.2	0.0	0.2	0.3	0.3	0.3	0.2	0.1	0.6	0.5	0.6	0.7	0.6	0.8	0.5	**1**				
Global Equities	-0.1	0.2	-0.1	0.1	0.3	0.3	0.3	0.2	0.1	0.5	0.4	0.5	0.7	0.6	1.0	0.6	0.9	**1**			
Emerging Market Equities	0.0	0.2	0.0	0.2	0.3	0.3	0.3	0.1	0.1	0.6	0.7	0.7	0.6	0.5	0.5	0.3	0.7	0.6	**1**		
Canadian Core Real Estate	0.0	-0.2	0.0	-0.3	-0.2	-0.3	-0.3	-0.3	-0.2	-0.1	-0.1	-0.2	-0.1	0.0	-0.1	0.0	0.0	-0.1	-0.1	**1**	
Global Infrastructure	0.0	0.4	0.0	0.3	0.4	0.3	0.4	0.3	0.5	0.1	0.2	0.1	0.0	0.2	0.0	0.2	0.1	0.0	0.0	0.3	**1**

Capital market assumptions represent the views of PH&N Institutional for the purposes of illustrating and understanding the potential risk-reward trade-off of different portfolio decisions and are established by considering a variety of qualitative and quantitative sources of information including: different forecasting models; internal and external research; existing and implied future conditions as priced by capital markets; and internal views of our fund managers. Expected long term annualized returns are for a 10 year forecast time horizon. Volatilities, downside risk and correlations are estimated from historical data and adjusted as required to reflect future market conditions. Investors should be aware of the limitations using forward-looking assumptions in that there is absolutely no guarantee that future performance will occur according to any ex-ante expectation.

3. Proposed changes to constraints

Modelling constraints

Important inputs but subjective in nature

- The purpose of imposing constraints in a theoretical optimization exercise are:
  - To provide diversification and avoid overly concentrated portfolios
  - To provide portfolio liquidity by specifying maximum limits in illiquid assets
  - To ensure that the resulting portfolios are reasonable from a practical standpoint
  - To reduce sensitivity to the input parameters and assumptions, especially expected returns

- The sizing of constraints:
  - Depends on comfort with various asset classes, beliefs on the ideal level of diversification and the potential need for liquidity
  - Can be changed on further discussion
  - Is based on our experience and intended to produce portfolios for discussion purposes

2026 Efficient Frontier analysis – modeling constraints

Changes for consideration

Modeling Constraints	Minimum Allocation	Maximum Allocation
Combination of Core Fixed Income & Money Market	20%	-
Money Market	-	25%
Canadian corporate bonds	-	25%
Global sovereign bonds	-	25%
High yield bonds	-	15%
Emerging market (EM) debt	-	15%
Multi-asset global credit	-	15%
Private placement corporate debt in Model A (100% fixed income)	-	***10%*** *(previously 5%)*
Private placement corporate debt in all other models	-	10%
Commercial mortgages in model A (100% fixed income)	-	***10%*** *(previously 5%)*
Commercial mortgages in all other models	-	10%
Allocation to Canadian equities (as a % of total equities)	-	50%
Allocation to low volatility equities (as a % of regional equity allocation)	-	50%
Allocation to EM equities when equity allocation is >=50% (as a % of equity allocation)	-	10%
Allocation to EM equities when equity allocation is <50% (as a % of equity allocation)	-	***10%*** *(previously 0%)*
Real Estate in models with Alternatives	-	***7.5%*** *(previously 5%)*
Infrastructure in models with Alternatives	-	***7.5%*** *(previously 5%*

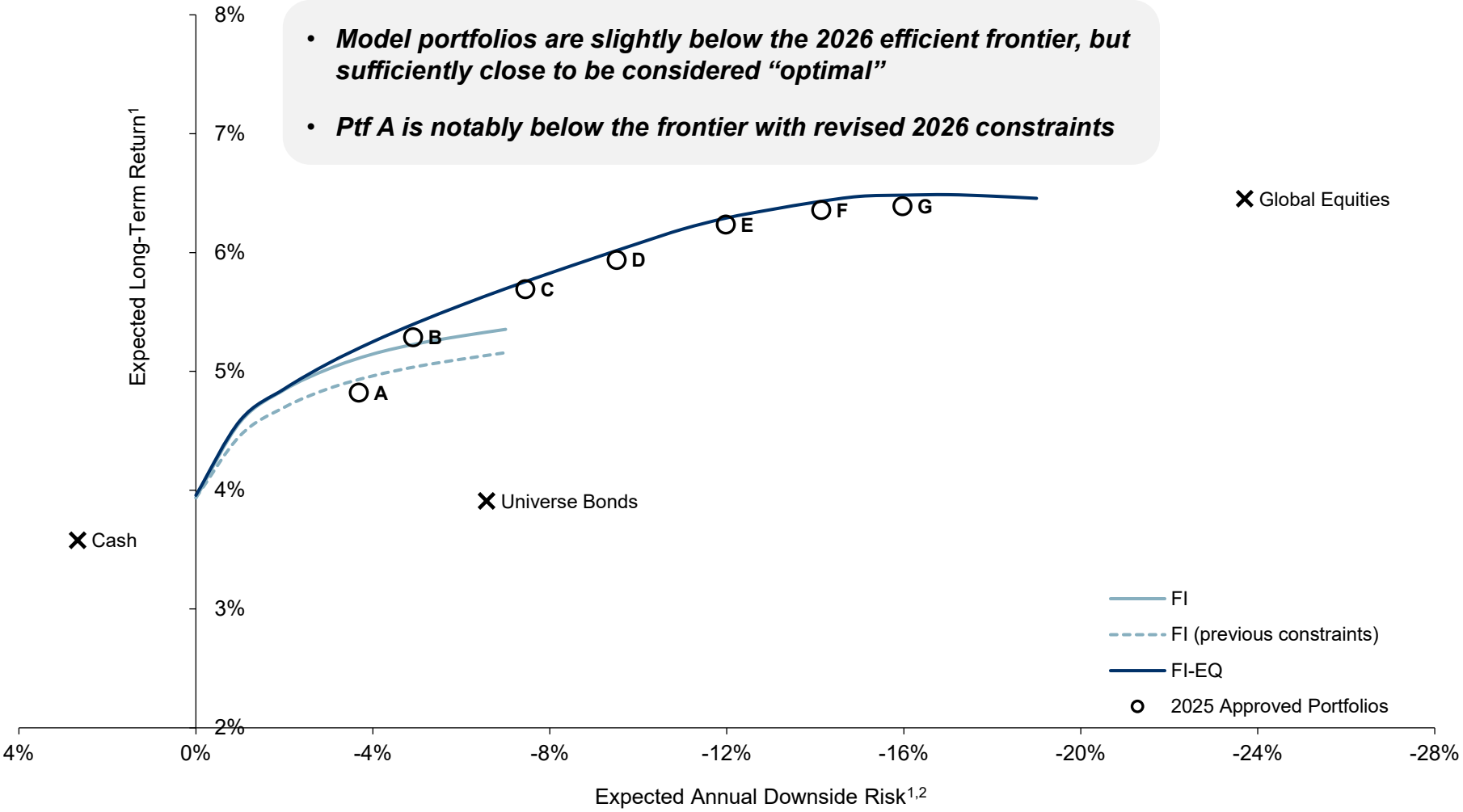
4a. 2026 proposed changes and efficient frontier analysis

Model portfolios A to G (***no*** Alternatives)

2026 Efficient Frontier analysis

Current model portfolios relative to new frontiers

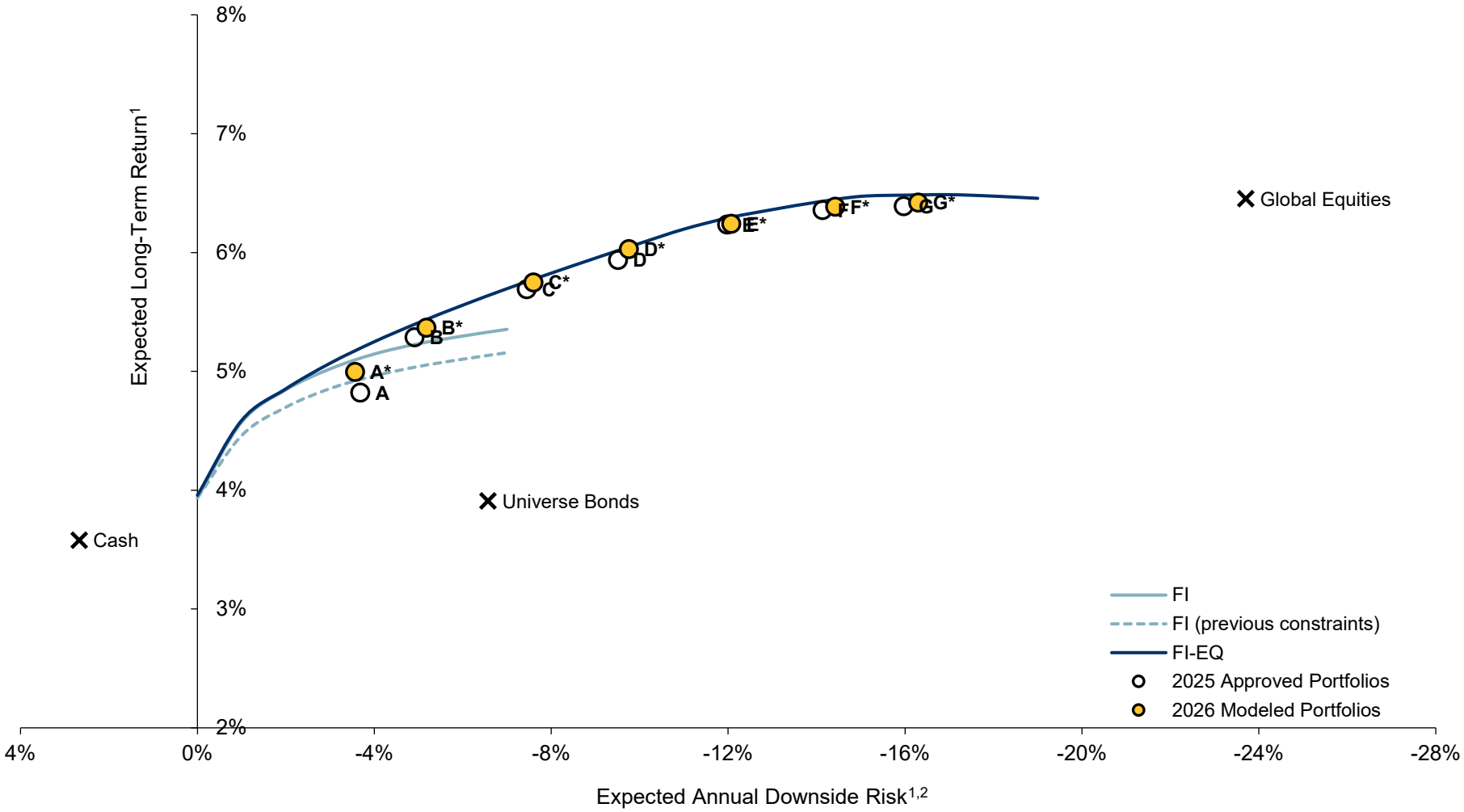
- ***Model portfolios are slightly below the 2026 efficient frontier, but sufficiently close to be considered "optimal"***
- ***Ptf A is notably below the frontier with revised 2026 constraints***



[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

2026 Efficient Frontier analysis

New portfolios that get closer to the frontiers



[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

2026 new portfolios – no Alternatives

Asset allocations

	A*	B*	C*	D*	E*	F*	G*
Fixed Income	**100%**	**80%**	**70%**	**60%**	**50%**	**40%**	**30%**
Canadian Money Market	0%	0%	0%	0%	0%	0%	0%
Short-Term Bonds and Mortgages	50%	48%	35%	25%	20%	20%	20%
Corporate Bonds	10%	0%	0%	0%	0%	0%	0%
Private Placement Corporate Debt	10%	10%	10%	10%	7.5%	0%	0%
Commercial Mortgages	10%	10%	10%	10%	10%	10%	10%
High Yield Bonds	5%	0%	0%	0%	0%	0%	0%
Global Multi-Asset Credit	15%	12%	15%	15%	12.5%	10%	0%
Equities	**0%**	**20%**	**30%**	**40%**	**50%**	**60%**	**70%**
Canadian Equities	0%	4%	6%	8%	14%	20%	28%
Canadian Low Volatility Equities	0%	4%	6%	8%	6%	3%	0%
U.S. Equities	0%	3%	4.5%	6%	7%	8%	10%
U.S. Low Volatility Equities	0%	3%	4.5%	6%	7%	8%	7%
International Equities	0%	5%	7%	9%	12%	16%	19%
Emerging Market Equities	0%	1%	2%	3%	4%	5%	6%
Alternatives	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Canadian Core Real Estate	0%	0%	0%	0%	0%	0%	0%
Global Infrastructure	0%	0%	0%	0%	0%	0%	0%

[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

2026 Efficient Frontier analysis

Difference between 2025 model and 2026 new portfolios

	A*-A	B*-B	C*-C	D*-D	E*-E	F*-F	G*-G
Fixed Income	0%	0%	0%	0%	0%	0%	0%
Canadian Money Market	0%	0%	0%	0%	0%	0%	0%
Short-Term Bonds and Mortgages	0%	-2%	0%	0%	0%	0%	0%
Corporate Bonds	-10%	0%	0%	0%	0%	0%	0%
Private Placement Corporate Debt	+5%	0%	0%	0%	0%	0%	0%
Commercial Mortgages	+5%	0%	0%	0%	0%	0%	0%
High Yield Bonds	0%	0%	0%	0%	0%	0%	0%
Global Multi-Asset Credit	0%	+2%	0%	0%	0%	0%	0%
Equities	0%	0%	0%	0%	0%	0%	0%
Canadian Equities	0%	-1%	-1%	-2%	+1.5%	0%	-2%
Canadian Low Volatility Equities	0%	-1%	-1%	-2%	-6.5%	-7%	-5%
U.S. Equities	0%	+1%	+0.5%	+1%	+3%	+3%	+4%
U.S. Low Volatility Equities	0%	+1%	+0.5%	+1%	+3%	+3%	+1%
International Equities	0%	-1%	-1%	-1%	0%	+2%	+3%
Emerging Market Equities	0%	+1%	+2%	+3%	-1%	-1%	-1%

[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

Comparison

Risk/return metrics[1]

Modeled Expectations[1]	A*-A	B*-B	C*-C	D*-D	E*-E	F*-F	G*-G
Long-Term Return	+0.17%	+0.08%	+0.06%	+0.09%	+0.01%	+0.03%	+0.03%
Annual Downside Risk[2]	+0.12%	-0.27%	-0.15%	-0.25%	-0.10%	-0.29%	-0.32%
Annual Volatility	-0.11%	+0.07%	+0.02%	+0.01%	-0.07%	-0.04%	0.00%
Sharpe Ratio	+0.07	+0.01	+0.01	+0.01	0.00	0.00	0.00

2026 new portfolios	A*	B*	C*	D*	E*	F*	G*
Long-Term Return	5.0%	5.4%	5.8%	6.0%	6.2%	6.4%	6.4%
Annual Downside Risk[2]	-3.6%	-5.2%	-7.6%	-9.8%	-12.1%	-14.4%	-16.3%
Annual Volatility	3.1%	4.1%	5.3%	6.4%	7.6%	8.8%	9.9%
Sharpe Ratio	0.45	0.44	0.41	0.38	0.35	0.32	0.29

2025 model portfolios	A	B	C	D	E	F	G
Long-Term Return	4.8%	5.3%	5.7%	5.9%	6.2%	6.4%	6.4%
Annual Downside Risk[2]	-3.7%	-4.9%	-7.4%	-9.5%	-12.0%	-14.1%	-16.0%
Annual Volatility	3.2%	4.0%	5.2%	6.4%	7.6%	8.8%	9.9%
Sharpe Ratio	0.38	0.43	0.40	0.37	0.35	0.31	0.29

[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

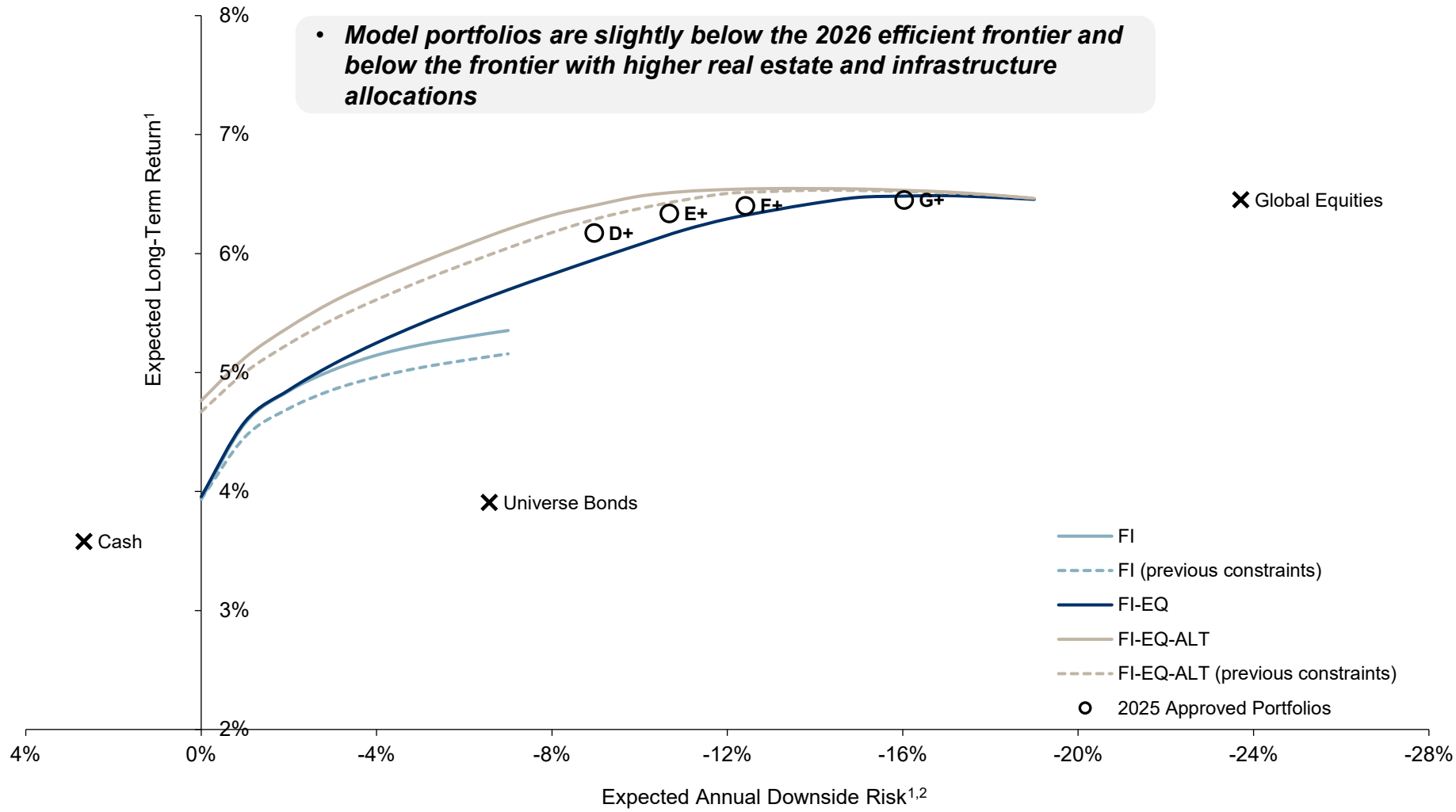
4b. 2026 Proposed changes and efficient frontier analysis

Model portfolios D+ to G+ (***with*** Alternatives)

2026 Efficient Frontier analysis

Model portfolios – with Alternatives

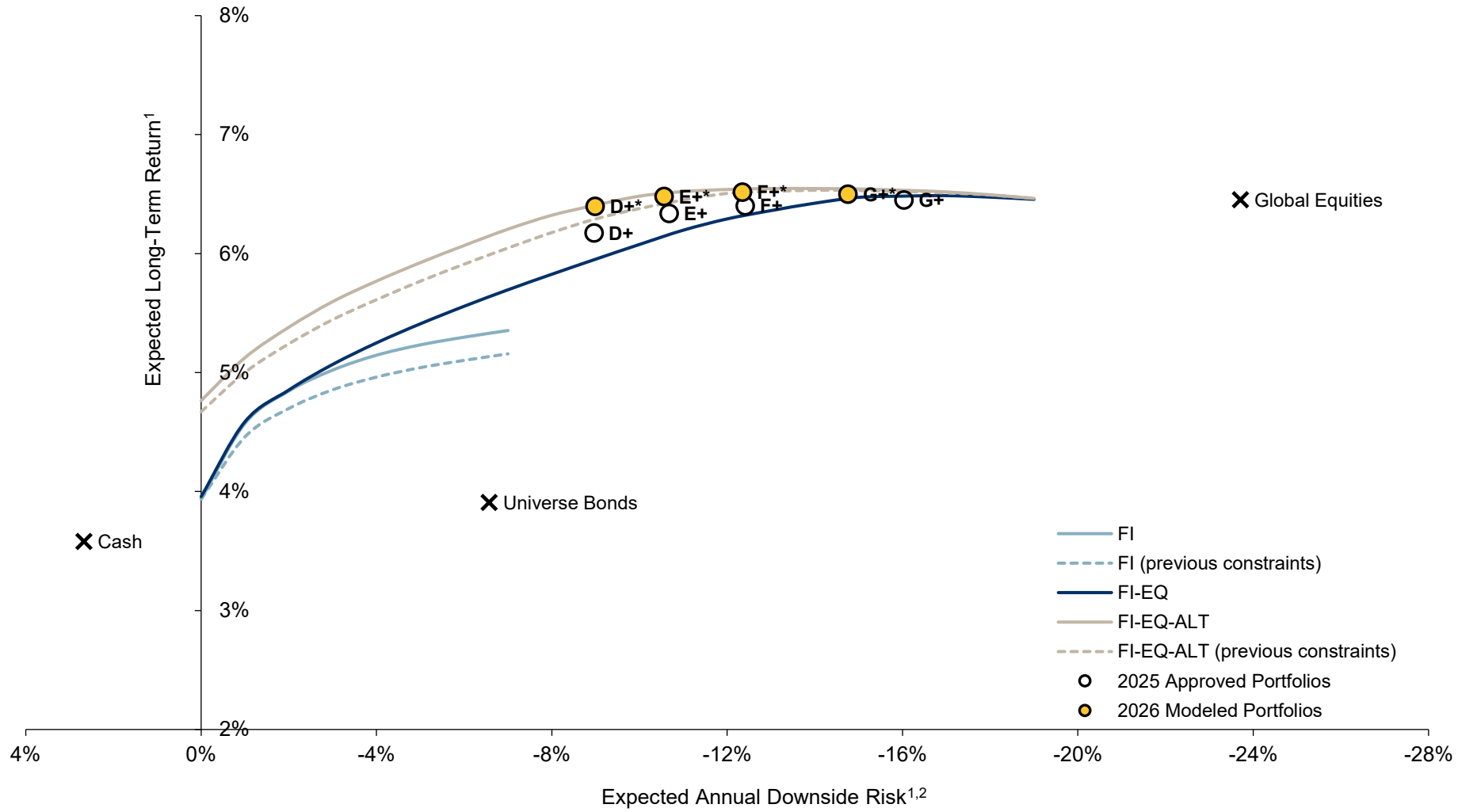
- ***Model portfolios are slightly below the 2026 efficient frontier and below the frontier with higher real estate and infrastructure allocations***



[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

2026 Efficient Frontier analysis

New portfolios that get closer to the frontiers



[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

2026 new portfolios – with Alternatives

Asset allocations

	D+*	E+*	F+*	G+*
Fixed Income	**50%**	**40%**	**30%**	**20%**
Canadian Money Market	0%	0%	0%	0%
Short-Term Bonds and Mortgages	20%	20%	20%	20%
Corporate Bonds	0%	0%	0%	0%
Private Placement Corporate Debt	5%	0%	0%	0%
Commercial Mortgages	10%	10%	10%	0%
High Yield Bonds	0%	0%	0%	0%
Global Multi-Asset Credit	15%	10%	0%	0%
Equities	**35%**	**45%**	**55%**	**65%**
Canadian Equities	14%	18%	22.5%	26%
Canadian Low Volatility Equities	0%	0%	0%	0%
U.S. Equities	3.5%	5%	12.5%	15%
U.S. Low Volatility Equities	3.5%	5%	0%	0%
International Equities	11%	13%	15%	18%
Emerging Market Equities	3%	4%	5%	6%
Alternatives	**15%**	**15%**	**15%**	**15%**
Canadian Core Real Estate	7.5%	7.5%	7.5%	7.5%
Global Infrastructure	7.5%	7.5%	7.5%	7.5%

[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

2026 Efficient Frontier analysis

Difference between 2025 model and 2026 new portfolios

	D+*-D*	E+*-E*	F+*-F*	G+*-G*
Fixed Income	0%	0%	0%	0%
Canadian Money Market	0%	0%	0%	0%
Short-Term Bonds and Mortgages	0%	0%	0%	0%
Corporate Bonds	0%	0%	0%	0%
Private Placement Corporate Debt	0%	-2.5%	0%	0%
Commercial Mortgages	0%	0%	0%	0%
High Yield Bonds	0%	0%	0%	0%
Global Multi-Asset Credit	0%	+2.5%	0%	0%
Equities	-5%	-5%	-5%	-5%
Canadian Equities	+4%	+5.5%	+2.5%	-9%
Canadian Low Volatility Equities	-10%	-12.5%	-10%	0%
U.S. Equities	-1.5%	+1%	+7.5%	+6%
U.S. Low Volatility Equities	-1.5%	+1%	-5%	-3%
International Equities	+1%	+1%	+1%	+2%
Emerging Market Equities	+3%	-1%	-1%	-1%
Alternatives	+5%	+5%	+5%	+5%
Canadian Core Real Estate	+2.5%	+2.5%	+2.5%	+2.5%
Global Infrastructure	+2.5%	+2.5%	+2.5%	+2.5%

[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

Comparison

Risk/return metrics[1]

Modeled Expectations[1]	D*-D	E*-E	F*-F	G*-G
Long-Term Return	0.22%	0.14%	0.11%	0.05%
Annual Downside Risk[2]	-0.03%	0.11%	0.07%	1.27%
Annual Volatility	-0.07%	-0.16%	-0.06%	-0.71%
Sharpe Ratio	0.04	0.03	0.02	0.03

2026 new portfolios	D*	E*	F*	G*
Long-Term Return	6.4%	6.5%	6.5%	6.5%
Annual Downside Risk[2]	-9.0%	-10.6%	-12.3%	-14.8%
Annual Volatility	6.2%	7.1%	8.2%	9.5%
Sharpe Ratio	0.45	0.41	0.36	0.31

2025 model portfolios	D	E	F	G
Long-Term Return	6.2%	6.3%	6.4%	6.5%
Annual Downside Risk[2]	-9.0%	-10.7%	-12.4%	-16.0%
Annual Volatility	6.3%	7.3%	8.2%	10.2%
Sharpe Ratio	0.41	0.38	0.34	0.28

[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

5. Review of Durham portfolios

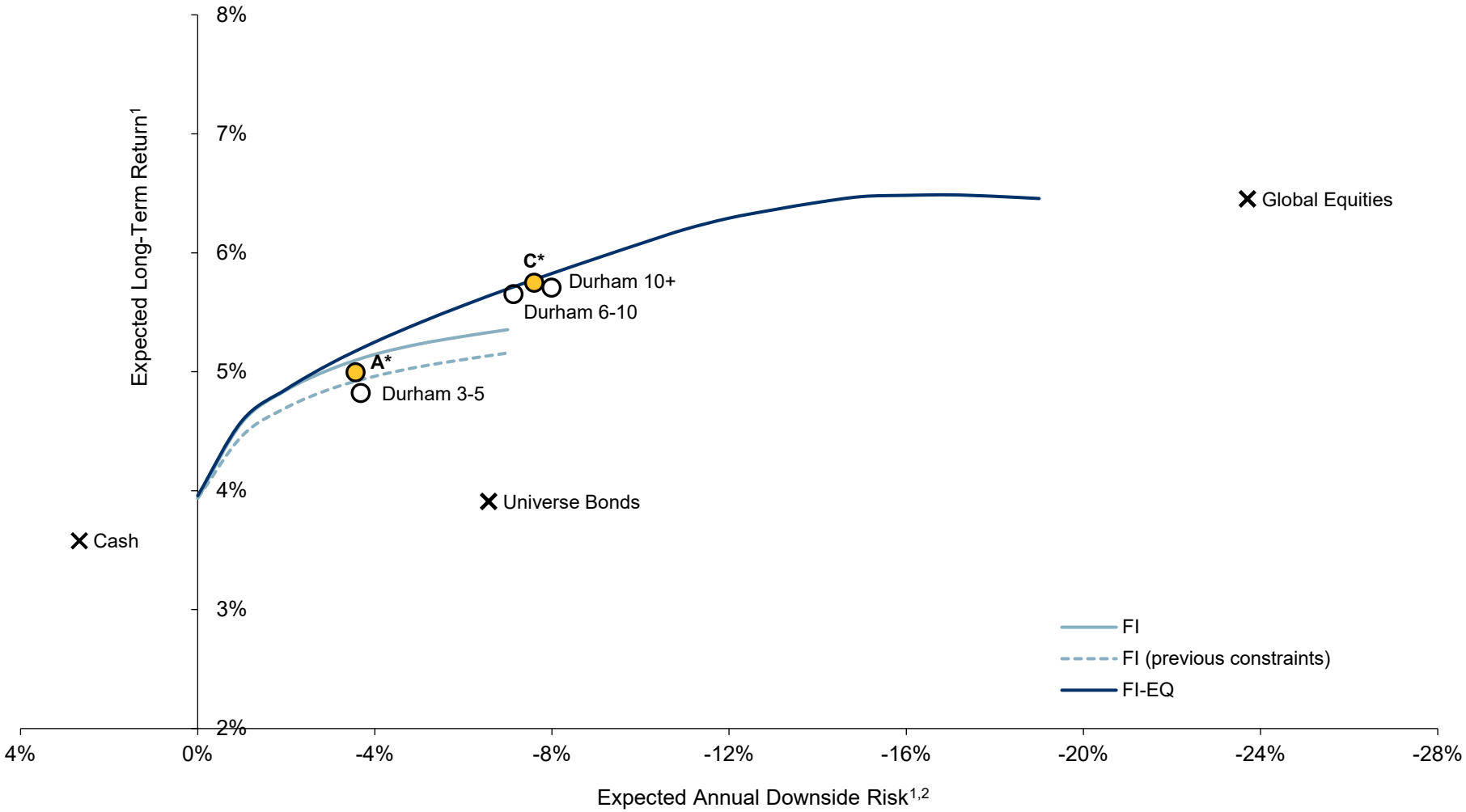
Durham portfolios

Detailed allocations

	Durham 3-5	Durham 6-10	Durham 10+
Fixed Income	**100%**	**70%**	**70%**
Canadian Money Market	0%	0%	0%
Short-Term Bonds and Mortgages	50%	35%	17.5%
Enhanced Universe Bond Strategy	0%	0%	17.5%
Corporate Bonds	20%	0%	0%
Private Placement Corporate Debt	5%	10%	10%
Commercial Mortgages	5%	10%	10%
High Yield Bonds	5%	0%	0%
Global Multi-Asset Credit	15%	15%	15%
Equities	**0%**	**30%**	**30%**
Canadian Equities	0%	7.5%	7.5%
Canadian Low Volatility Equities	0%	7.5%	7.5%
U.S. Equities	0%	5%	5%
U.S. Low Volatility Equities	0%	5%	5%
International Equities	0%	5%	5%
Emerging Market Equities	0%	0%	0%
Alternatives	**0%**	**0%**	**0%**
Canadian Core Real Estate	0%	0%	0%
Global Infrastructure	0%	0%	0%

2026 Efficient Frontier analysis

Custom modeled portfolios for Durham



[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

Durham portfolios

Risk/return metrics

2026 Modeled Expectations/Estimates	Durham 3-5	Durham 6-10	Durham 10+
Long-Term Return (gross)	4.84%	5.69%	5.75%
Annual Downside Risk[2]	-3.7%	-7.1%	-8.0%
Annual Volatility	3.2%	5.2%	5.5%
Sharpe Ratio (LTR gross)	0.38	0.40	0.38

[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

Appendix

Capital market assumptions – Q2 2026

Disclosures

Capital market assumptions represent the views of PH&N Institutional for the purposes of illustrating and understanding the potential risk-reward trade-off of different portfolio decisions and are established by considering a variety of qualitative and quantitative sources of information including: different forecasting models; internal and external research; existing and implied future conditions as priced by capital markets; and internal views of our fund managers. Expected long term annualized returns are for a 10-year forecast time horizon. Volatilities, downside risk and correlations are estimated from historical data and adjusted as required to reflect future market conditions. Investors should be aware of the limitations using forward-looking assumptions in that there is absolutely no guarantee that future performance will occur according to any ex-ante expectation.

* Expected return net of fees

[1] 49% FTSE Canada Short Term Government Bond Index, 45% FTSE Canada Short Term Corporate Bond Index and 6% PH&N Mortgage Strategy.

[2] 12.5% FTSE Canada Federal Bond Index, 32.5% FTSE Canada Provincial Bond Index, 45% FTSE Canada All Corporate Bond Index, 7.5% PH&N Mortgage Strategy and 2.5% ICE BofA US High Yield Master II (CAD-H).

[3] 25% FTSE Canada Corporate AA+ Bond Index , 25% FTSE Canada Corporate A Bond Index and 50% FTSE Canada Corporate BBB Bond Index.

[4] 13% FTSE Canada Short Term Federal and 87% FTSE Canada Mid Term Federal Bond Index + 50% FTSE Canada Short Term Corporate Bond Index (spread) and 50% FTSE Canada Mid Term Corporate Bond Index (spread).

[5] 39% PH&N Mortgage Strategy and 61% PH&N High Yield Mortgage Strategy.

[6] 90% ICE BofA Global Government Index (CAD-H), 3% ICE BofA US High Yield Master II (CAD-H), 2.5% J.P. Morgan Emerging Market Bond Index (CAD-H), 2.5% J.P. Morgan Corporate Emerging Markets Bond Index (CAD-H) and 2% RBC Emerging Markets Foreign Exchange Strategy.

[7] 20% J.P. Morgan Emerging Market Bond Index (CAD-H), 14% J.P. Morgan Corporate Emerging Markets Bond Index (CAD-H) and 66% J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) (CAD-H) (weights according to the market capitalization of each individual index as at March 31, 2026).

[8] 7.5% ICE BofA 3 Month US T-Bills (CAD-H), 35% ICE BofA Global High Yield Index (CAD-H), 11.25% J.P. Morgan Emerging Market Bond Index (CAD-H), 11.25% J.P. Morgan Corporate Emerging Markets Bond Index (CAD-H), 7.5% J.P. Morgan Government Bond Index-Emerging Markets (GBI-EM) (CAD-H), 7.5% Credit Suisse Leveraged Loan Index (CAD-H) and 20% Thomson Reuters Convertible Global Focus Index (CAD-H).

Disclaimer

This presentation is intended for qualified institutional investors only.

This document has been provided by PH&N Institutional for information purposes only and may not be reproduced, distributed or published without the written consent of PH&N Institutional. It is not intended to provide professional advice and should not be relied upon in that regard. Any securities information provided in this presentation is confidential and for illustration purposes only to demonstrate the investment management process of the investment team(s), and is not a recommendation to buy or sell any specific security.

PH&N Institutional takes reasonable steps to provide up-to-date, accurate and reliable information, and believes the information to be so when printed. PH&N Institutional reserves the right at any time and without notice to change, amend or cease publication of the information.

Information obtained from third parties is believed to be reliable, but no representation or warranty, express or implied, is made by PH&N Institutional, its affiliates or any other person as to its accuracy, completeness or correctness. We assume no responsibility for any errors or omissions in such information.

This information is not intended to be an offer or solicitation to buy or sell securities or to participate in or subscribe for any service. No securities are being offered, except pursuant and subject to the respective offering documents and subscription materials, which shall be provided to qualified investors. This document is for general information only and is not, nor does it purport to be, a complete description of an investment in any RBC, PH&N or BlueBay funds. If there is an inconsistency between this document and the respective offering documents, the provisions of the respective offering documents shall prevail.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the offering materials before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns.

The amount of risk associated with any particular investment depends largely on the investor's own circumstances. Investors should consult their professional advisors/consultants regarding the suitability of the investment solutions mentioned in this presentation.

This document may contain forward-looking statements about general economic factors which are not guarantees of future performance. Forward-looking statements involve inherent risk and uncertainties, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement. All opinions in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

PH&N Institutional is the institutional business division of RBC Global Asset Management Inc. (RBC GAM Inc.). RBC GAM Inc. is the manager and principal portfolio adviser of the Phillips, Hager & North (PH&N) investment funds and RBC investment funds.

RBC Global Asset Management (RBC GAM) is the asset management division of Royal Bank of Canada (RBC) which includes RBC Global Asset Management Inc., RBC Global Asset Management (U.S.) Inc., RBC Global Asset Management (UK) Limited and RBC Global Asset Management (Asia) Limited, which are separate, but affiliated subsidiaries of RBC.

®/™Trademark(s) of Royal Bank of Canada. ‡ All other trademarks are the property of their respective owner(s). Used under licence. © RBC Global Asset Management Inc., 2026.

Our offices

VANCOUVER

Waterfront Centre
200 Burrard St.
20th Floor
Vancouver, BC
V6C 3N5
Canada

TORONTO

RBC Centre
155 Wellington St. West
22nd Floor
Toronto, ON
M5V 3K7
Canada

MONTREAL

Place Ville Marie
1 Place Ville Marie
9th Floor, North Wing
Montréal, QC
H3C 3A9
Canada

THUNDER BAY

Fort William First Nation
300 Anemki Place
Suite E
Thunder Bay, ON
P7J 1H9
Canada

WINNIPEG

Swan Lake First Nation 8A
300 Alpine Way
Suite 110
Headingley, MB
R4H 0E1
Canada

CONTACT US

Toll Free: 1-855-408-6111
Email: institutional@phn.com
Website: institutional.phn.com

Investment Policy Committee

Regular Committee Meeting

Report

Meeting #:	**2026-02**
Date:	**October 2, 2026 at 2:03 p.m.**
Location:	**Virtual (Zoom)**

Committee Members Present:
Committee Chair B. Hughes
Committee Vice-Chair G. James
C. Dyer
C. Fraser
J. Giles
D. Leckman
N. Pincombe
S. Rettie

Other Board Members Present:
H. Franken
S. Pountney

Staff Present:
D. Herridge, Co-President/Co-CEO, ONE Investment
C. Pavone, 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

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
K. Rusin, CFA, Institutional Portfolio Manager

1. Land Acknowledgement

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

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 respect the history, languages, and cultures of the First Nations, Metis, Inuit and all Indigenous people whose presence continues to enrich our communities.

2. Disclosures of Pecuniary Interest

There were no disclosures of pecuniary interest.

3. PH&N Institutional Presentation – Portfolio Modelling Overview for ONE Investment

Paul Purcell, CFA, Managing Director and Institutional Portfolio Manager, PH&N Institutional, made a presentation on the Portfolio Modelling Overview for ONE Investment. He was assisted by Martin Leclair, CFA, Vice President and Institutional Portfolio Manager.

Moved by Committee Member Giles

THAT the Committee receive the presentation.

Carried

4. Closed Session

Moved by Committee Member Fraser

THAT the Committee move into closed session for the purpose of considering proprietary confidential commercial or financial information that belongs to the Board and has monetary or potential monetary value under s. 239 (2)(j) of the *Municipal Act, 2001.*

Carried

The Committee moved into closed session at 2:48 p.m.

5. Reconvene in Public Session

Moved by Committee Member Rettie

THAT the Committee reconvene in public session.

Carried

The Committee reconvened in public session at 4:01 p.m.

Moved by Committee Member Leckman

THAT the Committee receive the confidential presentation from the closed session.

Carried

6. 2026 Model Portfolio Review

Moved by Committee Vice-Chair James

THAT the Committee adopt the recommendation in the staff report and:

1. Recommend that the ONE JIB approve the updated model portfolios included in Attachments 1 and 2 to the report.

Carried

7. Other Business

There was no other business.

8. Adjournment

Moved by Committee Member Dyer

THAT the Committee adjourn its meeting.

Carried

The meeting adjourned at 4:04 p.m.

_____

Denis Kelly, Board Secretary

2026 new portfolios – no Alternatives

Attachment 1

Asset allocations

	A*	B*	C*	D*	E*	F*	G*
Fixed Income	**100%**	**80%**	**70%**	**60%**	**50%**	**40%**	**30%**
Canadian Money Market	0%	0%	0%	0%	0%	0%	0%
Short-Term Bonds and Mortgages	50%	48%	35%	25%	20%	20%	20%
Corporate Bonds	10%	0%	0%	0%	0%	0%	0%
Private Placement Corporate Debt	10%	10%	10%	10%	7.5%	0%	0%
Commercial Mortgages	10%	10%	10%	10%	10%	10%	10%
High Yield Bonds	5%	0%	0%	0%	0%	0%	0%
Global Multi-Asset Credit	15%	12%	15%	15%	12.5%	10%	0%
Equities	**0%**	**20%**	**30%**	**40%**	**50%**	**60%**	**70%**
Canadian Equities	0%	4%	6%	8%	14%	20%	28%
Canadian Low Volatility Equities	0%	4%	6%	8%	6%	3%	0%
U.S. Equities	0%	3%	4.5%	6%	7%	8%	10%
U.S. Low Volatility Equities	0%	3%	4.5%	6%	7%	8%	7%
International Equities	0%	5%	7%	9%	12%	16%	19%
Emerging Market Equities	0%	1%	2%	3%	4%	5%	6%
Alternatives	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**
Canadian Core Real Estate	0%	0%	0%	0%	0%	0%	0%
Global Infrastructure	0%	0%	0%	0%	0%	0%	0%

[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

2026 new portfolios – with Alternatives

Attachment 2

Asset allocations

	D+*	E+*	F+*	G+*
Fixed Income	**50%**	**40%**	**30%**	**20%**
Canadian Money Market	0%	0%	0%	0%
Short-Term Bonds and Mortgages	20%	20%	20%	20%
Corporate Bonds	0%	0%	0%	0%
Private Placement Corporate Debt	5%	0%	0%	0%
Commercial Mortgages	10%	10%	10%	0%
High Yield Bonds	0%	0%	0%	0%
Global Multi-Asset Credit	15%	10%	0%	0%
Equities	**35%**	**45%**	**55%**	**65%**
Canadian Equities	14%	18%	22.5%	26%
Canadian Low Volatility Equities	0%	0%	0%	0%
U.S. Equities	3.5%	5%	12.5%	15%
U.S. Low Volatility Equities	3.5%	5%	0%	0%
International Equities	11%	13%	15%	18%
Emerging Market Equities	3%	4%	5%	6%
Alternatives	**15%**	**15%**	**15%**	**15%**
Canadian Core Real Estate	7.5%	7.5%	7.5%	7.5%
Global Infrastructure	7.5%	7.5%	7.5%	7.5%

[1] Refer to appendix for modeling assumptions and disclosures.
[2] CVaR95 which 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

Frontenac County
Introduction to Joint Investment Board

ONE JIB Meeting
November 24th, 2026

FRONTENAC

A little bit about us

- 29,295 permanent residents
- 4,000 sq. km
- 685 named lakes
- 97.6% residential assessment
- 0 Tim Hortons*



FRONTENAC

A little more about us

- Services Provided:
  - Paramedic Services
  - Long-Term Care
  - Marine Services
  - Planning and Economic Development
  - Corporate Services
- $14.2 million levy (2026)



FRONTENAC

Main Challenge Ahead: Fairmount Home

- Our Long-Term Care home, Fairmount Home, will likely need replacement in 20 years

- Cost est. (2026): $85-100 million
- ARL (2026): $58.4 million
- Eligible Reserves: $7.8 million



FRONTENAC

Why are we here?

Our Council has taken asset replacement seriously and have committed increased funds through the levy in recent years.

However, there is a need to think differently about how we sustainably address capital funding in the County of Frontenac.



FRONTENAC

Presentation For: ONE Joint Investment Board

November 24, 2026

Community Profile

Located in Middlesex County, 15 minutes drive north of the City of London, 2 hour drive west of Toronto.

Established in 1999 following the amalgamation of the Village of Lucan and the Township of Biddulph

Population – 6000

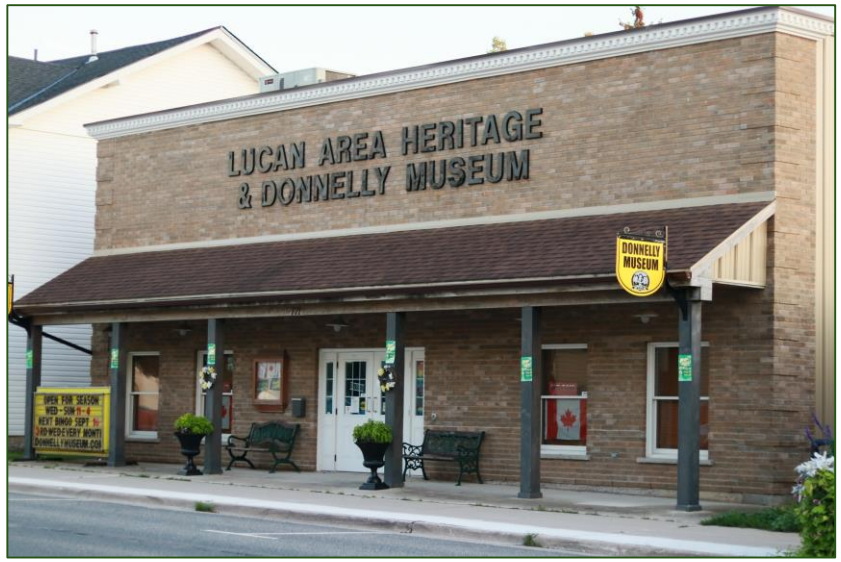
$61,600 – revenue generated by a 1% tax rate increase (2026).





Rural Roots, Growing Communities

Lucan Biddulph is a rural farming municipality
that includes the urban communities of Lucan and Granton.



Rich Local History

Have you heard of the Black Donnellys? Their story is an enduring part of the area’s local history.



LUCAN BIDDULPH

A Hockey-Loving Community

Recreation plays an important role in community life, e
Lucan Biddulph won Kraft Hockeyville in 2018.
This helped kickstart the recent renovation and expansi
Lucan Biddulph Community Memorial Centre.

Recreation Investments

Lucan Biddulph has also recently updated the outdoor pool, developed a new soccer complex and added other park amenities.
The next priority is planning for a second ice pad.





A Growing Municipality

Lucan Biddulph is experiencing growth and investing in infrastructure to support its expanding population.

Lucan Biddulph was the 6th fastest growing Ontario community in the 2021 Census.

With the help of a large provincial grant, the Lucan Wastewater Treatment Plant is being expanded to accommodate future growth and community needs.

Year	Population	% Growth from Previous Period
2016	4,700	–
2021	5,680	20.9%
2026*	6,060	6.7% (projected)
2031*	6,640	9.6% (projected)
2036*	7,320	10.2% (projected)



Growth & Investment

New commercial plaza at the north end of Lucan. Includes a Foodland, McDonald's, Dollarama, etc.



THANK YOU

Kathryn Langendyk, CPA, CMA
Director of Finance/Treasurer
Township of Lucan Biddulph
270 Main St., Lucan, ON N0M 2J0
klangendyk@lucanbiddulph.on.ca
519-227-4491 ext 3125

Visit our website:
www.lucanbiddulph.on.ca

TOWNSHIP OF IGNACE

INTRODUCTION

TO ONE JOINT INVESTMENT BOARD

NOVEMBER 24, 2026

Presented by Lesley Sterling, Clerk/Treasurer



IGNACE

Explore Our Possibilities

Explore Our Possibilities

ABOUT IGNACE

- 245 km west of Thunder Bay on Trans-Canada Hwy. 17
- Population 1,206 (2021 Census) in 667 residential properties
- Highest population 2,499 (1981)
- Host community for Canada's first **Deep Geological Repository** for used nuclear fuel, in partnership with Wabigoon Lake Ojibway Nation
- Future home of the **NWMO Centre of Expertise**
- **Hosting Agreement** with $180M+ in financial benefit payments from NWMO from 2024 to 2105



Canada's First

DEEP GEOLOGICAL REPOSITORY

- **$26B+ DGR project 40 km west of Ignace**
  - Regulatory licensing phase: 2025 to 2031
  - Site Prep & Construction: 2031 to 2042
  - Operation: 2043 to 2104
  - Monitoring & Decommissioning: 2105+
- **81-year Hosting Agreement (2024 to 2105)**
  - Annual operating payments, milestone payments, support & benefit payments and emplacement fees
  - 2025 $ value indexed annually for CPI



Centre of EXPERTISE

- **NWMO Head Office & Research Facility**
  - 65,000 sq. ft. building on Hwy. 17
  - Directly west of Township Office
  - International attraction
  - $21M+ estimated value
  - 67 acre property (use will be determined by NWMO)
  - Increase in commercial tax revenue
  - Construction starting in 2027
  - Opening by 2029
  - Relocation of 150+ head office jobs



Residential

NEW HOUSING

- **Subdivision development**
  - 46 serviced lots
  - 213 unserviced lots
  - Multi-residential across from the school
- KDSB 20-unit **seniors' housing** by 2029
- Private projects and sale of surplus properties
- Tax sale properties
- Expect population to double in 10 years!



Spin Off

ECONOMIC DEVELOPMENT



Residential Housing

- New homes
- Multi-family units
- Increased population



Local Businesses

- Construction industry
- Stores & restaurants
- Accommodations



Service Diversity

- Personal care
- Tourism
- Recreation

"If you build it, they will come."

- Field of Dreams (1989)

Top Priority

FINANCIAL MANAGEMENT

2023
Audit Underway

$16.8M
NWMO Funds 2026

$2.35M
2025 Tax Revenue

Responsible financial management is essential for long-term community sustainability.

1. Get caught up with overdue audits and FIRs within three years.
2. Reconcile reserve accounts and NWMO dedicated funds.
3. Develop fiscally responsible budgets and long-term investment strategies.
4. Establish adequate reserves and investments tied to Asset Management Plan.

3-Year Plan

FISCAL RECOVERY



2026

- Complete 2022 & 2023 audits and FIRs
  - MNP and KPMG working to prepare financial documents and audits
- Transfer money to reserves and NWMO dedicated funds
  - $4M milestone payment received in December 2025
  - $6.8M from Hosting Agreement in 2026
  - $10M NWMO Discretionary Benefit for infrastructure projects as a lump sum that can be invested to accrue value and build reserves
- Developed a comprehensive 2026 budget

3-Year Plan

FISCAL RECOVERY

2027

- Complete 2024 & 2025 audits and FIRs
- Develop 2027 budget & quarterly reports
- Develop long-term financial plan and investment strategy in alignment with new Council strategic plan
- Apply for grant funding for capital projects and community initiatives
- Increase service fees and expand revenue sources (e.g. MAT tax)
- Review Asset Management Plan timelines and costs



3-Year Plan

FISCAL RECOVERY

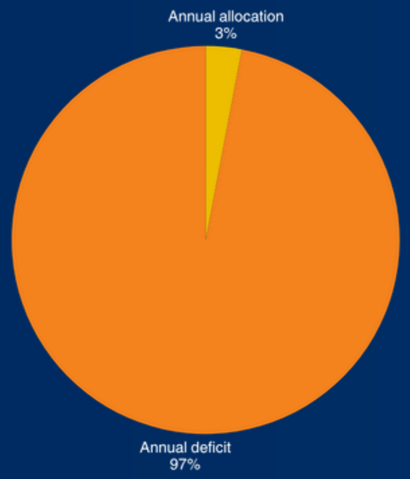
2028

- Complete 2026 & 2027 audits and FIRs - **ON TARGET!** 🎯
- Develop 2028 budget & quarterly reports
- Address Asset Management Plan long-term projections
- Implement long-term financial plan and investment strategy
- Continue to improve the quality of life in Ignace, with responsible stewardship for future generations



STRATEGIC PLANNING & ASSET MANAGEMENT

AMP • Road repair • Water filtration & underground infrastructure • Wastewater treatment • Landfill usage
Facilities maintenance • Equipment maintenance & purchases • Asset divestment • Reserve investment



Average annual reserve allocation = $77,000

AMP annual deficit = $2,523,000
*How much **more** we should be setting aside for reserves each year!*

Hosting Agreement

NWMO FUNDING

- Signed **Hosting Agreement** is posted on the Township of Ignace website
- **TOTAL =** $169,962,100 (2025 value) + $10M Discretionary Benefit = **$180M+**
  - Amounts will be adjusted annually based on CPI inflation
  - The Township received a lump-sum payment of the $10M Discretionary Benefit for infrastructure projects, which will allow us to fund upgrades now and invest the rest in a permitted fund to strategically increase and build wealth for our required reserves (e.g. $50M+ for future landfill closure and new site).
- **2026:** ~$6.8M + $10M Discretionary Benefit
- **2027:** $2.2M+
  - May consider borrowing for infrastructure projects (e.g. wastewater treatment plant) at lower interest rates
- **2028:** $10.75M+
  - Pending milestone for NWMO submission of Final Impact Statement and Licence to Prepare Site application to IAAC and CNSC

Community Benefits

COMMUNITY WELL BEING FUND

- Funding for community non-profit organizations and Township projects in four streams:
  - Arts, Culture & Heritage
  - Sports & Recreation
  - Social & Health
  - Environmental & Other
- Total contributions into CWBF from NWMO since 2019 = $1.8M
- Total grants & projects approved through CWBF ~ $1.5M
- Amount remaining for grant consideration ~ $300K

QUESTIONS?

THANK YOU



IGNACE

Explore Our Possibilities



Introductory Presentation to the ONE Joint Investment Board

November 24, 2026

Why Oro-Medonte

The Township of Oro-Medonte covers **61,000** hectares of land, including picturesque landscapes with prominent rolling hills and nearly **40 kilometres of beautiful Lake Simcoe Shoreline.** Located in Simcoe County between Barrie and Orillia, Oro-Medonte serves as the gateway that connects Northern and Southern Ontario. With a rich history, an abundance of outdoor recreational opportunities, a diverse business community, a strong agriculture sector and a flourishing arts and culture scene, Oro-Medonte offers a peaceful and serene environment away from the hustle and bustle



About Oro-Medonte

Situated on the traditional land of the Anishnaabek people, and ancestral territory of the Huron-Wendat.

- Rural Municipality, within the County of Simcoe formed by 1994 amalgamation of the former townships of Oro and Medonte
- A rural jewel, located less than one hour north of Toronto, nestled between the cities of Barrie and Orillia (named one of the top 10 Hidden Gems in Canada by the Globe & Mail in 2022)
- Direct access to Highways 11, 12, and the 400
- Home to the Lake Simcoe Regional Airport (fully serviced by the Canada Border Service Agency)
- Conveniently located near innovative educational opportunities (Georgian College & Lakehead University)
- 4 Industrial parks + the airport economic employment area
- Home to a wide variety of businesses including various types of industry and employment opportunities
- **Comprised of communities within the Township, including Warminister, Shanty Bay, Hawkstone, Oro Station, Craighurst, Moonstone**
- Endless recreational opportunities such as; golf courses, ski resorts, walking trails, biking trails, 524 acres of parkland, 40kms of Lake

About Oro-Medonte By The Numbers

586.90 sq km

Land Area

524 Acres

Parkland

107 kms

North of Toronto

23,000

Population

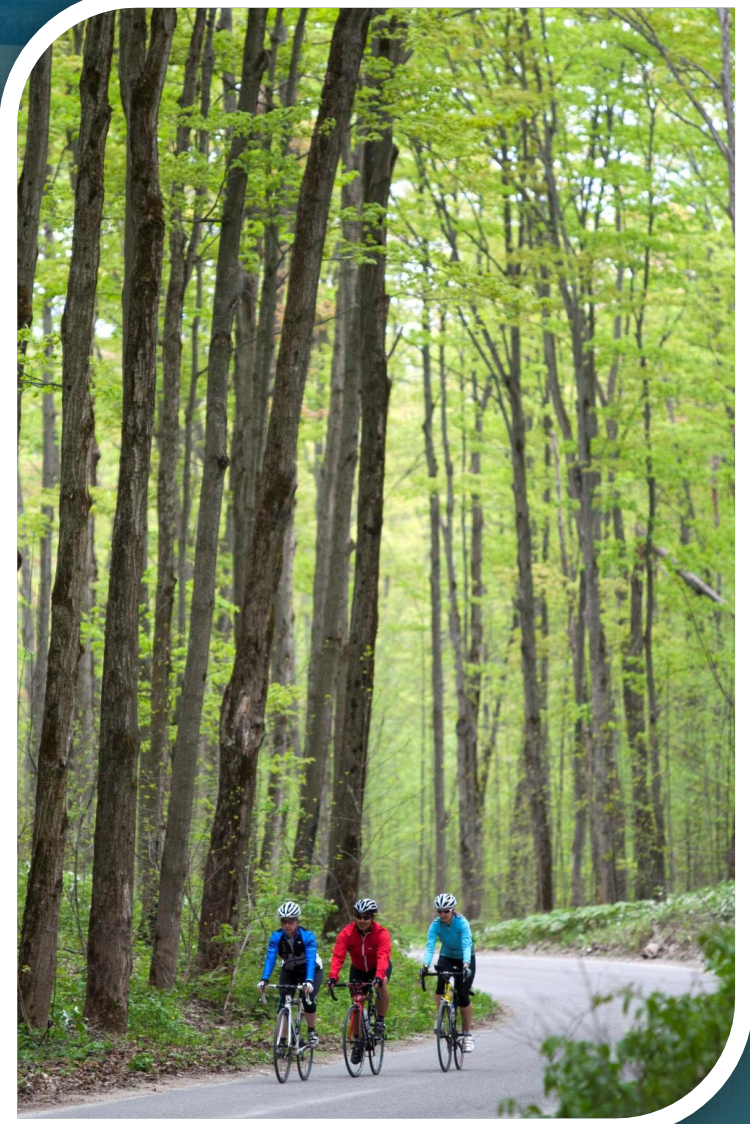
$139,400

Average Household Income (2020)

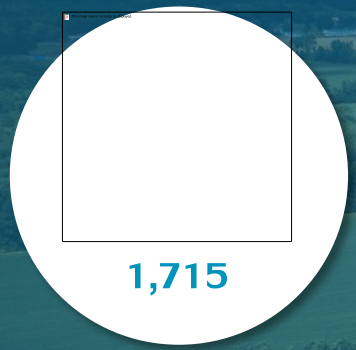
$

$xxx

Overall Municipal Budget

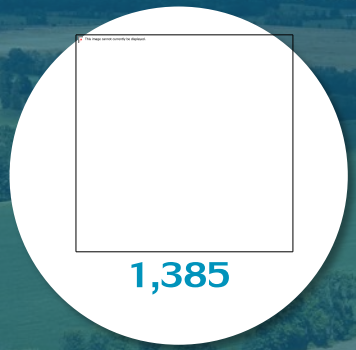


Labour Force by Industry



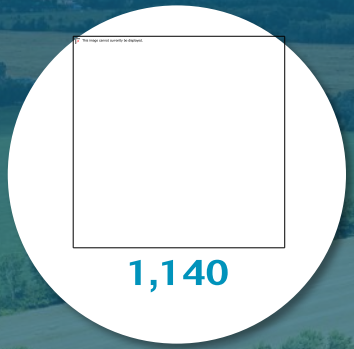
1,715

Healthcare



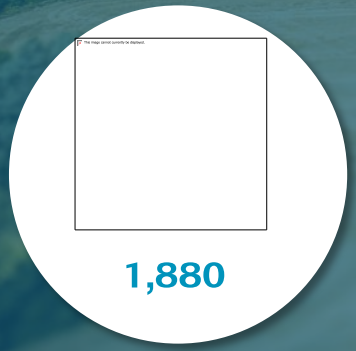
1,385

Construction



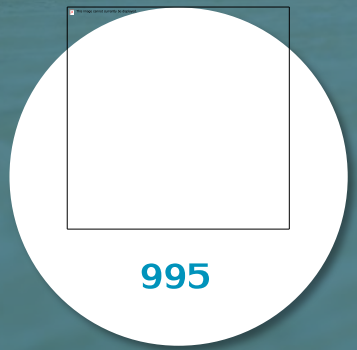
1,140

Retail



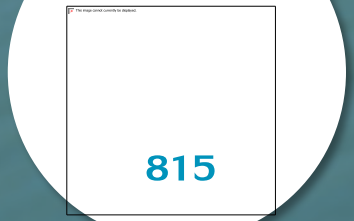
1,880

Education & Public Administration



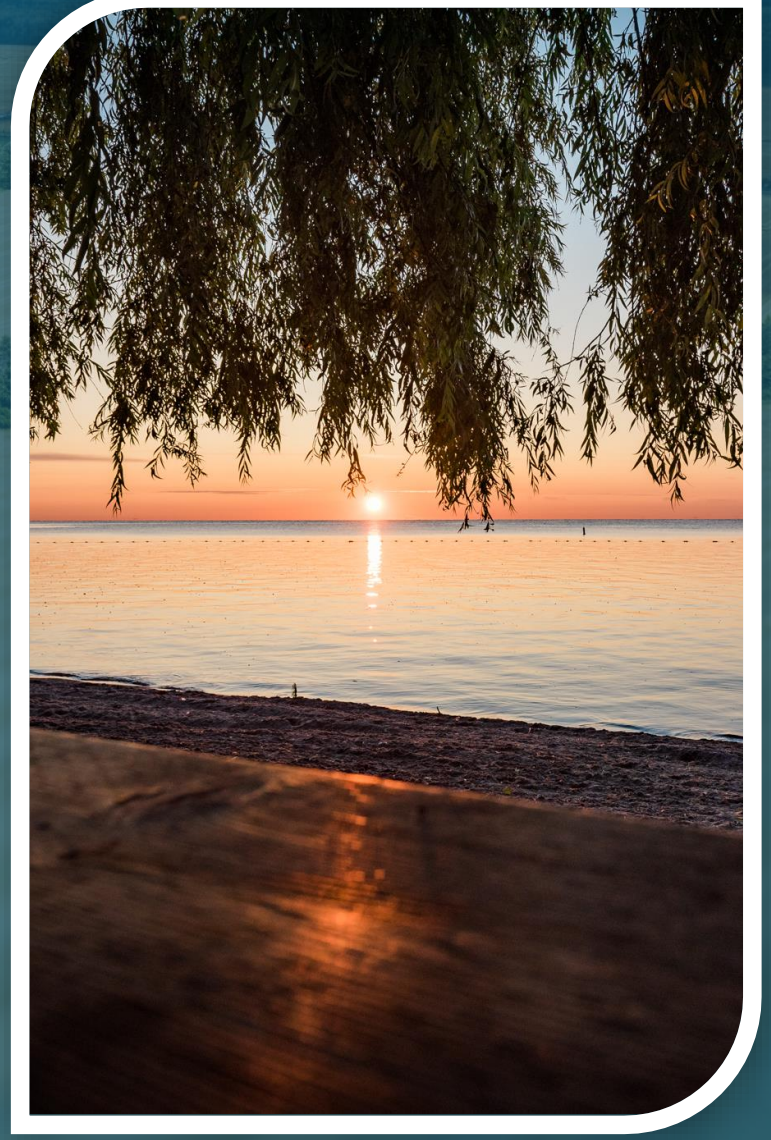
995

Manufacturing



815

Professional Services



[1] Source – Statistics Canada. 2022 Census. Data Limitation: These figures do not include persons who do not have a usual place of work. As a result, persons who work from home, outside of Canada or that have no fixed workplace address are not included.

2026 Recalibrated Budget Overview

2026 Recalibrated Budget Levy $32,050,645:

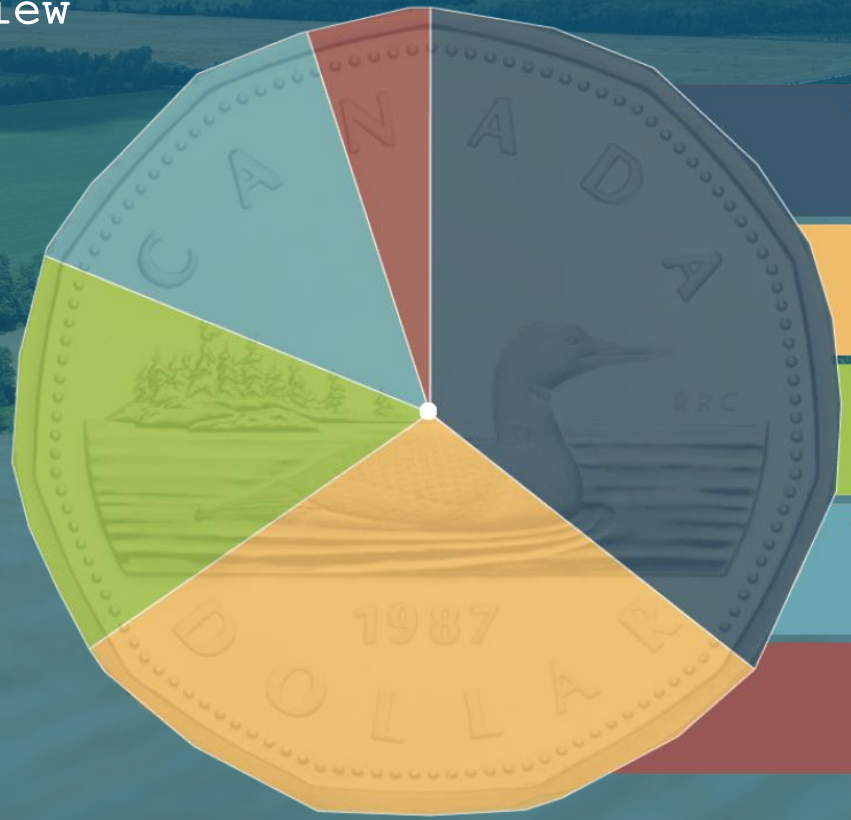
- Operating Budget Levy: $23,873,971
- Capital Budget Levy: $ 8,176,674

2026 Recalibrated Tax Rate Increase: 5.24%

- Operating: 3.90%
- Capital: 1.34%

Total Blended Tax Increase included with County and School Boards:

- 2026 Recalibrated: 3.93%



- Township of Oro-Medonte – Operating $0.35
- County of Simcoe $0.30
- School Boards $0.15
- Township of Oro-Medonte – Capital Reserves $0.14
- OPP Budget $0.06

A 1% increase to the 2026 Recalibrated tax levy generates approximately $305,000 in revenue.

This equates to an amended blended annual increase of $40.19 in 2026 per $100,000 of residential assessment in the Township of Oro-

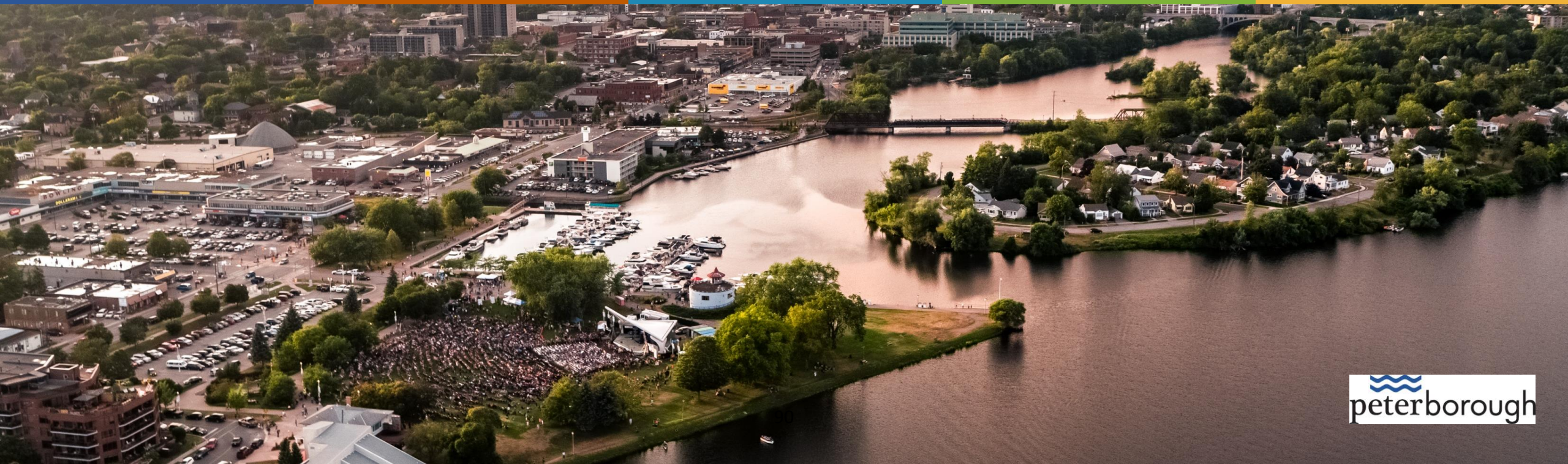
Current Highlights, Next Steps, Challenges Ahead

Current Highlights	Next Steps	Challenges Ahead
• New Council Term • Short Term Rentals • Barrie Boundary Review • Simcoe County Municipalities Insurance Pool • New Community Centre & Simcoe County School • Municipal Services Corporation (MSC) • 2025 Ice Storm	• Digital Transformation • Asset Management Plan • Long Term Financial plan • ERP Implementation	• Inflation, Construction Cost • Planning & Building Activity • Development Charges Deferral • Reliant on Residential Tax Base • Aging Infrastructure • Reserve Balance

City Of Peterborough

Outside The Ordinary

ONE JIB - Introduction



City Of Peterborough

A Snapshot



City of Peterborough



Peterborough Lift Lock

- Construction, 1896-1904, opened July 9, 1904
- Raises (or lowers) boats approximately 20 m
- Employs gravity, one caisson filled with 30 cm more water
- Important, helped connect the region
- Located conveniently minutes from the new, award-winning Canadian Canoe Museum

peterborough



Diversified Economy

Healthcare, government, education, manufacturing, nuclear, aerospace, tourism.



Demographic Profile

24% of population, over 65, Ontario average is 20%.



The Future

Leverage existing strengths, capitalize on opportunities.

Strategic Plan – Foundation of Our Future (2023-2050)

peterborough





For further information:

Darren Hancock, CPA

Director, Financial Services

dhancock@peterborough.ca



peterborough

REPORT

To: ONE Joint Investment Board
From: Jennifer Hess, Manager of Investment Services, MFOA
Date: September 10, 2026
Re: Request to Join ONE JIB – County of Frontenac, the Townships of Ignace, Lucan Biddulph and Oro-Medonte and the City of Peterborough
Report: ONE JIB 2026-061

1. RECOMMENDATIONS

It is recommended that the Board:

1. Accept the following municipalities as Participating Municipalities with ONE JIB
    - County of Frontenac
    - Township of Ignace
    - Township of Lucan Biddulph
    - Township of Oro-Medonte
    - City of Peterborough

2. Authorize the Board Chair and Board Secretary to execute the ONE JIB agreement on behalf of ONE JIB with the following Municipalities
    - County of Frontenac
    - Township of Ignace
    - Township of Lucan Biddulph
    - Township of Oro-Medonte
    - City of Peterborough

2. SUMMARY

The County of Frontenac, the Townships of Ignace, Lucan Biddulph and Oro-Medonte and the City of Peterborough, have completed the required steps to join ONE JIB, subject to the Board's acceptance. This report seeks approval to accept all five as Participating Municipalities and authorize the Board Chair and Board Secretary to execute their ONE JIB Agreements.

The ONE JIB Agreement governs the investment of money not required immediately (MNRI) under the prudent investor standard. ONE Investment is a party to the Agreement and provides administrative support.

3. BACKGROUND

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

Historically, municipal MNRI investments were restricted to securities prescribed by Ontario Regulation 438/97 (the "Legal List"). Amendments to section 418.1 of the *Municipal Act, 2001* and the establishment of ONE JIB as a Joint Investment Board allows Participating Municipalities to invest under the prudent investor standard. Joining ONE JIB requires an authorization by-law by a Municipal Council and the execution of the ONE JIB Agreement.

Ontario municipalities must delegate MNRI investment authority before adopting the prudent investor standard

Under the *Municipal Act, 2001* and Ontario Regulation 438/97, a municipality must delegate its investment powers and duties for money not required immediately (MNRI) to an Investment Board or Joint Investment Board to invest under the prudent investor standard. Municipal legislation permits ONE JIB to accept any Ontario municipality into its Prudent Investment Program.

The ONE JIB Agreement governs the relationship with Participating Municipalities

The Agreement sets the terms for ONE JIB to invest MNRI on behalf of each Participating Municipality. It may be amended only through its prescribed procedures and was last updated and restated on January 15, 2026.

4. ANALYSIS

All five municipalities have completed the necessary steps to join ONE JIB as a Participating Municipality

All five municipalities have passed by-laws under section 418.1 of the *Municipal Act, 2001* authorizing investment of their MNRI through ONE JIB's Prudent Investment Program. Their investment policies use the ONE Investment template and reflect the legislated considerations for investment objectives. ONE Investment staff, in consultation with the External Investment Manager, consider each of these policies to be consistent with the program's mandates and compatible with ONE JIB's ability to manage MNRI prudently and effectively.

Municipality	Prudent Investment By-Law	Investment Policy / MNRI Definition
County of Frontenac	By-law #2026-024, September 16, 2026	Policy - reference ONE JIB Report 2026-054. MNRI -funds not required for more than 2 years.
Township of Ignace	By-law #39.2026, September 14, 2026	Policy - reference ONE JIB Report 2026-058. MNRI -funds not required for more than 2 years.
Township of Lucan Biddulph	By-law #28-2026, August 11, 2026	Policy - reference ONE JIB Report 2026-056. MNRI -funds not required for more than 2 years.
Township of Oro-Medonte	By-law #2026-069, July 15, 2026	Policy - reference ONE JIB Report 2026-057. MNRI -funds not required for more than 2 years.
City of Peterborough	By-law #26-093, August 10, 2026	Policy - reference ONE JIB Report 2026-055. MNRI - funds not required for more than 24 months.

Following ONE JIB's acceptance, ONE Investment and each municipality will agree on a Prudent Effective Date. Each municipality's approved Investment Plan will be implemented on or after that date.

5. CONCLUSION

The five municipalities have completed the required steps to join ONE JIB, and staff consider their investment policies compatible with the Prudent Investment Program. ONE Investment recommends accepting the County of Frontenac, the Townships of Ignace, Lucan Biddulph and Oro-Medonte and the City of Peterborough, as Participating Municipalities and authorizing the Board Chair and Board Secretary to execute their ONE JIB Agreements. Following acceptance, ONE Investment and each municipality will agree on a Prudent Effective Date for implementation of its approved Investment Plan.

Drafted by: Jennifer Hess, Manager Investment Services, MFOA
Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

REPORT

To: ONE Joint Investment Board
From: Jennifer Hess, Manager of Investment Services, MFOA
Date: November 24, 2026
Re: Initial Investment Plan for the County of Frontenac
Report: ONE JIB 2026-054

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the County of Frontenac's Investment Policy Statement (Attachment 1).
2. Receive the County of Frontenac's Municipal Client Questionnaire (Attachment 2).
3. Approve the County of Frontenac's Investment Plan with proposed Model E+ (Attachment 3).

2. SUMMARY

The County of Frontenac has requested to join ONE JIB as a Participating Municipality and initially invest $8 million in Money Not Required Immediately (MNRI). The County's Municipal Client Questionnaire indicates that the initial MNRI has an investment horizon of more than 10 years.

Model E+ is recommended for the County's initial investment plan. The model allocates 50% to equities, 40% to fixed income, and 10% to alternative investments. This allocation reflects the County's long investment horizon, limited near-term liquidity needs, and current preference for a balanced portfolio construction.

50% EQUITY MODEL (E+)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	32.5%	$2,600,000
Global Fixed Income and Credit	7.5%	$600,000
Canadian Equities	25%	$2,000,000
Global Equities	25%	$2,000,000
Alternatives	10%	$800,000
Total	100%	$8,000,000

The County expects to add MNRI as existing Restricted Special Assets mature. The investment plan will be reviewed annually by ONE JIB, and future recommendations may

change as the County's MNRI, liquidity needs, investment experience, and risk tolerance evolve.

Council has authorized long-term alternative investments, and municipal staff understand the applicable liquidity restrictions. Based on the information provided, Model E+ provides an appropriate starting allocation for the County's initial MNRI.

3. BACKGROUND

The County's allocation is based on the model portfolios approved by ONE JIB on September 4, 2025

ONE JIB approved the current model portfolios on September 4, 2025. Staff and the External Investment Manager assessed the County's investment horizon, financial circumstances, liquidity needs, risk tolerance, and investment restrictions against those portfolios to determine the recommended allocation.

ONE JIB is reviewing the model portfolios at the November 24, 2026 meeting; if amended the recommended model portfolio's holdings will be adjusted accordingly.

The County's principal municipal assets are facilities and vehicles

The County does not own roadways. Its principal assets include the municipal office, Fairmount Home—a 128-bed municipally operated long-term care facility—and its vehicle fleet. The County also provides paramedic services to the City of Kingston, primarily from leased stations. The County reports that its owned facilities are in good condition and that its current capital forecast does not include major infrastructure projects.

The County along with the County's lower tier municipalities own shares in the Frontenac Municipal Services Corporation (FMSC) that was incorporated in November 2023. The County has classified these shares as Restricted Special Assets in its Investment Policy. The shareholders have agreed to providing seed money for the first five years of operation; after this time capital funding is expected to come from developers and homeowners. Frontenac County's annual seed share is $140 thousand. FMSC owns the water and wastewater assets, these assets are not directly owned by the County.

The Municipality County will initially contribute $8 million to MNRI to be invested with ONE JIB

The Treasurer provided information on the County's investment amount and expected investment horizon. As shown in Table 1, the County expects to invest an initial $8 million of MNRI with a horizon of more than 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
Consolidated MNRI	$ 8,000,000	-	-	$ 8,000,000

As existing Restricted Special Assets (RSA) mature, the County anticipates increasing MNRI

The Municipal Client Questionnaire outlines anticipated MNRI contributions and withdrawals over the next 10 years. The County currently classifies certain investments, primarily guaranteed investment certificates, as Restricted Special Assets because they cannot be sold or have been deemed hold to maturity. As these investments mature, the County intends to transfer the proceeds to MNRI. Table 2 summarizes the projected cash flows; the investment horizon for future MNRI will be determined as funds become available.

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	-	-	-	-	($33,000,000)
Anticipated MNRI Contributions	$1,000,000	$1,000,000	$8,000,000	$9,000,000	$15,000,000
Net change in MNRI	$1,000,000	$1,000,000	$8,000,000	$9,000,000	($18,000,000)

The County has limited experience with equities

The County currently invests primarily in guaranteed investment certificates and has no direct experience with equities. Council consists of eight representatives, with two from each lower-tier municipality. Some lower-tier municipalities have equity exposure through ONE Investment's Legal List Equity Portfolio or through ONE JIB under the Prudent Investor Standard. The Treasurer has advised that the County prefers to begin with a moderate equity allocation with increases over time as its experience and comfort develop.

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

County Council approved its Investment Policy Statement on September 16, 2026, using the current ONE JIB-approved template. The policy adds no restrictions beyond the template and permits long-term alternative investments under section 5.6.7. Municipal staff understand the related liquidity restrictions for the RBC Global Infrastructure Fund and RBC Canadian Core Real Estate Fund. Based on the County's investment horizon, the Treasurer does not expect these funds to be required within the next five years.

4. ANALYSIS

Model E+ is recommended for the County of Frontenac's initial investment plan

The proposed allocation balances the County's long-term return objectives with its conservative risk preference and limited investment experience.

Model E+ provides a prudent starting point for MNRI with a horizon of more than 10 years. Its 50% equity allocation offers long-term growth potential while maintaining 40% in fixed income. The 10% allocation to alternative investments is appropriate given the long horizon, limited near-term liquidity needs and its ability to mitigate portfolio volatility over time. Council has authorized long-term alternative investments, and municipal staff understand the applicable liquidity restrictions. The model can be reassessed during annual reviews as MNRI and the County's investment experience increase.

Table 3 presents the model's key risk and return statistics, and Table 4 presents its permitted allocation ranges and target weights.

Table 3: Summary statistics for Model E+

Summary Statistics	Model E+
Long-Term Return	6.56%
Annual Downside Risk[1]	-11.32%
Annual Volatility	7.24%
Sharpe Ratio	0.48

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: Asset Allocation Summary

50% EQUITY MODEL (E+)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	25	32.5%	45
Global Fixed Income and Credit	0	7.5%	15
Canadian Equities	15	25%	35
Global Equities	15	25%	35
Alternatives	0	10%	20
Total		100%	

5. CONCLUSION

The County of Frontenac has requested to join ONE JIB as a Participating Municipality and initially invest $8 million of MNRI. The funds have an investment horizon of more than

10 years, and the County expects additional MNRI as existing Restricted Special Assets mature.

Model E+ is recommended as an appropriate initial allocation. Its 50% equity, 40% fixed income, and 10% alternative investment targets balance long-term growth with the County's conservative risk preference, limited equity experience, and liquidity needs. The investment plan will be reviewed annually by ONE JIB.

ATTACHMENTS

Attachment 1 – County of Frontenac Investment Policy
Attachment 2 – County of Frontenac 2026 Municipal Client Questionnaire
Attachment 3 – County of Frontenac 2026 Investment Plan

Drafted by: Jennifer Hess CPA CMA, Manager Investment Services, MFOA
Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

Attachment 1

INVESTMENT POLICY STATEMENT

FOR

THE CORPORATION OF THE COUNTY OF FRONTENAC (the "Municipality")

FIN-15-01

SEPTEMBER 16, 2026

TABLE OF CONTENTS

1. DEFINITIONS 1
2. PURPOSE AND LEGISLATIVE FRAMEWORK 5
2.1 Purpose of Policy 5
2.2 Governing Legislation 6
2.3 Prudent Investor Standard 7
3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY 7
3.1 Determination of MNRI and MRI 7
3.2 Overview of Portfolios 8
4. ROLES AND RESPONSIBILITIES 8
4.1 Role of ONE JIB 8
4.2 Role of Municipal Staff 9
4.3 Ethics and Conflicts of Interest 9
5. INVESTMENT 10
5.1 MRI 10
5.1.1 MRI: Investment Objectives 10
5.1.2 MRI: Eligible Investments 11
5.2 MNRI 11
5.2.1 MNRI: Investment Objectives 11
5.2.2 MNRI: Eligible Investments 12
5.2.3 MNRI: Sinking Funds 12
5.2.4 Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities 13
5.2.5 Restricted Special Assets 13
5.3 Third-Party Trust Funds and Designated Funds 14
5.4 Investment Management 14
5.4.1 Investment Management of MRI 14
5.4.2 Investment Management of MNRI 14
5.5 Transition to Prudent Investor Regime / OCIO Offering 14
5.6 Investment Constraints 15
5.6.1 Environmental, Social and Governance (ESG) Investing 15
5.6.2 Securities Lending 15
5.6.3 Derivatives 16
5.6.4 Use of Leverage 16
5.6.5 Pooled Funds 16

5.6.6 Currency Hedging....16
5.6.7 Alternative Asset Classes....16
5.6.8 Prohibited Investments....17
5.7 Performance Monitoring, Rebalancing and Management....17
5.7.1 MRI....17
5.7.2 MNRI....17
6. ADMINISTRATIVE POLICIES....17
6.1 Flow of Money and Annual Municipal Budget....17
6.1.1 Transfer to ONE JIB as Part of Annual Review Process....17
6.1.2 Transfer to Municipality as Part of Annual Review Process....17
6.2 Flow of Money Otherwise than through the Budget Process....17
6.2.1 Surplus Funds....17
6.2.2 Contingencies....18
6.3 Valuation of Investments....18
6.4 Voting Rights....18
6.5 Internal Controls....18
6.6 Custodians....18
6.7 Reporting....19
6.7.1 MRI....19
6.7.2 MNRI....19
7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE....19
7.1 Revocation / Amendment of Previous Investment Policy....19
7.2 Modifications to the IPS....20
7.3 Effective Date....20
Schedule A Restricted Special Assets....21
Schedule B Third-Party Trust Funds and Designated Funds....22
Appendix 1: ONE JIB Agreement....23
Appendix 2: Investment Policy for MRI....23

The Corporation of the County of Frontenac

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 County of Frontenac

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. 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 By-law 2026-025 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.

ln 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 capital and external agency reserves and reserve funds, which will not be required to meet financial obligations that become due more than 2 years from the date of receipt of such money.

The purpose of the money is to fund the municipality's future capital and operational 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.

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.

Annual contributions will be based on the required return to retire outstanding sinking fund debentures at maturity. For effective asset-liability matching, the expected return, net of fees, of the relevant Sinking Fund should, at a minimum, keep pace with the required repayment of the principal of the underlying debt to avoid the need for additional contributions. The funded status (Market value of Assets – Market value of Liabilities) will be reviewed annually by the Treasurer of the Municipality and the Municipality's auditor. Annual deficits experienced in each respective Sinking Fund must be funded within 12 months by the Municipality.

The investment objective of the Sinking Fund Portfolio shall be the preservation of capital, to minimize volatility and the possibility of annual deficits.

ONE JIB and the Municipality must adhere to Section 409 of the Act and Section 4 of the Regulation when managing investments for the Sinking Fund Portfolio.

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

ln 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 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 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

No investments have been listed as prohibited at this time.

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.

MRI investments shall be diversified by:

a) Limiting investments to avoid over-concentration in securities from a specific issuer or sector (excluding Government of Canada securities)

b) Limiting investment in securities to those that have higher credit ratings

c) Investing in securities with varying maturities

d) Investing in mainly liquid, marketable securities which have an active secondary market to ensure that appropriate liquidity is maintained in order to meet ongoing obligations

Without compromising other objectives and its cash flow requirements, the County of Frontenac shall maximize the rate of return earned on its MRI portfolio. Trends in economic variables will be monitored including interest rates and inflation

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 January 20, 2021.

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 September 16, 2026. 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:

Treasurer

Date

Schedule A

Restricted Special Assets

Debt Securities

Quantity	Description
2,354,000	RBC FXD 2028 FLT 2033 S23 NVCC SUBORD 1.67% 28JA33
677,000	BNS FXD 2028 FLTG 2033 NVCC SUB DEB 5.679% 2AG33
2,344,000	CIBC FXD 2029 FLTG 2034 SUB DEBS NVCC 5.3% 16JA34
1,690,000	RBC 5.096% FXD 2029 FLT 2034 SUB DEB 3AP34
4,776,000	BMO FXD 2029 FLT 2034 SUB NTS NVCC 4.976% 3JL34
1,632,000	BNS FXD 2029 FLT 2034 SUB NTS NVCC 4.95% 1AG34
587,000	TD FXD 2030 FLT 2035 NVCC SUBORD 4.231% 1FB35
867,000	CDN IMPERIAL BNK FXD 2030 FLTG 2035 NVCC SUB NVCC FF-2030 4.15% 2AP35

Own Debt Securities

Not applicable

LDC and other MSC Securities

Quantity	Description
2,500	FRONTENAC MUNICIPAL SERVICES CORPORATION – CLASS “B” SHARES

Other

Quantity	Description
1	HEALTHPRO PROCUREMENT SERVICES – COMMON SHARE
137	BCE INC (Held through Bridget Fowler Trust Fund)

Schedule B

Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

- Fairmount Home Resident Trust Fund
- Bridget Fowler Trust Fund

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: The Corporation of the County of Frontenac

Address: 2069 Battersea Rd., Glenburnie, ON, K0H 1S0

Treasurer Information

Name: Alex Lemieux

Phone Number: (613) 548-9400 Extension: 310

Email: alemieux@frontenaccounty.ca

`

*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).

Previously worked as an investment representative, wrote and passed CFA Level 1 exam.

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? 29,295

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

3.3 How much does a 1% tax rate increase generate? $ 142,000

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

The County of Frontenac is a rural upper tier municipality, which includes the Townships of North Frontenac, Central Frontenac, South Frontenac, and Frontenac Islands. It is located in Eastern Ontario extending from the Frontenac Islands south of the City of Kingston to north of Highway 7, has a total permanent population of approximately 29,295 and an area of approximately 4,000 square kilometers. There are 685 named lakes within the County which draw a significant seasonal population.

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)	$ 8,000,000
Total MNRI under the management and control of ONE JIB (A + B)	$ 8,000,000

☑ 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)
Capital Reserves	$ 8,000,000	$ 0	$ 0	$ 8,000,000
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 8,000,000	$ 0	$ 0	$ 8,000,000

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 (-)					($ 33,000,000)
Anticipated MNRI Contributions (+)	$ 1,000,000	$ 1,000,000	$ 8,000,000	$ 9,000,000	$ 15,000,000
Net Change to MNRI	$ 1,000,000	$ 1,000,000	$ 8,000,000	$ 9,000,000	($ 18,000,000)

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.

We've built in a 1.6% dedicated capital levy for revenue, on top of existing reserve transfers. Council had endorsed the 1.6% dedicated levy as necessary through 2034 through our asset management and long range capital planning exercises.
Capital projects have been forecasted out with 3% inflation, with the exception of ambulance purchases at 5%.
General Capital Replacement has been forecasted to be $450,000 per year for 2027-2035, and Fairmount Capital Replacement as $900,000/year from 2031-2035. For these, I would consider the timing of future projects through the asset management exercise unreliable, and used an average of forecasted cost over the time horizon.
Any external capital forecasts are based on the assumptions supplied to us.

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

We project our expenses for asset management activities out to 2094, and have done some projections on revenue through 2044. However, I would say the accuracy on the timing and dollar amounts beyond 5 years is low.

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 largest capital project that we have forthcoming would be the redevelopment of our long-term care facility, Fairmount Home. That redevelopment would carry a price tag of close to $100 million in today's dollars, and is forecasted to be redeveloped sometime between 2045-2050. That is a significant expense which we want to start planning for. Most of our other capital redevelopment is fairly minor in nature, and much of it can be carried out at regular intervals.

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 have a Working Fund and a Stabilization Fund to draw from in those events. We have approximately $18 million in restricted assets through bond holdings, and while it is not anticipated that we would need them, those bonds would be cashed in first before going into our MNRI with the ONE JIB.

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?

I don't believe there are any unique circumstances to the municipality that haven't been outlined above. The MNRI forecast, which is net of budgeted contributions to reserve and a relatively large pool of restricted assets that could be drawn upon, are funds that should not be required for 20 years based on our current forecast.

From a return objective and risk tolerance perspective, there are one or two Council members who have declared themselves as risk averse, and that may not be in line with the recommended strategy to maximize returns over a long time horizon. That said, I'm not certain that these Councillors represented the thoughts of the entire council, and a well-reasoned strategy with an appropriate level of risk for our situation may resonate with our Council.

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 2nd day of October, 2026

Alex Lemieux

Alex Lemieux Digitally signed by Alex Lemieux Date: 2026.10.02 15:22:34 -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 County of Frontenac

DATE: November 24, 2026

CONTENTS

1. DEFINITIONS 1

2. PURPOSE 2

3. RESPONSIBILITY FOR PLAN 3

4. INVESTMENT GOALS AND OBJECTIVES 4

5. INVESTMENT PORTFOLIO 5

6. APPLICABLE ONE JIB POLICIES 7

7. ELIGIBLE FUNDS 8

8. REBALANCING 10

9. IMPLEMENTATION 11

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 County of Frontenac's Money Not Required Immediately (MNRI) as defined in Section 3.1 of the County's Investment Policy (Policy).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the County of 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 County of Frontenac's Policy.

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 County of Frontenac's investment needs, as described in its Investment Policy, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the Municipal Client Questionnaire (MCQ) and dialogue with the Treasurer inform ONE JIB about the municipality's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of the County's MNRI in this Plan is consistent with the details as disclosed in their Investment Policy and MCQ. Section 5.2.1 of their Investment Policy 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 • 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 Income and capital appreciation • Manage risks, such as inflation, economic growth and interest rates.

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

**Initial MNRI contribution identified in the MCQ*

Other considerations:

- The municipality's current MNRI contribution is $8 million, it has a 10+ year investment horizon
- The municipality currently holds GIC investments, most have been classified as RSA in the investment policy. As the GICs mature, the municipality expects to reclassify as MNRI.
- The County has no direct experience with equities; some of its lower-tier municipalities do.
- Council has approved the Investment Policy which permits Alternative investments.
- The Treasurer identified there is no current long-term plan for the identified MNRI
- The municipality does not own any roadways; their largest asset class is facilities which are in good condition.
- The County owns Frontenac Municipal Services, which provides communal water and wastewater solutions for developments in rural areas. The County's ownership stake is classified as a restricted special asset.

5.2 Allocations

50% EQUITY MODEL (E+)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	25	32.5%	45
Global Fixed Income and Credit	5	7.5%	15
Canadian Equities	15	25%	35
Global Equities	15	25%	35
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
January 2027	• MNRI will be remitted to ONE JIB in cash and deployed into the model portfolios after the Investment Plan is approved

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested.

Cashflow needs of the municipality 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: Jennifer Hess, Manager of Investment Services, MFOA
Date: November 24, 2026
Re: Initial Investment Plan for the Township of Ignace
Report: ONE JIB 2026-058

1. RECOMMENDATIONS

It is recommended that the Board:

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

2. SUMMARY

The Township of Ignace has requested to join ONE JIB as a Participating Municipality and initially invest $10 million of Money Not Required Immediately (MNRI). The full amount has an investment horizon of more than 10 years.

Model G is recommended for the Township's initial Investment Plan. Its target allocation of 30% fixed income and 70% equities supports long-term growth at a risk level that is within the Township's tolerance. The allocation reflects the Township's long investment horizon, moderate to high-risk tolerance and restriction on long-term alternative investments.

70% EQUITY MODEL (G)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	30%	$3,000,000
Global Fixed Income and Credit	0%	$0
Canadian Equities	35%	$3,500,000
Global Equities	35%	$3,500,000
Alternatives	0%	$0
Total	100%	$10,000,000

Model G is consistent with the Township's Investment Policy Statement and provides an appropriate initial allocation for its long-term MNRI.

3. BACKGROUND

The Township's allocation is based on the model portfolios approved by ONE JIB on September 4, 2025

ONE JIB approved the current model portfolios on September 4, 2025. Staff and the External Investment Manager assessed the Township's investment horizon, financial circumstances, liquidity needs, risk tolerance, and investment restrictions against those portfolios to determine the recommended allocation.

ONE JIB is reviewing the model portfolios at the November 24, 2026 meeting; if amended the recommended model portfolio's holdings will be adjusted accordingly.

The Township received its first payment under the NWMO Hosting Agreement in 2026

Ignace is a small municipality in northwestern Ontario with a 2021 Census population of 1,206. As the host community for Canada's first deep geological repository for used nuclear fuel, the Township has a multi-year Hosting Agreement with the Nuclear Waste Management Organization (NWMO) that provides annual payments through 2105.

The Township is planning for significant population and development growth

The Township anticipates that its population could double, requiring substantial investment in infrastructure. Investing a portion of the NWMO payments under the Prudent Investor Standard is intended to support these long-term costs and reduce future impacts on taxpayers. A portion of the first payment was retained as Money Required Immediately (MRI) to repair the existing wastewater treatment facility while the Township plans for a replacement facility.

The Township has limited investment experience and long-term financial planning

The Township does not currently have a long-range financial forecast and recognizes the need to develop one that aligns with its asset management plan. Its investment experience is limited to guaranteed investment certificates, with no previous equity exposure or participation in ONE Investment's Legal List portfolios. The Township understands that fixed income and equity markets may fluctuate and is prepared to accept short-term market volatility in pursuit of higher long-term growth.

The Township will initially invest $10 million of MNRI with ONE JIB

The Township plans to invest $10 million from its 2026 NWMO payment. As shown in Table 1, the full amount has an investment horizon of more than 10 years, and Council has not identified a specific use for the funds. The Treasurer expects future NWMO payments to be available to support future capital projects approved by the new Council.

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
Consolidated MNRI	$ 10,000,000	$0	$0	$ 10,000,000

Table 2 summarizes projected cash flows. The Township may make additional MNRI contributions based on the forecast NWMO payment schedule. The timing and amounts may change based on decisions of the new Council and the schedule for the new wastewater treatment facility.

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	$0	$0	$0	$0	$0
Anticipated MNRI Contributions	$0	$7,000,000	$2,000,000	$12,000,000	$0
Net change in MNRI	$0	$7,000,000	$2,000,000	$12,000,000	$0

The Investment Policy Statement restricts long-term alternative investments

Council approved the Investment Policy Statement using the current ONE JIB template. Section 5.6.7 restricts long-term alternative investments; Council added no other restrictions.

4. ANALYSIS

Model G is recommended for the Township's initial Investment Plan

The proposed allocation aligns with the Township's long-term objectives, moderate to high-risk tolerance, limited investment experience, and current expectations for the use of its MNRI.

Model G's 30% fixed income target supports capital preservation, while its 70% equity target provides long-term growth potential. The allocation excludes alternatives, consistent with the Township's Investment Policy Statement. ONE JIB will review the Investment Plan annually and may adjust it as the Township's financial plans and circumstances evolve. The Township has access to liquidity outside of its MNRI to respond to immediate needs.

Table 3 presents the available risk and return statistics, and Table 4 presents Model G's permitted allocation ranges and target weights.

Table 3: Summary statistics for Model G

Summary Statistics	Model G
Long-Term Return	6.79%
Annual Downside Risk[1]	-16.61%
Annual Volatility	9.77%
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: Asset Allocation Summary

70% EQUITY MODEL (G)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	20	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 Township of Ignace has requested to join ONE JIB as a Participating Municipality and initially invest $10 million of MNRI from its 2026 NWMO payment. The full amount has an investment horizon of more than 10 years.

Model G is recommended as the Township's initial allocation. Its target mix of 30% fixed income and 70% equities supports long-term growth while providing an appropriate level of capital preservation. The allocation reflects the Township's investment horizon and risk tolerance and excludes long-term alternatives as required by its Investment Policy Statement. It will be reviewed annually as the Township's financial plans and circumstances evolve.

ATTACHMENTS

Attachment 1 – Township of Ignace Investment Policy Statement
Attachment 2 – Township of Ignace 2026 Municipal Client Questionnaire
Attachment 3 – Township of Ignace 2026 Investment Plan

Drafted by: Jennifer Hess CPA CMA, Manager Investment Services, MFOA
Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

Attachment 1

THE CORPORATION OF THE TOWNSHIP OF IGNACE

BY-LAW #39.2026

BEING A BY-LAW TO ADOPT AN INVESTMENT POLICY STATEMENT TO GOVERN TOWNSHIP INVESTMENTS

WHEREAS Section 418(1) of the *Municipal Act* gives municipalities the right to invest in prescribed securities in accordance with the prescribed rules;

AND WHEREAS Paragraph 7(1) of Ontario Regulation 438/97 states that a municipality must adopt a statement of investment policies and goals before it invests in prescribed securities;

NOW THEREFORE the Council of the Township of Ignace hereby enacts as follows:

Investment Policy Statement (IPS) for the Township of Ignace
Effective August 13, 2026
(Schedule B to By-Law 37.2026)

AUTHORITY
Authority to invest public funds is derived from Section 418 to Section 420 of the *Municipal Act, 2001*.

This By-law shall come into force and take effect immediately upon approval, and shall replace and repeal By-law #26.2016, and the Investment Policy Statement shall be retroactive to August 13, 2026 and shall serve as Schedule B to By-law 37.2026: BEING A BY-LAW TO AUTHORIZE PRUDENT INVESTMENT THROUGH THE ONE JOINT INVESTMENT BOARD.

PASSED and ENACTED this 13th day of October, 2026.

Kimberley Baigrie, Mayor

Lesley Sterling, Clerk/Treasurer

INVESTMENT POLICY STATEMENT (IPS)

FOR

THE TOWNSHIP OF IGNACE (the “Municipality”)

Effective August 13, 2026

(Schedule B to By-Law 37.2026)

TABLE OF CONTENTS

1. DEFINITIONS....1
2. PURPOSE AND LEGISLATIVE FRAMEWORK....6
2.1 Purpose of Policy....6
2.2 Governing Legislation....6
2.3 Prudent Investor Standard....7
3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY....8
3.1 Determination of MNRI and MRI....8
3.2 Overview of Portfolios....8
4. ROLES AND RESPONSIBILITIES....8
4.1 Role of ONE JIB....8
4.2 Role of Municipal Staff....9
4.3 Ethics and Conflicts of Interest....10
5. INVESTMENT....10
5.1 MRI....10
5.1.1 MRI: Investment Objectives....10
5.1.2 MRI: Eligible Investments....11
5.2 MNRI....11
5.2.1 MNRI: Investment Objectives....11
5.2.2 MNRI: Eligible Investments....12
5.2.3 MNRI: Sinking Funds....12
5.2.4 Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities12
5.2.5 Restricted Special Assets....12
5.3 Third-Party Trust Funds and Designated Funds....13
5.4 Investment Management....13
5.4.1 Investment Management of MRI....13
5.4.2 Investment Management of MNRI....13
5.5 Transition to Prudent Investor Regime / OCIO Offering....13
5.6 Investment Constraints....14
5.6.1 Environmental, Social and Governance (ESG) Investing....14
5.6.2 Securities Lending....14
5.6.3 Derivatives....14
5.6.4 Use of Leverage....14
5.6.5 Pooled Funds....15

5.6.6 Currency Hedging 15
5.6.7 Alternative Asset Classes 15
5.6.8 Prohibited Investments 15
5.7 Performance Monitoring, Rebalancing and Management 15
5.7.1 MRI 15
5.7.2 MNRI 15
6. ADMINISTRATIVE POLICIES 16
6.1 Flow of Money and Annual Municipal Budget 16
6.1.1 Transfer to ONE JIB as Part of Annual Review Process 16
6.1.2 Transfer to Municipality as Part of Annual Review Process 16
6.2 Flow of Money Otherwise than through the Budget Process 16
6.2.1 Surplus Funds 16
6.2.2 Contingencies 16
6.3 Valuation of Investments 17
6.4 Voting Rights 17
6.5 Internal Controls 17
6.6 Custodians 17
6.7 Reporting 17
6.7.1 MRI 17
6.7.2 MNRI 17
7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE 18
7.1 Revocation / Amendment of Previous Investment Policy 18
7.2 Modifications to the IPS 18
7.3 Effective Date 19
Schedule A Restricted Special Assets 20
Schedule B Third-Party Trust Funds and Designated Funds 21
Appendix 1: ONE JIB Agreement 22

The Corporation of the Township of Ignace

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 Township of Ignace.

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. 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 By-law (#33.2026) 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.

ln 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 two 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 as 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, bank products and ONE Investment offerings, 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

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

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

ln 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 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

Investments may not be made through foreign direct investment in countries subject to Canadian or UN economic sanctions.

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 serves as Schedule B to By-law 37.2026, Being a By-law to Authorize Prudent Investment Through the ONE Joint Investment Board, and repeals and replaces any other earlier investment policies, including By-law 26.2016, Being a By-Law to Adopt an Investment Policy to govern Township Investments.

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 approved and adopted by Council of the Township of Ignace retroactive to August 13, 2026, and serves as Schedule B to By-law 37.2026, Being a By-law to Authorize Prudent Investment Through the ONE Joint Investment Board.

The Mayor and Treasurer are directed to sign a copy of this IPS to evidence approval and to deliver a copy of this IPS to ONE JIB.

Kimberley Baigrie, Mayor	Lesley Sterling, Clerk/Treasurer
Date	Date

Schedule A

Restricted Special Assets

Debt Securities

Existing investments and debt securities held by the Municipality as of the prudent effective date, including GICs and other term investments, may be retained until their respective maturity dates or earlier disposition, subject to the terms of the investment and the Treasurer's determination that such retention is appropriate. Upon maturity or disposition, if they are MNRI, the proceeds may be transferred to ONE JIB for investment in accordance with this Investment Policy Statement and the applicable ONE JIB Investment Plan, unless otherwise authorized by this Policy.

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

Third-party trust funds are excluded from prudent investment and include, but are not limited to:

- Cemetery care and maintenance trust funds under the *Funeral, Burial and Cremation Services Act*, 2002, which are to be invested pursuant to the *Trustee Act*.

- Ignace Public Library Board funds which are administered by the Corporation of the Township of Ignace, but which the municipality has no authority to invest.

Designated Funds

Designated funds are excluded from prudent investment and include, but are not limited to:

- Any future Municipal Accommodation Tax funds to be held for a tourism entity or other declared recipient.

Appendix 1: ONE JIB Agreement

This agreement will be attached after the Corporation of the Township of Ignace has been approved to participate by the ONE Joint Investment Board and the agreement has been signed.

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: Township of Ignace

Address: 34 Highway 17 W, PO Box 248, Ignace, ON, P0T 1T0

Treasurer Information

Name: Lesley Sterling (Primary contact)

Phone Number: (807) 934-2202 Extension: 1026

Email: clerktreasurer@ignace.ca

`

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

Name: Laurie Walton, Deputy Treasurer (Secondary contact)

Phone Number: (807) 934-2202 Extension: 1025

Email: deputyreasurer@ignace.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? 1,206

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

3.3 How much does a 1% tax rate increase generate? $ 25,000

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

- Based on 2021 Census data for 1,206 residents, median total income in 2020 was $38,000
- 230 or 19.1% of residents worked full-time in 2020, with average employment income of $73,500
- 235 or 19.5% of residents worked part-time in 2020, with average employment income of $47,600 and median income of only $22,600
- 90 or 7.5% of residents earned $100K+ in 2020, and only 40 of these residents had $100K+ after tax
- Median after-tax income for households was $63,200
- 667 single-family residential properties requiring services (excludes vacant properties, those owned by the Township, and those missing data on MPAC
- Lowest MPAC value (2016 assessment) = $3,800
- Median MPAC value = $65,000
- Average MPAC value < $75,000
- Highest MPAC value = $296,000
- The lowest valued 485 properties (72.7%) pay half of the total taxes, while the highest valued 182 properties (27.3%) pay the other half
- 94.8% of residential properties pay less taxes than the cost of basic municipal services

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)	$ 10,000,000
Total MNRI under the management and control of ONE JIB (A + B)	$ 10,000,000

☐ 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)

In early 2026, the Township of Ignace received a one-time payment of $10 million from NWMO for the Discretionary Benefit for infrastructure projects, as negotiated in the Hosting Agreement. Combined with a surplus from a milestone payment in 2025 and regular scheduled contributions from other NWMO funding lines, the approved 2026 budget allocated $15,283,543.00 to reserves. At this time, the Treasurer is estimating MNRI as $10M but the final amount will depend upon project priorities for the incoming Council and anticipated infrastructure expenses in 2027, which are still being determined. In addition, the annual funding from NWMO in 2027 will be significantly less than previous years, hence the need to reduce the amount allocated as MNRI and retain about $5.28M in MRI funds for operating expenses and projects in the next two years (including a new wastewater treatment plant, with timeline TBD).

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)**
	$ 10,000,000			$ 10,000,000
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 10,000,000	$ 0	$ 0	$ 10,000,000

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 (-)	$ 0	$ 0	$ 0	$ 0	
Anticipated MNRI Contributions (+)	$ 0	$ 7,000,000	$ 2,000,000	$ 12,000,000	
Net Change to MNRI	$ 0	$ 7,000,000	$ 2,000,000	$ 12,000,000	$ 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.

- NWMO hosting agreement schedule of payments to 2105, less anticipated operating expenses
- Capital project expenditures to be determined by future Councils not deducted from MNRI
- Require long-term financial planning support to align with the Asset Management Plan

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

Not yet. We require long-term financial planning support to align with the Asset Management Plan.

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.

Holding back funds as MRI for new wastewater treatment plant and anticipating amounts for operating expenses in the next 10 years, but larger capital projects will be determined by future Councils.

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?

Ignace is scheduled to receive the following amounts from NWMO, to be indexed for inflation from 2025 values. With strategic planning, the Treasurer does not anticipate MNRI draws/budget shortfalls.
2027 = $2,207,736
2028 = $10,757,736 (pending $4M milestone payment for completion of a DGR project stage)
2029 = $1,257,736
2030 = $5,757,736
2031 = $1,227,736
2032 = $5,727,736
2033 = $1,239,486
2034 = $11,239,486 (pending $6M milestone payment for completion of a DGR project stage)

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?

Ignace is the host community for Canada's first Deep Geological Repository (DGR) for high-level used nuclear fuel and has a multi-year Hosting Agreement with the Nuclear Waste Management Organization (NWMO) that includes annual payments to 2105. In addition, Ignace is the future site of the NWMO Centre of Expertise, a $50M+, 55,000 sq ft corporate office and educational facility that will accommodate 160 to 200 employees and is expected to attract visitors from around the world.

With significant residential and commercial development planned in the coming years, the Township anticipates doubling its population and greatly increasing its property tax revenue. However, our challenge is aging infrastructure which requires multi-million dollar funding, such as a wastewater treatment plant. We are applying for provincial and federal grants as much as possible, but we anticipate significant capital expenditures in the coming years as we support community growth.

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 1st day of October, 20 26

Lesley Sterling

Lesley Sterling Digitally signed by Lesley Sterling Date: 2026.10.01 15:29:03 -05'00'

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

Township of Ignace

DATE: November 24, 2026

CONTENTS

1. DEFINITIONS 1

2. PURPOSE 2

3. RESPONSIBILITY FOR PLAN 3

4. INVESTMENT GOALS AND OBJECTIVES 4

5. INVESTMENT PORTFOLIO 5

6. APPLICABLE ONE JIB POLICIES 7

7. ELIGIBLE FUNDS 8

8. REBALANCING 10

9. IMPLEMENTATION 11

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 Ignace's Money Not Required Immediately (MNRI) as defined in Section 3.1 of the Township's Investment Policy (Policy).

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

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 Ignace policy.

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 Ignace's investment needs, as described in its Investment Policy, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the Municipal Client Questionnaire (MCQ) and dialogue with the Treasurer inform ONE JIB about the municipality's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of the Township's MNRI in this Plan is consistent with the details as disclosed in their Investment Policy and MCQ. Section 5.2.1 of their Investment Policy 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 • 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 Income and capital appreciation • Manage risks, such as inflation, economic growth and interest rates.

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.	$10,000,000

**Initial MNRI contribution identified in the MCQ*

Other considerations:

- The municipality's current MNRI contribution is $10 million, with an investment horizon of greater than 10 years.
- The municipality has signed a NWMO hosting agreement to 2105 and will receive annual payments.
- For the initial MNRI, the Treasurer believes the future NWMO annual contributions will be sufficient to address any capital project expenditures determined by future Councils,
- The municipality will need to construct a new wastewater treatment plant, which may impact future MNRI contributions.
- The municipality does require a long-term financial plan to support and align with their asset management plan. They currently do not have a long-term municipal forecast.
- Council has approved the Investment Policy which does not permit Alternative investments.
- The Treasurer identified that the investment horizon in the MCQ is long, there is no determined use for these funds.
- Council recognizes the opportunity and would like to invest MNRI to grow for the betterment of their community.

5.2 Allocations

70% EQUITY MODEL (G)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	20	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
January 2027	• MNRI will be remitted to ONE JIB in cash and deployed into the model portfolios after the Investment Plan is approved

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested.

Cashflow needs of the municipality 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: Jennifer Hess, Manager of Investment Services, MFOA
Date: November 24, 2026
Re: Initial Investment Plan for the Township of Lucan Biddulph
Report: ONE JIB 2026-056

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the Township of Lucan Biddulph's Investment Policy Statement (Attachment 1).
2. Receive the Township of Lucan Biddulph's Municipal Client Questionnaire (Attachment 2).
3. Approve the Township of Lucan Biddulph's Investment Plan with proposed Model D (Attachment 3).

2. SUMMARY

The Township of Lucan Biddulph has requested to join ONE JIB as a Participating Municipality and initially invest $1 million of Money Not Required Immediately (MNRI). Of this amount, $750,000 has an investment horizon of 5 to 10 years and $250,000 has a horizon of more than 10 years.

Model D is recommended for the Township's initial investment plan. The model allocates 60% to fixed income and 40% to equities, balancing capital preservation and growth while reflecting the Township's conservative risk tolerance, limited investment experience, uncertain capital requirements, and investment horizons.

40% EQUITY MODEL (D)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	45%	$450,000
Global Fixed Income and Credit	15%	$150,000
Canadian Equities	20%	$200,000
Global Equities	20%	$200,000
Alternatives	0%	$0
Total	100%	$1,000,000

Model D is consistent with the Township's Investment Policy Statement, including its restriction on long-term alternative investments.

3. BACKGROUND

The Township's allocation is based on the model portfolios approved by ONE JIB on September 4, 2025

ONE JIB approved the current model portfolios on September 4, 2025. Staff and the External Investment Manager assessed the Township's investment horizon, financial circumstances, liquidity needs, risk tolerance, and investment restrictions against those portfolios to determine the recommended allocation.

ONE JIB is reviewing the model portfolios at the November 24, 2026 meeting; if amended the recommended model portfolio's holdings will be adjusted accordingly.

Rapid growth is increasing the Township's infrastructure needs

Lucan Biddulph is a rural municipality in Middlesex County with a growing commuter population and convenient access to London, Stratford, and South Huron. Recent growth is creating earlier-than-anticipated infrastructure needs, including the urbanization of sections of roadway.

The community has expressed strong interest in adding a second ice pad to the Lucan Biddulph Community Centre. The project is at the design stage, and its timing, cost, and financing have not been determined. Without grant funding, the project would likely be deferred.

The Township has limited investment experience and a partial long-range capital forecast

The Township currently holds its funds in a bank account that earns nominal interest. Council views investment under the Prudent Investor Standard through ONE JIB as an opportunity to improve long-term reserve management. Although the Township has an asset management plan, it does not yet have a formal long-range capital forecast for all departments. Given this uncertainty and its limited investment experience, the Township prefers a conservative portfolio and intends to continue building reserves when supported through future budgets.

The Township will initially invest $1 million of MNRI with ONE JIB

The Township plans to invest $1 million from its Building/Facility Reserve. As shown in Table 1, $750,000 is expected to have an investment horizon of five to 10 years and $250,000 a horizon of more than 10 years. The facilities supported by these funds are currently in good condition, with no major capital projects planned. The Township intends to increase MNRI as its financial modelling and long-term planning capabilities mature.

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
Consolidated MNRI	$ 1,000,000	$0	$750,000	$ 250,000

Table 2 summarizes projected cash flows. The Township has not identified any firm MNRI contributions or withdrawals because future reserve contributions depend on annual budget approval. However, contributing to reserves each year has been the Township's practice.

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	$0	$0	$0	$0	$0
Anticipated MNRI Contributions	$0	$0	$0	$0	$0
Net change in MNRI	$0	$0	$0	$0	$0

The Investment Policy Statement restricts long-term alternative investments

Council approved the Investment Policy Statement using the current ONE JIB template. Section 5.6.7 restricts long-term alternative investments; no other restrictions were added.

4. ANALYSIS

Model D is recommended for the Township of Lucan Biddulph's initial investment plan

The proposed allocation aligns the Township's investment objectives with its conservative risk tolerance, limited investment experience, and uncertainty about when MNRI may be required.

Model D's 60% fixed income allocation supports capital preservation and liquidity, while its 40% equity allocation provides long-term growth potential. ONE JIB will review the Investment Plan annually and adjust it as the Township's circumstances and planning information evolve.

Table 3 presents the model's key risk and return statistics, and Table 4 presents its permitted allocation ranges and target weights.

Table 3: Summary statistics for Model D

Summary Statistics	Model D
Long-Term Return	6.02%
Annual Downside Risk[1]	-10.18%
Annual Volatility	6.36%
Sharpe Ratio	0.47

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: Asset Allocation Summary

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%	

5. CONCLUSION

The Township of Lucan Biddulph has requested to join ONE JIB as a Participating Municipality and initially invest $1 million of MNRI from its Building/Facility Reserve. Of this amount, $750,000 has an investment horizon of five to 10 years and $250,000 has a horizon of more than 10 years.

Model D is recommended as the Township's initial allocation. Its 60% fixed income and 40% equity targets balance capital preservation, liquidity, and long-term growth while reflecting the Township's conservative risk tolerance, limited investment experience, uncertain capital needs, and restriction on long-term alternative investments. ONE JIB will review the plan annually and adjust it as the Township's circumstances evolve.

ATTACHMENTS

Attachment 1 – Township of Lucan Biddulph Investment Policy
Attachment 2 – Township of Lucan Biddulph 2026 Municipal Client Questionnaire
Attachment 3 – Township of Lucan Biddulph 2026 Investment Plan

Drafted by: Jennifer Hess CPA CMA, Manager Investment Services, MFOA
Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

Attachment 1

INVESTMENT POLICY STATEMENT

FINANCE POLICY # 200-02-2026

FOR

TOWNSHIP OF LUCAN BIDDULPH (the "Municipality")

AUGUST 11, 2026

TABLE OF CONTENTS

1. DEFINITIONS 1
2. PURPOSE AND LEGISLATIVE FRAMEWORK 5
2.1 Purpose of Policy 5
2.2 Governing Legislation 6
2.3 Prudent Investor Standard 7
3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY 7
3.1 Determination of MNRI and MRI 7
3.2 Overview of Portfolios 8
4. ROLES AND RESPONSIBILITIES 8
4.1 Role of ONE JIB 8
4.2 Role of Municipal Staff 9
4.3 Ethics and Conflicts of Interest 9
5. INVESTMENT 9
5.1 MRI 9
5.1.1 MRI: Investment Objectives 10
5.1.2 MRI: Eligible Investments 10
5.2 MNRI 11
5.2.1 MNRI: Investment Objectives 11
5.2.2 MNRI: Eligible Investments 12
5.2.3 MNRI: Sinking Funds 12
5.2.4 Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities 12
5.2.5 Restricted Special Assets 12
5.3 Third-Party Trust Funds and Designated Funds 13
5.4 Investment Management 13
5.4.1 Investment Management of MRI 13
5.4.2 Investment Management of MNRI 13
5.5 Transition to Prudent Investor Regime / OCIO Offering 13
5.6 Investment Constraints 13
5.6.1 Environmental, Social and Governance (ESG) Investing 13
5.6.2 Securities Lending 14
5.6.3 Derivatives 14
5.6.4 Use of Leverage 14
5.6.5 Pooled Funds 14

5.6.6 Currency Hedging 14
5.6.7 Alternative Asset Classes 15
5.6.8 Prohibited Investments 15
5.7 Performance Monitoring, Rebalancing and Management 15
5.7.1 MRI 15
5.7.2 MNRI 15
6. ADMINISTRATIVE POLICIES 15
6.1 Flow of Money and Annual Municipal Budget 15
6.1.1 Transfer to ONE JIB as Part of Annual Review Process 15
6.1.2 Transfer to Municipality as Part of Annual Review Process 16
6.2 Flow of Money Otherwise than through the Budget Process 16
6.2.1 Surplus Funds 16
6.2.2 Contingencies 16
6.3 Valuation of Investments 16
6.4 Voting Rights 17
6.5 Internal Controls 17
6.6 Custodians 17
6.7 Reporting 17
6.7.1 MRI 17
6.7.2 MNRI 17
7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE 18
7.1 Revocation / Amendment of Previous Investment Policy 18
7.2 Modifications to the IPS 18
7.3 Effective Date 18
Schedule A Restricted Special Assets 19
Schedule B Third-Party Trust Funds and Designated Funds 20
Appendix 1: ONE JIB Agreement ..... **Error! Bookmark not defined.**

Township of Lucan Biddulph

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 Township of Lucan Biddulph.

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. 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 By-law No. 28-2026 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.

ln 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 two 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.

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.

The investment objective of the Sinking Fund Portfolio shall be the preservation of capital, to minimize volatility and the possibility of annual deficits.

ONE JIB and the Municipality must adhere to Section 409 of the Act and Section 4 of the Regulation when managing investments for the Sinking Fund Portfolio.

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

Not Applicable to this Municipality

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

ln 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. The Treasurer will monitor and provide updates upon the available funds for investment and upon adjustment levels and participation within the fund as they deem required.

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 investment policy shall revoke prior investment policies when amended.

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 August 11, 2026. 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:

Kathryn Langendyk

[Title: Treasurer]

August 12, 2026

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

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: Township of Lucan Biddulph

Address: 270 Main St., Lucan, ON, N0M 2J0

Treasurer Information

Name: Kathryn Langendyk

Phone Number: (519) 227-4491 Extension: 3125

Email: klangendyk@lucanbiddulph.on.ca

`

*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

Bank Account (prime less 1.8%).

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? 6,000

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? $ 61,600

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

Located in Middlesex County, Lucan Biddulph is a rural farming community that includes the urban settlements of Lucan and Granton. The town of Lucan has experienced rapid growth in the last 10 years. Many residents of the town commute to nearby London, Stratford, South Huron and surrounding areas for work.
Recreation, especially hockey, is a big part of life for many in this municipality.

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)	$ 1,000,000
Total MNRI under the management and control of ONE JIB (A + B)	$ 1,000,000

☐ 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)**
Building (Facilities) Reserve	$ 1,000,000		$ 750,000	$ 250,000
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 1,000,000	$ 0	$ 750,000	$ 250,000

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.

Lucan Biddulph does not have a formal long range capital/financial plan in all areas. We do have an updated asset management plan to work from.
Projections could include future tax-based reserve contributions. These are not guaranteed as they are approved during the budget cycle. However it has been the recommended practice to contribute to reserves each year.

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.

The expansion of the Lucan Biddulph Community Centre to add a second ice pad is a future major project where the timeline is TBD as well as the potential cost. Initial planning is taking place on design in order to establish an estimated cost and to be ready to apply for grant funding when the opportunity arises. If there is no grant funding, this should push the timeline out. However, there may be pressure from residents/user groups to have a second pad sooner than later.

As well, with rapid growth and the construction of a new school, there is pressure to urbanize sections of roadways sooner than we would have anticipated or planned for.

With a new council, priorities may change and we will evaluate over the next year/term of Council.

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?

Lucan Biddulph maintains reserves including a tax rate stabilization reserve. If there is an unanticipated expense, we can generally turn to reserves for funding. That means that for the following budget year, a project may be pushed out or there could be an increase in the levy contribution required to replenish (one year or over a few years depending on the amount).

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?

With a new council for the next term it is unknown what the priorities will be as far as projects or budgeting reserve contributions.

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 30th day of September, 2026

Kathryn Langendyk

Kathryn Langendyk Digitally signed by Kathryn Langendyk Date: 2026.09.30 09:37:39 -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

Township of Lucan Biddulph

DATE: November 24, 2026

CONTENTS

1. DEFINITIONS 1

2. PURPOSE 2

3. RESPONSIBILITY FOR PLAN 3

4. INVESTMENT GOALS AND OBJECTIVES 4

5. INVESTMENT PORTFOLIO 5

6. APPLICABLE ONE JIB POLICIES 7

7. ELIGIBLE FUNDS 8

8. REBALANCING 10

9. IMPLEMENTATION 11

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 Lucan Biddulph's Money Not Required Immediately (MNRI) as defined in Section 3.1 of the Township's Investment Policy (Policy).

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

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 Lucan Biddulph policy.

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 Lucan Biddulph's investment needs, as described in its Investment Policy, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the Municipal Client Questionnaire (MCQ) and dialogue with the Treasurer inform ONE JIB about the municipality's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of the Township's MNRI in this Plan is consistent with the details as disclosed in their Investment Policy and MCQ. Section 5.2.1 of their Investment Policy 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 • 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 Income and capital appreciation • Manage risks, such as inflation, economic growth and interest rates.

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 D (40% Equity) assigned.	$1,000,000

**Initial MNRI contribution identified in the MCQ*

Other considerations:

- The municipality's current MNRI contribution is $1 million, with an investment horizon of less than 10 years.
- The investment horizon is a conservative estimate; MNRI is from the municipality's building/facility reserve, there is no current identified use for the funds as the facilities are in good condition.
- Council has approved the Investment Policy which does not permit Alternative investments.
- The Treasurer identified that the investment horizon in the MCQ is intentionally conservative based on current municipal forecast knowledge; not all departments have a long-term plan/forecast.
- Council recognizes the opportunity but is cautious based on limited investment experience. Based on this uncertainty, the municipality has expressed a preference for a conservative allocation to equities.

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
January 2027	• MNRI will be remitted to ONE JIB in cash and deployed into the model portfolios after the Investment Plan is approved

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested.

Cashflow needs of the municipality 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: Jennifer Hess, Manager of Investment Services, MFOA
Date: November 24, 2026
Re: Initial Investment Plan for the Township of Oro-Medonte
Report: ONE JIB 2026-057

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the Township of Oro-Medonte's Investment Policy Statement (Attachment 1).
2. Receive the Township of Oro-Medonte's Municipal Client Questionnaire (Attachment 2).
3. Approve the Township of Oro-Medonte's Investment Plan with proposed Model F (Attachment 3).

2. SUMMARY

The Township of Oro-Medonte has requested to join ONE JIB as a Participating Municipality and initially invest $10.155 million of Money Not Required Immediately (MNRI). The full amount has an investment horizon of five to 10 years, which may be extended as the Township completes its Asset Management Plan Update and Long-Term Financial Plan.

Model F is recommended for the Township's initial Investment Plan. Its target allocation of 40% fixed income and 60% equities supports capital preservation and liquidity while providing long-term growth potential. The allocation reflects the Township's risk tolerance, limited investment experience, and uncertainty about future capital requirements.

60% EQUITY MODEL (F)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	30%	$3,046,500
Global Fixed Income and Credit	10%	$1,015,500
Canadian Equities	30%	$3,046,500
Global Equities	30%	$3,046,500
Alternatives	0%	$0
Total	100%	$10,155,000

Model F is consistent with the Township's Investment Policy Statement. Although the policy permits alternative investments, an allocation to alternatives is not being

recommended until the investment time horizon is clearer.

3. BACKGROUND

The Township's allocation is based on the model portfolios approved by ONE JIB on September 4, 2025

ONE JIB approved the current model portfolios on September 4, 2025. Staff and the External Investment Manager assessed the Township's investment horizon, financial circumstances, liquidity needs, risk tolerance, and investment restrictions against those portfolios to determine the recommended allocation.

ONE JIB is reviewing the model portfolios at the November 24, 2026 meeting; if amended the recommended model portfolio's holdings will be adjusted accordingly.

The Township received funds through the City of Barrie Boundary Adjustment

Oro-Medonte is a rural municipality located between Barrie and Orillia along Lake Simcoe. It has a growing and aging population, an extensive rural infrastructure network, and significant asset management requirements. In 2026, the Township received compensation under the Barrie Boundary Adjustment agreement. It intends to invest these funds to preserve purchasing power, generate revenue for future capital needs, and reduce pressure on property taxes. Although no specific use has been approved, the funds are expected to support future asset management needs.

The Township has limited investment experience and no experience with equities

The Township has some fixed income experience outside ONE Investment but no equity experience. The Township is seeking long-term growth and accepts that market values will fluctuate. Its investment horizons may be revised during ONE JIB's 2027 annual review after current financial and asset management studies are completed.

The Township will initially invest $10.155 million of MNRI with ONE JIB

As shown in Table 1, the Township plans to invest $10.155 million, all with an initial investment horizon of five to 10 years. The Treasurer considers this horizon conservative and expects it may be extended beyond 10 years. The Township's Asset Management Plan Update and Long-Term Financial Plan will clarify future funding needs and may identify additional MNRI for the next annual review. The Treasurer considers the likelihood of requiring the initial contribution within five years to be low.

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
Consolidated MNRI	$ 10,155,000	$0	$10,155,000	$0

Table 2 summarizes projected cash flows. No contributions or withdrawals are currently forecast because timing and amounts remain uncertain pending completion of the two financial studies.

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	$0	$0	$0	$0	$0
Anticipated MNRI Contributions	$0	$0	$0	$0	$0
Net change in MNRI	$0	$0	$0	$0	$0

The Investment Policy Statement permits long-term alternative investments

Council approved the Investment Policy Statement using the current ONE JIB template. Section 5.6.7 permits long-term alternative investments; no other investment restrictions were added.

4. ANALYSIS

Model F is recommended for the Township of Oro-Medonte's initial investment plan

The proposed allocation aligns with the Township's investment objectives and tolerance for higher volatility, and uncertainty about when the MNRI may be required.

The Municipality is comfortable with alternative investments and the liquidity restrictions. Currently, this asset class is not being recommended until the municipality's investment time horizon is clearer.

Model F's 40% fixed income target supports capital preservation and liquidity, while its 60% equity target provides long-term growth potential. ONE JIB will review the Investment Plan annually and may adjust it as the Township's circumstances and planning information evolve.

Table 3 presents the model's key risk and return statistics, and Table 4 presents its permitted allocation ranges and target weights.

Table 3: Summary statistics for Model F

Summary Statistics	Model F
Long-Term Return	6.65%
Annual Downside Risk[1]	-14.83%
Annual Volatility	8.76%

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.

Summary Statistics	Model F
Sharpe Ratio	0.41

Table 4: Asset Allocation Summary

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%	

5. CONCLUSION

The Township of Oro-Medonte has requested to join ONE JIB as a Participating Municipality and initially invest $10.155 million of MNRI. The full amount has an initial investment horizon of five to 10 years, with a low likelihood that the funds will be required within five years.

Model F is recommended as the Township's initial allocation. Its 40% fixed income and 60% equity targets balance capital preservation and liquidity with long-term growth. Although the Township's Investment Policy Statement permits alternative investments, an allocation to alternatives is not recommended. The proposed allocation reflects the Township's risk tolerance, limited investment experience, and evolving capital needs. ONE JIB will review the Investment Plan annually and adjust it as the Township's circumstances evolve.

ATTACHMENTS

Attachment 1 – Township of Oro-Medonte Investment Policy
Attachment 2 – Township of Oro-Medonte 2026 Municipal Client Questionnaire
Attachment 3 – Township of Oro-Medonte 2026 Investment Plan

Drafted by: Jennifer Hess CPA CMA, Manager Investment Services, MFOA
Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

Attachment 1

INVESTMENT POLICY STATEMENT

FOR

THE CORPORATION OF THE TOWNSHIP OF ORO-MEDONTE

(THE “MUNICIPALITY”)

JULY 15, 2026

Policy

Department/Section: Finance **Policy # POL-FIN-16**

Subject: Investment Policy - Draft

Enacted by Council: **Motion #:**

Contents

1. Definitions 3
2. Purpose and Legislative Framework 8
   - 2.1. Purpose of Policy 8
   - 2.2. Governing Legislation 9
   - 2.3. Prudent Investor Standard 9
3. Money Required Immediately and Money Not Required Immediately 10
   - 3.1. Determination of MNRI and MRI 10
   - 3.2. Overview of Portfolios 10
4. Roles and Responsibilities 10
   - 4.1. Role of ONE JIB 10
   - 4.2. Role of Municipal Staff 11
   - 4.3. Ethics and Conflicts of Interest 11
5. Investment 12
   - 5.1. MRI 12
   - 5.2. MNRI 13
   - 5.3. Third-Party Trust Funds and Designated Funds 15
   - 5.4. Investment Management 15
   - 5.5. Transition to Prudent Investor Regime / OCIO Offering 16
   - 5.6. Investment Constraints 16
   - 5.7. Performance Monitoring, Rebalancing and Management 18
6. Administrative Policies 19
   - 6.1. Flow of Money and Annual Municipal Budget 19
   - 6.2. Flow of Money Otherwise than through the Budget Process 19
   - 6.3. Valuation of Investments 19

6.4. Voting Rights 20
6.5. Internal Controls 20
6.6. Custodians 20
6.7. Reporting 20
7. Approval, Subsequent Modifications and Effective Date 21
7.1. Revocation / Amendment of Previous Investment Policy 21
7.2. Modifications to the IPS 21
7.3. Effective Date 21
Schedule A Restricted Special Assets 23
Schedule B Third-Party Trust Funds and Designated Funds 24
Appendix 1: ONE JIB Agreement 25
Appendix 2: Investment Policy for MRI (If Applicable) .....**Error! Bookmark not defined.**

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 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.

Joint Investment Board (JIB): 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 (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 Township of Oro-Medonte.

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.

Policy

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 2026-069 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

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 two 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.

The Municipality's existing investment policy, which is referred to in Part I of the Regulation as a statement of investment policies and goals, is attached as Appendix 2 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 attached investment policy will prevail.

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 the consideration of Environmental, Social and Governance (ESG) factors in the management of both MRI and MNRI portfolios. The Municipality believes that well-managed entities demonstrate strong ethical, environmental, and social practices, which contribute to long-term financial performance.

For the investment of MRI, the Municipality will monitor the development and integration of ESG factors within the investment industry and will consider incorporating ESG considerations into the MRI portfolio as appropriate, having regard to the nature of the underlying investments and the objectives of capital preservation and risk management.

For the investment of MNRI, the ONE Joint Investment Board (ONE JIB) shall consider the approach to responsible investing adopted by its investment managers, including the OCIO, at the time of appointment and through ongoing due diligence and periodic review. Reporting on ESG considerations may be provided where appropriate.

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 vehicles managed by the Sub-Investment Manager (OCIO), which may engage in securities lending in accordance with their established policies and applicable legislation.

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 prohibit investment of MNRI in alternative asset classes. Accordingly, this Investment Policy Statement permits the inclusion of alternative investments within the ONE JIB-managed portfolio, subject to the investment constraints and governance framework established herein.

Alternative asset classes, such as infrastructure and real estate, may provide diversification benefits due to their relatively low correlation with traditional asset classes. Their inclusion may enhance overall portfolio risk-adjusted returns over the long term.

Given their typically reduced liquidity and longer investment horizons, alternative investments are only appropriate within a diversified portfolio and will be managed prudently by the ONE Joint Investment Board in accordance with the Township's investment objectives, including capital preservation, liquidity, and risk management.

5.6.8. Prohibited Investments

Investments not authorized by the Municipal Act, 2001, applicable regulations, or this Policy are prohibited.

5.7. Performance Monitoring, Rebalancing and Management

5.7.1. MRI

The Township continues to hold certain legacy investments under the Municipal Act "Legal List" framework (MRI), currently managed by RBC Dominion Securities. These investments consist primarily of fixed-income securities, including bonds and guaranteed investment certificates. These investments are classified as Debt Securities within Restricted Special Assets (Schedule A) and are not under the management of the ONE Joint Investment Board (ONE JIB).

The Treasurer is responsible for monitoring the performance, credit quality, and risk profile of these investments on a regular basis. Performance is assessed against appropriate fixed-income benchmarks, taking into consideration prevailing market conditions and the characteristics of the underlying securities. The MRI portfolio is periodically reviewed to ensure alignment with the Township's investment objectives, including capital preservation, liquidity, and risk management, consistent with the principles set out in this Investment Policy Statement.

Rebalancing or adjustments may be undertaken at the direction of the Treasurer, including holding securities to maturity, reinvestment of proceeds, or the gradual transition of funds to the ONE Joint Investment Board (ONE JIB) investment program where appropriate. All investment decisions will remain within the constraints of the Municipal Act and this Investment 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 IPS, and reports on the Sub-Investment Manager's performance.

Policy

6. Administrative Policies

6.7. Flow of Money and Annual Municipal Budget

6.7.1. 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.

6.7.2. 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.

6.8. Flow of Money Otherwise than through the Budget Process

6.8.1. 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.

6.8.2. 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.

6.9. 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.

6.10. 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.

6.11. 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.

6.12. 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.

6.13. Reporting

6.13.1. 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.

6.13.2. 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 in 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

7.7. Revocation / Amendment of Previous Investment Policy

This IPS amends, and restates as so amended, existing By-law NO. 2006-047 A By-law to Adopt a statement of investment policies and goals with respect to the investment of surplus cash, reserve and reserve funds approved by Council on May 17, 2006.

7.8. 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.

7.9. Effective Date

This IPS is adopted by Council of the Municipality effective July 15, 2026. 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.

Policy

Signed by:

[Title: Treasurer]

Date

Policy

Schedule A
Restricted Special Assets

Debt Securities

The Township holds certain legacy investments acquired under the Municipal Act “Legal List” framework, which are currently managed by RBC Dominion Securities. These investments consist primarily of fixed-income securities, including bonds and guaranteed investment certificates (GICs), and are maintained outside of ONE Investment Board (ONE JIB) management as part of the Township’s Legacy Legal List Fixed-Income Portfolio.

.

Own Debt Securities

The Township does not currently hold any debentures issued and purchased by the Municipality.

LDC and other MSC Securities

The Corporation of the Township of Oro-Medonte holds a 100% direct equity interest in its Municipal Services Corporation government business enterprise (GBE) structure, including Oro-Medonte Utilities Corp. and Oro-Medonte Holdings Corp.

Such investment is designated as a Restricted Special Asset in accordance with Section 5.2.4, is not administered by ONE Investment Board (ONE JIB), and is held through Oro-Medonte Holdings Corp.

Other

The Township does not currently hold any other Restricted Special Assets.

Policy

Schedule B
Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

The Township administers cemetery care and maintenance trust funds in accordance with the Funeral, Burial and Cremation Services Act, 2002 and invests these funds pursuant to the Trustee Act. These funds are held in trust and are legally restricted.

- Care and Maintenance Trust Fund – Knox Cemetery
- Care and Maintenance Trust Fund – Leigh's Corners Cemetery
- Care and Maintenance Trust Fund – Rugby Cemetery

Designated Funds

The Municipality has no authority or responsibility with respect to investment of designated funds. For example, social housing capital reserves of a local housing corporation which are to be invested in the Housing Services Corporation's pooled capital reserve funds managed by Encasa.

Policy

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: The Corporation of the Township of Oro-Medonte

Address: 148 Line 7 South, Oro-Medonte, Ontario L0L2E0

Treasurer Information

Name: Shannon Johnson

Phone Number: (705) 487-2171 Extension: 0

Email: sjohnson@oro-medonte.ca

`

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

Name: Christy Scheffel

Phone Number: (705) 487-2171 Extension: 0

Email: cscheffel@oro-medonte.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).

CPA designation and experience as Municipal Treasurer for 11 years responsible for managing the municipality's investments.

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

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? 23,500

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? $ 305,000

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

Oro-Medonte's growing and aging population, combined with its extensive rural infrastructure network and ongoing asset management requirements, highlights the importance of a strong long-term investment strategy.

As the Township continues to experience population growth and increasing demands for infrastructure renewal and municipal services, prudent investment of reserve funds through ONE Investment can help preserve purchasing power, generate additional revenue to support future capital needs, and reduce pressure on property taxes while aligning with the Township's long-term financial and asset management objectives

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)	$ 10,155,000
Total MNRI under the management and control of ONE JIB (A + B)	$ 10,155,000

☐ 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 Township's Municipal Money Not Required Immediately (MNRI) is comprised primarily of capital and operating reserves established to support future infrastructure renewal, fleet and equipment replacement, facility life cycle requirements, information technology investments, growth-related infrastructure funded through development charges, and financial stabilization objectives.

Reserve requirements are reviewed annually as part of the budget process and are aligned with the Township's long-term capital forecast and asset management planning framework.

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)**
Strategic Reserves	$ 10,155,000		$ 10,155,000	
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 10,155,000	$ 0	$ 10,155,000	$ 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 (-)					
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 Township is contributing approximately $10,155,000 in Barrie Boundary Adjustment compensation funding received in March 2026 to MNRI. Once the Township's Long-Term Financial Plan is completed in 2027, we will have a better understanding of the Township's long-term cash flow and the additional funds that may be available for investment in MNRI.

The Long-Term Financial Plan will consider forecast capital expenditures, annual reserve contributions, development charge revenues, grant funding, investment income, inflationary assumptions, and asset replacement requirements. These assumptions will continue to be reviewed through the annual budget process, reserve planning, and asset management planning.

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

No. The Township currently forecasts reserve requirements and capital expenditures over a five-year planning horizon. A Long-Term Financial Plan and Asset Management Plan update is underway and is expected to be completed by June 2027. Beginning with the 2028/2029 multi-year budget, the Township plans to implement a ten-year capital forecast supported by a twenty-five-year planning 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.

Yes. The Township anticipates that liquidity needs may change over time as major infrastructure renewal projects, facility replacements, fleet replacements, and growth-related capital investments are further refined through the ongoing Long-Term Financial Plan and Asset Management Plan update.
The study is expected to be completed by June 2027 and will establish a ten-year capital forecast supported by a twenty-five-year planning horizon beginning with the 2028/2029 multi-year budget. The timing of future capital requirements, grant funding opportunities, and emerging infrastructure priorities may impact the Township's future investment time horizon and liquidity 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 Township manages unanticipated funding requirements through a combination of budget contingencies, operating reserves, reserve funds, annual budget adjustments, and the reprioritization or deferral of capital projects where appropriate. The probability of requiring a significant drawdown of Municipal Money Not Required Immediately (MNRI) to address unexpected budget shortfalls is considered low, as the Township maintains reserve balances in accordance with its Reserve and Reserve Fund Policy and regularly reviews its long-term financial sustainability through the budget, capital planning, and asset management processes.

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 Township is experiencing continued population growth and increasing demand for infrastructure renewal, asset replacement, and municipal services. In addition, the Township is currently undertaking a Long-Term Financial Plan and Asset Management Plan update that will establish a ten-year capital forecast and a twenty-five-year planning horizon.

Future cash flow requirements may be influenced by evolving infrastructure needs, growth-related capital investments, grant funding opportunities, climate resilience initiatives, and changing economic conditions. The Township's investment strategy should therefore balance the need for liquidity with the objective of maximizing long-term returns on funds not required immediately.

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 5 day of October, 2026

Shannon Johnson / CFO

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

Township of Oro-Medonte

DATE: November 24, 2026

CONTENTS

1. DEFINITIONS 1

2. PURPOSE 2

3. RESPONSIBILITY FOR PLAN 3

4. INVESTMENT GOALS AND OBJECTIVES 4

5. INVESTMENT PORTFOLIO 5

6. APPLICABLE ONE JIB POLICIES 7

7. ELIGIBLE FUNDS 8

8. REBALANCING 10

9. IMPLEMENTATION 11

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 Oro-Medonte's Money Not Required Immediately (MNRI) as defined in Section 3.1 of the Township's Investment Policy (Policy).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Township of Oro-Medonte.

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 Oro-Medonte policy.

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 Oro-Medonte's investment needs, as described in its Investment Policy, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the Municipal Client Questionnaire (MCQ) and dialogue with the Treasurer inform ONE JIB about the municipality's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of the Township's MNRI in this Plan is consistent with the details as disclosed in their Investment Policy and MCQ. Section 5.2.1 of their Investment Policy 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 • 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 Income and capital appreciation • Manage risks, such as inflation, economic growth and interest rates.

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 F (60% Equity) assigned.	$10,155,000

**Initial MNRI contribution identified in the MCQ*

Other considerations:

- The municipality's current MNRI contribution is $10.1 million, with an investment horizon of 5-10 years.
- The Municipality's MNRI comes from City of Barrie Boundary Adjustment compensation funds, the municipality currently does not have an identified use of the funds but has earmarked it for asset management purposes.
- The investment horizon is a conservative estimate; the municipality is currently undertaking a Long-Term Plan (2027) which will further clarify investment horizons (might be longer).
- The Treasurer identified that there is low probability they will require the funds in the next five years.
- Council has approved the Investment Policy which does permit Alternative investments.
- The municipality has some fixed income experience, but no equity experience.
- When considering Prudent Investment, the intention overall is to increase investment income to offset future costs from the tax-base, to make this unplanned revenue work for them in the long term.
- Their Asset Management Plan Update and Long-Term Plan (2027) is currently underway; those studies will determine whether additional funds are appropriate to be classified as MNRI.

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
January 2027	• MNRI will be remitted to ONE JIB in cash and deployed into the model portfolios after the Investment Plan is approved

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested.

Cashflow needs of the municipality 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: Jennifer Hess, Manager of Investment Services, MFOA
Date: November 24, 2026
Re: Initial Investment Plan for the City of Peterborough
Report: ONE JIB 2026-055

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the City of Peterborough's Investment Policy Statement (Attachment 1).
2. Receive the City of Peterborough's Municipal Client Questionnaire (Attachment 2).
3. Approve the City of Peterborough's Investment Plan with proposed Model D (Attachment 3).

2. SUMMARY

The City of Peterborough has requested to join ONE JIB as a Participating Municipality and initially invest $30 million of Money Not Required Immediately (MNRI). Of this amount, $10 million has an investment horizon of less than five years and $20 million has a horizon of five to 10 years.

Model D is recommended for the City's initial investment plan. The model allocates 60% to fixed income and 40% to equities, providing growth potential while reflecting the City's conservative risk tolerance, uncertain capital requirements, and investment horizon of less than 10 years.

40% EQUITY MODEL (D)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	45%	$13,500,000
Global Fixed Income and Credit	15%	$4,500,000
Canadian Equities	20%	$6,000,000
Global Equities	20%	$6,000,000
Alternatives	0%	$0
Total	100%	$30,000,000

Based on the information provided, Model D's initial allocation for the City's MNRI and is consistent with the restrictions in its Investment Policy Statement.

3. BACKGROUND

The City's allocation is based on the model portfolios approved by ONE JIB on September 4, 2025

ONE JIB approved the current model portfolios on September 4, 2025. Staff and the External Investment Manager assessed the City's investment horizon, financial circumstances, liquidity needs, risk tolerance, and investment restrictions against those portfolios to determine the recommended allocation.

ONE JIB is reviewing the model portfolios at the November 24, 2026 meeting; if amended the recommended model portfolio's holdings will be adjusted accordingly.

The City of Peterborough is a growing municipality

Peterborough is a growing municipality in the Kawartha region, approximately 125 kilometres northeast of Toronto. Its diversified economy includes tourism, agriculture, government, and manufacturing.

As an existing ONE Investment Legal List municipality, Peterborough has experience with fixed income and equities

The City has invested with ONE Investment for 10 years and holds assets in all three Legal List portfolios for its general funds and Legacy Fund. Under the Council-approved Investment Policy, the Legacy Fund is classified as a restricted special asset and will remain in the Legal List portfolios. General fund investments are expected to be redeemed and reclassified as MNRI under ONE JIB and the Prudent Investor Standard.

The City will initially contribute $30 million to MNRI to be invested with ONE JIB

The City plans to invest an initial $30 million of MNRI. As shown in Table 1, $10 million has an investment horizon of less than five years and $20 million has a horizon of five to 10 years. The City has adopted a conservative horizon and lower risk tolerance because a potential Multi-Use Sport and Event Centre project and other elements of the capital forecast remain uncertain. Council deferred the project decision, which is expected to return to the new Council in 2027.

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
Consolidated MNRI	$ 30,000,000	$10,000,000	$20,000,000	$ 0

The City anticipates increasing MNRI in future years as pending decisions are resolved

The Municipal Client Questionnaire identifies potential MNRI contributions and withdrawals

over the next 10 years. Certain existing investments remain classified as money required immediately because of their maturity dates and uncertainty about major capital projects. As Council confirms the timing and scope of those projects, Peterborough may be able to increase MNRI. The Legacy Fund has been classified as a restricted special asset based on the City's existing policy that governs the fund; the City may update the policy in future to allow the fund to be invested as MNRI in a separate account.

Table 2 summarizes projected cash flows for MNRI and reflects possible future deposits. As a projection, this may change during the 2027 Annual Review; the Treasurer identified future decisions by the new Council including the sport and event centre could greatly impact this forecast.

*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	-	-	($10,000,000)	($20,000,000)	$0
Anticipated MNRI Contributions	$10,000,000	$10,000,000	$30,000,000	$50,000,000	$0
Net change in MNRI	$10,000,000	$10,000,000	$20,000,000	$30,000,000	$0

** Note - Table 5.2 in the signed MCQ reflects an inaccurate total because the drawdowns were entered as a positive number. Table 2 above reflects the correct net change in MNRI.*

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

City Council approved its Investment Policy Statement using the current ONE JIB-approved template. The policy restricts long-term alternative investments under section 5.6.7 and adds no other restrictions.

4. ANALYSIS

Model D is recommended for the City of Peterborough's initial investment plan

The proposed allocation balances the City's long-term return objectives with its conservative risk tolerance and uncertainty about when MNRI may be required. The City has indicated it prefers a conservative portfolio based on the possibility the MNRI forecast could change based on decisions made by the new Council.

Model D is a prudent starting point for funds with an investment horizon of less than 10 years. Its 40% equity allocation provides long-term growth potential, while the 60% fixed income allocation supports capital preservation and liquidity. ONE JIB will reassess the Investment Plan through its annual review process.

Table 3 presents the model's key risk and return statistics, and Table 4 presents its permitted allocation ranges and target weights.

Table 3: Summary statistics for Model D

Summary Statistics	Model D
Long-Term Return	6.02%
Annual Downside Risk[1]	-10.18%
Annual Volatility	6.36%
Sharpe Ratio	0.47

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: Asset Allocation Summary

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%	

5. CONCLUSION

The City of Peterborough has requested to join ONE JIB as a Participating Municipality and initially invest $30 million of MNRI. The City expects to increase MNRI as capital planning decisions, including the potential Multi-Use Sport and Event Centre, are resolved and other investments mature. Until that uncertainty is resolved, the City prefers a more conservative portfolio.

Model D is recommended as the City's starting allocation for initial MNRI. Its 60% fixed income and 40% equity targets balance capital preservation, liquidity, and long-term growth while reflecting the City's conservative risk tolerance and uncertain capital requirements. ONE JIB will review the plan annually and could adjust the allocation as the City's circumstances evolve.

ATTACHMENTS

Attachment 1 – City of Peterborough Investment Policy
Attachment 2 – City of Peterborough 2026 Municipal Client Questionnaire
Attachment 3 – City of Peterborough 2026 Investment Plan

Drafted by: Jennifer Hess CPA CMA, Manager Investment Services, MFOA

Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

Attachment 1

INVESTMENT POLICY STATEMENT

FOR

THE CORPORATION OF THE CITY OF PETERBOROUGH (the “Municipality”)

AUGUST 4, 2026

TABLE OF CONTENTS

1. DEFINITIONS 1
2. PURPOSE AND LEGISLATIVE FRAMEWORK 6
2.1 Purpose of Policy 6
2.2 Governing Legislation 7
2.3 Prudent Investor Standard 8
3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY 8
3.1 Determination of MNRI and MRI 8
3.2 Overview of Portfolios 9
4. ROLES AND RESPONSIBILITIES 9
4.1 Role of ONE JIB 9
4.2 Role of Municipal Staff 10
4.3 Ethics and Conflicts of Interest 10
5. INVESTMENT 11
5.1 MRI 11
5.1.1 MRI: Investment Objectives ..... **Error! Bookmark not defined.**
5.1.2 MRI: Eligible Investments ..... **Error! Bookmark not defined.**
5.2 MNRI 11
5.2.1 MNRI: Investment Objectives 11
5.2.2 MNRI: Eligible Investments 12
5.2.3 MNRI: Sinking Funds 12
5.2.4 Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities 12
5.2.5 Restricted Special Assets 12
5.3 Third-Party Trust Funds and Designated Funds 13
5.4 Investment Management 13
5.4.1 Investment Management of MRI 13
5.4.2 Investment Management of MNRI 13
5.5 Transition to Prudent Investor Regime / OCIO Offering 13
5.6 Investment Constraints 14
5.6.1 Environmental, Social and Governance (ESG) Investing 14
5.6.2 Securities Lending 14
5.6.3 Derivatives 14

5.6.4 Use of Leverage 14
5.6.5 Pooled Funds 15
5.6.6 Currency Hedging 15
5.6.7 Alternative Asset Classes 15
5.6.8 Prohibited Investments 15
5.7 Performance Monitoring, Rebalancing and Management 15
5.7.1 MRI 15
5.7.2 MNRI 16
6. ADMINISTRATIVE POLICIES 16
6.1 Flow of Money and Annual Municipal Budget 16
6.1.1 Transfer to ONE JIB as Part of Annual Review Process 16
6.1.2 Transfer to Municipality as Part of Annual Review Process 16
6.2 Flow of Money Otherwise than through the Budget Process 16
6.2.1 Surplus Funds 16
6.2.2 Contingencies 16
6.3 Valuation of Investments 17
6.4 Voting Rights 17
6.5 Internal Controls 17
6.6 Custodians 17
6.7 Reporting 18
6.7.1 MRI 18
6.7.2 MNRI 18
7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE 18
7.1 Revocation / Amendment of Previous Investment Policy 18
7.2 Modifications to the IPS 18
7.3 Effective Date 19
Schedule A Restricted Special Assets 20
Schedule B Third-Party Trust Funds and Designated Funds 21
Appendix 1: ONE JIB Agreement 22
Appendix 2: Investment Policy 0037 & Legacy Fund Investment Policy 0052 23

City of Peterborough

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 City of Peterborough.

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..

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 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 Trust Funds are listed in Schedule B of this IPS and are considered to be money required immediately.

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 cash balances, reserves, reserve 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 operational, capital, 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 staff.

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 coming due within 24 months and are controlled and managed by the Treasurer in accordance with Investment Policy 0037.

The Municipality's existing investment policy 0037, which is referred to in Part I of the Regulation as a statement of investment policies and goals, is attached as Appendix 2 and will apply to its MRI. In the event of a conflict between this IPS and the attached investment policy in respect of the MRI, the provisions of the attached investment policy will prevail.

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

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

With the exception of the Municipality's investments held in the ONE Investment Legal List Portfolios, 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 in accordance with Investment Policy 0037.

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.

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

In no event may investment be made through foreign direct investment in countries subject to Canadian or United Nations economic sanctions.

5.7 Performance Monitoring, Rebalancing and Management

5.7.1 MRI

Performance benchmarks may vary from time to time, as decided by the Treasurer, subject to the investment constraints detailed in Investment Policy 0037.

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. Such reporting requirements are detailed in Investment Policy 0037.

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

There is no revocation or amendment to the Municipality's existing Investment Policy 0037.

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 August 4, 2026. 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

Schedule A

Restricted Special Assets

The Municipality's investment in the Legacy Fund and funds invested in accordance with the Legacy Fund Investment Policy 0052.

Schedule B

Third-Party Trust Funds/Designated Funds

Third-Party Trust Funds including City Parks, Special Holdings, School Safety Patrol, Cenotaph, Library, Morrow, Hancock and Tollington Parks Endowment Fund are not included in this prudent investor investment policy and shall be considered money required immediately.

Appendix 1: ONE JIB Agreement

Appendix 2: Investment Policy 0037 & Legacy Fund Investment Policy 0052

Investment Policy

Department:	Corporate and Legislative Services
Division:	Financial Services Division
Section/Function:	N/A
Approval Level:	Council
Effective Date:	2021-05-25
Revision #:	1

1.0 Purpose

1.1. The Purpose of this Policy is to provide guidance for the management of the City of Peterborough's investment funds and to formalize the objectives, restrictions, limits and composition of the investment portfolio.

2.0 Application

2.1. This Policy applies to all investments made on behalf of the City, with the exception of the Legacy Fund, and includes operating funds, reserve and reserve funds, obligatory reserve funds, capital funds and trust funds.

3.0 Definitions/Acronyms

Adequate Credit Quality – The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.

Credit Risk – Involves limiting investments to safer types of securities based on credit quality ratings as well as diversifying the investment portfolio to minimize potential losses on individual securities. Limiting this risk also entails setting dollar limits on the exposure to the type of issuer.

Good Credit Quality – The capacity for the payment of financial obligations is substantial. May be vulnerable to future events, but qualifying negative factors are considered manageable.

Interest Rate Risk – The risk that the interest rate will fluctuate and cause significant swings in the level of income derived from the investment portfolio. Interest rate risk is mitigated by investing in securities with varying time to maturity to limit exposure to interest rate volatility.

Legacy Fund – An endowment style investment strategy designed to preserve the initial Capital investment while providing a stable income return for the investor. Capital, in the

Legacy Fund Policy, refers to the net proceeds from the sale of assets of Peterborough Distribution Inc. to Hydro One.

Liquidity – The investment portfolio is structured to meet cash flow requirements for regular disbursement and other scheduled obligations. To account for unpredictable cash flow demands, the portfolio will consist of an adequate level of securities that can be easily liquidated. The City's investments shall be diversified by holding securities of various terms to maturity and various types of investments.

Long Term – A debt or equity security that is expected to be held for more than 364 days after purchase.

Preserve Capital – Refers to the concept of ensuring the principal value of investments is maintained despite fluctuations in various market conditions.

Rate of Return – The gain or loss of an investment over a specified period of time expressed as a percentage of the investment's cost.

Short Term Investment – A debt or equity security that is expected to be sold or converted into cash in no longer than 364 days after purchase.

Superior Credit Quality – The capacity for the payment of financial obligations is exceptionally high and is unlikely to be adversely affected by future events.

Treasurer – An individual appointed by Council in accordance with the **Municipal Act, 2001** who is responsible for handling all of the financial affairs of the City on behalf of and in the manner directed by the Council of the City.

4.0 Policy Statement(s)

4.1. This Policy is designed to provide an effective framework for investment of the surplus cash resources of the City of Peterborough bound by statutory legislation.

1. The City will invest funds according to the applicable sections of the **Municipal Act, 2001** such as Section 418, and the **Ontario Regulation 4387/97**.

2. The Treasurer will invest surplus cash of the City in a prudent manner while striving to:

    1. Ensure an adequate level of Liquidity;

    2. Minimize the degree or risk and Preserve Capital; and

    3. Maximize the Rate of Return.

3. The composition of the City's investment portfolio will be subject to the limits detailed in Chart 1. (Attachment A)

4. The Treasurer has the delegated authority to use the services of an agent for the management of surplus cash.

5.0 Appendix, Related Documents & Links

Note: All references refer to the current version, as may be amended from time to time.

5.1. Pertinent Resources:

- Municipal Act, 2001
  https://www.ontario.ca/laws/statute/01m25
- Ontario Regulation 438/97
  https://www.ontario.ca/laws/regulation/970438
- Bank Act, 1991 (Canada)
  https://laws-lois.justice.gc.ca/ENG/ACTS/B-1.01/index.html
- Trust and Loan Companies Act, 1991 (Canada)
  https://laws-lois.justice.gc.ca/eng/acts/T-19.8/index.html
- Credit Union and Caisses Populaires Act, 1994
  https://www.ontario.ca/laws/statute/94c11

5.2. Related Policies:

- Policy 0052, Legacy Fund Investment Policy
  https://www.peterborough.ca/en/city-hall/resources/Documents/Plans-and-Policies/Policy-Accessible-Format/Legacy-Fund-Investment-Policy-Revision-1_.pdf

5.3. Related Procedures:

- N/A

5.4. Related Forms:

- N/A

5.5. Miscellaneous:

- N/A

City of Peterborough

Investment Policy

6.0 Amendments/Reviews

Date (yyyy-mm-dd)	**Section # Amended**	**Comments**
2016-10-24		Investment Policy approved by Council. Former Investment and Banking Services Policy rescinded by Council.
2021-05-25	Application & Definitions	Revision #1 - Changes made to Investment Policy through Report CLSFS21-020 – Legacy Fund Investment Policy to exclude the Legacy Fund from the Investment Policy.

Next Review Date:	**2024-01-01**

Legacy Fund Investment Policy

Department:	Corporate and Legislative Services
Division:	Financial Services Division
Section/Function:	N/A
Approval Level:	Council
Effective Date:	2021-05-25
Revision #:	1

1.0 Purpose

1.1 This Policy outlines the Principles and Guidelines that must be adhered to when managing the City of Peterborough's Legacy Fund investment portfolio to ensure:

a. Alignment with the City's Financial Policies Framework.
b. The optimum utilization of its Financial Resources within statutory limitations
c. Financial risk exposure is limited.
d. Preservation of initial Capital investment.

2.0 Application

2.1. This Policy applies to all those responsible for overseeing, approving, conducting, and/or monitoring Legacy Fund investment activities on behalf of the City.

2.2. This Policy applies to all investments made through the City's Legacy Fund.

a. The Legacy Fund is an investment fund established February 22, 2021 by the City with the net proceeds from the sale of assets of Peterborough Distribution Inc. to Hydro One.

3.0 Definitions and Acronyms

Capital – For the purpose of this Policy, refers to the net proceeds from the sale of assets of Peterborough Distribution Inc. to Hydro One.

Diversification – A process of investing assets among a range of security types by sector, Maturity, and quality rating.

Financial Resources – Assets of the City available to fund operations, investments, and Capital projects

In Perpetuity – An unlimited duration or for all time.

Legacy Fund – An endowment style investment strategy designed to preserve the initial Capital investment while providing a stable income return for the investor.

Liquidity – A measure of an asset's convertibility to cash.

Maturity – The date on which payment of a financial obligation is due. The final stated Maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder.

ONE Investment – A not-for-profit entity that operates the ONE Investment Program, a co-mingled investment strategy in which local governments and the broader Ontario public sector can invest.

Preservation of Capital – The concept of ensuring the principal value of investments is maintained despite fluctuations in various market conditions.

Rate of Return – The gain or loss of an investment over a specified period of time expressed as a percentage of the investment's cost.

Retention Reserve – Reserve general ledger account to hold income transferred from Legacy Fund until used by Capital program.

Securities – A tradeable financial asset including bonds, debentures, treasury bills, commercial paper, repurchase agreements, promissory notes and asset-backed Securities.

Treasurer – An individual appointed by Council in accordance with the **Municipal Act, 2001** who is responsible for handling all of the financial affairs of the City on behalf of and in the manner directed by the Council of the City.

4.0 Policy Statements

4.1. Principles

To ensure the City manages its Legacy Fund investment portfolio in a fiscally responsible and sustainable manner, the following principles must be adhered to:

a. Ensure investment activities are in compliance with statutory limitations.
b. Preserve the Capital.
c. Ensure an adequate level of Liquidity.
d. Diversify the investment portfolio.
e. Earn a competitive Rate of Return.

f. Provide a stable annual income for the City from investment returns.

4.2. Guidelines

The following Guidelines must be adhered to when managing the City's Legacy Fund investment portfolio:

a. The City will hold the Capital in the Legacy Fund In Perpetuity while making annual contributions from investment earnings towards the City's Capital program.
b. The Legacy Fund will consist of an adequate level of Securities that can be easilyliquidated.
c. The City will ensure Diversification of its Securities within the Legacy Fund.
d. The composition of the City's Legacy Fund portfolio will be as shown in the asset mix detailed in Table 1 of Appendix A.

4.3. Role of the Treasurer

a. The Treasurer, in consultation with the Fund Advisory Committee, has the overall authority and responsibility for the prudent investment of the City's Legacy Fund portfolio in accordance with this Policy and the **Municipal Act, 2001**.

4.4. Governance, Management, and Reporting

a. Council will appoint a Fund Advisory Committee comprised of:
   - The Mayor, or another member of Council as the Mayor may determine
   - The Chair of the Finance Committee
   - The Vice-Chair of the Finance Committee
   - The Chief Administrative Officer
   - The City Treasurer

b. The Fund Advisory Committee will be responsible for:
   - Reviewing the investment performance of the Legacy Fund and Fund manager(s) in accordance with this Policy.
   - Reviewing the current investment guidelines for the Legacy Fund.
   - Making recommendations to Council with respect to changes to this Policy.
   - Reviewing the amount of current year transfer from the Legacy Fund to the Retention Reserve, and from the Retention Reserve to the Capital program.

c. The Treasurer will report to Council annually on Legacy Fund investment activity and returns.

City of Peterborough

Legacy Fund Investment Policy

5.0 Appendix, Related Documents & Links

Note: All references refer to the current version, as may be amended from time to time.

5.1. Pertinent Resources:

- Municipal Act, 2001
  https://www.ontario.ca/laws/statute/01m25
- Ontario Regulation 438/97 - Eligible Investments, Related Financial Agreements and PrudentInvestment
  https://www.ontario.ca/laws/regulation/970438

5.2. Related Policies:

- Financial Policies Framework
- Investment Policy

5.3. Related Procedures:

- Legacy Fund Investment Procedure

5.4. Related Forms:

- N/A

5.5. Miscellaneous:

- N/A

City of Peterborough

Legacy Fund Investment Policy

6.0 Amendments/Reviews

Date (yyyy-mm-dd)	Section # Amended	Comments
2021-05-25		Policy approved by Council on May 25, 2021 through Report CLSFS21-020.
2021-12-20		Revision #1 – No changes were made to the content of the Policy. Next Review Date set for 2025-01-01. Links in Section 5.1 – Pertinent Resources have been updated. Policy document format has been updated to become compliant with the Accessibility for Ontarians with Disabilities Act (AODA) Regulation 191/11 Integrated Accessibility Standards.

Next Review Date:	2025-01-01

City of Peterborough

Legacy Fund Investment Policy

Appendix A

The allocation of investments will be monitored on an ongoing basis and are intended to be maintained within the ranges identified in Table 1.

Table 1 – Legacy Fund Investment Asset Mix

		Minimum Weight	Target Weight	Maximum Weight
Cash				
	HISA (1)	0.0%	0.0%	5.0%
Equities				
	ONE Canadian Equity Portfolio	45.0%	50.0%	55.0%
Fixed Income				
	ONE Corporate Bond Portfolio	22.0%	25.0%	28.0%
	ONE Canadian Bond Portfolio	22.0%	25.0%	28.0%

(1) The High Investment Savings Account (HISA) allocation may hold amounts for known Liquidity purposes or other drawdowns as needed.

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: City of Peterborough

Address: 500 George St N, Peterborough, ON K9H 3R9

Treasurer Information

Name: Richard Freymond

Phone Number: (705) 742-7777 Extension: 1863

Email: rfreymond@peterborough.ca

`

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

Name: Bonnye Fusco

Phone Number: (705) 742-7777 Extension: 1857

Email: bfusco@peterborough.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

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? 83,648

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

3.3 How much does a 1% tax rate increase generate? $ 2,426,149

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

Located on the historic, 386-kilometreTrent-Severn Waterway in the heart of the Kawartha tourism region, Peterborough is a unique community known for its exceptional quality of life and beautiful setting. The city has been named one of 52 destinations to visit in 2025 by the New York Times. Before it was ever known as Peterborough, this land was called Nogojiwanong – Ojibwe for "the place at the foot of the rapids." Today, the city remains continuously in motion, guided by a deep sense of community and connection. The City is located on the Treaty 20 Michi Saagiig Anishinaabeg territory and in the traditional territory of the Michi Saagiig and Chippewa Nations, known collectively as the Williams Treaty First Nations.

Peterborough benefits from a diversified economy. Key sectors of its economy are tourism, agriculture, government, and manufacturing, which is expanding. We also benefit from an extremely predictable and supportive local and regional government framework that has demonstrated high institutional stability and evidence of systemic extraordinary support in time of financial distress.

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)	$ 30,000,000
Total MNRI under the management and control of ONE JIB (A + B)	$ 30,000,000

☑ 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)**
Infrastructure	$ 30,000,000	$ 10,000,000	$ 20,000,000	
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 30,000,000	$ 10,000,000	$ 20,000,000	$ 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	$ 0	$ 10,000,000	$ 20,000,000	$ 0
Anticipated MNRI Contributions (+)	$ 10,000,000	$ 10,000,000	$ 30,000,000	$ 50,000,000	$ 0
Net Change to MNRI	$ 10,000,000	$ 10,000,000	$ 40,000,000	$ 70,000,000	$ 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 revenue, we estimate government grants, cash payments for various services, rebates and miscellaneous types of revenue. For expenses, we estimate the increase in costs based on inflation and collective agreement rates.

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

We currently do not forecast that far for our operating budgets but we do for capital budgets. We have a low degree of accuracy.

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 a slight chance that we will have a large capital project in the next 2 years but the decision to move ahead has been deferred to the incoming Council.

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?

Managing unanticipated requests are reviewed to see what funding sources are appropriate for the request. We would then review cashflow and proceed based on overall analysis of the situation. For the most part, we can accommodate most unanticipated requests as we will have access to approximately 2 years of cashflow.

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 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 28 day of September, 2026

Richard Freymond



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 City of Peterborough

DATE: November 24, 2026

CONTENTS

1. DEFINITIONS 1

2. PURPOSE 2

3. RESPONSIBILITY FOR PLAN 3

4. INVESTMENT GOALS AND OBJECTIVES 4

5. INVESTMENT PORTFOLIO 5

6. APPLICABLE ONE JIB POLICIES 7

7. ELIGIBLE FUNDS 8

8. REBALANCING 10

9. IMPLEMENTATION 11

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 City of Peterborough's Money Not Required Immediately (MNRI) as defined in Section 3.1 of the City's Investment Policy (Policy).

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

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 City of Peterborough's Policy.

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 City of Peterborough's investment needs, as described in its Investment Policy, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the Municipal Client Questionnaire (MCQ) and dialogue with the Treasurer inform ONE JIB about the municipality's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of the City's MNRI in this Plan is consistent with the details as disclosed in their Investment Policy and MCQ. Section 5.2.1 of their Investment Policy 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 • 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 Income and capital appreciation • Manage risks, such as inflation, economic growth and interest rates.

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 D (40% Equity) assigned.	$30,000,000

**Initial MNRI contribution identified in the MCQ*

Other considerations:

- The municipality's current MNRI contribution is $30 million, with an investment horizon of less than 10 years.
- The municipality is an existing ONE Investment Legal List municipality, with experience in both fixed income and equities
- Council has approved the Investment Policy which does not permit Alternative investments.
- The Treasurer identified that the investment horizon in the MCQ is intentionally conservative based on decisions to be made by the new Council in 2027.
- Based on this uncertainty, the municipality has expressed a preference for a conservative allocation to equities.
- Investment horizon uncertainty will be clearer next year pending outstanding Council decisions.

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
January 2027	• MNRI will be remitted to ONE JIB in cash and deployed into the model portfolios after the Investment Plan is approved

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested.

Cashflow needs of the municipality 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: November 24, 2026
Re: Risk and Audit Committee Update - Q4 2026
Report: ONE JIB 2026-063

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.

2. SUMMARY

This report updates the ONE JIB on matters considered by the Risk and Audit Committee on October 1, 2026, including the Committee's oversight of PH&N Investment's downgraded-bond policy, the 2026 compliance review, operational and governance initiatives, cybersecurity, enterprise risk, and service-provider performance.

The compliance review identified four improvement opportunities related to CIO oversight, CIO/CCO meetings with the external investment manager, and third-party cybersecurity and business-continuity documentation. Management accepted the recommendations and will update its oversight practices, Compliance Manual, and Task List.

The Committee also reviewed leadership transition and CIO-recruitment planning, temporary PH&N investment support, onboarding of four new prudent investors, contributions from two existing investors, and Harmony compliance-reporting improvements. CIBC Mellon's performance variances were within industry standards; RBC Investor Services reported no issues.

3. BACKGROUND

The ONE Investment Risk and Audit Committee has five members:

- James (Jim) Giles (Chair) from the ONE JIB
- Trevor Pinn (Vice Chair) from the ONE Investment Board
- Heidi Franken from the ONE JIB
- Duane Ramkissoon, Manager, Investment Portfolio, Durham Region, and
- Anna Lisa Barbon, Deputy City Manager, Finance Supports, City of London

Following its October 1, 2026 meeting, the ONE Investment Risk and Audit Committee met on November 19, 2026. This report covers the October 1 meeting.

4. ANALYSIS

PH&N Investment's policy on downgraded bonds (fallen angels)

Staff provided a verbal update on PH&N Institutional's downgraded-bond policy. If bond downgrades cause a fund to breach credit-quality guidelines, the policy permits up to 5% of the fund to remain invested in downgraded bonds where the portfolio manager believes the credit rating could realistically be restored.

The policy sets no specific deadline for a credit-rating upgrade for continued holding eligibility. PH&N provided examples in the investment mandates for its PH&N Short Term Bond & Mortgage Fund and PH&N Corporate Bond Trust. The policy also applies to other bond-focused funds.

Management Committee's response to the 2026 compliance review

ARA Compliance Support completed ONE Investment's 2026 compliance review through staff interviews and document review. It confirmed that the Chief Compliance Officer (CCO), ARA Compliance Support, and ONE's Compliance Manual and Task List continue to support the compliance regime.

The review made four recommendations: reassess the scope and documentation of Chief Investment Officer (CIO) oversight; confirm whether annual CIO and CCO meetings with the PI External Investment Manager remain necessary; and clarify annual cybersecurity and business-continuity documentation requirements for key third-party service providers.

ONE accepted the recommendations and will update its oversight practices, Compliance Manual, and Compliance Task List. Staff will conduct the next review in 2028.

Operational, governance, cybersecurity and enterprise-risk update

The Management Committee reported on operational, governance, investment, cybersecurity and enterprise-risk priorities amid growing municipal demand. Updates covered the Co-President/CEO transition, CIO recruitment planning, activation of a Temporary Services Agreement with PH&N for investment support, and revisions to the ONE JIB Servicing Agreement to allow greater flexibility in CIO and CCO responsibilities.

Service-provider performance remained within industry standards

The Committee reviewed CIBC Mellon's quarterly performance report for fund administration and custody services and RBC Investor Services' attestation. All CIBC Mellon variances were within industry standards; RBC Investor Services reported no issues. Monthly meetings between ONE's CCO and CIBC Mellon will continue.

Investor onboarding and OCIO compliance-reporting improvements

Last quarter, compliance activities supported onboarding four new Prudent Investor (PI) municipalities and additional contributions from two existing PI investors. ONE's CCO

continues to refine oversight, including reporting frequency and depth.

Committee self-evaluation

Annual committee evaluation is a not-for-profit best practice. The Audit Committee completed its first self-evaluation in October 2021. The Committee reviewed the questions for the 2026 survey, which will be distributed to the committee, with results expected for the next Risk and Audit Committee meeting.

ONE Investment Board and ONE JIB updates

The Committee received updates from the ONE Investment Board's June 12, 2026 meeting and July 13 special meeting; ONE JIB's June 16 special meeting and September 10 regular meeting; and the ONE JIB Investment Policy Committee's August 5, 2026 meeting.

5. CONCLUSION

The Risk and Audit Committee supports the ONE Investment Board's oversight of financial statement approval, compliance and enterprise risk.

Drafted by: Donna Herridge, Co-President/Co-CEO, ONE Investment
Approved by: Donna Herridge and Christina Pavone, Co-Presidents/CEOs ONE Investment

REPORT

To: ONE Joint Investment Board
From: Jennifer Hess, Manager of Investment Services, MFOA
Date: November 24, 2026
Re: Investment Plan Implementation Report Q3 2026
Report: ONE JIB 2026-052

RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report for information.

SUMMARY

This report summarizes significant trading activity arising from client cash flows and the implementation of Investment Plans approved by ONE JIB. On September 10, 2026, the Board approved five annual Investment Plan reviews and one plan for a new participating municipality (Port Hope). The approved transactions have been completed, including $21,524,176 in contributions from Port Hope and an additional $6,055,471 in MNRI from Durham Region.

BACKGROUND

A summary of trading activity is provided to ONE JIB every quarter

This quarterly report summarizes significant transactions arising from client cash flows and the implementation of Investment Plans approved by ONE JIB. It excludes routine activity, such as portfolio rebalancing and the staged deployment of MNRI into less liquid investment funds, which may be addressed in other ONE JIB reports.

ANALYSIS

ONE JIB approved five annual Investment Plan reviews and one plan for a new participating municipality

At its September 10, 2026 meeting, ONE JIB approved five annual Investment Plan reviews and one new Investment Plan for Port Hope. The resulting MNRI transactions were completed in accordance with the approved plans, as summarized in Table 1.

Table 1 – Q3 2026 ONE JIB Investment Plan Reviews and New Plans

Municipality	Review Type	MNRI Contribution	Model Portfolio	Trading Date	Notes
District Municipality of Muskoka	Annual	$0	Model F	September 14, 2026	Change from Model E to Model F
Municipality of Red Lake	Annual	$0	Model D	N/A	No change to Model
City of Thunder Bay	Annual	$0	Model E+	N/A	No change to Model
Town of Whitby	Annual	$0	Model D	N/A	No change to Model
Regional Municipality of Durham – Short-Term	Annual	$0	Custom	N/A	No change to portfolio
Regional Municipality of Durham – Medium-Term	Annual	$0	Custom	N/A	No change to portfolio
Regional Municipality of Durham – Long-Term	Annual	$0	Custom	N/A	No change to portfolio
Regional Municipality of Durham – Sinking Fund (new)	Annual	$6,055,471.08	Custom	October 30, 2026	First annual contribution
Municipality of Port Hope – Rural Fund	New	$10,612,018.17	Model D+	October 1, 2026	New municipality
Municipality of Port Hope – Urban Fund	New	$10,912,157.85	Model D+	October 1, 2026	New municipality

CONCLUSION

Approved Q3 Investment Plan activity has been implemented

All Investment Plan activity summarized in Table 1 has been implemented. The annual reviews resulted in one model portfolio change and the establishment of a new Sinking Fund account for Durham Region. Contributions of $21,524,176 from Port Hope and $6,055,471 from Durham Region were invested in accordance with the approved plans. No further Board action is required.

Drafted by: Jennifer Hess, Manager, Investment Services, MFOA
Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

REPORT

To: ONE Joint Investment Board
From: Jennifer Hess, Manager of Investment Services, MFOA
Date: November 24, 2026
Re: Municipal Performance Reports - Q3 2026
Report: ONE JIB 2026-059

RECOMMENDATIONS

It is recommended that the Board:

1. Receive this report.

SUMMARY

Q3 2026 municipal performance reports were issued to all Participating Municipalities within the expected six-week period following quarter-end.

The reports provide municipalities and ONE JIB with information on investment performance, benchmark comparisons, portfolio positioning, and market conditions. Attachment 1 provides an executive summary of the quarterly reporting package.

BACKGROUND

Prudent Investment reporting uses a standardized format

Quarterly client reports follow the standardized format established by the External Investment Manager. Each report includes investment performance, benchmark comparisons, portfolio positioning, and commentary on economic and capital market conditions. Reports and supporting review materials are available to ONE JIB members in the resource library, and Attachment 1 provides an executive summary. Performance presented to municipalities and ONE JIB is reported before fees.

The inception date for consolidated holdings may differ from a municipality's Prudent Effective Date

Attachment 1 presents performance since inception for *consolidated holdings*. These returns generally begin when money not required immediately (MNRI) was first invested by the External Investment Manager. For Participating Municipalities that joined ONE JIB before June 2024, the inception date is March 6, 2025 — not the municipality's original Prudent Effective Date. March 6, 2025 is the date on which all existing municipalities transitioned to the new program and PH&N Institutional funds.

ANALYSIS

All quarterly reports were delivered within the expected timeline

ONE Investment issued Q3 2026 reports to all Participating Municipalities on October 23, 2026, within the expected six-week period following quarter-end. The reports support municipal oversight by providing timely information on investment performance and portfolio activity.

CONCLUSION

Q3 2026 reporting was completed on time and in the standardized format expected by ONE JIB. The reports provide the Board and Participating Municipalities with timely, consistent information to support oversight of municipal investment performance. No Board action is required beyond receiving this report.

ATTACHMENTS

Attachment 1: Executive Summary for ONE JIB for the Period Ending September 30, 2026

Drafted by: Jennifer Hess, Manager Investment Services, MFOA
Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

Attachment 1

Investment Management Report for

Executive Summary for ONE JIB

For Period Ending September 30, 2026

Table of Contents

Governance Report and Compliance Report 3

Town of Aurora Consolidated

Executive Summary 8

Town of Aurora

Executive Summary 9

Town of Aylmer Consolidated

Executive Summary 10

Town of Aylmer

Executive Summary 11

Town of Bracebridge Consolidated

Executive Summary 12

Town of Bracebridge

Executive Summary 13

Township of Central Frontenac

Executive Summary 14

Municipality of Clarington

Executive Summary 15

Regional Municipality of Durham Consolidated

Executive Summary 16

Regional Municipality of Durham Long

Executive Summary 17

Regional Municipality of Durham Medium

Executive Summary 19

Regional Municipality of Durham Short

Executive Summary 21

Town of Huntsville Consolidated

Executive Summary 22

Town of Huntsville

Executive Summary 23

Table of Contents

Town of Innisfil Consolidated
Executive Summary 24

Town of Innisfil
Executive Summary 25

City of Kenora Consolidated
Executive Summary 26

City of Kenora General Consolidated
Executive Summary 27

City of Kenora General
Executive Summary 28

City of Kenora CPTF Consolidated
Executive Summary 29

City of Kenora CPTF
Executive Summary 30

District Municipality of Muskoka Consolidated
Executive Summary 31

District Municipality of Muskoka
Executive Summary 32

Municipality of Neebing
Executive Summary 33

City of Quinte West
Executive Summary 34

Municipality of Red Lake
Executive Summary 35

City of Thunder Bay Consolidated
Executive Summary 36

City of Thunder Bay
Executive Summary 37

Table of Contents

Town of Whitby Consolidated

Executive Summary 38

Town of Whitby

Executive Summary 39

Municipality of Oliver Paipoonge

Executive Summary 40

Township of Georgian Bay

Executive Summary 41

Municipality of Lambton Shores

Executive Summary 42

Township of Front of Yonge

Executive Summary 43

Town of New Tecumseth

Executive Summary 44

Town of Georgina

Executive Summary 45

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	**Othman Taleb**, senior analyst, joined the RBC GAM Private Markets Global Infrastructure Investments team in September, supporting investment execution and management of the firm's infrastructure fund, bringing 12 years of infrastructure and private markets experience. Senior portfolio manager **Jimmy Buzaglo** went on personal leave from the RBC GAM Private Markets Real Estate Equity Investments team at the end of July. His responsibilities have been shared temporarily across the team.
Firm	On October 13th, **Brandon Gill New** joined RBC Global Asset Management as Global Head of Private Markets. In this role, she is responsible for leading our private market strategy and expanding our client offerings in this asset class. Brandon brings with her more than 25 years of global investment experience across public and private markets and succeeds Michael Kitt following his transition to Vice Chair.
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		
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	Compliant	
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	**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.
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	Samsung and TSMC were over 7% of the fund as of Sept 30th. Both securities currently have an internal exception whereby: If the limit for the security is 7%, we can drift to 10% (***Samsung***). Or if the limit of the security is 10%, we can drift to 12% (***TSMC***). In the benchmark, Samsung is weighted at 8.5% and TSMC at 15.6%. There was no purchase in either security during September.
RBC Emerging Markets Dividend Fund	Compliant	
RBC Canadian Core Real Estate Fund	Compliant	
RBC Global Infrastructure Fund	See Notes	Fund in build-out phase. As of Sept 30, 20.8% is in cash/money market in the RBC Global Infrastructure Fund. Single Asset Concentration (10% max limit): Plan to bring down from ~16% (407 ETR and Pattern Energy) organically as more assets are added. Trending to ~12% in 12-months time. Risk Management confirmed its support for this plan.



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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	7,640,289	12.5
PH&N Private Placement Corporate Debt Fund	4,538,923	7.4
PH&N Short Term Bond & Mortgage Fund	12,717,476	20.7
RBC Commercial Mortgage Fund	5,668,854	9.2
PH&N Canadian Equity Fund	2,514,625	4.1
PH&N Canadian Equity Value Fund	2,520,428	4.1
RBC QUBE Canadian Equity Fund	2,587,728	4.2
RBC QUBE Low Volatility Canadian Equity Fund	7,364,690	12.0
PH&N U.S. Equity Fund (CAD)	1,282,990	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	2,410,030	3.9
RBC QUBE U.S. Equity Fund	1,287,967	2.1
RBC International Equity Fund (CAD)	3,754,869	6.1
RBC QUBE International Equity Fund	3,787,433	6.2
RBC Emerging Markets Dividend Fund (CAD)	1,630,573	2.7
RBC Emerging Markets Equity Fund (CAD)	1,633,291	2.7
Total Portfolio	**61,340,166**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.36**	**7.12**	**9.27**	**-**	**-**	**-**	**-**	**-**	**11.30**

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	7,640,289	12.5
PH&N Private Placement Corporate Debt Fund	4,538,923	7.4
PH&N Short Term Bond & Mortgage Fund	12,717,476	20.7
RBC Commercial Mortgage Fund	5,668,854	9.2
PH&N Canadian Equity Fund	2,514,625	4.1
PH&N Canadian Equity Value Fund	2,520,428	4.1
RBC QUBE Canadian Equity Fund	2,587,728	4.2
RBC QUBE Low Volatility Canadian Equity Fund	7,364,690	12.0
PH&N U.S. Equity Fund (CAD)	1,282,990	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	2,410,030	3.9
RBC QUBE U.S. Equity Fund	1,287,967	2.1
RBC International Equity Fund (CAD)	3,754,869	6.1
RBC QUBE International Equity Fund	3,787,433	6.2
RBC Emerging Markets Dividend Fund (CAD)	1,630,573	2.7
RBC Emerging Markets Equity Fund (CAD)	1,633,291	2.7
Total Portfolio	**61,340,166**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.36**	**7.12**	**9.27**	**-**	**-**	**-**	**-**	**-**	**9.66**
*Benchmark***	*-0.67*	*5.97*	*9.08*	-	-	-	-	-	*9.46*
Relative Performance	+0.31	+1.15	+0.19	-	-	-	-	-	+0.20

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	153,070	7.0
PH&N Private Placement Corporate Debt Fund	54,277	2.5
PH&N Short Term Bond & Mortgage Fund	615,868	28.2
PH&N Canadian Equity Fund	97,916	4.5
PH&N Canadian Equity Value Fund	97,785	4.5
RBC QUBE Canadian Equity Fund	99,855	4.6
RBC QUBE Low Volatility Canadian Equity Fund	271,237	12.4
PH&N U.S. Equity Fund (CAD)	45,973	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	89,053	4.1
RBC QUBE U.S. Equity Fund	47,003	2.1
RBC International Equity Fund (CAD)	136,212	6.2
RBC QUBE International Equity Fund	140,103	6.4
RBC Emerging Markets Dividend Fund (CAD)	62,355	2.9
RBC Emerging Markets Equity Fund (CAD)	61,936	2.8
RBC Canadian Core Real Estate Fund	105,728	4.8
RBC Global Infrastructure Fund LP	108,264	5.0
Total Portfolio	**2,186,636**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.06**	**7.63**	**9.84**	**-**	**-**	**-**	**-**	**-**	**14.17**

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	153,070	7.0
PH&N Private Placement Corporate Debt Fund	54,277	2.5
PH&N Short Term Bond & Mortgage Fund	615,868	28.2
PH&N Canadian Equity Fund	97,916	4.5
PH&N Canadian Equity Value Fund	97,785	4.5
RBC QUBE Canadian Equity Fund	99,855	4.6
RBC QUBE Low Volatility Canadian Equity Fund	271,237	12.4
PH&N U.S. Equity Fund (CAD)	45,973	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	89,053	4.1
RBC QUBE U.S. Equity Fund	47,003	2.1
RBC International Equity Fund (CAD)	136,212	6.2
RBC QUBE International Equity Fund	140,103	6.4
RBC Emerging Markets Dividend Fund (CAD)	62,355	2.9
RBC Emerging Markets Equity Fund (CAD)	61,936	2.8
RBC Canadian Core Real Estate Fund	105,728	4.8
RBC Global Infrastructure Fund LP	108,264	5.0
Total Portfolio	**2,186,636**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.06**	**7.63**	**-**	**-**	**-**	**-**	**-**	**-**	**8.40**
*Benchmark***	*-0.44*	*6.66*	-	-	-	-	-	-	*7.85*
Relative Performance	+0.38	+0.97	-	-	-	-	-	-	+0.55

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
PH&N Short Term Bond & Mortgage Fund	2,888,588	28.9
PH&N Canadian Equity Fund	1,001,087	10.0
PH&N Canadian Equity Value Fund	1,007,256	10.1
RBC QUBE Canadian Equity Fund	1,017,437	10.2
RBC QUBE Low Volatility Canadian Equity Fund	492,382	4.9
PH&N U.S. Equity Fund (CAD)	308,833	3.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	628,954	6.3
RBC QUBE U.S. Equity Fund	312,953	3.1
RBC International Equity Fund (CAD)	806,180	8.1
RBC QUBE International Equity Fund	828,112	8.3
RBC Emerging Markets Dividend Fund (CAD)	345,415	3.5
RBC Emerging Markets Equity Fund (CAD)	356,070	3.6
Total Portfolio	**9,993,266**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.46**	**10.19**	**12.54**	**-**	**-**	**-**	**-**	**-**	**15.41**

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
PH&N Short Term Bond & Mortgage Fund	2,888,588	28.9
PH&N Canadian Equity Fund	1,001,087	10.0
PH&N Canadian Equity Value Fund	1,007,256	10.1
RBC QUBE Canadian Equity Fund	1,017,437	10.2
RBC QUBE Low Volatility Canadian Equity Fund	492,382	4.9
PH&N U.S. Equity Fund (CAD)	308,833	3.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	628,954	6.3
RBC QUBE U.S. Equity Fund	312,953	3.1
RBC International Equity Fund (CAD)	806,180	8.1
RBC QUBE International Equity Fund	828,112	8.3
RBC Emerging Markets Dividend Fund (CAD)	345,415	3.5
RBC Emerging Markets Equity Fund (CAD)	356,070	3.6
Total Portfolio	**9,993,266**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.46**	**10.19**	**-**	**-**	**-**	**-**	**-**	**-**	**11.11**
*Benchmark***	*0.24*	*8.74*	-	-	-	-	-	-	*10.63*
Relative Performance	+0.22	+1.45	-	-	-	-	-	-	+0.48

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	442,924	9.7
PH&N Short Term Bond & Mortgage Fund	1,049,605	23.1
RBC Commercial Mortgage Fund	300,241	6.6
PH&N Canadian Equity Fund	299,767	6.6
PH&N Canadian Equity Value Fund	302,310	6.6
RBC QUBE Canadian Equity Fund	306,081	6.7
RBC QUBE Low Volatility Canadian Equity Fund	447,780	9.8
PH&N U.S. Equity Fund (CAD)	116,091	2.6
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	233,245	5.1
RBC QUBE U.S. Equity Fund	118,481	2.6
RBC International Equity Fund (CAD)	320,350	7.0
RBC QUBE International Equity Fund	330,402	7.3
RBC Emerging Markets Dividend Fund (CAD)	138,179	3.0
RBC Emerging Markets Equity Fund (CAD)	142,247	3.1
Total Portfolio	**4,547,702**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.05**	**8.59**	**11.19**	**-**	**-**	**-**	**-**	**-**	**14.25**
*Benchmark***	*-0.22*	*7.35*	*11.21*	-	-	-	-	-	*16.28*
Relative Performance	+0.27	+1.24	-0.02	-	-	-	-	-	-2.03

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
PH&N Short Term Bond & Mortgage Fund	5,154,098	19.7
PH&N Canadian Equity Fund	2,986,489	11.4
PH&N Canadian Equity Value Fund	3,006,239	11.5
RBC QUBE Canadian Equity Fund	3,013,553	11.5
PH&N U.S. Equity Fund (CAD)	1,249,753	4.8
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	805,398	3.1
RBC QUBE U.S. Equity Fund	1,268,975	4.9
RBC International Equity Fund (CAD)	2,131,743	8.2
RBC QUBE International Equity Fund	2,120,639	8.1
RBC Emerging Markets Dividend Fund (CAD)	955,646	3.7
RBC Emerging Markets Equity Fund (CAD)	982,944	3.8
RBC Canadian Core Real Estate Fund	1,191,844	4.6
RBC Global Infrastructure Fund LP	1,230,500	4.7
Total Portfolio	**26,097,824**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.86**	**11.13**	**13.92**	**-**	**-**	**-**	**-**	**-**	**16.51**
*Benchmark***	*0.47*	*9.44*	*14.24*	-	-	-	-	-	*19.32*
Relative Performance	+0.39	+1.69	-0.32	-	-	-	-	-	-2.81

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	311,882,392	14.9
PH&N Corporate Bond Trust	20,599,410	1.0
PH&N Enhanced Total Return Bond Fund	337,466,623	16.1
PH&N High Yield Bond Fund	2,711,790	0.1
PH&N Private Placement Corporate Debt Fund	203,274,567	9.7
PH&N Short Term Bond & Mortgage Fund	420,086,274	20.0
RBC Commercial Mortgage Fund	200,765,162	9.6
RBC High Yield Bond Fund	2,603,368	0.1
PH&N Canadian Equity Fund	49,269,835	2.3
PH&N Canadian Equity Value Fund	49,284,779	2.3
RBC QUBE Canadian Equity Fund	49,745,703	2.4
RBC QUBE Low Volatility Canadian Equity Fund	147,754,683	7.0
PH&N U.S. Equity Fund (CAD)	51,992,029	2.5
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	97,789,444	4.7
RBC QUBE U.S. Equity Fund	51,727,762	2.5
RBC International Equity Fund (CAD)	50,509,601	2.4
RBC QUBE International Equity Fund	50,281,733	2.4
Total Portfolio	**2,097,745,156**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.75**	**4.01**	**5.23**	**7.13**	**-**	**-**	**-**	**-**	**8.00**

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	285,183,762	14.9
PH&N Enhanced Total Return Bond Fund	337,466,623	17.6
PH&N Private Placement Corporate Debt Fund	190,499,532	9.9
PH&N Short Term Bond & Mortgage Fund	342,063,275	17.8
RBC Commercial Mortgage Fund	188,222,260	9.8
PH&N Canadian Equity Fund	47,266,816	2.5
PH&N Canadian Equity Value Fund	47,264,315	2.5
RBC QUBE Canadian Equity Fund	47,711,883	2.5
RBC QUBE Low Volatility Canadian Equity Fund	141,890,288	7.4
PH&N U.S. Equity Fund (CAD)	49,940,656	2.6
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	93,883,261	4.9
RBC QUBE U.S. Equity Fund	49,619,101	2.6
RBC International Equity Fund (CAD)	48,501,644	2.5
RBC QUBE International Equity Fund	48,303,474	2.5
Total Portfolio	**1,917,816,888**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.74**	**4.18**	**5.44**	**7.40**	**-**	**-**	**-**	**-**	**8.26**
*Benchmark***	*-1.59*	*3.24*	*4.92*	*7.51*	-	-	-	-	*8.70*
Relative Performance	+0.85	+0.94	+0.52	-0.11	-	-	-	-	-0.44

* 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 September 30, 2026 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
BlueBay Total Return Credit Fund (Canada)	13.5	16.5	15.0	14.9	14.5
PH&N Enhanced Total Return Bond Fund	16.0	19.0	17.5	17.6	16.9
PH&N Private Placement Corporate Debt Fund	9.0	11.0	10.0	9.9	9.9
PH&N Short Term Bond & Mortgage Fund	16.0	19.0	17.5	17.8	17.4
RBC Commercial Mortgage Fund	9.0	11.0	10.0	9.8	9.0

Asset Mix

Asset Mix for ONE Investment - Durham Long as of September 30, 2026 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
PH&N Canadian Equity Value Fund	1.5	3.5	2.5	2.5	2.7
PH&N Canadian Equity Fund	1.5	3.5	2.5	2.5	2.7
RBC QUBE Canadian Equity Fund	1.5	3.5	2.5	2.5	2.7
RBC QUBE Low Volatility Canadian Equity Fund	6.5	8.5	7.5	7.4	8.2
PH&N U.S. Equity Fund (CAD)	1.5	3.5	2.5	2.6	2.7
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	4.0	6.0	5.0	4.9	5.1
RBC QUBE U.S. Equity Fund	1.5	3.5	2.5	2.6	2.7
RBC International Equity Fund (CAD)	1.5	3.5	2.5	2.5	2.8
RBC QUBE International Equity Fund	1.5	3.5	2.5	2.5	2.6

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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	10,934,651	14.4
PH&N Private Placement Corporate Debt Fund	7,528,767	9.9
PH&N Short Term Bond & Mortgage Fund	26,274,481	34.6
RBC Commercial Mortgage Fund	7,198,540	9.5
PH&N Canadian Equity Fund	2,003,020	2.6
PH&N Canadian Equity Value Fund	2,020,465	2.7
RBC QUBE Canadian Equity Fund	2,033,821	2.7
RBC QUBE Low Volatility Canadian Equity Fund	5,864,395	7.7
PH&N U.S. Equity Fund (CAD)	2,051,373	2.7
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	3,906,183	5.1
RBC QUBE U.S. Equity Fund	2,108,661	2.8
RBC International Equity Fund (CAD)	2,007,958	2.6
RBC QUBE International Equity Fund	1,978,259	2.6
Total Portfolio	**75,910,572**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.42**	**4.30**	**5.74**	**7.63**	**-**	**-**	**-**	**-**	**8.39**
*Benchmark***	*-1.59*	*3.24*	*4.92*	*7.51*	-	-	-	-	*8.70*
Relative Performance	+1.17	+1.06	+0.82	+0.12	-	-	-	-	-0.31

* 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 September 30, 2026 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
BlueBay Total Return Credit Fund (Canada)	13.5	16.5	15.0	14.4	14.6
PH&N Private Placement Corporate Debt Fund	9.0	11.0	10.0	9.9	10.0
PH&N Short Term Bond & Mortgage Fund	33.0	37.0	35.0	34.6	34.7
RBC Commercial Mortgage Fund	9.0	11.0	10.0	9.5	9.4
PH&N Canadian Equity Value Fund	1.5	3.5	2.5	2.7	2.7
PH&N Canadian Equity Fund	1.5	3.5	2.5	2.6	2.6

Asset Mix

Asset Mix for ONE Investment - Durham Medium as of September 30, 2026 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
RBC QUBE Canadian Equity Fund	1.5	3.5	2.5	2.7	2.6
RBC QUBE Low Volatility Canadian Equity Fund	6.5	8.5	7.5	7.7	8.0
PH&N U.S. Equity Fund (CAD)	1.5	3.5	2.5	2.7	2.7
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	4.0	6.0	5.0	5.2	5.0
RBC QUBE U.S. Equity Fund	1.5	3.5	2.5	2.8	2.7
RBC International Equity Fund (CAD)	1.5	3.5	2.5	2.7	2.7
RBC QUBE International Equity Fund	1.5	3.5	2.5	2.6	2.6

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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	15,763,979	15.2
PH&N Corporate Bond Trust	20,599,410	19.8
PH&N High Yield Bond Fund	2,711,790	2.6
PH&N Private Placement Corporate Debt Fund	5,246,268	5.0
PH&N Short Term Bond & Mortgage Fund	51,748,518	49.7
RBC Commercial Mortgage Fund	5,344,363	5.1
RBC High Yield Bond Fund	2,603,368	2.5
Total Portfolio	**104,017,696**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-1.18**	**0.81**	**1.28**	**3.29**	**-**	**-**	**-**	**-**	**4.30**
*Benchmark***	*-2.96*	*-0.78*	*-1.10*	*0.89*	-	-	-	-	*2.41*
Relative Performance	+1.78	+1.59	+2.38	+2.40	-	-	-	-	+1.89

* 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 September 30, 2026 (%)

Sector Allocations	Minimum	Maximum	Target	Current Quarter	Previous Quarter
BlueBay Total Return Credit Fund (Canada)	13.5	16.5	15.0	15.2	15.3
PH&N Corporate Bond Trust	18.5	21.5	20.0	19.8	20.0
PH&N High Yield Bond Fund	1.5	3.5	2.5	2.6	2.6
PH&N Private Placement Corporate Debt Fund	4.0	6.0	5.0	5.0	5.1
PH&N Short Term Bond & Mortgage Fund	48.0	52.0	50.0	49.8	49.5
RBC Commercial Mortgage Fund	4.0	6.0	5.0	5.1	5.0
RBC High Yield Bond Fund	1.5	3.5	2.5	2.5	2.5

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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	2,437,124	14.9
PH&N Private Placement Corporate Debt Fund	1,616,562	9.9
PH&N Short Term Bond & Mortgage Fund	4,517,575	27.7
RBC Commercial Mortgage Fund	1,160,686	7.1
PH&N Canadian Equity Fund	545,442	3.3
PH&N Canadian Equity Value Fund	545,409	3.3
RBC QUBE Canadian Equity Fund	558,882	3.4
RBC QUBE Low Volatility Canadian Equity Fund	1,581,227	9.7
PH&N U.S. Equity Fund (CAD)	426,077	2.6
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	799,622	4.9
RBC QUBE U.S. Equity Fund	432,241	2.6
RBC International Equity Fund (CAD)	853,939	5.2
RBC QUBE International Equity Fund	846,130	5.2
Total Portfolio	**16,320,917**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.39**	**5.35**	**7.13**	**-**	**-**	**-**	**-**	**-**	**9.03**

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	2,437,124	14.9
PH&N Private Placement Corporate Debt Fund	1,616,562	9.9
PH&N Short Term Bond & Mortgage Fund	4,517,575	27.7
RBC Commercial Mortgage Fund	1,160,686	7.1
PH&N Canadian Equity Fund	545,442	3.3
PH&N Canadian Equity Value Fund	545,409	3.3
RBC QUBE Canadian Equity Fund	558,882	3.4
RBC QUBE Low Volatility Canadian Equity Fund	1,581,227	9.7
PH&N U.S. Equity Fund (CAD)	426,077	2.6
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	799,622	4.9
RBC QUBE U.S. Equity Fund	432,241	2.6
RBC International Equity Fund (CAD)	853,939	5.2
RBC QUBE International Equity Fund	846,130	5.2
Total Portfolio	**16,320,917**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.39**	**5.35**	**7.13**	**-**	**-**	**-**	**-**	**-**	**9.39**
*Benchmark***	*-1.13*	*4.60*	*6.98*	-	-	-	-	-	*9.96*
Relative Performance	+0.74	+0.75	+0.15	-	-	-	-	-	-0.57

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	10,200,457	14.4
PH&N Private Placement Corporate Debt Fund	7,024,747	9.9
PH&N Short Term Bond & Mortgage Fund	23,889,541	33.7
RBC Commercial Mortgage Fund	6,783,228	9.6
PH&N Canadian Equity Fund	1,791,960	2.5
PH&N Canadian Equity Value Fund	1,796,654	2.5
RBC QUBE Canadian Equity Fund	1,851,237	2.6
RBC QUBE Low Volatility Canadian Equity Fund	5,195,141	7.3
PH&N U.S. Equity Fund (CAD)	1,581,557	2.2
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	3,014,121	4.3
RBC QUBE U.S. Equity Fund	1,598,913	2.3
RBC International Equity Fund (CAD)	3,126,828	4.4
RBC QUBE International Equity Fund	2,979,458	4.2
Total Portfolio	**70,833,841**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.52**	**4.30**	**5.62**	**-**	**-**	**-**	**-**	**-**	**8.98**

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	10,200,457	14.4
PH&N Private Placement Corporate Debt Fund	7,024,747	9.9
PH&N Short Term Bond & Mortgage Fund	23,889,541	33.7
RBC Commercial Mortgage Fund	6,783,228	9.6
PH&N Canadian Equity Fund	1,791,960	2.5
PH&N Canadian Equity Value Fund	1,796,654	2.5
RBC QUBE Canadian Equity Fund	1,851,237	2.6
RBC QUBE Low Volatility Canadian Equity Fund	5,195,141	7.3
PH&N U.S. Equity Fund (CAD)	1,581,557	2.2
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	3,014,121	4.3
RBC QUBE U.S. Equity Fund	1,598,913	2.3
RBC International Equity Fund (CAD)	3,126,828	4.4
RBC QUBE International Equity Fund	2,979,458	4.2
Total Portfolio	**70,833,841**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.52**	**4.30**	**5.62**	**-**	**-**	**-**	**-**	**-**	**5.81**
*Benchmark***	*-1.59*	*3.24*	*4.92*	-	-	-	-	-	*5.25*
Relative Performance	+1.07	+1.06	+0.70	-	-	-	-	-	+0.56

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	7,026,807	8.9
PH&N Private Placement Corporate Debt Fund	3,293,593	4.2
PH&N Short Term Bond & Mortgage Fund	22,686,803	28.8
PH&N Canadian Equity Fund	3,398,093	4.3
PH&N Canadian Equity Value Fund	3,400,155	4.3
RBC QUBE Canadian Equity Fund	3,496,144	4.4
RBC QUBE Low Volatility Canadian Equity Fund	9,712,764	12.3
PH&N U.S. Equity Fund (CAD)	1,657,747	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	3,177,858	4.0
RBC QUBE U.S. Equity Fund	1,684,751	2.1
RBC International Equity Fund (CAD)	4,891,665	6.2
RBC QUBE International Equity Fund	4,998,755	6.3
RBC Emerging Markets Dividend Fund (CAD)	2,200,968	2.8
RBC Emerging Markets Equity Fund (CAD)	2,204,207	2.8
RBC Canadian Core Real Estate Fund	2,496,188	3.2
RBC Global Infrastructure Fund LP	2,556,040	3.2
Total Portfolio	**78,882,537**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.20**	**7.39**	**8.97**	**-**	**-**	**-**	**-**	**-**	**10.52**

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	3,410,117	12.5
PH&N Private Placement Corporate Debt Fund	2,026,527	7.4
PH&N Short Term Bond & Mortgage Fund	8,192,477	29.9
PH&N Canadian Equity Fund	1,122,996	4.1
PH&N Canadian Equity Value Fund	1,125,057	4.1
RBC QUBE Canadian Equity Fund	1,155,971	4.2
RBC QUBE Low Volatility Canadian Equity Fund	3,288,260	12.0
PH&N U.S. Equity Fund (CAD)	572,339	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	1,075,359	3.9
RBC QUBE U.S. Equity Fund	575,034	2.1
RBC International Equity Fund (CAD)	1,675,774	6.1
RBC QUBE International Equity Fund	1,690,995	6.2
RBC Emerging Markets Dividend Fund (CAD)	729,211	2.7
RBC Emerging Markets Equity Fund (CAD)	730,427	2.7
Total Portfolio	**27,370,544**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.45**	**6.96**	**8.77**	**-**	**-**	**-**	**-**	**-**	**11.55**

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	3,410,117	12.5
PH&N Private Placement Corporate Debt Fund	2,026,527	7.4
PH&N Short Term Bond & Mortgage Fund	8,192,477	29.9
PH&N Canadian Equity Fund	1,122,996	4.1
PH&N Canadian Equity Value Fund	1,125,057	4.1
RBC QUBE Canadian Equity Fund	1,155,971	4.2
RBC QUBE Low Volatility Canadian Equity Fund	3,288,260	12.0
PH&N U.S. Equity Fund (CAD)	572,339	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	1,075,359	3.9
RBC QUBE U.S. Equity Fund	575,034	2.1
RBC International Equity Fund (CAD)	1,675,774	6.1
RBC QUBE International Equity Fund	1,690,995	6.2
RBC Emerging Markets Dividend Fund (CAD)	729,211	2.7
RBC Emerging Markets Equity Fund (CAD)	730,427	2.7
Total Portfolio	**27,370,544**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.45**	**6.96**	**-**	**-**	**-**	**-**	**-**	**-**	**7.53**
*Benchmark***	*-0.67*	*5.97*	-	-	-	-	-	-	*6.94*
Relative Performance	+0.22	+0.99	-	-	-	-	-	-	+0.59

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	3,616,690	7.0
PH&N Private Placement Corporate Debt Fund	1,267,066	2.5
PH&N Short Term Bond & Mortgage Fund	14,494,326	28.1
PH&N Canadian Equity Fund	2,275,098	4.4
PH&N Canadian Equity Value Fund	2,275,098	4.4
RBC QUBE Canadian Equity Fund	2,340,172	4.5
RBC QUBE Low Volatility Canadian Equity Fund	6,424,504	12.5
PH&N U.S. Equity Fund (CAD)	1,085,408	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	2,102,499	4.1
RBC QUBE U.S. Equity Fund	1,109,717	2.2
RBC International Equity Fund (CAD)	3,215,890	6.2
RBC QUBE International Equity Fund	3,307,760	6.4
RBC Emerging Markets Dividend Fund (CAD)	1,471,757	2.9
RBC Emerging Markets Equity Fund (CAD)	1,473,780	2.9
RBC Canadian Core Real Estate Fund	2,496,188	4.8
RBC Global Infrastructure Fund LP	2,556,040	5.0
Total Portfolio	**51,511,993**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.07**	**7.63**	**9.09**	**-**	**-**	**-**	**-**	**-**	**9.99**

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	3,616,690	7.0
PH&N Private Placement Corporate Debt Fund	1,267,066	2.5
PH&N Short Term Bond & Mortgage Fund	14,494,326	28.1
PH&N Canadian Equity Fund	2,275,098	4.4
PH&N Canadian Equity Value Fund	2,275,098	4.4
RBC QUBE Canadian Equity Fund	2,340,172	4.5
RBC QUBE Low Volatility Canadian Equity Fund	6,424,504	12.5
PH&N U.S. Equity Fund (CAD)	1,085,408	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	2,102,499	4.1
RBC QUBE U.S. Equity Fund	1,109,717	2.2
RBC International Equity Fund (CAD)	3,215,890	6.2
RBC QUBE International Equity Fund	3,307,760	6.4
RBC Emerging Markets Dividend Fund (CAD)	1,471,757	2.9
RBC Emerging Markets Equity Fund (CAD)	1,473,780	2.9
RBC Canadian Core Real Estate Fund	2,496,188	4.8
RBC Global Infrastructure Fund LP	2,556,040	5.0
Total Portfolio	**51,511,993**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.07**	**7.63**	**-**	**-**	**-**	**-**	**-**	**-**	**8.08**
*Benchmark***	*-0.44*	*6.66*	-	-	-	-	-	-	*7.85*
Relative Performance	+0.37	+0.97	-	-	-	-	-	-	+0.23

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	16,369,365	9.9
PH&N Short Term Bond & Mortgage Fund	34,699,014	20.9
RBC Commercial Mortgage Fund	15,319,348	9.2
PH&N Canadian Equity Fund	10,947,906	6.6
PH&N Canadian Equity Value Fund	10,936,496	6.6
RBC QUBE Canadian Equity Fund	11,014,241	6.6
RBC QUBE Low Volatility Canadian Equity Fund	16,456,772	9.9
PH&N U.S. Equity Fund (CAD)	4,285,241	2.6
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	8,231,440	5.0
RBC QUBE U.S. Equity Fund	4,285,935	2.6
RBC International Equity Fund (CAD)	11,684,858	7.0
RBC QUBE International Equity Fund	11,641,756	7.0
RBC Emerging Markets Dividend Fund (CAD)	5,051,166	3.0
RBC Emerging Markets Equity Fund (CAD)	5,063,958	3.1
Total Portfolio	**165,987,497**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.33**	**7.15**	**9.31**	**-**	**-**	**-**	**-**	**-**	**11.85**

* 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 F as of September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	16,369,365	9.9
PH&N Short Term Bond & Mortgage Fund	34,699,014	20.9
RBC Commercial Mortgage Fund	15,319,348	9.2
PH&N Canadian Equity Fund	10,947,906	6.6
PH&N Canadian Equity Value Fund	10,936,496	6.6
RBC QUBE Canadian Equity Fund	11,014,241	6.6
RBC QUBE Low Volatility Canadian Equity Fund	16,456,772	9.9
PH&N U.S. Equity Fund (CAD)	4,285,241	2.6
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	8,231,440	5.0
RBC QUBE U.S. Equity Fund	4,285,935	2.6
RBC International Equity Fund (CAD)	11,684,858	7.0
RBC QUBE International Equity Fund	11,641,756	7.0
RBC Emerging Markets Dividend Fund (CAD)	5,051,166	3.0
RBC Emerging Markets Equity Fund (CAD)	5,063,958	3.1
Total Portfolio	**165,987,497**	**100.0**

Portfolio total in Canadian dollars.

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Muskoka - Model F as of September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.33**	**7.15**	**9.31**	**-**	**-**	**-**	**-**	**-**	**9.69**
*Benchmark***	*-0.80*	*5.84*	*8.94*	-	-	-	-	-	*9.33*
Relative Performance	+0.47	+1.31	+0.37	-	-	-	-	-	+0.36

* Performance inception date for ONE Investment - Muskoka - Model F is September 24, 2025.
** September 15, 2026 to Present: ONE JIB Reference Portfolio F, which is 60% S&P/TSX Capped Composite and 40% FTSE Canada Universe Bond Index.
Prior to September 15, 2026: 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	424,676	12.5
PH&N Private Placement Corporate Debt Fund	251,302	7.4
PH&N Short Term Bond & Mortgage Fund	721,955	21.2
RBC Commercial Mortgage Fund	295,110	8.7
PH&N Canadian Equity Fund	139,707	4.1
PH&N Canadian Equity Value Fund	139,808	4.1
RBC QUBE Canadian Equity Fund	143,729	4.2
RBC QUBE Low Volatility Canadian Equity Fund	409,418	12.0
PH&N U.S. Equity Fund (CAD)	71,456	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	133,998	3.9
RBC QUBE U.S. Equity Fund	71,314	2.1
RBC International Equity Fund (CAD)	208,952	6.1
RBC QUBE International Equity Fund	210,477	6.2
RBC Emerging Markets Dividend Fund (CAD)	90,428	2.7
RBC Emerging Markets Equity Fund (CAD)	90,572	2.7
Total Portfolio	**3,402,902**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.32**	**7.18**	**9.35**	**-**	**-**	**-**	**-**	**-**	**11.28**
*Benchmark***	*-0.67*	*5.97*	*9.08*	-	-	-	-	-	*13.23*
Relative Performance	+0.35	+1.21	+0.27	-	-	-	-	-	-1.95

* 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 F as of September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	3,654,537	9.5
PH&N Short Term Bond & Mortgage Fund	7,748,806	20.2
RBC Commercial Mortgage Fund	3,379,788	8.8
PH&N Canadian Equity Fund	2,570,593	6.7
PH&N Canadian Equity Value Fund	2,588,242	6.7
RBC QUBE Canadian Equity Fund	2,608,709	6.8
RBC QUBE Low Volatility Canadian Equity Fund	3,771,442	9.8
PH&N U.S. Equity Fund (CAD)	1,016,834	2.6
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	1,994,730	5.2
RBC QUBE U.S. Equity Fund	1,018,954	2.7
RBC International Equity Fund (CAD)	2,783,805	7.3
RBC QUBE International Equity Fund	2,813,532	7.3
RBC Emerging Markets Dividend Fund (CAD)	1,197,683	3.1
RBC Emerging Markets Equity Fund (CAD)	1,231,892	3.2
Total Portfolio	**38,379,547**	**100.0**

Portfolio total in Canadian dollars.

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Quinte West - Model F as of September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.09**	**7.08**	**8.83**	**-**	**-**	**-**	**-**	**-**	**10.17**
*Benchmark***	*-0.22*	*6.09*	*8.51*	-	-	-	-	-	*11.46*
Relative Performance	+0.31	+0.99	+0.32	-	-	-	-	-	-1.29

* Performance inception date for ONE Investment - Quinte West - Model F is March 06, 2025.
** April 28, 2026 to Present: ONE JIB Reference Portfolio F, which is 60% S&P/TSX Capped Composite and 40% FTSE Canada Universe Bond Index.
Prior to April 28, 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.

Executive Summary - Municipality of Red Lake

Summary of Assets

Summary of Assets for ONE Investment - Red Lake - Model D as of September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	389,523	14.4
PH&N Private Placement Corporate Debt Fund	268,625	9.9
PH&N Short Term Bond & Mortgage Fund	704,242	26.0
RBC Commercial Mortgage Fund	229,083	8.5
PH&N Canadian Equity Fund	93,661	3.5
PH&N Canadian Equity Value Fund	94,074	3.5
RBC QUBE Canadian Equity Fund	94,542	3.5
RBC QUBE Low Volatility Canadian Equity Fund	265,607	9.8
PH&N U.S. Equity Fund (CAD)	72,898	2.7
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	136,613	5.0
RBC QUBE U.S. Equity Fund	72,672	2.7
RBC International Equity Fund (CAD)	141,920	5.2
RBC QUBE International Equity Fund	142,444	5.3
Total Portfolio	**2,705,903**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.39**	**5.34**	**7.12**	**-**	**-**	**-**	**-**	**-**	**10.30**
*Benchmark***	*-1.13*	*4.60*	*6.98*	-	-	-	-	-	*11.39*
Relative Performance	+0.74	+0.74	+0.14	-	-	-	-	-	-1.09

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	10,845,888	7.0
PH&N Private Placement Corporate Debt Fund	3,804,159	2.5
PH&N Short Term Bond & Mortgage Fund	43,519,384	28.1
PH&N Canadian Equity Fund	6,858,007	4.4
PH&N Canadian Equity Value Fund	6,855,126	4.4
RBC QUBE Canadian Equity Fund	7,055,184	4.6
RBC QUBE Low Volatility Canadian Equity Fund	19,271,188	12.5
PH&N U.S. Equity Fund (CAD)	3,255,835	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	6,306,744	4.1
RBC QUBE U.S. Equity Fund	3,328,755	2.2
RBC International Equity Fund (CAD)	9,646,520	6.2
RBC QUBE International Equity Fund	9,922,096	6.4
RBC Emerging Markets Dividend Fund (CAD)	4,408,596	2.9
RBC Emerging Markets Equity Fund (CAD)	4,414,640	2.9
RBC Canadian Core Real Estate Fund	7,487,670	4.8
RBC Global Infrastructure Fund LP	7,667,204	5.0
Total Portfolio	**154,646,998**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.07**	**7.63**	**9.32**	**-**	**-**	**-**	**-**	**-**	**11.28**

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	10,845,888	7.0
PH&N Private Placement Corporate Debt Fund	3,804,159	2.5
PH&N Short Term Bond & Mortgage Fund	43,519,384	28.1
PH&N Canadian Equity Fund	6,858,007	4.4
PH&N Canadian Equity Value Fund	6,855,126	4.4
RBC QUBE Canadian Equity Fund	7,055,184	4.6
RBC QUBE Low Volatility Canadian Equity Fund	19,271,188	12.5
PH&N U.S. Equity Fund (CAD)	3,255,835	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	6,306,744	4.1
RBC QUBE U.S. Equity Fund	3,328,755	2.2
RBC International Equity Fund (CAD)	9,646,520	6.2
RBC QUBE International Equity Fund	9,922,096	6.4
RBC Emerging Markets Dividend Fund (CAD)	4,408,596	2.9
RBC Emerging Markets Equity Fund (CAD)	4,414,640	2.9
RBC Canadian Core Real Estate Fund	7,487,670	4.8
RBC Global Infrastructure Fund LP	7,667,204	5.0
Total Portfolio	**154,646,998**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.07**	**7.63**	**-**	**-**	**-**	**-**	**-**	**-**	**8.17**
*Benchmark***	*-0.44*	*6.66*	-	-	-	-	-	-	*7.15*
Relative Performance	+0.37	+0.97	-	-	-	-	-	-	+1.02

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	32,661,139	14.4
PH&N Private Placement Corporate Debt Fund	22,506,066	9.9
PH&N Short Term Bond & Mortgage Fund	58,020,974	25.6
RBC Commercial Mortgage Fund	20,516,159	9.0
PH&N Canadian Equity Fund	7,853,126	3.5
PH&N Canadian Equity Value Fund	7,887,563	3.5
RBC QUBE Canadian Equity Fund	7,927,462	3.5
RBC QUBE Low Volatility Canadian Equity Fund	22,317,751	9.8
PH&N U.S. Equity Fund (CAD)	6,163,778	2.7
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	11,466,498	5.0
RBC QUBE U.S. Equity Fund	6,243,499	2.7
RBC International Equity Fund (CAD)	11,900,420	5.2
RBC QUBE International Equity Fund	11,614,018	5.1
Total Portfolio	**227,078,454**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.39**	**5.35**	**7.13**	**-**	**-**	**-**	**-**	**-**	**8.96**

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	32,661,139	14.4
PH&N Private Placement Corporate Debt Fund	22,506,066	9.9
PH&N Short Term Bond & Mortgage Fund	58,020,974	25.6
RBC Commercial Mortgage Fund	20,516,159	9.0
PH&N Canadian Equity Fund	7,853,126	3.5
PH&N Canadian Equity Value Fund	7,887,563	3.5
RBC QUBE Canadian Equity Fund	7,927,462	3.5
RBC QUBE Low Volatility Canadian Equity Fund	22,317,751	9.8
PH&N U.S. Equity Fund (CAD)	6,163,778	2.7
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	11,466,498	5.0
RBC QUBE U.S. Equity Fund	6,243,499	2.7
RBC International Equity Fund (CAD)	11,900,420	5.2
RBC QUBE International Equity Fund	11,614,018	5.1
Total Portfolio	**227,078,454**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.39**	**5.35**	**7.13**	**-**	**-**	**-**	**-**	**-**	**8.34**
*Benchmark***	*-1.13*	*4.60*	*6.98*	-	-	-	-	-	*9.96*
Relative Performance	+0.74	+0.75	+0.15	-	-	-	-	-	-1.62

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	423,415	9.4
PH&N Short Term Bond & Mortgage Fund	1,285,950	28.6
PH&N Canadian Equity Fund	304,896	6.8
PH&N Canadian Equity Value Fund	306,011	6.8
RBC QUBE Canadian Equity Fund	308,918	6.9
RBC QUBE Low Volatility Canadian Equity Fund	449,005	10.0
PH&N U.S. Equity Fund (CAD)	120,138	2.7
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	232,223	5.2
RBC QUBE U.S. Equity Fund	122,864	2.7
RBC International Equity Fund (CAD)	321,655	7.2
RBC QUBE International Equity Fund	325,474	7.2
RBC Emerging Markets Dividend Fund (CAD)	148,210	3.3
RBC Emerging Markets Equity Fund (CAD)	148,413	3.3
Total Portfolio	**4,497,173**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.03**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5.73**
*Benchmark***	*-0.22*	-	-	-	-	-	-	-	*4.44*
Relative Performance	+0.19	-	-	-	-	-	-	-	+1.29

* 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 September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	998,200	14.4
PH&N Private Placement Corporate Debt Fund	685,795	9.9
PH&N Short Term Bond & Mortgage Fund	2,357,185	34.1
PH&N Canadian Equity Fund	236,974	3.4
PH&N Canadian Equity Value Fund	237,836	3.4
RBC QUBE Canadian Equity Fund	240,094	3.5
RBC QUBE Low Volatility Canadian Equity Fund	691,021	10.0
PH&N U.S. Equity Fund (CAD)	183,243	2.7
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	364,977	5.3
RBC QUBE U.S. Equity Fund	182,905	2.6
RBC International Equity Fund (CAD)	361,095	5.2
RBC QUBE International Equity Fund	369,706	5.4
Total Portfolio	**6,909,030**	**100.0**

Portfolio total in Canadian dollars.

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 September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.50**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3.35**
*Benchmark***	*-1.13*	-	-	-	-	-	-	-	*2.47*
Relative Performance	+0.63	-	-	-	-	-	-	-	+0.88

* 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.

Executive Summary - Municipality of Lambton Shores

Summary of Assets

Summary of Assets for ONE Investment - Lambton Shores - Model G as of September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
PH&N Short Term Bond & Mortgage Fund	1,789,307	29.7
PH&N Canadian Equity Fund	595,806	9.9
PH&N Canadian Equity Value Fund	600,854	10.0
RBC QUBE Canadian Equity Fund	608,890	10.1
RBC QUBE Low Volatility Canadian Equity Fund	293,251	4.9
PH&N U.S. Equity Fund (CAD)	185,110	3.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	374,191	6.2
RBC QUBE U.S. Equity Fund	190,273	3.2
RBC International Equity Fund (CAD)	477,434	7.9
RBC QUBE International Equity Fund	493,154	8.2
RBC Emerging Markets Dividend Fund (CAD)	208,779	3.5
RBC Emerging Markets Equity Fund (CAD)	210,379	3.5
Total Portfolio	**6,027,428**	**100.0**

Portfolio total in Canadian dollars.

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Lambton Shores - Model G as of September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.46**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.48**
*Benchmark***	*0.24*	-	-	-	-	-	-	-	*-0.63*
Relative Performance	+0.22	-	-	-	-	-	-	-	+1.11

* Performance inception date for ONE Investment - Lambton Shores - Model G is June 17, 2026.
** 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 Front of Yonge

Summary of Assets

Summary of Assets for ONE Investment - Front of Yonge - Model G as of September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
PH&N Short Term Bond & Mortgage Fund	147,299	29.6
PH&N Canadian Equity Fund	49,021	9.9
PH&N Canadian Equity Value Fund	49,352	9.9
RBC QUBE Canadian Equity Fund	50,120	10.1
RBC QUBE Low Volatility Canadian Equity Fund	24,605	4.9
PH&N U.S. Equity Fund (CAD)	15,462	3.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	31,299	6.3
RBC QUBE U.S. Equity Fund	15,891	3.2
RBC International Equity Fund (CAD)	39,555	8.0
RBC QUBE International Equity Fund	40,855	8.2
RBC Emerging Markets Dividend Fund (CAD)	16,817	3.4
RBC Emerging Markets Equity Fund (CAD)	16,979	3.4
Total Portfolio	**497,255**	**100.0**

Portfolio total in Canadian dollars.

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Front of Yonge - Model G as of September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.46**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.69**
*Benchmark***	*0.24*	-	-	-	-	-	-	-	*-0.05*
Relative Performance	+0.22	-	-	-	-	-	-	-	+0.74

* Performance inception date for ONE Investment - Front of Yonge - Model G is June 18, 2026.
** 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 - Town of New Tecumseth

Summary of Assets

Summary of Assets for ONE Investment - New Tecumseth - Model E as of September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
BlueBay Total Return Credit Fund (Canada)	990,645	12.4
PH&N Private Placement Corporate Debt Fund	586,377	7.4
PH&N Short Term Bond & Mortgage Fund	2,392,702	30.0
PH&N Canadian Equity Fund	326,723	4.1
PH&N Canadian Equity Value Fund	327,540	4.1
RBC QUBE Canadian Equity Fund	335,899	4.2
RBC QUBE Low Volatility Canadian Equity Fund	956,330	12.0
PH&N U.S. Equity Fund (CAD)	166,659	2.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	311,254	3.9
RBC QUBE U.S. Equity Fund	167,012	2.1
RBC International Equity Fund (CAD)	487,688	6.1
RBC QUBE International Equity Fund	491,101	6.2
RBC Emerging Markets Dividend Fund (CAD)	215,915	2.7
RBC Emerging Markets Equity Fund (CAD)	216,958	2.7
Total Portfolio	**7,972,802**	**100.0**

Portfolio total in Canadian dollars.

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - New Tecumseth - Model E as of September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**-0.43**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-0.32**
*Benchmark***	*-0.67*	-	-	-	-	-	-	-	*-1.21*
Relative Performance	+0.24	-	-	-	-	-	-	-	+0.89

* Performance inception date for ONE Investment - New Tecumseth - Model E is June 17, 2026.
** 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 Georgina

Summary of Assets

Summary of Assets for ONE Investment - Georgina - Model G as of September 30, 2026

	Market Value ($) September 30, 2026	Market Value (%)
PH&N Short Term Bond & Mortgage Fund	5,964,357	29.7
PH&N Canadian Equity Fund	1,986,020	9.9
PH&N Canadian Equity Value Fund	2,002,845	10.0
RBC QUBE Canadian Equity Fund	2,029,632	10.1
RBC QUBE Low Volatility Canadian Equity Fund	977,505	4.9
PH&N U.S. Equity Fund (CAD)	617,034	3.1
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	1,247,305	6.2
RBC QUBE U.S. Equity Fund	634,243	3.2
RBC International Equity Fund (CAD)	1,591,447	7.9
RBC QUBE International Equity Fund	1,643,846	8.2
RBC Emerging Markets Dividend Fund (CAD)	695,931	3.5
RBC Emerging Markets Equity Fund (CAD)	701,263	3.5
Total Portfolio	**20,091,427**	**100.0**

Portfolio total in Canadian dollars.

All fund units are Series O unless otherwise stated in the name of the fund.

Account Performance

Performance for ONE Investment - Georgina - Model G as of September 30, 2026 (%)

	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr	SI*
Account	**0.46**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.48**
*Benchmark***	*0.24*	-	-	-	-	-	-	-	*-0.63*
Relative Performance	+0.22	-	-	-	-	-	-	-	+1.11

* Performance inception date for ONE Investment - Georgina - Model G is June 17, 2026.
** 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.

TORONTO
155 University Ave.,
Suite 800
Toronto, Ontario
M5H 3B7 Canada

Please note: SI is since inception; RBC Global Asset Management is the asset management division of Royal Bank of Canada (RBC) which includes RBC Global Asset Management Inc. (RBC GAM Inc.), RBC Global Asset Management (U.S.) Inc. (RBC GAM-US), RBC Global Asset Management (UK) Limited (RBC GAM-UK), and RBC Global Asset Management (Asia) Limited (RBC GAM-Asia), which are separate, but affiliated subsidiaries of RBC.

This document has been provided by PH&N Institutional for information purposes only and may not be reproduced, distributed or published without the written consent of PH&N Institutional. It is not intended to provide professional advice and should not be relied upon in that regard.

PH&N Institutional takes reasonable steps to provide up-to-date, accurate and reliable information, and believes the information to be so when printed. The views and opinions expressed herein are those of PH&N Institutional as of the publication date and are subject to change without notice. This information is not intended to be an offer or solicitation to buy or sell securities or to participate in or subscribe for any service. No securities are being offered, except pursuant and subject to the respective offering documents and subscription materials, which may be provided to qualified investors only, and not to any other category of investor. This document is for general information only and is not, nor does it purport to be, a complete description of an investment in any PH&N, BlueBay, or RBC investment fund. If there is an inconsistency between this document and the respective offering documents, the provisions of the respective offering documents shall prevail.

Information obtained from third parties is believed to be reliable, but no representation or warranty, express or implied, is made by PH&N Institutional, its affiliates or any other person as to its accuracy, completeness or correctness. We assume no responsibility for any errors or omissions in such information.

Investments in alternative funds are speculative and involve significant risk of loss of all or a substantial amount of your investment. Alternative funds: (i) may engage in leverage and other speculative investment practices that may increase the risk of investment loss; (ii) can be highly illiquid; (iii) are not required to provide periodic pricing or valuation information to investors; and (iv) are not subject to the same regulatory requirements as prospectus-offered mutual funds. In assessing the suitability of these investments, investors should carefully consider their personal circumstances including time horizon, liquidity needs, portfolio size, income, investment knowledge and attitude toward price fluctuations. Investors should consult their professional advisors and consultants regarding any tax, accounting, legal or financial considerations before making a decision as to whether the funds mentioned in this material are a suitable investment for them.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the fund's offering documents before investing. The performance data provided assumes reinvestment of distributions only and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. The unit values of non-money market funds change frequently. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you. Past performance may not be repeated.

This document may contain forward-looking statements about general economic factors which are not guarantees of future performance. Forward-looking statements involve inherent risk and uncertainties, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement. All opinions in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

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.

®/™ Trademark(s) of Royal Bank of Canada. Used under licence.

© RBC Global Asset Management Inc., 2026. Publication date: October 14, 2026

ID 30684_4989

REPORT

To: ONE Joint Investment Board
From: Evelyn Foo, Chief Compliance Officer, ONE Investment
Date: November 24, 2026
Re: Compliance Report - Investment Queue Q3 2026
Report: ONE JIB 2026-071

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 funds which are awaiting deployment for each Participating Municipality under the Prudent Investment Offering.

3. BACKGROUND

The Investment Manager's system produces a report to monitor remaining deployment into funds under the Prudent Investment Offering

The report is reviewed by ONE Investment staff and CCO on a quarterly basis in their oversight responsibilities.

The report found in Attachment 1 "Investment Queue" summarizes those municipalities that are awaiting fulfilment of their assigned funds in their Investment Plan. It is anticipated that the timeline for fulfilment for the RBC Commercial Mortgage Fund is 8-12 months. All allocations for the PH&N Private Debt Corporate Placement have now been fulfilled

4. ANALYSIS

In addition to the queue, the following activities took place during the quarter:

New Accounts:

Account Name	Total Trade Amount	Trade Date
ONE Investment -Port Hope - Urban Fund Model D+	$10,912,157	October 1, 2026
ONE Investment – Port Hope – Rural Fund Model D+	$10,612,017	October 1, 2026

Existing Accounts:

Account Name	Total Trade Amount	Trade Date
ONE Investment – Muskoka - from Model E to Model F	Not applicable	September 14, 2026

5. CONCLUSION

The Investment Manager Investment Queue 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.

ATTACHMENT

Attachment 1: Investment Queue Q3 2026

Drafted by: Evelyn Foo, Chief Compliance Officer
Approved by: Donna Herridge & Christina Pavone, Co-President/CEOs, ONE Investment

Attachment 1

Investment Queue Q3 2026

Portfolio Name	RBC Commercial Mortgage Fund	% of Total Portfolio	PH&N Private Placement Corporate Debt Fund	% of Total Portfolio
Durham Short	$ -	0.0%	$ -	0.00%
Durham Medium	$ 466,772.00	0.6%	$ -	0.00%
Durham Long	$ 5,903,123.00	0.3%	$ -	0.00%
Central Frontenac - Model F	$ 160,910.38	3.5%	$ -	0.00%
Red Lake - Model D	$ 44,246.92	1.6%	$ -	0.00%
Aurora - Model E	$ 928,987.00	1.5%	$ -	0.00%
Aylmer - Model E+	$ 221,899.00	10.1%	$ -	0.00%
Bracebridge - Model G	$ 1,015,344.00	10.2%	$ -	0.00%
Huntsville - Model D	$ 489,888.00	3.0%	$ -	0.00%
Innisfil - Model C	$ 1,033,968.00	1.5%	$ -	0.00%
Kenora CPTF - Model E+	$ 5,216,028.00	10.1%	$ -	0.00%
Kenora General - Model E	$ 2,775,138.00	10.1%	$ -	0.00%
Muskoka - Model F	$ 2,514,230.00	1.5%	$ -	0.00%
Neebing - Model E	$ 49,993.00	1.5%	$ -	0.00%
Quinte West - Model F	$ 514,874.00	1.3%	$ -	0.00%
Thunder Bay - Model E+	$ 15,658,602.00	10.1%	$ -	0.00%
Whitby - Model D	$ 2,449,606.00	1.1%	$ -	0.00%
Lambton Shores - Model G	$ 612,581.00	10.2%	$ -	0.00%
Georgian Bay - Model D	$ 699,000.00	10.0%	$ -	0.00%
Olivier Paipoonge - Model F	$ 456,815.00	10.1%	$ -	0.00%
Georgina - Model G	$ 2,041,271.00	10.2%	$ -	0.00%
Front of Yonge - Model G	$ 50,981.00	10.3%	$ -	0.00%
New Tecumseth - Model E	$ 808,700.00	10.1%	$ -	0.00%

CMF estimated time to full deployment	8-12 months, with regular capital calls throughout the period
PPCDF estimated time to full deployment	0-3 months, with regular capital calls throughout the period

REPORT

To: ONE Joint Investment Board
From: Jason Hagan, Program Manager
Date: November 24, 2026
Re: Strategic Plan – Q3 2026 Progress
Report: ONE JIB 2026-070

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.

2. SUMMARY

ONE JIB approved a Strategic Plan for 2023-2027. 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, 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. 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 Q3 2026 all initiatives are on track, except for the Data Strategy which has been delayed due to competing staff priorities in 2026. Staff continue to be focused on work to onboard new municipalities being considered by ONE JIB at the November 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: Q3 2026 Strategic Reporting Tool for ONE JIB

Drafted by: Jason Hagan, Program Manager
Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

Attachment 1

Q3 2026 Strategic Reporting Tool for ONE JIB Futures List and Strategic Plan

Agenda	Topics	References by Color Coding	Notes
Board Governance & Administrative Matters	Board Competencies and Skills Matrix Review	On Track	
	Board Governance Self-Evaluation Survey	On Track	
	Annual Futures (workplan) List	On Track	
Strategy and Policy	Municipal Insights	On Track	
	Quarterly Futures List Review	On Track	
	Data Strategy	Delayed	MFOA leading - staff starting to consider approach for strategy.
Investment Oversight	**Municipal:**		
	Q3 Investment Reports	On Track	
	Investment Plan Implementation Update	On Track	Additional investments from existing investors completed as scheduled.
	Investor Onboarding	On Track	Port Hope onboarded at October 1, and required set up work underway for onboarding new investors following the Q4 JIB meeting
	IPS and MCQ Review and Investment Plan	On Track	
	External Investment Manager:		
	Quarterly Investment Manager Performance	On Track	
	Quarterly Compliance	On Track	
	Investment Manager Presentation	On Track	

REPORT

To: ONE Joint Investment Board
From: Jennifer Hess, Manager of Investment Services, MFOA
Date: November 24, 2026
Re: Municipal Insights Report – Q4 2026
Report: ONE JIB 2026-064

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report

2. SUMMARY

The Ontario Legislature has resumed, and the Province's Fall Economic Outlook contained no major impacts for municipalities. Two municipal funding issues remain: the temporary doubling of the Ontario Community Infrastructure Fund (OCIF) ends after 2026, and the financial impact of the Development Charge Reduction Program is not yet known. The 2026 municipal election also brought significant change among ONE JIB's participating municipalities. Three did not elect a mayor or chair, and 17 of the remaining 24 (71%) elected a new mayor.

3. BACKGROUND

The Legislature has resumed; the Fall Economic Outlook has no major impacts for municipalities

The Legislative Assembly of Ontario returned on October 27, 2026, after a 21-week summer break, and will sit until December 10. On October 29, the Finance Minister tabled the Province's 2026 Economic Outlook and Fiscal Review, which contained no major impacts for municipalities.

The municipal sector's campaign to make the doubled OCIF funding permanent was unsuccessful to date

The Province has doubled the Ontario Community Infrastructure Fund (OCIF) for the past five years. This temporary increase ends after 2026. Over 100 municipalities passed Council resolutions supporting a permanent increase, without success. In 2026, OCIF provided approximately $400 million to 423 small, rural and northern communities. Without this funding, these municipalities will need to cut costs or pass the added cost on to the tax base.

The financial impact of Development Charge reduction plans is not yet known

The Development Charge Reduction Program (DCRP) is an $8.8 billion joint federal and provincial initiative to lower the cost of new housing and speed up construction. Participating municipalities must reduce residential development charges (DCs) by 30% to 50% or more for all residential types and maintain the reductions for at least three years. Program funding, if awarded, will cover **up to 90%** of eligible infrastructure costs, with a minimum 10% municipal contribution. Eligible infrastructure includes roads and transit, water and wastewater, stormwater management, public safety, emergency services and community infrastructure.

The program is application-based, so municipalities do not expect full recovery of their DC reductions. Not all municipalities are making their DC reduction plans public, which prevents a full cost analysis. Any reductions not covered by the program would fall to the existing tax base, unless growth-related infrastructure is delayed.

The financial impact of the *Water and Wastewater Public Corporations Act, 2025* is not yet known

Legislation is in place to change municipally owned water and wastewater; however regulatory details have yet to be released. ONE Investment is still monitoring impacts to municipalities, municipal reserves, MNRI and ONE JIB.

This legislation is rolling out first as a pilot project in Peel Region and will transfer water and wastewater jurisdiction to the three lower tier municipalities, which will be required to deliver services through a newly created water and wastewater public corporation by 2029. MMAH has the authority to designate other municipalities and has put out an expression of interest (August 2026) for communities exploring or impacted by the restructure framework.

4. ANALYSIS

ONE Investment is monitoring the impact of the 2026 election, the Province's appointment of Regional Chairs, and the continued use of Strong Mayor and Strong Chair powers

Table 1 summarizes the 2026 election results for ONE JIB's participating municipalities. Three did not elect a mayor or chair. Frontenac County will annually appoint (by Council) its Warden from among its lower-tier representatives, and the Province has appointed the Chairs for the District of Muskoka and Durham Region. The provincial appointees will hold Strong Chair powers, similar to the Strong Mayor powers some Ontario municipalities have. It is unknown how non-elected appointees may use these powers.

Of the remaining 24 ONEJIB participating municipalities, 17 (71%) elected a new mayor. These mayors may or may not have prior Council experience, and many will have Strong Mayor powers.

ONE Investment is anticipating increased education session requests from Participating Municipalities for their newly elected Councils in 2027. ONE Investment has already distributed a Prudent Investment education handout to the 27 Prudent Investor Treasurers,

and we will continue to support future requests for assistance as they come in.

Table 1 – Participating Municipalities 2026 Election Summary

Municipality	2026 Election – New Mayor?	Has Strong Mayor Powers?	Province to appoint Chair with Strong Chair Powers?
Aurora	No	Yes	
Aylmer	Yes	Yes	
Bracebridge	No	Yes	
Central Frontenac	Yes	Yes	
Clarington	Yes	Yes	
Durham Region	n/a	n/a	Yes
Front of Yonge	Yes	No	
Frontenac County	n/a	No	
Georgian Bay	No	Yes	
Georgina	Yes	Yes	
Huntsville	Yes	Yes	
Ignace	Yes	No	
Innisfil	Yes	Yes	
Kenora	No	Yes	
Lambton Shores	Yes	Yes	
Lucan Biddulph	Yes	No	
Muskoka (District of)	n/a	n/a	Yes
Neebing	Yes	Yes	
New Tecumseh	Yes	Yes	
Oliver Paipoonge	Yes	No	
Oro-Medonte	No	Yes	
Peterborough	Yes	Yes	
Port Hope	Yes	Yes	
Quinte West	Yes	Yes	
Red Lake	No	Yes	
Thunder Bay	Yes	Yes	
Whitby	No	Yes	

5. CONCLUSION

The Fall Economic Outlook held no major impacts for municipalities, but two funding uncertainties remain: the end of the doubled OCIF funding and the unknown cost of Development Charge reductions. Election turnover and provincially appointed chairs add uncertainty about council decisions. ONE Investment will continue to monitor these developments.

Drafted by: Jennifer Hess CPA CMA, Manager Investment Services, MFOA
Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

RBC Global Asset Management
PH&N Institutional

ONE Joint Investment Board

Quarterly Meeting: November 26, 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

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.



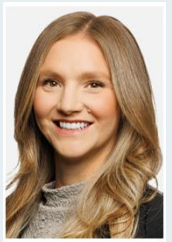
Martin Leclair, CFA

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
- Model performance & capital markets
- Fulfillment & fund performance
- Complementary information

Platform update

Investment activities since last ONE JIB meeting

September 14	**District Municipality of Muskoka:** **Model change following Investment Plan update:** Model F (from Model E)
October 1	**New participating municipality:** **Municipality of Port Hope:** **Rural Fund:** $10,612,018.17 cash inflow (Model D+) **Urban Fund:** $10,912,157.85 cash inflow (Model D+)
October 30	**New Durham portfolio:** **Durham Sinking Fund:** $6,055,471.08 cash inflow (RBC Canadian Money Market Fund)

Commercial mortgage fund queue (November 4, 2026)

Account	Municipality	Queued Allocation	% Funded
ML103	Durham Medium	$466,772	94%
ML104	Durham Long	$5,903,123	97%
ML122	Central Frontenac	$160,910	66%
ML132	Red Lake	$44,247	84%
ML146	Aurora - Model E	$928,987	92%
ML153	Aylmer - Model E+	$221,899	0%
ML164	Bracebridge - Model G	$1,015,344	0%
ML172	Huntsville - Model D	$489,888	71%
ML185	Innisfil - Model C	$1,033,968	95%
ML195	Kenora CPTF - Model E+	$5,216,028	0%
ML196	Kenora General - Model E	$2,775,138	0%
ML207	Muskoka - Model F	$2,514,230	92%
ML212	Municipality of Neebing	$49,993	86%
ML222	City of Quinte West	$514,874	88%
ML237	Thunder Bay - Model E+	$15,658,602	0%
ML242	Whitby - Model D	$2,449,606	90%
ML252	Lambton Shores	$612,581	0%
ML262	Georgian Bay - Model D	$699,000	0%
ML272	Oliver Paipoonge	$456,815	0%
ML282	Georgina - Model G	$2,041,271	0%
ML292	Front of Yonge - Model G	$50,981	0%
ML302	New Tecumseh - Model E	$808,700	0%
ML312	Port Hope Rural Fund - Model D+	$1,061,000	0%
ML313	Port Hope Urban Fund - Model D+	$1,091,000	0%

Commercial Mortgage Update

- The Canadian commercial mortgage market remains healthy, with sound credit fundamentals and improving borrower demand after several quarters of low activity.
- Property performance varies by sector:
  - **Multi-residential:** softening as population growth slows.
  - **Office:** gradually recovering, with vacancy declining, led by downtown Toronto.
  - **Industrial:** normalizing, with healthy leasing but flat rent growth and subdued construction.
  - **Retail:** stable, with grocery-anchored centres outperforming enclosed malls.
  - **Land/construction:** recalibrating, favouring experienced, end-user-focused sponsors as the supply pipeline thins.
- Higher rates are a tailwind for future income, as loans are underwritten at higher coupons. Spreads are tight, but all-in yields remain attractive.

Origination Update

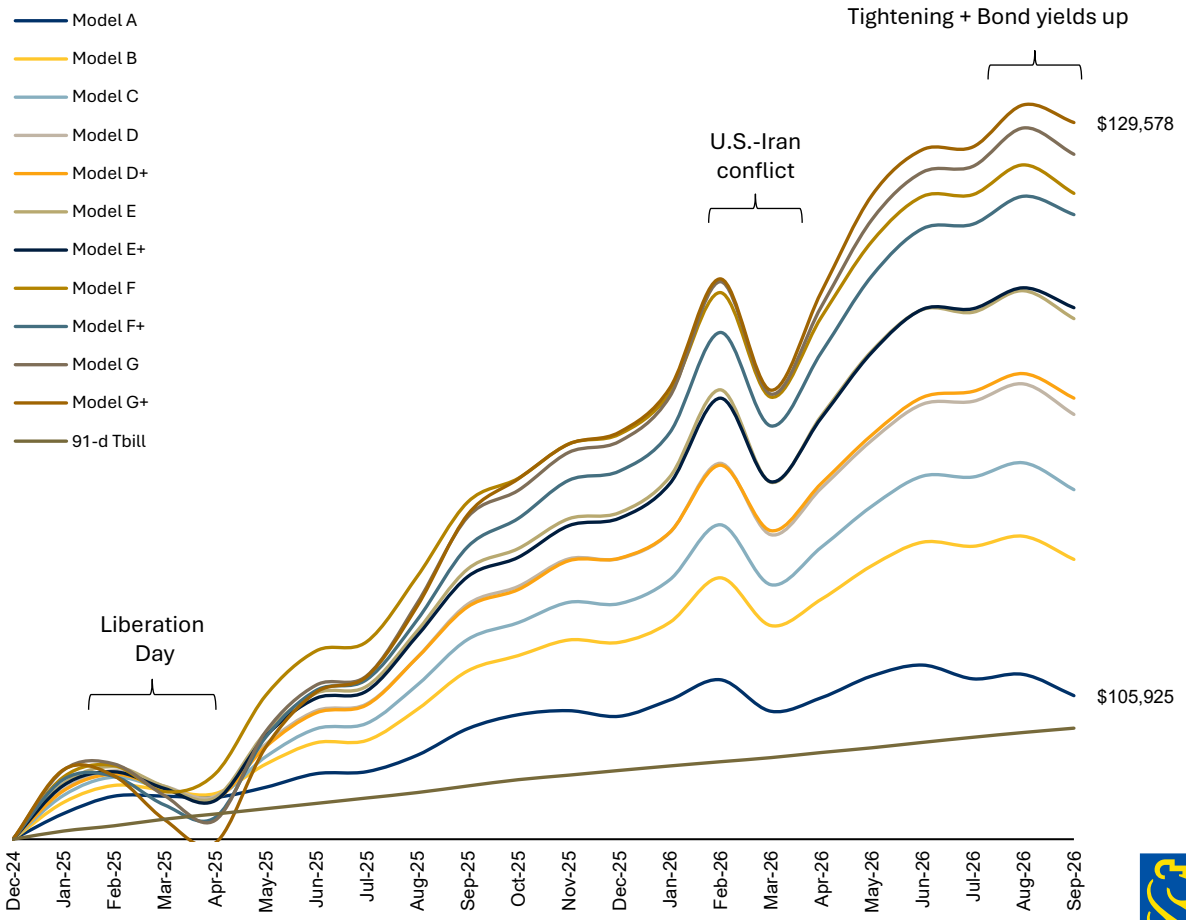
- Origination activity is improving, particularly in office. Higher coupons may strain borrowers' debt servicing capacity and reduce loan proceeds. As rates approach CMHC ceilings, opportunities should grow in higher-yielding segments such as bridge and construction financing.
- Year-to-date, we reviewed $10.4Bn in opportunities and funded $953M across diverse property types.
- The CMF has called $213M of investor capital year-to-date and expects an additional material capital call in the near term.
- Approximately $246M has been deployed on behalf of ONE. ONE's queue is expected to be fully drawn within 6 to 12 months.

Model performance & capital markets

Model portfolios – performance (September 30, 2026)

Model Portfolio Return (%)*	3 Months	1 Year	Volatility (1 Yr)	AUM**	# acct.
Model A - 0% Equities	**-1.18**	**1.31**	**2.22**	**104,017,697**	**1**
Reference Portfolio A	*-2.96*	*-1.10*	*3.89*		
Model B - 20% Equities	**-0.62**	**4.40**	**3.20**		
Reference Portfolio B	*-2.05*	*2.88*	*4.79*		
Model C - 30% Equities	**-0.48**	**5.85**	**3.90**	**70,833,841**	**4**
Reference Portfolio C	*-1.59*	*4.92*	*5.37*		
Model D - 40% Equities	**-0.36**	**7.32**	**4.58**	**253,014,304**	**4**
Reference Portfolio D	*-1.13*	*6.98*	*6.00*		
Model D+ - 40% Equities	**-0.03**	**8.04**	**4.32**	**21,524,176**	**2**
Reference Portfolio D+	*-0.90*	*8.03*	*6.32*		
Model E - 50% Equities	**-0.32**	**9.58**	**5.68**	**100,086,414**	**4**
Reference Portfolio E	*-0.67*	*9.08*	*6.66*		
Model E+ - 50% Equities	**0.06**	**10.29**	**5.33**	**208,345,627**	**3**
Reference Portfolio E+	*-0.44*	*10.14*	*7.00*		
Model F - 60% Equities	**0.10**	**11.54**	**6.26**	**213,411,918**	**4**
Reference Portfolio F	*-0.22*	*11.21*	*7.35*		
Model F+ - 60% Equities	**0.46**	**12.55**	**5.90**		
Reference Portfolio F+	*0.01*	*12.28*	*7.71*		
Model G - 70% Equities	**0.58**	**13.58**	**6.83**	**36,609,376**	**4**
Reference Portfolio G	*0.24*	*13.36*	*8.07*		
Model G+ - 70% Equities	**0.88**	**14.63**	**6.83**	**26,097,824**	**1**
Reference Portfolio G+	*0.47*	*14.46*	*8.43*		

Growth of $100k since model inception



*Inception Date – Jan. 1 2025
** AUM excludes Durham Long and Durham Medium and Druham Sinking Fund as they are not invested per model portfolios. The data shown for D+ is effective October 1st (Port Hope)
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.

Performance attribution vs Reference Portfolio (Model E, Q3 2026)

	Portfolio Return	Reference Return	Return Difference	Portfolio Weight	Value Added
MODEL E	**-0.32**	**-0.67**	**0.36**	**100**	**0.36**
FIXED INCOME (public)	**-1.36**	**-2.96**	**1.65**	**38.12**	**0.66**
PH&N Private Placement Corporate Debt Fund	-2.22	-2.96	0.76	7.11	0.06
BlueBay Total Return Credit Fund (Canada)	-1.79	-2.96	1.21	12.09	0.15
PH&N Short Term Bond & Mortgage Fund	-0.75	-2.96	2.28	18.93	0.45
FIXED INCOME (private)	**0.60**	**-2.96**	**3.68**	**9.54**	**0.36**
RBC Commercial Mortgage Fund	0.60	-2.96	3.68	9.54	0.36
EQUITY	**0.28**	**1.62**	**-1.32**	**52.33**	**-0.66**
CANADIAN EQUITIES	**-0.24**	**1.62**	**-1.83**	**25.54**	**-0.47**
PH&N Canadian Equity Fund	0.35	1.62	-1.24	4.31	-0.05
PH&N Canadian Equity Value Fund	1.05	1.62	-0.56	4.31	-0.02
RBC QUBE Canadian Equity Fund	3.27	1.62	1.63	4.30	0.07
RBC QUBE Low Volatility Canadian Equity Fund	-2.03	1.62	-3.59	12.63	-0.46
EAFE EQUITIES	**-0.30**	**1.62**	**-1.89**	**12.67**	**-0.23**
RBC International Equity Fund	-2.08	1.62	-3.64	6.40	-0.23
RBC QUBE International Equity Fund	1.57	1.62	-0.05	6.27	0.00
EMERGING MARKETS EQUITIES	**-0.24**	**1.62**	**-1.83**	**5.68**	**-0.09**
RBC Emerging Markets Dividend Fund	0.02	1.62	-1.57	2.81	-0.04
RBC Emerging Markets Equity Fund	-0.49	1.62	-2.07	2.87	-0.05
US EQUITIES	**3.09**	**1.62**	**1.45**	**8.43**	**0.13**
PH&N U.S. Equity Fund	1.21	1.62	-0.40	2.20	-0.00
RBC QUBE Low Volatility U.S. Equity Fund	3.41	1.62	1.76	3.96	0.06
RBC QUBE U.S. Equity Fund	4.42	1.62	2.75	2.26	0.07

Performance attribution notes (Q3)

FTSE Canada Universe Bond Index: -2.96%
Model E Fixed Income and Credit basket: -0.76%

- Shorter duration holdings outperformed on a relative basis, with returns spanning from Short Term Bonds (-0.75%) to Commercial Mortgages (0.60%).
- Global credit allocation declined during the quarter (-1.79%), though outperforming the reference portfolio, as rising government bond yields and wider credit spreads more than offset carry and income.
- Private placement corporate bonds delivered muted returns given the higher duration.
- On a weighted basis, the fixed income and credit basket **added 102 bps** over the reference index.

S&P/TSX Capped Composite Index: 1.62%
Model E Equity basket: 0.28%

- Within the Canadian equity allocation, strong performance from the quantitative exposure (3.27%) helped mitigate the underperformance in the value fund (1.05%) and growth fund (0.35%).
- Europe, Asia and the Emerging markets exposure all underperformed the Canadian market, adding to the relative underperformance.
- In the U.S. – the best performing market (2.66%) – a strong performance from the two quantitative U.S. equity fund provided added support.
- On weighted basis, the equity basket **detracted 0.66** bps relative to the reference index.

Capital markets & platform exposures

Index returns as of September 30, 2026

Total Return and Volatility (%)	3M	1 YR	3 YR	5 YR	1 YR VOL	3 YR VOL	Platform Exposure (%)	Commentary
FTSE Canada Short Term Overall Bond Index**	**-0.91**	0.85	4.74	2.05	1.72	2.04	**30.87**	Delivered negative return with rising GOC bond yields.
FTSE Canada Universe Bond Index	**-2.96**	-1.10	4.75	0.30	3.89	4.89	**11.23**	Yields hit multi-year highs as GoC bonds tracked the U.S. Treasury sell-off, driven by fiscal concerns, sticky inflation, and renewed tightening.
FTSE Canada All Corporate Bond Index	**-2.14**	0.38	6.04	1.04	3.10	4.00	**8.25**	Canadian IG corporate spreads tightened 2 bps, near their tightest levels since 2007; Continued elevated levels of supply in Q3
ICE BofA BB-B US High Yield Index (CAD)	**-2.13**	0.12	6.14	2.27	3.51	4.30	**0.18**	High yield market widened given pressures from inflation, energy prices, and rate uncertainty; CCCs materially underperformed.
Global Multi-Asset Credit *	**-1.79**	1.35	7.81	3.29	4.35	4.16	**13.52**	Global bonds declined in Q3, pressured by rising core government yields amid energy-driven inflation fears and mounting fiscal deficit concerns.
S&P/TSX Capped Composite Index	**1.62**	20.02	25.06	15.18	10.28	10.42	**17.35**	Modest positive returns but underperformed major global equity indices; Led by Materials and Information Technology.
S&P 500 Total Return Index (CAD)	**2.66**	18.35	24.82	16.47	10.93	11.42	**9.63**	U.S. equities edged higher in Q3, though macro headwinds weighed on sentiment; Technology led gains as software stocks surged.
MSCI EAFE Total Return Net Index (CAD)	**0.88**	18.05	20.35	11.84	12.02	9.52	**7.06**	Equities posted modest gains, though macro volatility, driven by rising oil prices and climbing European sovereign yields, tempered investor enthusiasm.
MSCI Emerging Markets Index (CAD)	**-0.30**	31.85	26.13	11.45	21.57	15.41	**1.16**	Paused in Q3 amid a sharp tech rotation, driven by profit-taking and concerns on valuation and cyclical memory chip pricing.
MSCI/REALPAC Canada Annual Property Index	**1.30**	3.72	2.23	2.83	1.70	1.67	**0.38**	Canadian commercial real estate enters a new growth phase, underpinned by robust fundamentals and improving market dynamics.
Global Infrastructure*	**1.73**	10.30	-	-	2.32	-	**0.38**	Operational performance of underlying portfolio companies met plan; Underlying investments provide distributions to the Fund (target 3.5%).

*Fund data shown in lieu of Primary Benchmark
** Platform exposures includes the commercial mortgage holdings

Assessment of the global economy

Investment themes continue to evolve quickly

POSITIVE THEMES

- Global economy remains resilient
- We maintain mostly above-consensus growth forecasts
- Expect sustained period of fast productivity growth
- Major Canadian tax cuts & deregulation underway

NEGATIVE THEMES

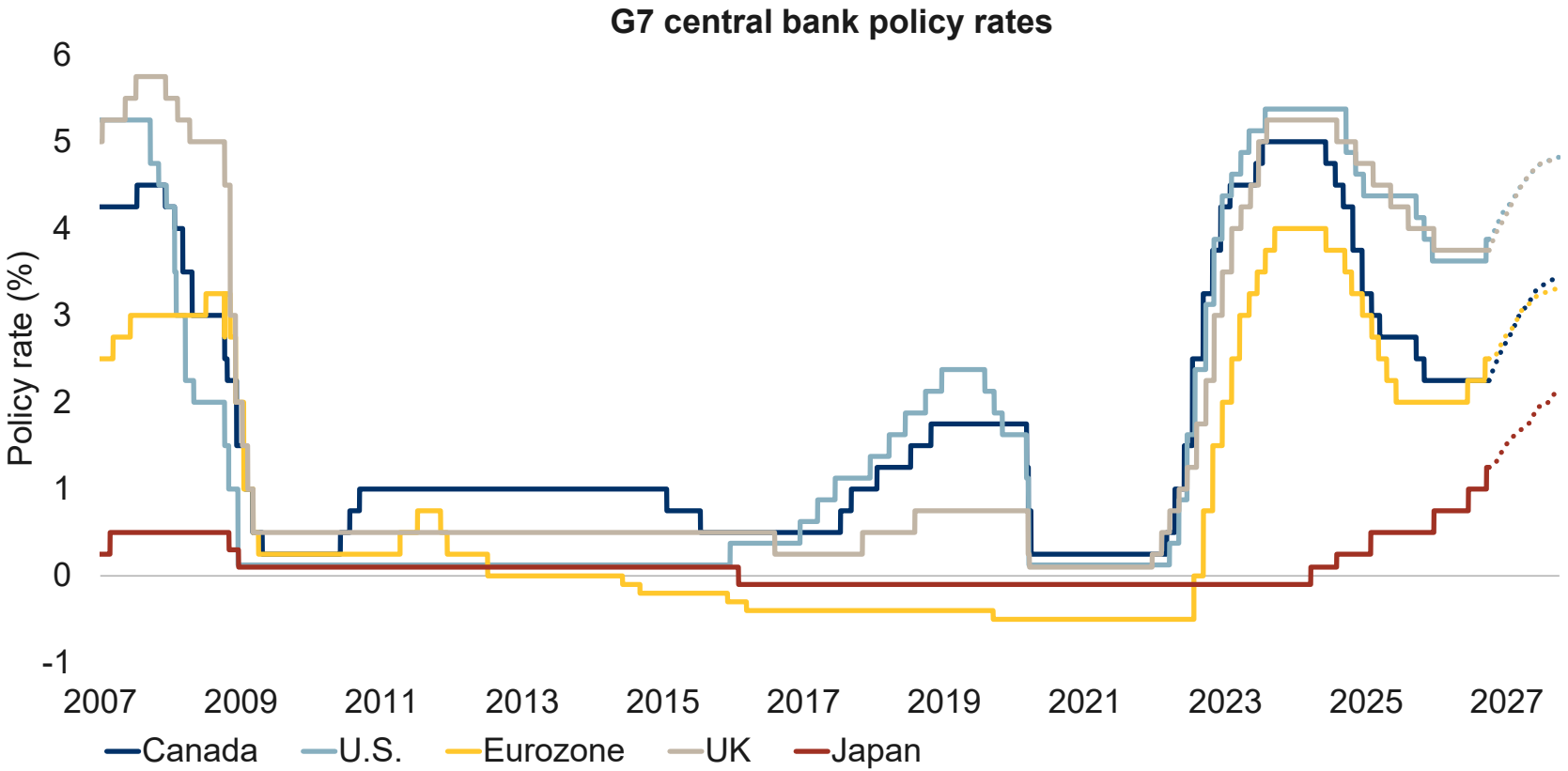
- Oil prices remain very high (though more oil flowing through Hormuz)
- Yields rose to multi-decade highs (though have partially reversed)
- Inflation remains too high
- Semiconductor index neared bear market status
- New U.S.-Canada tariffs persist

INTERESTING

- U.S. midterm election
- North American central banks start rate hiking too
- Canada-EU “associate membership” developing
- Evaluating AI demand

Note: As at October 29, 2026. Source: RBC GAM

Markets pricing in rate hikes

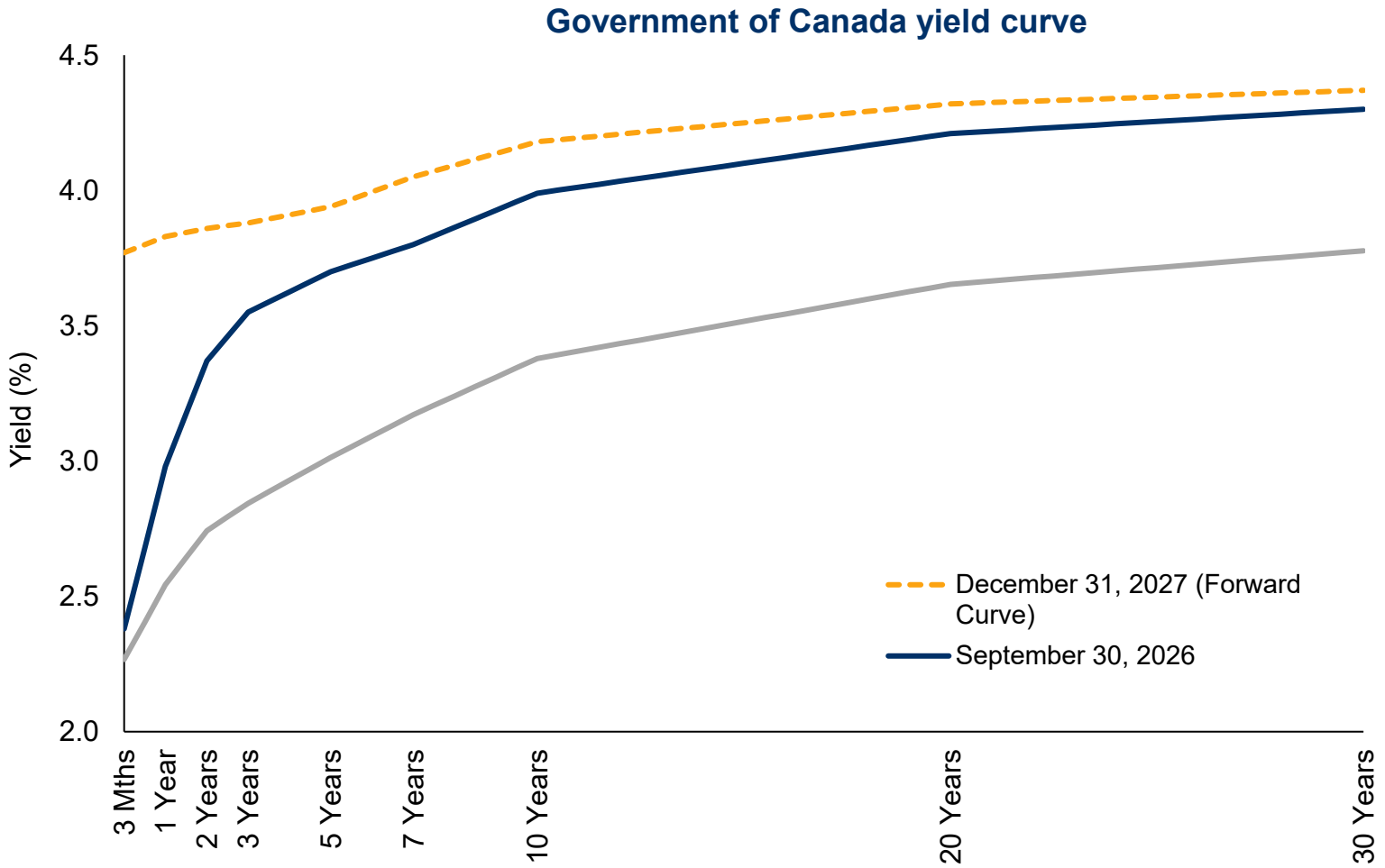


Note: As of September 30, 2026. Dotted lines indicate futures pricing. Source: Bloomberg, RBC GAM

Central bank	Current Policy	Direction/ Bias
BoC	Supportive	Tightening
Fed	Restrictive	Tightening
ECB	Neutral	Tightening
BoE	Restrictive	Tightening
BoJ	Supportive	Tightening

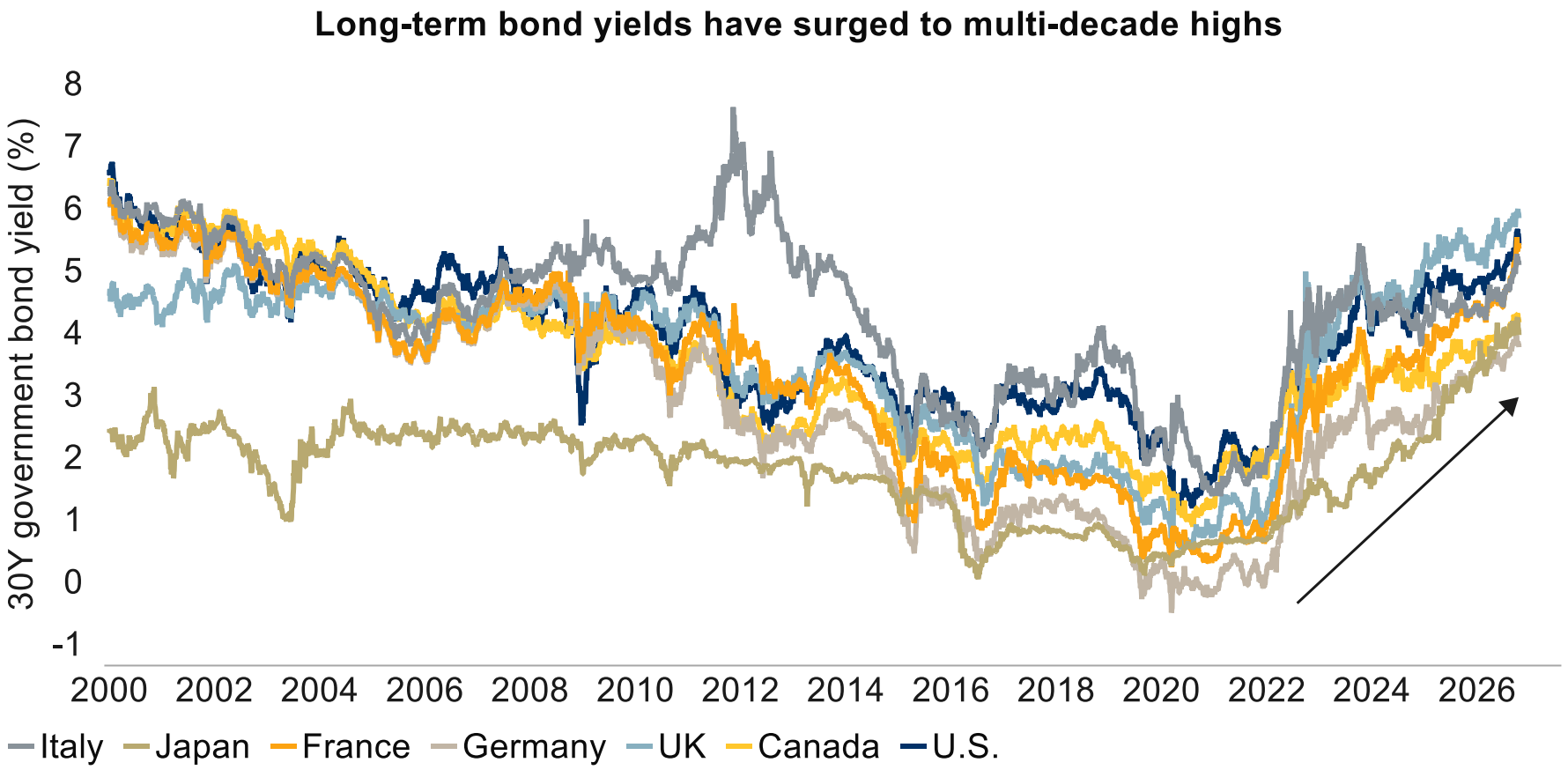
Yields sharply higher across the curve in Q3

Higher policy rates expected, market pricing in yield curve flattening



Source: RBC GAM, Bloomberg

Long-term yields on the rise



Note: As of 10/15/26. Source: Bloomberg, Macrobond, RBC GAM

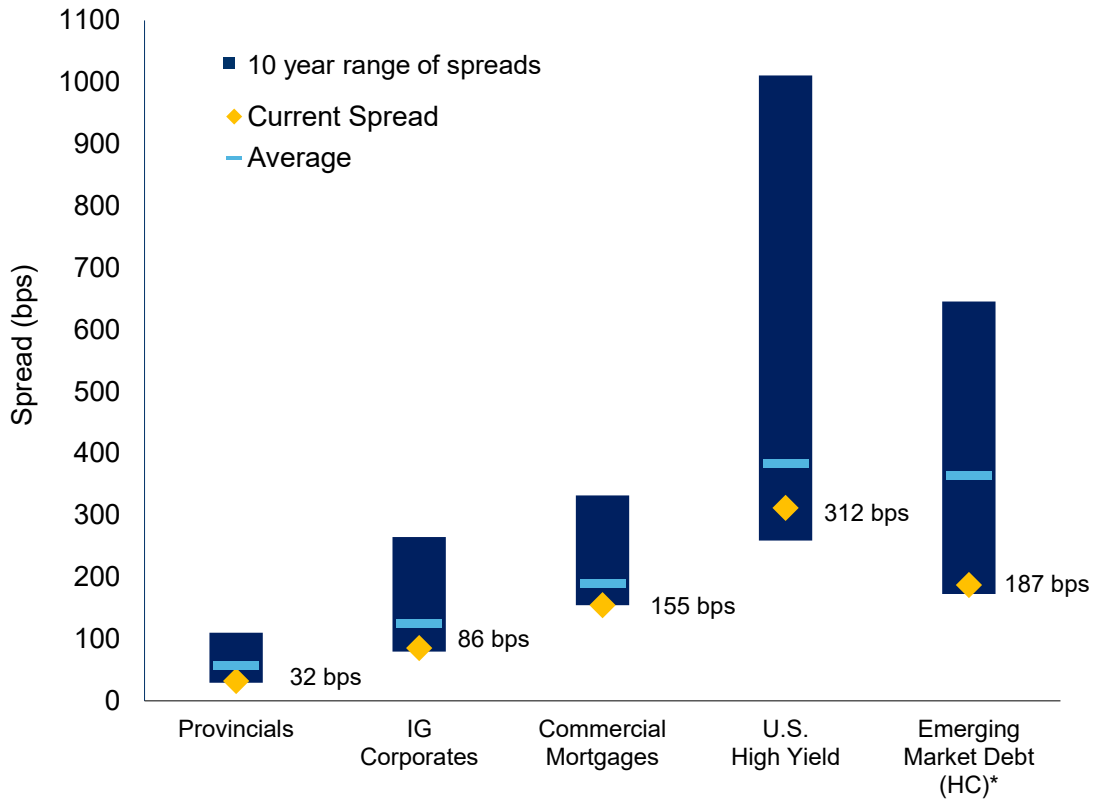
Why?

- Fiscal challenges
- Inflation concerns
- Declining trust in U.S. policy
- Crowding from AI-related corporate borrowing
- Changing U.S. Treasury buyer base
  - Era of quantitative easing is over
  - Less demand from reserve managers
  - Japan pivots to defending yen
  - So more reliant on rate-sensitive private investors

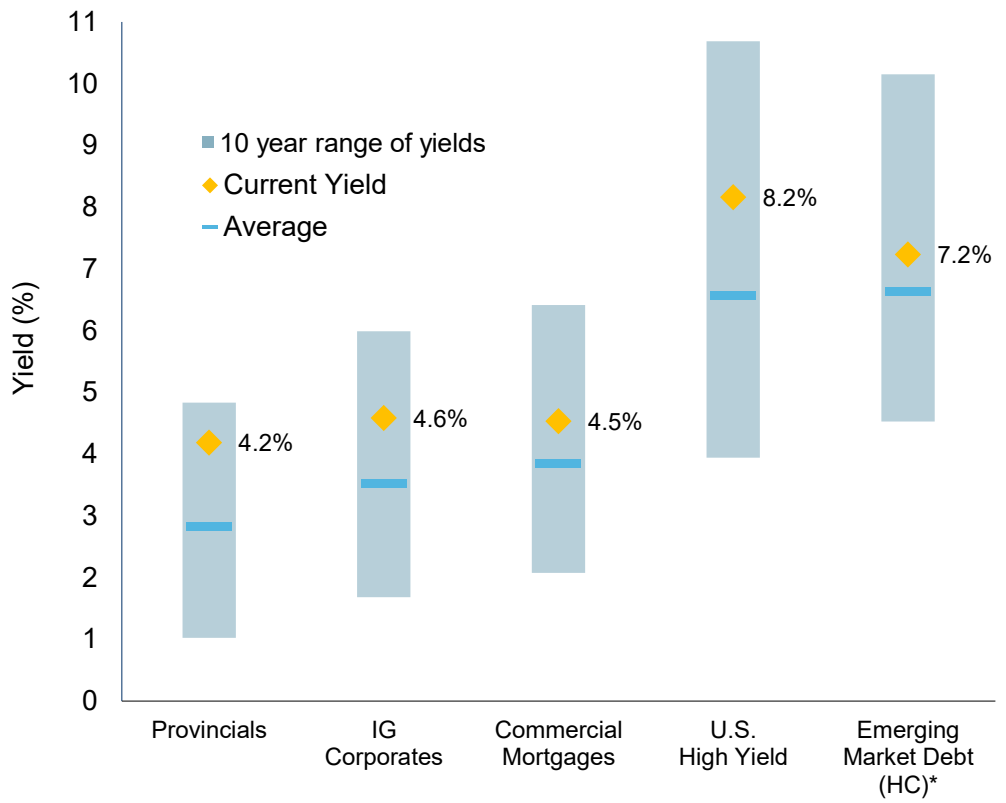
Credit strategies: decomposing reward-for-risk

Spreads extremely tight, but all-in yields remain compelling

Spreads over the last 10 years



All-in yields over the last 10 years



Source: RBC GAM, Bloomberg, FTSE, JP Morgan
*HC = Hard Currency. Note as of September 30, 2026 JP Morgan revised their methodology for calculating yields, spreads to exclude those of defaulted names (ex-distress basis). This has resulted in a lower yield, spread for the JP Morgan EMBI Global Diversified Index relative to history.
Spread and yields are based on past 10 years ending June 30, 2026. Current plots are as of September 30, 2026.
Provincials: FTSE Canada Mid Term Provincial Bond Index, IG Corporates: FTSE Canada All Corporate Bond Index, Commercial Mortgages: PH&N Mortgage Pension Trust, U.S. High Yield: ICE BofA Merrill Lynch US High Yield index, Hard Currency EMD: JP Morgan EMBI Global Diversified Index.

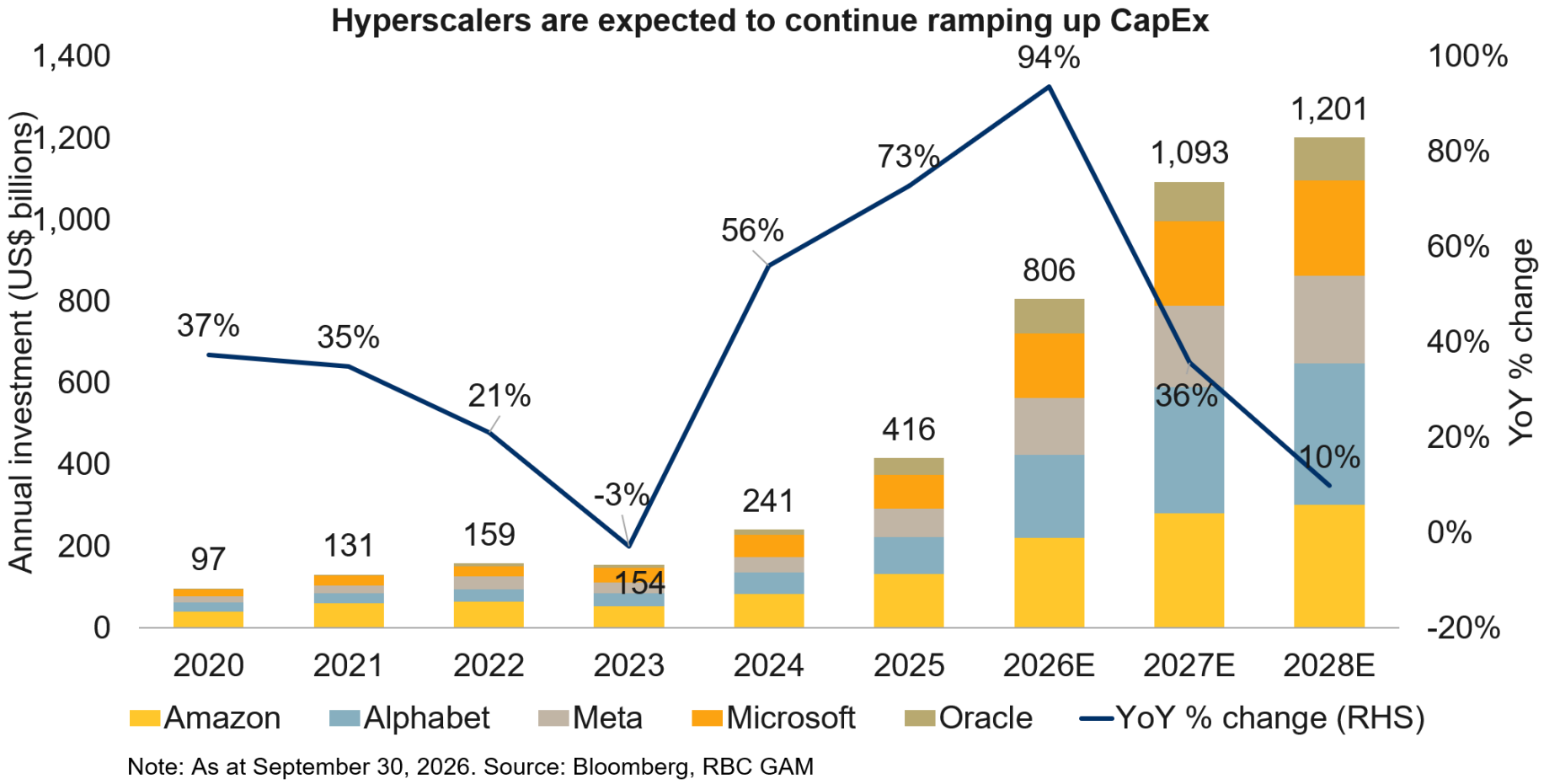
Bond market's risk/reward asymmetry: improved outlook for bonds

Estimated 12-month total returns based on different yield movements

Term	100bps fall	75bps fall	50bps fall	25bps fall	*No change*	25bps rise	50bps rise	75bps rise	100bps rise
2- year GoC	4.4%	4.2%	3.9%	3.7%	3.4%	3.2%	2.9%	2.7%	2.5%
5-year GoC	7.3%	6.4%	5.5%	4.6%	3.7%	2.8%	2.0%	1.1%	0.3%
10-year GoC	11.8%	9.8%	7.8%	5.9%	4.0%	2.2%	0.4%	-1.3%	-2.9%
30-year GoC	22.8%	17.8%	13.0%	8.5%	4.3%	0.3%	-3.4%	-6.8%	-9.9%

Source: RBC GAM, Bloomberg. As of September 30, 2026
Estimated 12-month total return calculations assume an instantaneous yield shock at the start of the period. For illustrative purposes only.

AI capital expenditures (CapEx) remains a strong growth tailwind



Note: As at September 30, 2026. Source: Bloomberg, RBC GAM

Why it matters
Key macro tailwind (>0.5% contribution to GDP growth)
Need more compute to fulfill revenue expectations
Spending filtering down to supply chain companies
Hyperscalers and suppliers are key to S&P 500 gains

Challenges/risks
Memory chips
Electricity grid constraints
Public backlash
Open-source models
Safety concerns
Financing costs

Note: As at 09/16/2026. Source: RBC GAM

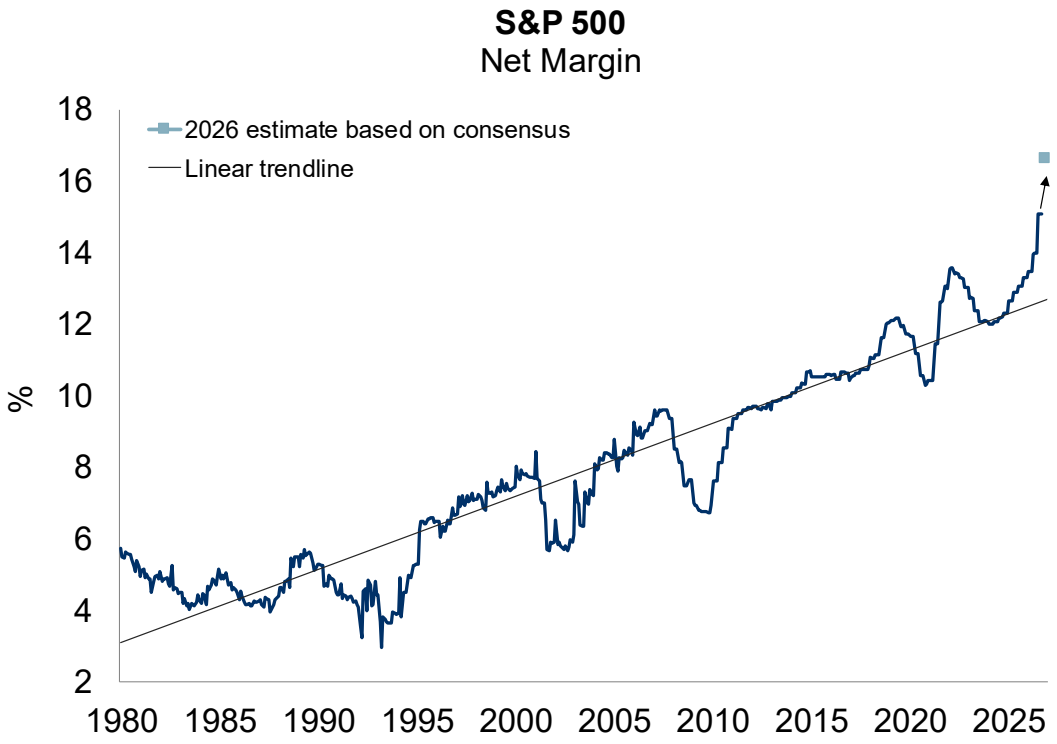
AI CapEx: A history of investment booms

A history of investment booms

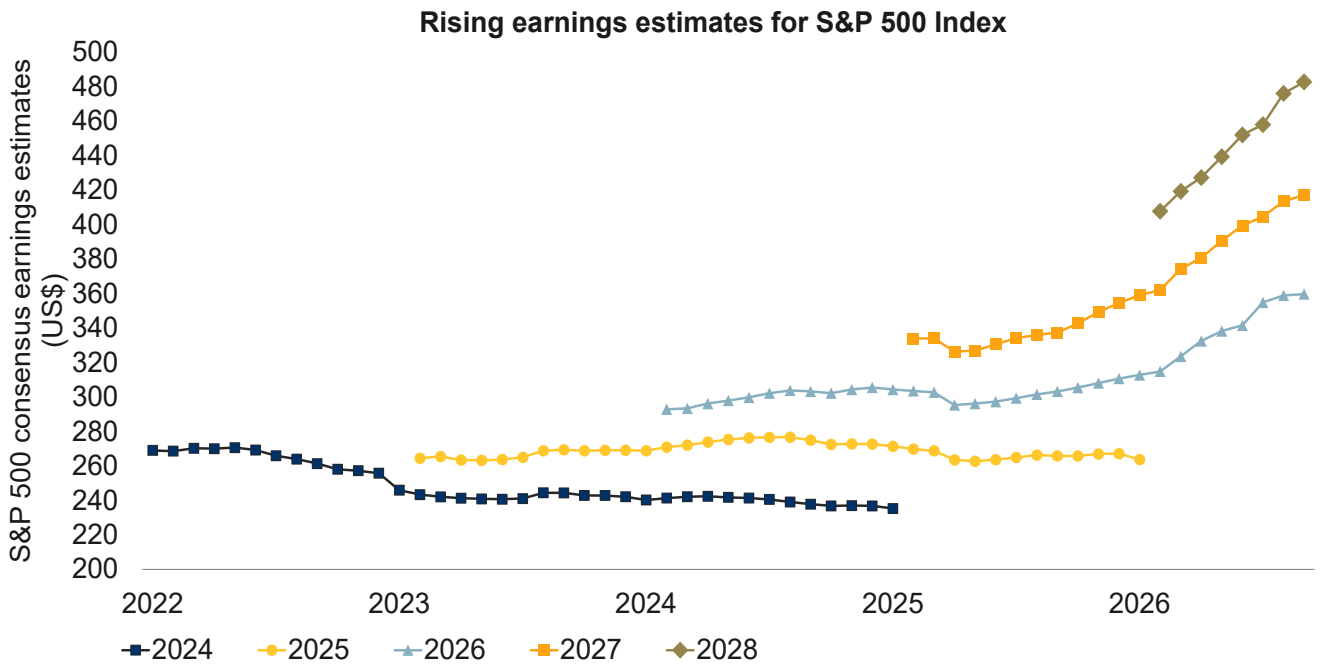
Event	Time period	Duration	Driver	Resolution	Financial bubble?
Canal mania (UK)	1790s-1830s	Decades	New tech, industrial revolution	Overbuilt, new superior tech (railroads)	Yes
Railway mania (UK/U.S.)	1840s-1890s	Decades	New tech, industrial revolution	Overbuilt, financial busts	Yes
Roaring 20s (U.S.)	1922-1929	Seven years	New tech, strong economy	Rising rates, Great Depression	Yes
Post-WW2 reconstruction (Europe)	1945-1973	Decades	Addressing capital shortfall	Capital shortfall addressed	No
Japanese investment boom	1950s-1980s	Decades	Addressing capital shortfall	Capital shortfall addressed, high valuations	Yes at end
Mainframe / PC era	1960s-1980s	Decades	New tech	Saturation	No
Telecom and fiber buildout	Late 1990s-2001	Five years	New tech	Overbuilt, circular financing, financial busts	Yes
U.S. housing boom	2002-2007	Five years	Policy: low rates, deregulation	Financial problems	Yes
Chinese infrastructure boom	2000s-2010s	Two decades	Policy: globalization, public policy	Overbuilt housing and manufacturing	Housing=yes, Mfg=no
U.S. shale / energy CapEx boom	2010-2014	Five years	New tech, resource boom, low rates	Overproduced	Yes
Cloud build-out	2006-present	Two decades+	New tech	Seemingly aligning supply and demand	No
AI boom / data centre build-out	2022-present	Four years+	New tech	TBD	TBD

Note: As at August 31, 2026. Source: RBC GAM

Profit margins climb to new highs and above long-term trend



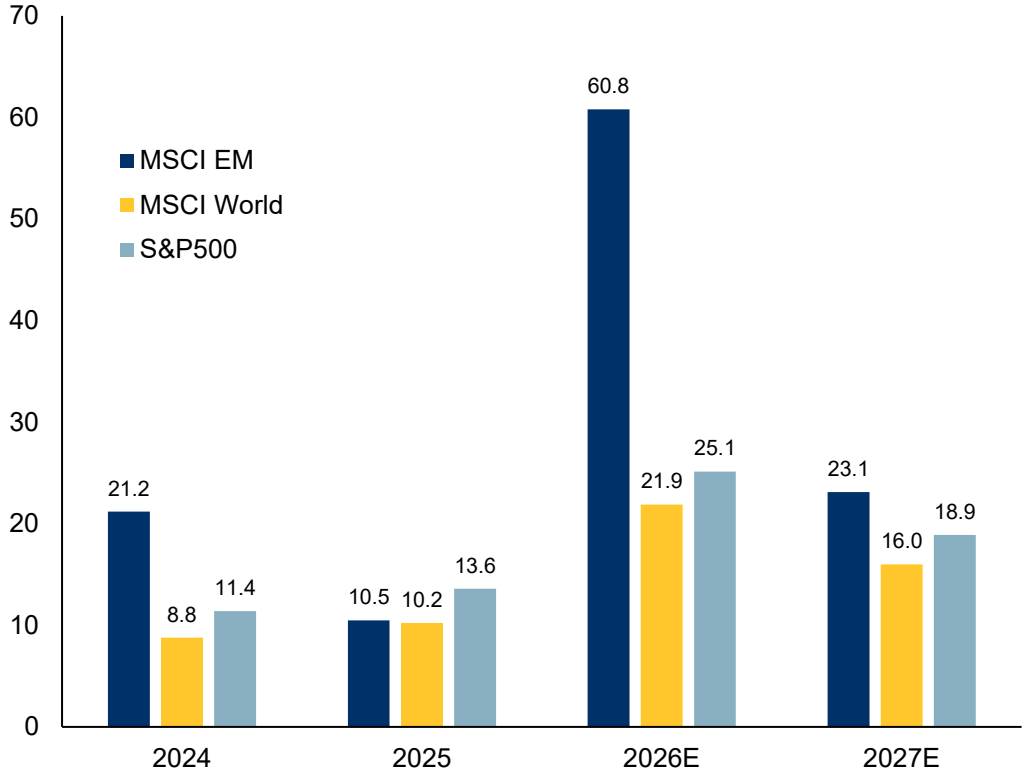
Note: As of October 2026. Source: Bloomberg, RBC GAM



Note: As of September 2026. Source: Bloomberg, RBC GAM

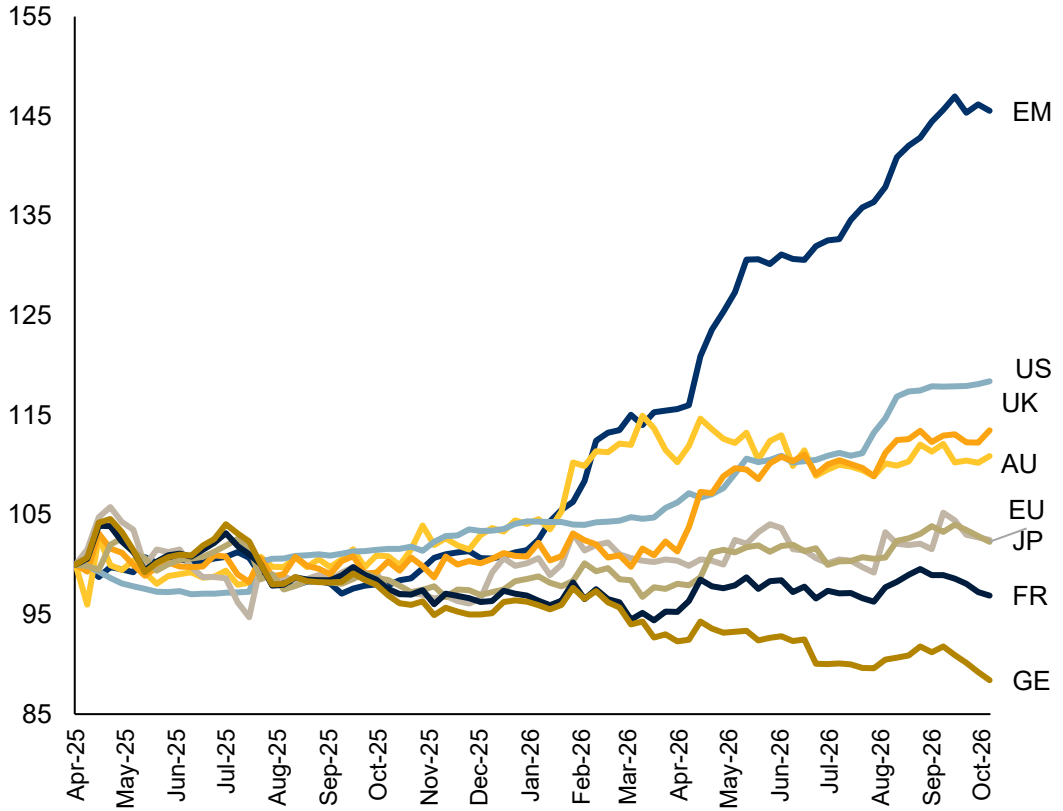
EM earnings outpacing DM and the US

EPS growth by region: EM outpacing DM and the US



Source: FactSet Market Aggregates, September 2026. Estimates from 2026 (E = estimate). Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. PH&N Institutional accepts no liability for any failure to meet such forecast or target.

Revisions to 2026 consensus EPS expectations by region



Source: Citi Research, FactSet, MSCI. September 2026.

Combination of economic growth + rate hikes is fine

Monetary policy and economic regime matrix

Performance stats of stocks, bonds and 60% stocks/40% bonds portfolio

		No recession					Recession				
		15.3% of the time					9.3% of the time				
		Mean return	Standard deviation	Hit rate (daily)	Min	Max	Mean return	Standard deviation	Hit rate (daily)	Min	Max
Easing	S&P 500	11.2%	15.3%	53%	-32.3%	64.8%	-3.9%	24.1%	48%	-48.1%	19.0%
	US 10-year bond	9.8%	7.3%	56%	-8.0%	61.0%	17.1%	10.1%	56%	-4.1%	43.6%
	60/40 portfolio	11.1%	9.3%	56%	-17.0%	61.7%	4.7%	15.3%	52%	-27.8%	28.8%
		30.5% of the time					0.2% of the time				
		Mean return	Standard deviation	Hit rate (daily)	Min	Max	Mean return	Standard deviation	Hit rate (daily)	Min	Max
Tightening	S&P 500	10.0%	13.0%	52%	-14.5%	53.3%	-2.5%	15.5%	48%	-2.1%	3.7%
	US 10-year bond	-0.7%	6.0%	56%	-11.7%	25.0%	-54.9%	19.4%	43%	-12.6%	0.6%
	60/40 portfolio	5.4%	8.6%	54%	-11.3%	37.5%	-28.0%	13.9%	48%	-6.0%	2.0%

Note: As of July 31, 2026. Daily S&P 500 data begins in 1955 and U.S. 10-year bond data begins in 1962. Return and standard deviation is annualized. Min and Max are of the cumulative returns for continuous days in the regime. The % of time figures don't add up to 100% because there are some periods where monetary policy is neither tightening nor easing. These periods were excluded from the anaslysis. Source: RBC GAM

Fulfillment & fund performance

Diversification within the asset classes

	ONE JIB Approved Fund(s)	Characteristics / Focus
Fixed Income		
Canadian Short-Term Bonds	PH&N Short Term Bond & Mortgage Fund	Short-term investment grade fixed income
Canadian Corporate Bonds	PH&N Corporate Bond Trust	Investment grade corporate bonds
Private Placement Corporate Debt	PH&N Private Placement Corporate Debt Fund	Private investment grade credit
Commercial Mortgages	RBC Commercial Mortgage Fund	Conventional Conventional Plus High Yield
High Yield Bonds	RBC High Yield Bond Fund PH&N High Yield Bond Fund	U.S. focus Canadian focus
Global Multi-Asset Credit	BlueBay Total Return Credit Fund	Global high yield, financial capital bonds, structured credit, global convertible bonds, EM hard currency debt, EM local currency debt, opportunistic, investment grade bonds.
Equities		
Canadian Equities	PH&N Canadian Equity Value Fund PH&N Canadian Equity Fund RBC QUBE Canadian Equity Fund	Value Growth Quantitative
Canadian Low Volatility Equities	RBC QUBE Low Volatility Canadian Equity Fund	Quantitative Low Volatility
U.S. Equities	PH&N U.S. Equity Fund RBC QUBE U.S. Equity Fund	Core Quantitative
U.S. Low Volatility Equities	RBC QUBE Low Volatility U.S. Equity Fund	Quantitative Low Volatility
International Equities	RBC International Equity Fund RBC QUBE International Equity Fund	Core Quantitative
Emerging Markets Equities	RBC Emerging Markets Equity Fund RBC Emerging Markets Dividend Fund	Core Value
Alternatives		
Real Estate	RBC Canadian Core Real Estate Fund	Canadian commercial real estate
Infrastructure	RBC Global Infrastructure Fund	Global infrastructure

17 investment teams.

Full spectrum of styles, approaches.

Broad diversification: countries, sectors, credit ratings, etc.

~5,000 securities

Fixed income (September 30, 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	**-0.75**	**1.20**	**4.97**	**2.46**	**652,957,005**	Q2	Q2	Q4	Q3
FTSE Canada Short Term Overall Bond Index	*-0.91*	*0.85*	*4.74*	*2.05*					
Value Add	*0.16*	*0.35*	*0.23*	*0.41*					
PH&N Enhanced Total Return Bond Fund	**-2.72**	**-0.39**	**5.42**	**0.90**	**337,466,623**	Q1	Q1	Q2	Q2
FTSE Canada Universe Bond Index	*-2.96*	*-1.10*	*4.75*	*0.30*					
Value Add	*0.24*	*0.71*	*0.67*	*0.60*					
PH&N Corporate Bond Trust	**-2.19**	**0.36**	**6.33**	**2.15**	**20,599,410**	Q3	Q3	Q4	Q4
FTSE Canada All Corporate Bond Index	*-2.14*	*0.38*	*6.37*	*2.00*					
Value Add	*-0.05*	*-0.02*	*-0.04*	*0.15*					
PH&N Private Placement Corporate Debt Fund	**-2.22**	**0.89**	**7.32**	**2.19**	**247,904,992**	Q2	Q3	Q2	Q4
FTSE Canada All Corporate Bond Index	*-2.14*	*0.38*	*6.04*	*1.04*					
Value Add	*-0.08*	*0.51*	*1.28*	*1.15*					
RBC Commercial Mortgage Fund	**0.60**	**4.36**	**6.60**	**-**	**254,417,659**	Q1	Q1	Q2	
FTSE Canada Short Term Overall Bond Index	*-0.91*	*0.85*	*4.74*	*-*					
Value Add	*1.51*	*3.51*	*1.86*	*-*					
RBC High Yield Bond Fund	**-0.76**	**2.45**	**7.45**	**3.14**	**2,603,368**	Q2	Q2	Q3	Q4
FTSE Canada Short Term Overall Bond Index[2]	*-0.91*	*0.85*	*5.56*	*0.76*					
Value Add	*0.15*	*1.60*	*1.89*	*2.38*					
PH&N High Yield Bond Fund	**0.13**	**4.45**	**9.18**	**5.42**	**2,711,790**	Q1	Q1	Q1	Q1
FTSE Canada Short Term Overall Bond Index[3]	*-0.91*	*0.85*	*4.74*	*0.29*					
Value Add	*1.04*	*3.60*	*4.44*	*5.13*					
BlueBay Total Return Credit Fund (Canada)	**-1.79**	**1.35**	**7.81**	**3.29**	**406,540,451**	Q3	Q2	Q1	Q2
FTSE Canada 91 Day T-Bill Index	*0.56*	*2.33*	*3.58*	*3.20*					
Value Add	*-2.35*	*-0.98*	*4.23*	*0.09*					

1. AUM as of September 30 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 (September 30, 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	**3.27**	**22.45**	**27.31**	**16.76**	**95,094,039**	Q1	Q2	Q1	Q1
S&P/TSX Capped Composite Index	*1.62*	*20.02*	*25.06*	*15.18*					
Value Add	*1.65*	*2.43*	*2.25*	*1.58*					
PH&N Canadian Equity Value Fund	**1.05**	**17.33**	**23.64**	**15.91**	**93,986,761**	Q2	Q3	Q2	Q2
S&P/TSX Capped Composite Index	*1.62*	*20.02*	*25.06*	*15.18*					
Value Add	*-0.57*	*-2.69*	*-1.42*	*0.73*					
PH&N Canadian Equity Fund	**0.35**	**17.56**	**23.38**	**14.57**	**93,867,655**	Q2	Q3	Q2	Q2
S&P/TSX Capped Composite Index	*1.62*	*20.02*	*25.06*	*15.18*					
Value Add	*-1.27*	*-2.46*	*-1.68*	*-0.61*					
PH&N U.S. Equity Fund	**1.21**	**16.65**	**23.64**	**16.27**	**74,814,740**	Q2	Q2	Q2	Q2
S&P 500 Total Return Index (CAD)	*2.66*	*18.35*	*24.82*	*16.47*					
Value Add	*-1.45*	*-1.70*	*-1.18*	*-0.20*					
RBC QUBE U.S. Equity Fund	**4.42**	**18.10**	**25.12**	**17.50**	**74,813,364**	Q1	Q2	Q2	Q1
S&P 500 Total Return Index (CAD)	*2.66*	*18.35*	*24.82*	*16.47*					
Value Add	*1.76*	*-0.25*	*0.30*	*1.03*					
RBC International Equity Fund	**-2.08**	**14.23**	**17.57**	**8.99**	**106,176,736**	Q4	Q4	Q4	Q4
MSCI EAFE Total Return Net Index (CAD)	*0.88*	*18.05*	*20.35*	*11.84*					
Value Add	*-2.96*	*-3.82*	*-2.78*	*-2.85*					
RBC QUBE International Equity Fund	**1.57**	**27.68**	**28.43**	**17.14**	**106,021,225**	Q2	Q1	Q1	Q1
MSCI EAFE Total Return Net Index (CAD)	*0.88*	*18.05*	*20.35*	*11.84*					
Value Add	*0.69*	*9.63*	*8.08*	*5.30*					

1.AUM as of September 30, 2026
Quartile ranking source: eVestment

Equities (September 30, 2026)

Equity Solutions - Total Return (%)	3 Months	1 Year	3 Year	5 Year	ONE AUM[1]
RBC Emerging Markets Equity Fund	**-0.49**	**34.59**	**26.47**	**14.23**	**17,475,748**
MSCI Emerging Markets Total Return Net Index	*-0.30*	*31.85*	*26.13*	*11.45*	
Value Add	*-0.19*	*2.74*	*0.34*	*2.78*	
RBC Emerging Markets Dividend Fund	**0.02**	**40.21**	**30.75**	**15.62**	**17,366,661**
MSCI Emerging Markets Total Return Net Index	*-0.30*	*31.85*	*26.13*	*11.45*	
Value Add	*0.32*	*8.36*	*4.62*	*4.17*	

3 Months	1 Year	3 Years	5 Years
Q1	Q2	Q3	Q1
Q1	Q1	Q1	Q1

1.AUM as of September 30, 2026
Quartile ranking source: eVestment

Alternatives / real assets (September 30, 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	**3.96**	**11.96**	**-**	**-**	**11,365,243**	n.a.	n.a.	n.a.	n.a.
Canadian CPI (Non-Seasonally Adjusted) 1M Lag + 4% (Custom)	*3.19*	*7.23*	*-*	*-*					
Value Add	*0.77*	*4.73*	*-*	*-*					
RBC Canadian Core Real Estate Fund	**1.27**	**3.62**	**1.25**	**4.53**	**11,055,694**	Q1	Q2	Q2	Q2
MSCI/REALPAC Canada Annual Property Index (Standing Investments Only) TR (1 Month Lagged)	*1.15*	*2.46*	*2.00*	*2.90*					
Value Add	*0.12*	*1.16*	*-0.75*	*1.63*					

1.AUM as of September 30, 2026
Quartile ranking source: eVestment

Equities – low volatility (September 30, 2026)

Total Return (%)	3 Months	1 Year	3 Year	5 Year	ONE AUM [1]
RBC QUBE Low Volatility Canadian Equity Fund	**-2.03**	**13.71**	**21.71**	**14.25**	**238,703,797**
MSCI Canada Minimum Volatility Gross Index (CAD)	-0.56	15.02	20.86	14.15	
Value Add	*-1.47*	*-1.31*	*0.85*	*0.10*	
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	**3.41**	**10.89**	**14.89**	**11.22**	**139,778,997**
MSCI USA Minimum Volatility Net Index (CAD)	1.61	5.90	13.32	9.53	
Value Add	*1.80*	*4.99*	*1.57*	*1.69*	

Volatility of Returns (%)	1 Year	3 Year	5 Year
RBC QUBE Low Volatility Canadian Equity Fund	**10.48**	**8.67**	**10.15**
S&P/TSX Capped Composite Index	*10.28*	*10.42*	*12.43*
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	**9.80**	**9.15**	**9.82**
S&P Composite 1500 Index (CAD)	*10.65*	*11.44*	*12.95*

Sharpe Ratio	1 Year	3 Year	5 Year
RBC QUBE Low Volatility Canadian Equity Fund	**1.09**	**2.11**	**1.10**
S&P/TSX Capped Composite Index	*1.72*	*2.07*	*0.97*
RBC QUBE Low Volatility U.S. Equity Fund (CAD)	**0.88**	**1.25**	**0.83**
S&P Composite 1500 Index (CAD)	*1.49*	*1.81*	*0.99*

1. AUM as of September 30, 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.

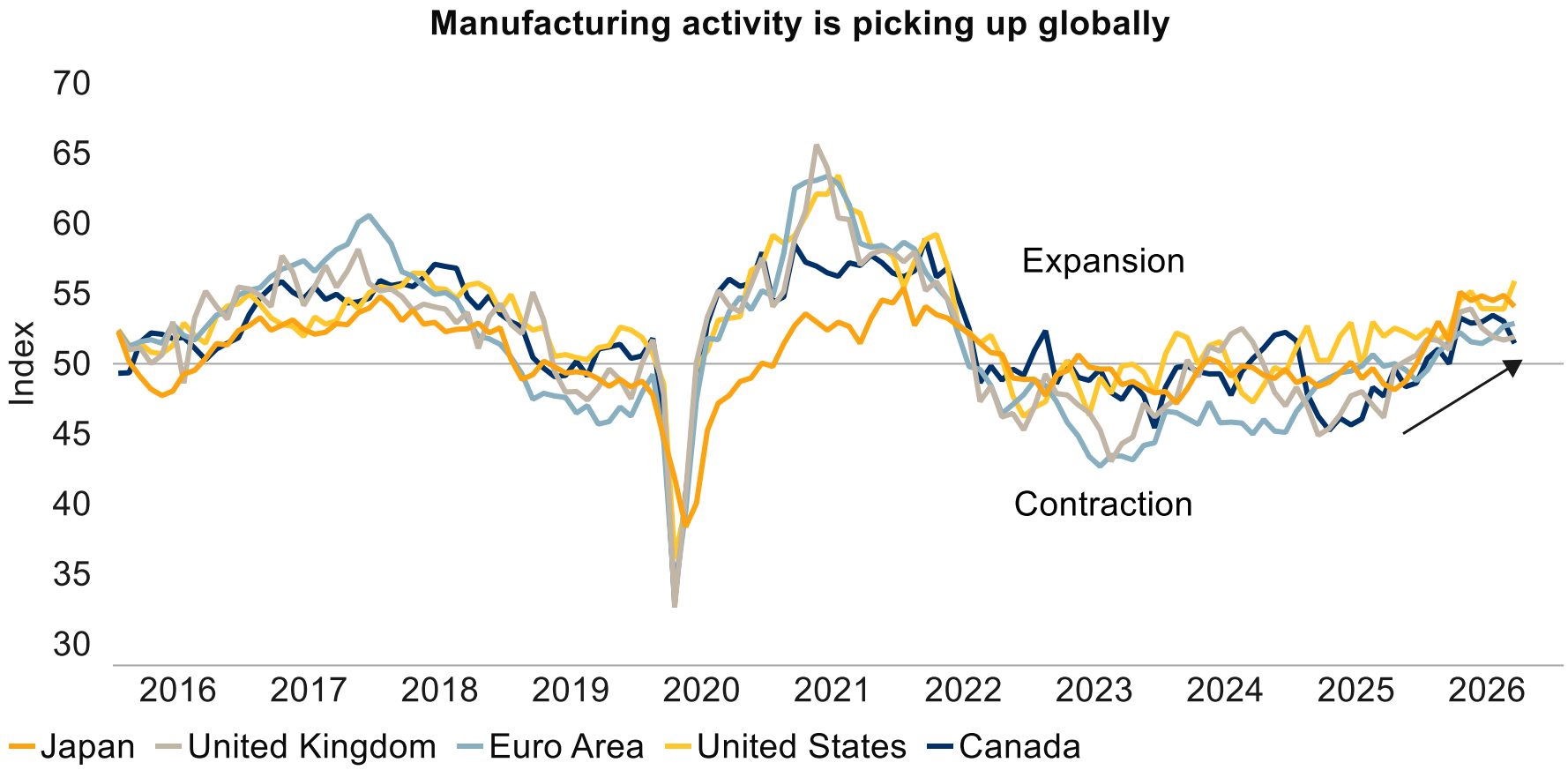
Complementary information

Economic growth impulses: 2026 → 2027

	U.S.	Canada	Rest of developed world
Fiscal policy	++ → +	++ → ++	++ → ++
Energy shock	− → •	• → •	−− → +
Monetary policy / rates	+ → −−	+ → −	+ → −
AI CapEx	++ → ++	• → •	+ → +
AI productivity	+ → ++	+ → +	+ → +
Stock market wealth effect	++ → +	++ → +	++ → +
Overall	+ → +	+ → +	+ → +

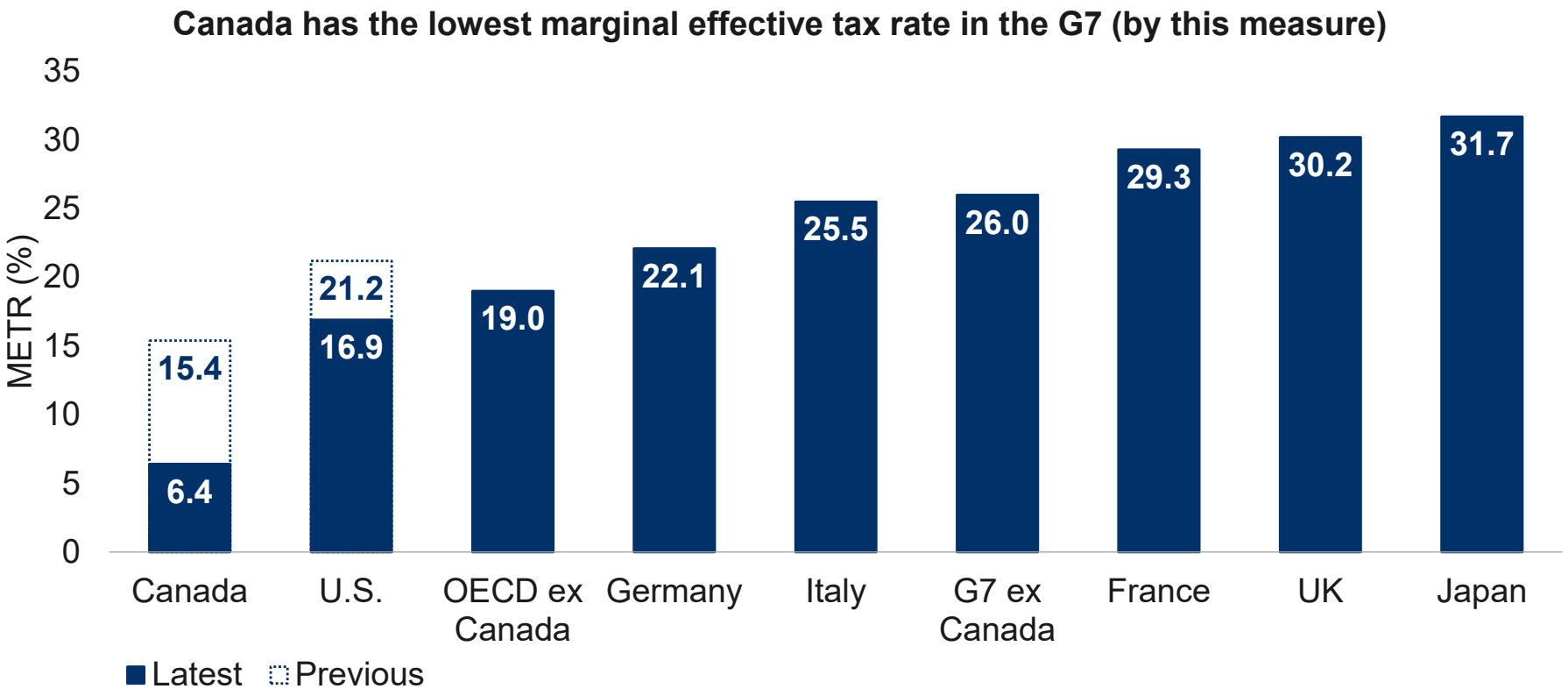
Note: As of August 3, 2026. Source: RBC GAM

Global economic growth momentum is surprisingly good



Note: As of 09/26. Source: S&P Global, Macrobond, RBC GAM

New measures improve Canada's tax competitiveness



Notes: As at September 15, 2026. The marginal effective tax rate (METR) is the tax imposed on an additional dollar of business investment. U.S. tax cut reflects One Big Beautiful Bill Act (OBBBA). Canada tax cut reflects Budget 2025, Spring Economic Update 2026 and recent Productivity Mega Deduction announcements. Source: Government of Canada, RBC GAM

Other considerations

- Low METR (marginal effective tax rate) reflects sectoral mix, misses some key industries
- AETR (average effective tax rate) is middle-of-the-pack in G7 (but improves with latest measures)
- Regulatory burden, corporate culture, risk appetite also contribute to investment decisions

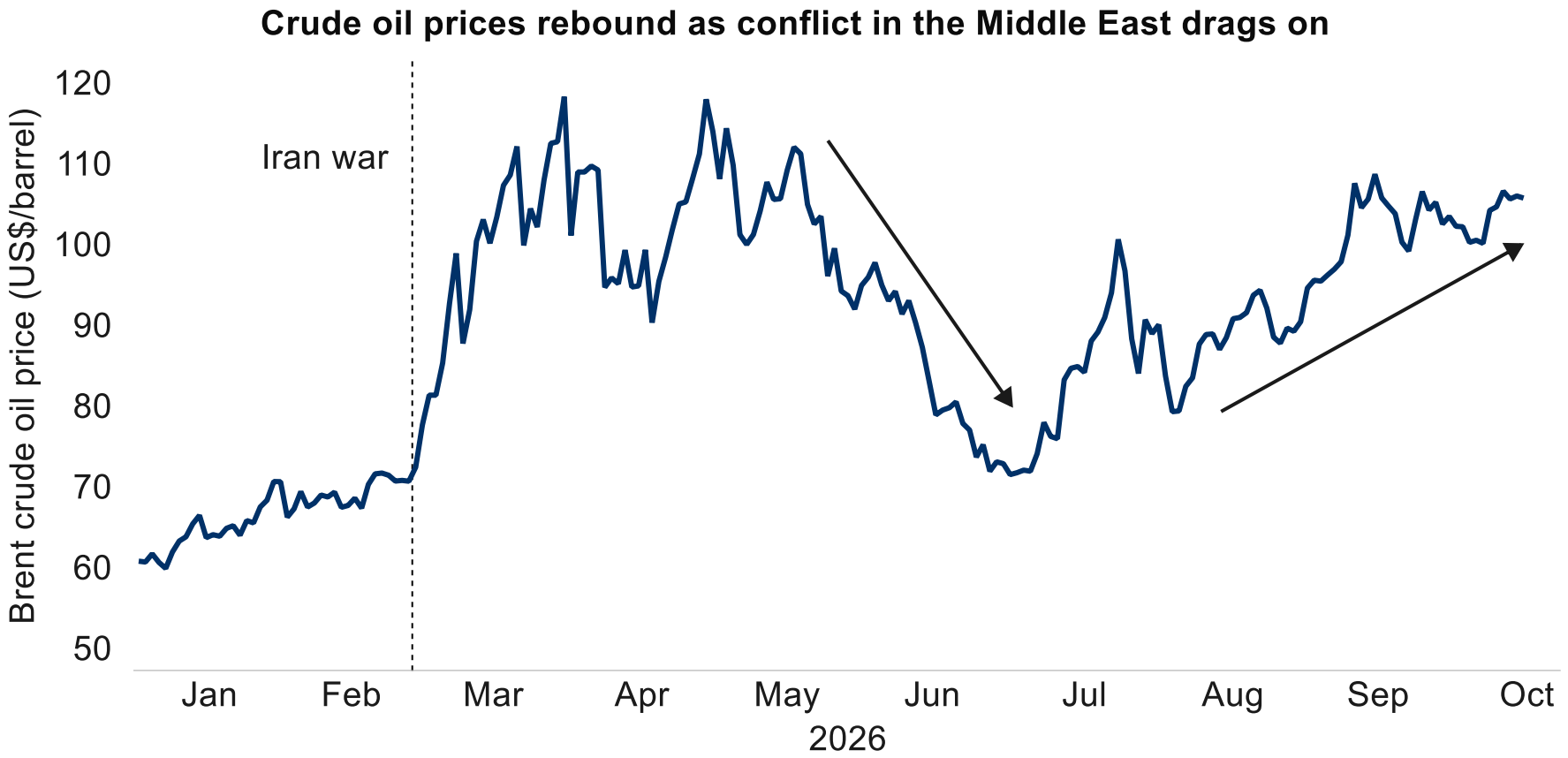
Note: As at September 28, 2026.
Source: RBC GAM

Pro-growth Canadian policy environment

Medium-term economic impact:		• Majority government and high popularity create scope for action • Priorities have shifted from social and environmental policy to growth-supportive economic policy • Secondary focus on diversifying trade exposure away from U.S.
Budget	+ +	• Separate operating and capital budgets unlocks additional spending (via deficits) • Deficit to be substantial = economic stimulus but also worse fiscal position
Taxes	+ +	• Major cut to effective tax rate on capital for companies • Other small tax cuts (cancelled capital gains hike, small personal tax cut, R&D tax credit enhanced)
Regulation	+ +	• Streamline and accelerate infrastructure/resource project approval
Infrastructure	+ +	• More nation-building infrastructure, trade-diversifying spending (e.g. mines, pipelines, rail, ports) • Takes years to fully implement • Seeking investment capital from home and abroad
Housing	+	• More housing construction (use carrot, gov't to build) • GST exemption on new homes for first-time buyers
Immigration	−	• Match immigration with available resources • Moderate permanent immigration; limit temporary visas
Trade	− − −	• U.S. trade barriers rising • USMCA deal proving difficult to secure • Only limited progress in reducing interprovincial barriers • Versus significant progress striking deals with rest of world

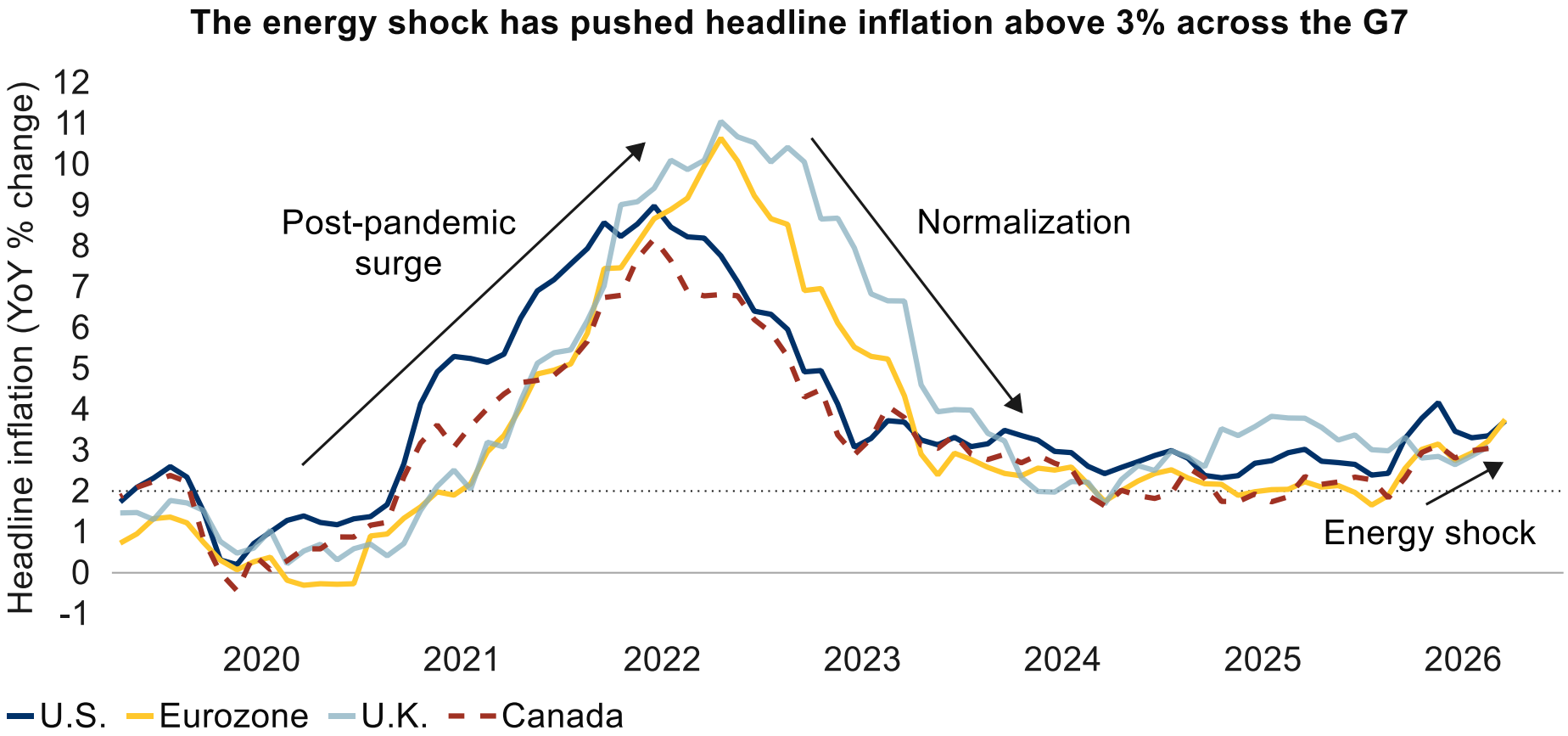
Note: As at September 29, 2026. +/- indicate whether GDP growth might proceed more quickly over the medium term under various policies. Source: RBC GAM

Oil prices remain elevated as conflict stretches on



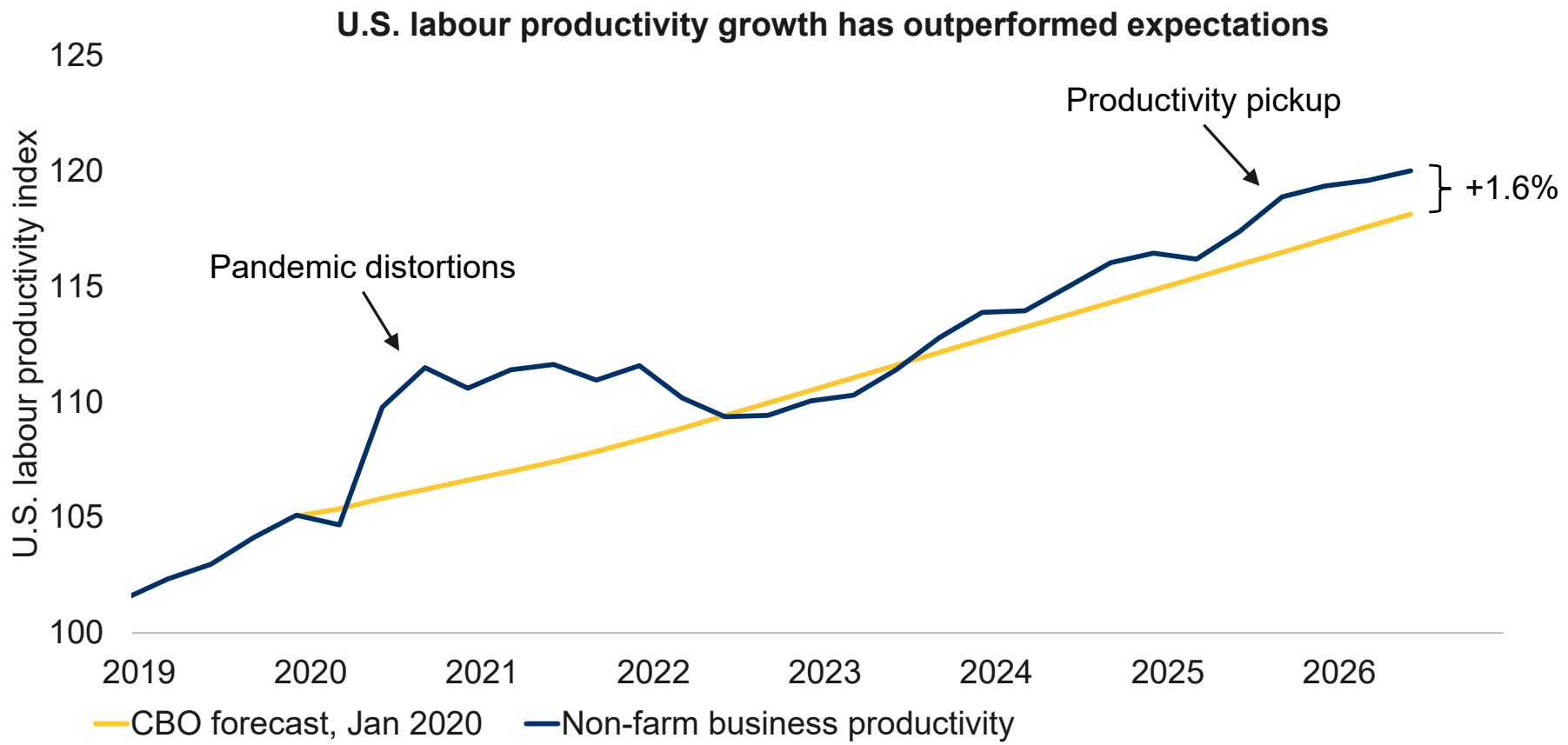
Note: As of October 15, 2026. Source: Bloomberg, RBC GAM

Inflation is too high for central banks



Note: As of September 2026. Source: U.S. Bureau of Labor Statistics (BLS), Eurostat, U.K. Office for National Statistics (ONS), Statistics Canada, Macrobond, RBC GAM

U.S. productivity growth is picking up



Note: Labour productivity index as of Q2 2026. CBO forecast is re-indexed to Q4 2019 actual. Source: Congressional Budget Office (CBO), U.S. Bureau of Labor Statistics, Macrobond, RBC GAM

Divided U.S. government ahead – implications (at the margin):

GDP	Equities	US$	Yields	Inflation
(-)	(-)	(-)	(-)	(-)

Negatives:

- **Less fiscal stimulus?**
- **Harder to pass budget**
  - Tricky debt ceiling ~spring 2027
- **Democrats less business-friendly**
  - Subpoena power / Congressional investigations / Committee membership
  - Little new pro-business legislation
- **Deregulation push weakens**
  - Oil and gas more encumbered?
  - Bank deregulation slows?
- **Slightly more anti-AI pressure?**
- **Pharma: more drugs price-restricted?**
- **Defence spending to grow less quickly?**

Positives:

- **Fewer budgetary excesses?**
- **Slightly less protectionism**
- **Slightly more support for green industries?**
- **Both parties advocate for households, consumer spending**

Note: As at July 30, 2026. Source: RBC GAM

Midterms and U.S. equities: bad then good?

Average path of S&P 500 from September to year-end based on midterm election result

Midterm election result	Instances	Average date of trough	Max drawdown (Sep 1 to midterm election)	Return (Pre-midterm trough to year-end)
Divided	11	Oct 09	-2.2%	7.6%
Split congress	5	Sep 30	-5.0%	3.0%
Unified	8	Sep 27	-2.0%	5.8%
All midterm years	24	Oct 01	-2.1%	5.6%

Note: Includes 24 midterm elections since 1930. Figures are calculated off of the average S&P 500 path for the midterm election scenarios. Divided means presidency and congress are controlled by different parties. Unified means presidency and congress are controlled by the same party. Source: Bloomberg, RBC GAM

Disclaimer

This presentation is intended for institutional investors only.

This document has been provided by PH&N Institutional for information purposes only and may not be reproduced, distributed or published without the written consent of PH&N Institutional. It is not intended to provide professional advice and should not be relied upon in that regard. Any securities information provided in this presentation is confidential and for illustration purposes only to demonstrate the investment management process of the investment team(s), and is not a recommendation to buy or sell any specific security.

PH&N Institutional takes reasonable steps to provide up-to-date, accurate and reliable information, and believes the information to be so when printed. PH&N Institutional reserves the right at any time and without notice to change, amend or cease publication of the information.

Information obtained from third parties is believed to be reliable, but no representation or warranty, express or implied, is made by PH&N Institutional, its affiliates or any other person as to its accuracy, completeness or correctness. We assume no responsibility for any errors or omissions in such information.

This information is not intended to be an offer or solicitation to buy or sell securities or to participate in or subscribe for any service. No securities are being offered, except pursuant and subject to the respective offering documents and subscription materials, which shall be provided to qualified investors. This document is for general information only and is not, nor does it purport to be, a complete description of an investment in any RBC, PH&N or BlueBay funds. If there is an inconsistency between this document and the respective offering documents, the provisions of the respective offering documents shall prevail.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the Prospectus or Offering Memorandum before investing.

Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

The amount of risk associated with any particular investment depends largely on the investor's own circumstances. Investors should consult their professional advisors/consultants regarding the suitability of the investment solutions mentioned in this presentation.

This document may contain forward-looking statements about general economic factors which are not guarantees of future performance. Forward-looking statements involve inherent risk and uncertainties, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement. All opinions in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

PH&N Institutional is the institutional business division of RBC Global Asset Management Inc. (RBC GAM Inc.). RBC GAM Inc. is the manager and principal portfolio adviser of the Phillips, Hager & North (PH&N) investment funds and RBC investment funds.

RBC Global Asset Management is the asset management division of Royal Bank of Canada (RBC) which includes RBC GAM Inc., RBC Global Asset Management (U.S.) Inc., RBC Global Asset Management (UK) Limited, RBC Global Asset Management (Asia) Limited, which are separate, but affiliated subsidiaries of RBC.

®/™ Trademark(s) of Royal Bank of Canada. Used under licence

VANCOUVER

Waterfront Centre
200 Burrard St.
20th Floor
Vancouver, BC
V6C 3N5
Canada

TORONTO

RBC Centre
155 Wellington St. West
22nd Floor
Toronto, ON
M5V 3K7
Canada

MONTREAL

Place Ville Marie
1 Place Ville Marie
9th Floor, North Wing
Montréal, QC
H3C 3A9
Canada

THUNDER BAY

Fort William First Nation
300 Anemki Place
Suite E
Thunder Bay, ON
P7J 1H9
Canada

WINNIPEG

Swan Lake First Nation 8A
300 Alpine Way
Suite 110
Headingley, MB
R4H 0E1
Canada

CONTACT US

Toll Free: 1-855-408-6111
Email: institutional@phn.com
Website: institutional.phn.com

REPORT

To: ONE Joint Investment Board
From: Jennifer Hess, Manager of Investment Services, MFOA
Date: November 24, 2026
Re: External Investment Manager Oversight - Q3 2026
Report: ONE JIB 2026-060

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report for information.

2. SUMMARY

This report provides the ONE Joint Investment Board with an update on Q3 2026 oversight of the External Investment Manager from an operational perspective. ONE Investment staff, including the CCO, reviewed the quarterly materials and related reporting. No significant performance or compliance concerns were identified. Reporting continues to be refined to support the current business model, including related compliance processes and oversight by ONE's Risk and Audit Committee.

Based on this review, ONE Investment confirms that Participating Municipalities' money not required immediately (MNRI) continues to be invested in accordance with ONE JIB-approved Investment Plans and the ONE JIB Agreement.

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 MNRI for Participating Municipalities. This includes investment oversight, regular performance reviews, and supervision of agents that support ONE JIB's fiduciary responsibilities. ONE Investment staff and the CCO review the External Investment Manager's activities and report significant issues to ONE JIB as required.

As part of the oversight role provided by ONE Investment, the operation and execution of investment management activities are monitored

Ongoing monitoring confirms that Investment Plans and related administration are implemented effectively. Operational matters are also discussed with ONE's Risk and Audit Committee as part of the oversight process.

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

An external consultant supports the periodic review of the External Investment Manager, supplementing ongoing oversight by ONE Investment staff and the CCO. The most recent external review was received at the May 28, 2026 ONE JIB meeting. The next review is scheduled for 2028.

4. ANALYSIS

PH&N Institutional provides quarterly reports on the Prudent Investment Program

The quarterly reports from PH&N Institutional include market commentary, investment performance information, portfolio positioning, and key investment themes. Attachment 1 provides excerpts from the Q3 2026 client commentary and additional fund-level performance information on the topics listed below:

- Macroeconomic and capital markets context
- Summary of investment performance
- A review of key investment themes and activities.

The full quarterly reports are available to ONE JIB in the resource library.

All investments have been made in accordance with the approved Investment Plan and the terms set out in the ONE JIB Agreement

ONE Investment reviewed recurring reports from the External Investment Manager and custodian, including monthly statements, quarterly client reports, proxy voting information, and related materials. No significant concerns were identified. Through this report, ONE Investment confirms that Participating Municipalities' MNRI is invested in accordance with ONE JIB-approved Investment Plans, as shown in Figure 1.

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 September 30, 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.

5. CONCLUSION

ONE Investment's Q3 2026 oversight review did not identify any significant concerns with the External Investment Manager's activities or related reporting. The review supports continued confidence that investment management activities are being carried out in accordance with approved Investment Plans and the ONE JIB Agreement. Staff will continue regular monitoring and will report any significant issues to ONE JIB as required.

ATTACHMENTS

Attachment 1: ONE Investment Quarterly Commentaries for the Period Ending September 30, 2026

Drafted by: Jennifer Hess CPA CMA, Manager Investment Services, MFOA
Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

Attachment 1



Investment Management Report for

ONE Investment - Quarterly Commentaries

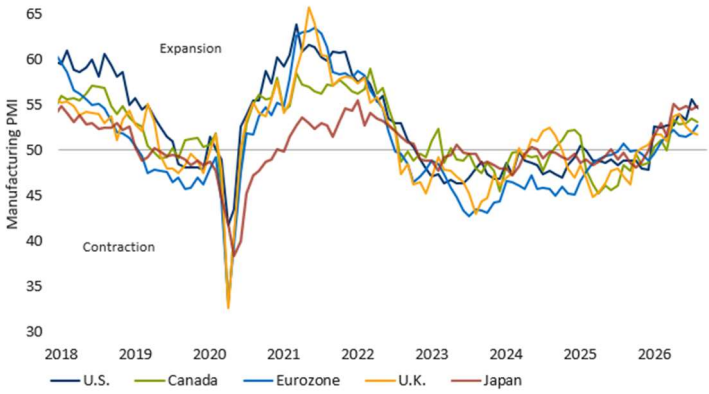
For Period Ending September 30, 2026

Macroeconomic and Capital Markets Commentary and Outlook

The following commentary summarizes meaningful trends and events we've observed over the quarter.

Global economic growth advanced at a solid pace through the first three quarters of 2026, demonstrating resilience despite multiple challenges. The world economy has largely shrugged off a steady barrage of headwinds, from the still-obstructed Strait of Hormuz affecting energy availability to creeping bond market pressures, fresh U.S. tariffs, and lingering inflation concerns. Manufacturing purchasing manager indices across major economies signal ongoing forward momentum, buoyed by AI spending, fiscal support, lagged benefits from earlier monetary easing, and stock market wealth effects. Our recession probability models point to unusually low odds of contraction over the coming year, and we continue to forecast growth ahead of consensus for 2027.

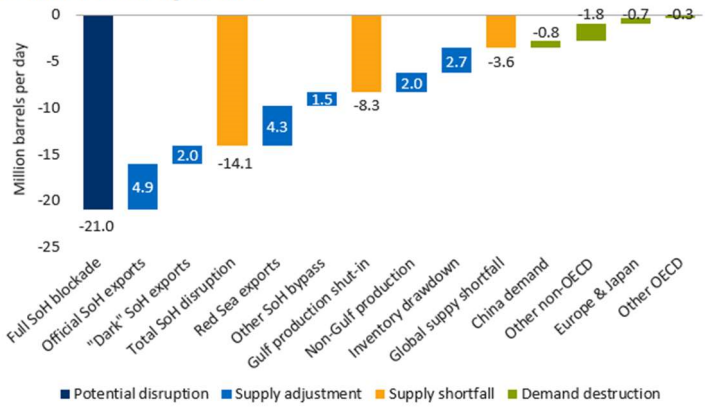
Manufacturing activity shows surprising strength



Note: As of August 2026. PMI refers to Purchasing Managers Index for manufacturing sector, a measure for economic activity. Source: Haver Analytics, RBC GAM

Artificial intelligence has emerged as a critical driver of this economic momentum, with implications extending well beyond the technology sector itself. The vast sums hyperscalers are investing in data centres and related technology continue to mount at a remarkable pace, contributing between 0.5%–0.75% to the U.S. GDP growth rate and materially supporting economic expansion. Even more significantly for the long-term outlook, productivity growth appears to be accelerating in many places. We believe a significant fraction of this represents the initial benefits from AI-related efficiencies, and these gains should become an enduring and increasingly international tailwind over time. The developed world may be shifting from a low- to high-productivity growth regime, which would serve as a powerful offset against long-standing structural challenges including adverse demographics and high public debt loads.

Both supply and demand have adjusted to Strait of Hormuz disruptions



Note: As at August 19, 2026. Source: U.S. Energy Information Administration (EIA), International Energy Agency (IEA), RBC GAM

The headwinds referenced above, while proving more manageable than initially feared, do deserve more than a passing mention. The ongoing **Middle East energy shock** has kept oil prices elevated, but a series of cobbled-together supply and transportation solutions have prevented the catastrophic squeeze many anticipated, mitigating the demand

destruction required to balance the market. While the energy shock continues to add to inflation, and risks remain should the Strait of Hormuz stay closed or temporary remedies like inventory drawdowns lose viability, the situation has stabilized relative to worst-case scenarios. Beyond crude pricing and transportation concerns, scarcity of refined energy products such as diesel fuel is impacting more of the global economy as this conflict continues.

Rising bond yields present another challenge. Many countries continue to run large fiscal deficits, and accordingly have accumulated large public debt loads. The U.S. national debt now exceeds US$40 trillion, a level that continues to pressure bond markets, and becomes increasingly more costly to refinance. Further, there is now some crowding occurring in the bond market, not just as countries compete with one another for bond buyers, but as tech giants wade into the fray with large bond issuances of their own. Meanwhile, with the era of quantitative easing over, the burden has fallen upon rate-sensitive private investors to absorb much of the rising public debt, and they are demanding a premium to do so. The U.S. Treasury Department is attempting to counter upward pressure on yields with an expanded bond buyback program. But the program is small and has limited ability to upsize, so we expect yields to remain high though not to rise substantially beyond present levels in the near term.

Rising bond yield environment



Note: As of September 03, 2026. Shaded area represents recession. Source: U.S. Department of Treasury, Macrobond, RBC GAM

Additional **U.S. tariffs**, including a surprising 50% levy on 5% of Canadian exports prompting tit-for-tat retaliation, have modestly worsened growth and inflation trajectories for both countries. So far, the overall economic impact remains limited – a few tenths subtracted from growth rather than the more dramatic damage popularly imagined.

Finally, as we've touched on already, **inflation** remains too high following a six-year series of various shocks: pandemic effects, recovery distortions, tariffs, and most recently the war with Iran. Our research also argues that while AI should eventually prove deflationary, it is for the moment moderately inflationary as computer chip prices and construction costs surge. The highly competitive buildout frenzy we are witnessing today does not appear to have cost containment as a top priority. After so many shocks, we expect that some scarring has built up beneath the surface, leaving developed-world inflation modestly above 2% – a departure from the pre-pandemic norm. Still, there should be room for some moderate decline in inflation in 2027 when measuring annual changes, if not all the way back to 2%. We expect diminished oil constraints through the Strait of Hormuz re-opening and additional global supply to deliver relief. Housing should remain disinflationary in the U.S. and Canada, while modest rate hikes will help cap broader inflation pressures. Overall, while these collective headwinds warrant monitoring, none appears sufficient to derail the broader growth trajectory.

Turning to capital markets, **global equity markets** extended their gains to record highs after a volatile summer that featured dramatic rotations beneath the surface. While major indices appeared relatively calm, leadership within them shifted aggressively between semiconductors, hyperscalers, and software companies as investors debated AI opportunities and risks.

Equity Indices Performance Comparison as of September 30, 2026 (%)

	3 Mo	1 Yr
S&P/TSX Composite Index (C$)	1.62	20.03
S&P 500 Index (C$)	2.66	18.35
MSCI World Index (C$)	1.95	17.59
MSCI EAFE Index ($C)	0.88	18.05
MSCI Emerging Markets Index (C$)	-0.30	31.85

Source: RBC GAM

The impressive gains across most major equity indices over the past year have made stocks more expensive according to our valuation models. Higher **valuations** limit return potential and reduce the odds of further outsized gains, especially in an environment of rising interest rates. With valuations unlikely to be a reliable source of gains, earnings growth will be essential to sustain the rally, and indeed, one of the defining features of the current market environment has been the extraordinary surge in corporate profits. At the beginning of the year, analysts had pencilled in approximately 15% earnings growth for the S&P 500 in 2026; that figure has since been revised up dramatically to 34%, as companies have consistently beaten estimates and raised forward guidance. This margin improvement has been noteworthy and is an area for ongoing study with regards to sustainability.

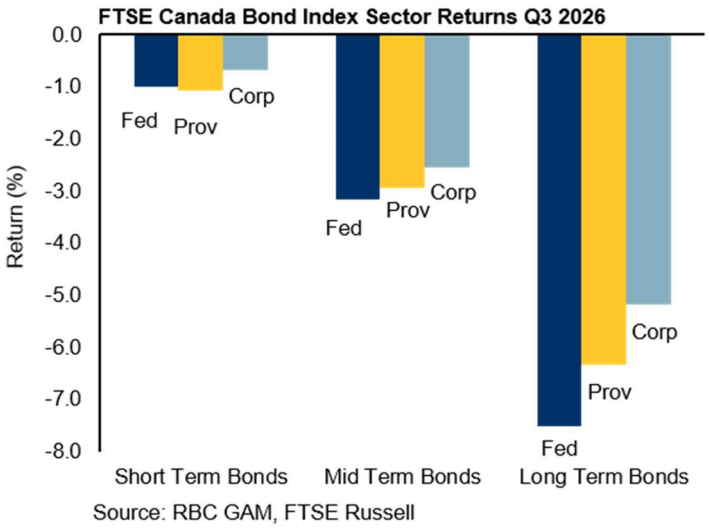
Within the **MSCI World Index**, amidst the recurrent escalation and de-escalation of the Iran conflict, the Energy sector leapfrogged Information Technology to be the top-performing sector in the third quarter. Health Care and Communication Services also outperformed, reflecting a broadening of performance beyond technology. The same sector trends were present in the **U.S.**, which represents more than 70% of the global index. Within the S&P 500 Index, the Energy sector whipsawed from a 11.8% decline in the second quarter to a 17.4% gain in the third quarter, though its modest 3.5% weight in the index muted the impact on overall performance. Technology sector fluctuations had a greater impact given its 40% index weight: after returning 34.4% in the second quarter, Info Tech generated a more modest but still healthy return of 7.6% in the most recent period. Signs of broadening that have emerged across the S&P 500 beyond the Technology sector are welcome, given this can help partially offset AI-concentration concerns and suggests underlying market resilience.

In **Canada**, the S&P/TSX Capped Composite Index posted a modest 1.6% return over the quarter, underperforming major global equity indices. The market exhibited sharp sector dispersion, with only three of eleven sectors generating positive returns during the period. Materials led the quarter with a 12.9% gain, driven by strength in gold miners as precious metal prices rose on the back of U.S. debt concerns. Information Technology surged 17.9%, as Canada's IT sector is more heavily weighted to enterprise software, which benefitted from the recent rotation, and has less exposure to semiconductors, which cooled in the most recent period. Energy added 3.3%, extending its strong year-to-date performance despite moderating from earlier gains. This strength was offset by broad-based weakness across the remaining eight sectors. Financials – the index's largest sector, accounting for 35% of the

S&P/TSX – declined 2.9% over the quarter, creating a meaningful headwind to overall returns. Communication Services, Utilities, and Real Estate also declined, as defensive sectors underperformed amid a rotation toward cyclical and commodity-sensitive areas of the market.

Emerging market equities paused in the third quarter, with the MSCI Emerging Markets Index returning -0.3% amid a sharp rotation out of technology stocks. After surging 76.2% in Q2, the Information Technology sector – which comprises 43% of the index – declined 4.6% in Q3, creating a significant drag despite strong year-to-date gains of 90.5%. The sector's pullback reflects profit-taking following the extraordinary run earlier in the year, as well as investor concerns around valuation and cyclical memory-chip pricing dynamics. Financials provided meaningful support, gaining 6.4% and benefitting from improved sentiment in China and Brazil. Energy also contributed positively, rising 10.7% on elevated commodity prices, while Health Care posted a strong 13.7% return. However, broad-based weakness in Consumer Discretionary, Communication Services, and Industrials limited overall index gains, underscoring the narrow leadership dynamic that has characterized emerging markets throughout 2026.

Global fixed income markets delivered broadly negative results during the third quarter amid the substantial rise in sovereign bond yields. U.S. Treasury yields climbed sharply throughout the quarter, driven by elevated energy prices, rising inflation concerns, and the U.S. Federal Reserve's rate hike in mid-September. International developed market bonds also faced significant headwinds, with performance varying across regions as central banks adjusted policy amid persistent inflation and fiscal pressures. Emerging market debt also delivered negative returns, with headwinds from the conflict in the Middle East and resulting inflation concerns affecting sentiment.



In **Canada**, the yield of the FTSE Canada Universe Bond Index ended the third quarter at 4.2%, up 0.6% from the start of the period. Yields climbed steadily throughout the quarter, reaching levels not seen in several years. The move is driven by Government of Canada bond yields, which rose in tandem with the broader sell-off in U.S. Treasuries that pushed global sovereign bond yields higher. This shift reflects investors' growing requirement for higher yields amid fiscal concerns, persistent inflation pressures, and renewed monetary policy tightening, among other factors. 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 third quarter. Overall, short-term bonds outperformed mid- and long-term bonds mainly because their prices were less sensitive to yield increases. From a sector perspective, corporate bonds performed better than federal

and provincial bonds across all segments due to their shorter duration profiles (lower sensitivity to interest rates) and higher yield accrual.

Looking ahead, the substantial rise in sovereign bond yields throughout the third quarter has materially improved the outlook for fixed income investors, providing meaningful income generation and a more substantial buffer against potential further rate increases. Within credit markets, the elevated all-in yields remain attractive, which should continue to support steady investor demand for fixed income. That said, credit valuations are relatively expensive by historical standards, and the expectations of further significant new issuance could exert upward pressure on spreads. Overall, bond yields are likely to remain volatile in the near term with the bond market pricing in moderately higher yields for Canada over the next 12 months, particularly in the front end of the curve.

Third Quarter Review

Duration and Yield Curve

The global economy continued to demonstrate impressive resilience during the third quarter despite a formidable array of headwinds — higher energy prices resulting in inflation pressure, another round of tit-for-tat tariffs, and rising sovereign bond yields, to name a few. Despite this, and thanks in significant part to enormous AI-powered investment alongside significant fiscal policy support, the global economy continues to move forward at a robust pace.

The war in the Middle East has been front and centre for financial markets for more than half a year now. While energy prices rebounded during the third quarter amid a re-escalation of the conflict, they remain reasonably below their April peaks. However, the longer the war drags on, the more higher energy prices become entrenched into broader inflation pressures. Closer to home, trade tensions have reignited between the U.S. and Canada, casting a significant shadow of uncertainty over cross-border commerce. To Canada's credit, work is underway to plan, accelerate, and build pipelines, high speed rail, ports, nuclear power, and power transmission projects under the Liberal government's "Build Canada" agenda. Over time, we will see which projects ultimately move forward, but it appears that the net impact of this fiscal spending could create opportunities to jumpstart Canadian economic growth.

Elsewhere in policy rates, the era of monetary easing is transitioning toward tightening. The European Central Bank, Bank of Japan, and most recently, the U.S. Federal Reserve (Fed) have started raising rates. While the Bank of Canada (BoC) maintained its overnight target rate at 2.25% at both its July and September meetings, accompanying comments from policymakers highlighted growing concern regarding the potential passthrough from elevated energy prices to broader economy-wide inflation. The BoC communicated that the outlook for inflation, and the risks surrounding it, will guide the path of its policy rate. The Fed ultimately delivered a 0.25% hike to 3.75%-4.00% at its mid-September meeting, supporting the Fed's inflation-fighting credibility and helping to reaffirm a narrative of a return to policy orthodoxy.

A key theme in fixed income markets during the quarter was the significant increase in global sovereign bond yields. Some of the factors driving the yield increase across the curve include renewed monetary policy tightening, investors demanding higher term premiums given higher government fiscal deficits, as well as significant bond issuance from AI hyperscalers crowding out government bonds. In addition, there is the expectation that significant productivity gains from AI-related technology could also be driving long-term real yields higher. We would note that long-term market-implied inflation expectations for Canada and the U.S. remain well anchored around 2.25%, suggesting the recent move has less to do with the expectations of significantly higher long-term inflation. Overall, shorter-term Government of Canada (GoC) bond yields increased more than those of longer-term maturities, resulting in a higher and flatter yield curve.

In terms of positioning, the portfolio began the third quarter with a duration shorter than its benchmark, a view largely predicated on the need for central banks, namely the BoC and Fed, to hike policy rates more

than the market expected in response to persistent inflation pressure. Throughout the quarter, while the portfolio largely maintained a short duration bias, the position was managed tactically in response to key market events. In mid-September, as yields continued their upward trend to multi-year highs, we took the opportunity to close the short duration position and initiate a small tactical long duration relative to the benchmark. This adjustment reflected our near-term view that the recent increase in yields may have run its course, supported largely by technical factors including signs of stretched short market positioning. This long duration bias was then maintained through to the end of the quarter.

The portfolio's yield curve positioning remains structured to benefit from a further flattening of the yield curve. We maintain high conviction that market participants are too pessimistic on the Canadian economy over the medium term, given the government's expansionary fiscal policy, tightened immigration policy, and the potential tailwinds of AI-related capital expenditure. Positive surprises in key economic data have the potential to accelerate BoC rate hike expectations and thus result in short-term yields rising. While the yield curve flattened during the quarter, we believe there is room for further flattening based on the historical relationship between short-term yields and policy rate expectations, and that the recent move could be the start of a more persistent trend. In addition to being a source of value-added, the portfolio's yield curve positioning also provides key hedging benefits to the portfolio's modest, yet overweight, credit allocations. Overall, the combination of the portfolio's duration and yield curve positioning contributed to relative performance over the quarter.

The bond market is pricing in 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. While a higher and flatter yield curve is consistent with our current positioning, we believe market expectations for rate hikes remain underpriced, and that yields are likely to remain volatile over the short to medium term. As such, we remain positioned to opportunistically adjust the portfolio while maintaining a nimble and disciplined approach to duration and yield curve management.

Government of Canada Yields (%)

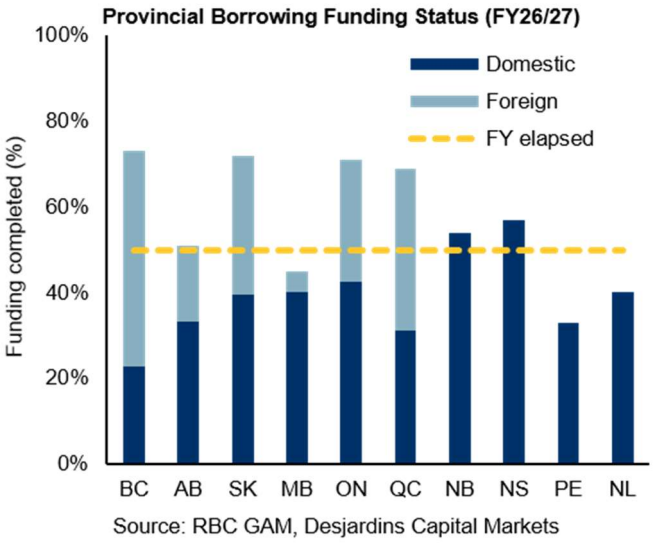
	1 Yr	2 Yr	5 Yr	10 Yr	30 Yr
September 30, 2026	3.00	3.37	3.70	3.99	4.30
Forward Curve for September 30, 2027	3.78	3.80	3.90	4.15	4.38
Implied Change (1 year)	**+0.78**	**+0.43**	**+0.20**	**+0.16**	**+0.08**

Source: RBC GAM (BondLab), Bloomberg.

Foreign Sovereign Bonds

We may choose to hold a tactical position in foreign sovereign bonds, such as U.S. Treasury bonds and U.S. T-bills, when they are attractively valued and/or because of their diversification benefits. While we do not currently hold a position in foreign sovereign bonds, we will continue to monitor this strategy as market conditions evolve.

Quasi-Government Bonds

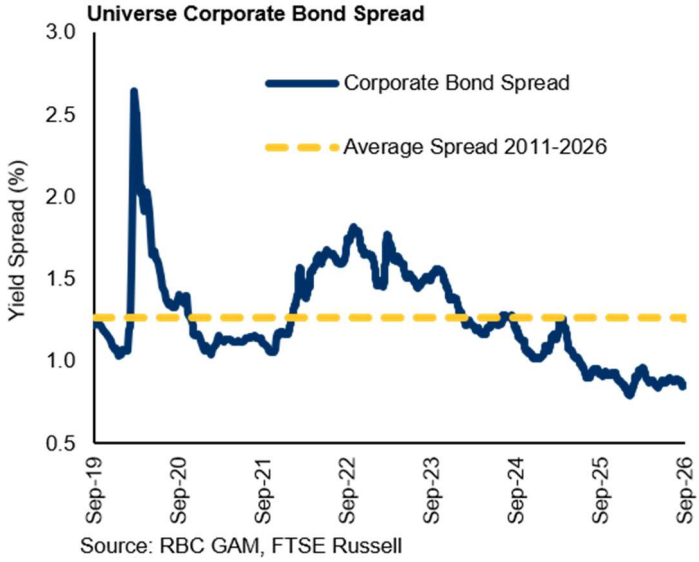


Despite ongoing bond market volatility, provincial bond issuance remained strong during the quarter, with approximately $90 billion of bonds issued in the primary market year-to-date. The provinces have capitalized on strong demand from international markets, which eased pressure on the domestic market and kept spreads fairly steady. In aggregate, the provinces have already completed 65% of their funding requirements despite being only halfway through the current fiscal year, which runs from April 1 to March 31. In terms of fundamentals, economic divergence between the provinces is becoming more pronounced, with trade developments remaining a key credit consideration. Provinces with greater exposure to manufacturing, like Ontario and Quebec for example, remain most sensitive to potential impacts on revenue forecasts, deficit trajectories, and future borrowing requirements. On the other hand, provinces like Alberta and Saskatchewan benefit from higher energy prices and more diversified commodity exports. Further, the Alberta referendum debate and Quebec election have not affected spreads in a meaningful way to date, as overall provincial bond spreads remain well behaved, with spreads on shorter-term bonds broadly unchanged while longer-term bonds tightened by a couple of basis points over the third quarter.

In terms of positioning, the portfolio's exposure across the provinces was adjusted slightly through profit-taking within the energy-producing provinces such as Alberta and Saskatchewan, which had performed well. The proceeds were redeployed into the provinces of Ontario and Quebec to improve the portfolio's liquidity profile. Overall, 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 remained underweight the rest of the smaller provincial issuers in aggregate, given their less favourable liquidity profiles. Lastly, the portfolio's exposures to federal agency bonds, such as AAA-rated Canada Housing Trust bonds, remained unchanged as we continue to have limited exposure to this segment of the market in favour of higher-yielding strategies.

Overall, the portfolio has a broadly neutral exposure to quasi-government bonds relative to the benchmark, but is overweight provincial bonds due to their yield advantage over federal agency bonds, which the portfolio is underweight. This positioning detracted from relative performance over the quarter as the portfolio had an overweight to longer term provincial bonds, which underperformed shorter term provincial bonds where we had an underweight.

Investment Grade Corporate Bonds



Despite negative headlines about re-escalating geopolitical tensions and the intensifying U.S.-Canada tariff dispute, data released during the third quarter continued to show resilience, with no obvious signs of broad corporate stress as businesses reported strong earnings results. With limited evidence of weakening fundamentals, Canadian investment grade corporate bond valuations remained steady at levels near their tightest since 2007. In terms of corporate bond supply, corporate issuers remained very active during the quarter. The typically quiet summer months delivered $44 billion of new issue supply in the third quarter, well ahead of the 10-year average of $27 billion. This level of primary market activity brought year-to-date supply to approximately $164 billion, already surpassing 2025's record of $151 billion in total annual issuance. Investors absorbed this substantial supply volume with relative ease, evidenced by investment grade corporate bond spreads trending slightly tighter over the period. Along with the market's healthy appetite for risk assets, this performance was supported by robust flows into fixed income products as all-in yields remain attractive.

From an economic fundamental standpoint, Canada's high level of household indebtedness and its impact on consumer spending growth, a vital pillar of the economy, remains a key vulnerability for investors to monitor. Elevated debt levels stemming from higher housing costs have left many Canadian consumers more exposed to financial shocks. Elevated borrowing costs, potentially weaker income and employment conditions in trade-exposed sectors, and higher costs of living could constrain consumer spending growth. While these risks remain, consumer spending has been resilient this year despite the sharp rise in energy prices, with household savings rates rising in the second quarter (data released during the third quarter), supported by the largest quarterly wage and salary growth in nearly two years.

Turning to Canadian corporations, fundamentals have shown few signs of stress so far, giving some support to spreads. While there are signs of an improving fundamental backdrop, businesses with significant leverage, low profitability, and low cash reserves are particularly vulnerable if earnings growth falters and is unable to offset increasingly elevated debt payments. Further, the ongoing trade tensions with the U.S. will test the financial resilience of some businesses, particularly those in industries tied to trade. The portfolio has limited exposure to industries directly impacted by tariffs, including manufacturing, steel, and aluminium, since these industries have limited presence in the Canadian investment grade corporate bond market.

Robust financing conditions have fuelled record corporate issuance in 2026, which has been met with healthy investor demand even as valuations have remained expensive. We have also seen many new issuers enter the primary market this year, with a surge in Maple bond issuance following their index

inclusion, which occurred at the start of 2025. Year-to-date, Maple bond issuance has significantly outpaced historical levels and has comprised approximately one-third of investment grade corporate bond issuance in Canada, thanks in part to record-breaking deals from hyperscalers such as Amazon and Alphabet. We expect to see continued strong supply, which could introduce some uncertainty in supply/demand dynamics, with potential implications for corporate bond valuations that could result in some attractively priced investment opportunities.

The portfolio maintained a medium overweight exposure to investment grade corporate bonds against this backdrop; however, some adjustments were made to underlying positions to help preserve capital and remain well positioned to capitalize on more attractive opportunities should corporate bond valuations cheapen. Namely, we trimmed the portfolio's hyperscaler exposure over the quarter due to potential technical headwinds to this area of the market as we anticipate hyperscaler issuance will continue, including in Canada. As mentioned, valuations currently appear expensive following a prolonged period of strong performance. Long-term corporate bonds look particularly expensive, with the spread premium over mid-term corporate bonds close to historically tight levels. Therefore, we generally 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 these metrics are showing early signs of improving, trade policy remains a risk to the economy and Canadian consumer strength. We are also cautious about the Communications sector, which faces multiple headwinds such as pricing competition, high corporate leverage near rating agency downgrade thresholds, the higher-for-longer interest rate environment, 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 as a result of slightly tighter corporate spreads and strong yield accrual.

Private Placement Corporate Debt

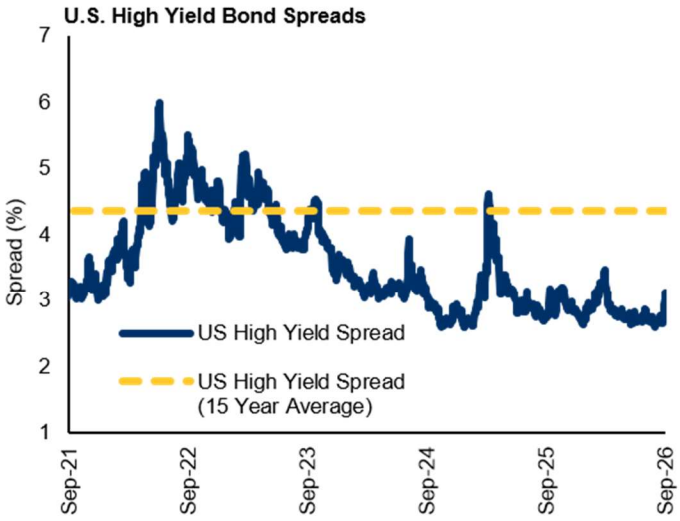
The portfolio has exposure to private placement corporate debt securities; these are investment grade bonds that are issued privately rather than through the public bond market, and many are not included in the benchmark. While many of these bonds are rated by rating agencies, like public bonds, unrated issues undergo the same 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.

Our expectations for yield enhancement within this sector are 50–75 bps over comparable public market opportunities of similar credit quality. Like the public primary market, the private placement sector was also active in the third quarter, and we made a new addition to the portfolio. We participated in a private placement from Blue Cross Life Insurance (DBRS rating: BBBh) that underwrites life, disability, and critical illness insurance for all Blue Cross entities across Canada. The business has very long operating history dating back to 1938 and is very important to the group insurance market in Canada as the fourth-largest employee benefits provider in the country. The deal with a five-year effective term is the company’s inaugural debt offering, representing only 13% of total capital and therefore, company leverage is relatively low, which provides us comfort as bondholders. Furthermore, the bond was issued at 175 bps above Government of Canda bonds, offering a meaningful ~75 bps premium relative to other publicly traded life insurance debt of similar term.

Private placement corporate bonds outperformed comparable-term public Canadian investment grade corporate bonds over the third quarter. These bonds are predominantly steady, less cyclical, infrastructure-related debt that performed well over the period. Their enhanced yield profile has also provided strong income accrual to the portfolio. We expect that the extra yield spread from private placement corporate bonds will continue to deliver a return tailwind to the portfolio over the long term and contribute to stability during downturns.

High Yield Corporate Bonds

During the third quarter, most high yield bonds delivered negative returns as market dynamics were characterized by rising government bond yields and wider spreads. High yield spreads initially widened through July but saw temporary relief in August amid a supportive earnings season and lighter capital market activity. The reprieve was short-lived as spreads saw further pressure at the end of September as investor sentiment continued to be influenced by higher energy prices, inflation pressure, and shifting monetary policy expectations.



Source: RBC GAM, Bloomberg. US High Yield spread represented by ICE BofA US High Yield index

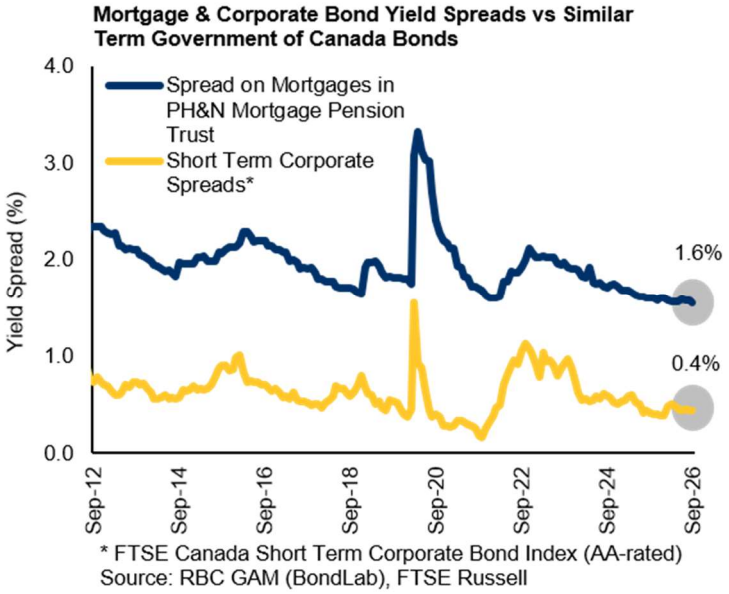
Overall, high yield bond spreads widened by approximately 40 bps over the quarter, driven primarily by the lower-quality CCC rated segment as their spreads widened by approximately 200 bps. Note that the portfolio has negligible exposure to the CCC rated segment of the high yield market. We believe the underperformance of CCCs reflect increasing dispersion within that credit segment, rather than broad-based deterioration of the high yield bond market. Weakness within the CCC category has been concentrated in secularly challenged industries, particularly media/broadcasting, cable/broadband, and building/construction. Further, CCC issuers tend to have some combination of declining business models, elevated financial leverage, weak cash flow generation – further stressed by rising interest expense – and limited financial flexibility.

In terms of capital market activity, high yield bond issuance slowed through most of the quarter but saw improved activity in September. However, from a demand perspective, the asset class experienced its first outflow in September after five consecutive months of inflows. Overall, net flows on a year-to-date basis have turned negative following September's reversal, and track significantly behind the comparable 2025 period. Credit fundamentals remain resilient, with default and distressed exchange activity continuing to stay well contained – an indication of improved credit quality across the market – though pockets of idiosyncratic credit stress do remain.

In terms of positioning within the high yield segment of the portfolio, it remains highly selective, with a bias to high-quality high yield. Further, the high yield bonds in the portfolio are meaningfully shorter duration than the broader high yield market, which results in better capital stability if yields rise and/or spreads widen. Overall, the portfolio's high yield allocation was unchanged during the quarter and was additive to performance, benefitting from its higher quality bias as spreads widened in the broader high yield bond market. Looking forward, while valuation levels appear stretched, we maintain a constructive view on high yield markets. We believe that there remain attractive reward-for-risk opportunities in carefully selected high yield bonds and the allocation will be adjusted as necessary depending on how market dynamics evolve.

Mortgages

The Canadian conventional commercial mortgage market remains in good health. Credit fundamentals are sound, and borrower demand continues to improve after multiple periods of low activity. Despite tighter spreads, all-in mortgage rates remain elevated relative to recent history due to higher underlying GoC bond yields, which increases the income return for commercial mortgage investors.



Performance in commercial real estate continues to be both market and property-type specific. The industrial sector continues to normalize, with leasing activity remaining healthy over the quarter amid subdued construction activity. Office markets are showing gradual recovery, with vacancy declining from mid-2025 peaks, particularly in downtown Toronto where return-to-office policies have supported demand. The retail sector has remained stable over the year, with grocery-anchored plazas maintaining lower vacancy rates and more consistent rent growth compared to other retail formats. Multi-residential fundamentals have softened over the past year alongside slowing population growth, with divergence emerging between affordable and higher-end properties where luxury supply has outpaced absorption.

Mortgage spreads remain tight across all property types as lenders compete for a limited pool of deals. Grocery-anchored retail spreads remain among the tightest as the sector continues to boast strong fundamentals and robust transaction activity. While spreads are tight across the market, commercial mortgages continue to provide a meaningful spread premium over similar credit risk corporate bonds.

The industrial sector remains the largest exposure in the portfolio at 43%, which we are maintaining steady given decelerated rent growth and tighter spreads, instead focusing on areas where we have higher conviction, like grocery-anchored retail, multi-residential, and selective office opportunities that offer compelling risk-adjusted returns. Over the quarter, we originated retail loans at a weighted average coupon of 4.6% and a 1.8x debt-service-coverage ratio, providing an income tailwind to the portfolio's mortgage allocation which had a 4.1% weighted average coupon at the prior quarter-end, while maintaining a healthy cash flow buffer.

Heading into year-end, we remain confident in the strong credit fundamentals underpinning the conventional commercial mortgage market and the mortgages held within the portfolio, which are all performing loans secured by high-quality, income-producing properties across Canada. The cash flows and property values supporting the mortgages have significant insulation, as evidenced by the high debt-service-coverage ratio (DSC) of 1.9x and low loan-to-value ratio (LTV) of 48%.

REPORT

To: ONE Joint Investment Board
From: Jennifer Hess, Manager of Investment Services, MFOA
Date: November 24, 2026
Re: Annual Investment Plan Reviews for Aylmer, Bracebridge, Georgian Bay, Kenora and Oliver Paipoonge
Report: ONE JIB 2026-053

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the Investment Policy Statements and Municipal Client Questionnaires (MCQ) from the following Participating Municipalities, summarized in the table below:

Municipality	MNRI Value September 30, 2026	IPS	MCQ
Town of Aylmer	$2,186,635	Attachment 1	Attachment 2
Town of Bracebridge	$9,993,265	Attachment 4	Attachment 5
Township of Georgian Bay	$6,909,029	Attachment 7	Attachment 8
City of Kenora	$78,882,536	Attachment 10	Attachment 11
Municipality of Oliver Paipoonge	$4,497,172	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 Aylmer	N/A	Model E+ (50% Equity)	Unchanged	Permitted / Included	Attachment 3
Town of Bracebridge	N/A	Model G (70% Equity)	Unchanged	Not Permitted	Attachment 6
Township of Georgian Bay	N/A	Model D (40% Equity)	Model D+ (40% Equity)	Permitted / Included	Attachment 9
City of Kenora (General)	$500,000	Model E (50% Equity)	Model E+ (50% Equity)	Permitted / Included	Attachment 12
City of Kenora (CPTF)	($1,600,000)	Model E+ (50% Equity)	Unchanged	Permitted / Included	same as above
Municipality of	$2,945,044	Model F	Unchanged	Not Permitted	Attachment 15

Municipality	Contribution (withdrawal) of MNRI	Current Consolidated Equity Exposure	Proposed Model Assigned (equity weight)	Allocation to Alternative Investments	Investment Plan
Oliver Paipoonge		(60% Equity)			

2. SUMMARY

This report presents the 2026 annual Investment Plan reviews for Aylmer, Bracebridge, Georgian Bay, Kenora, and Oliver Paipoonge. The reviews considered each municipality's Investment Policy Statement, Municipal Client Questionnaire, MNRI profile, investment horizon, risk tolerance, and current circumstances.

No model change is recommended for Aylmer, Bracebridge, Kenora's CPTF account, or Oliver Paipoonge. Their current allocations remain appropriate based on their investment horizons, risk preferences, and governing policies.

Model changes are recommended for Georgian Bay and Kenora's General account. Staff recommend that Georgian Bay move from Model D to Model D+, and Kenora's General account move from Model E to Model E+. Both changes maintain the current equity allocation while reducing their fixed income allocation by 10% and adding a 10% allocation to alternative investments. Planned transactions include a $500,000 contribution to Kenora's General account, a $1,600,000 withdrawal from Kenora's CPTF account, and a $2,945,044 contribution from Oliver Paipoonge.

3. BACKGROUND

The Investment Plan allocations are based on the model portfolios approved by ONE JIB on September 4, 2025

ONE JIB approved the current model portfolios on September 4, 2025. Staff and the External Investment Manager assessed each municipality's investment horizon, financial circumstances, liquidity needs, risk tolerance, and investment restrictions against those portfolios to determine the recommended allocation.

ONE JIB is reviewing the model portfolios at the November 24, 2026 meeting; if amended all impacted municipal portfolios will be adjusted accordingly.

4. ANALYSIS

Recommended allocations reflect MNRI horizons and relevant qualitative factors

ONE Investment staff and the External Investment Manager reviewed each municipality's MNRI profile, investment horizon, risk tolerance, policy constraints, and other relevant circumstances.

The review also considered whether each municipality's willingness to accept risk remained consistent with its capacity to do so. Municipal Client Questionnaire responses and discussions with staff informed the recommended model assignments.

Aylmer's circumstances remain broadly unchanged, and no allocation change is recommended

Aylmer Council completed its 2026 annual review and made no changes to the municipality's investment policy, which permits alternative investments.

The review identified no material changes to Aylmer's MNRI, cash flow forecasts, municipal circumstances, or investment horizon.

The MCQ indicates no material MNRI drawdowns within the next 10 years, supporting a long-term investment horizon. Although this horizon could support greater equity exposure, the municipality has confirmed that it's comfortable with the current risk level. Accordingly, continued investment in **Model E+**, with 50% equity and 10% alternatives, is recommended.

Table 1 summarizes Aylmer's proposed Model E+ allocation based on assets under management *as of September 30, 2026*.

Table 1: Aylmer's Allocation Summary

50% EQUITY MODEL (E+)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	32.5%	$710,656
Global Fixed Income and Credit	7.5%	$163,998
Canadian Equities	25%	$546,659
Global Equities	25%	$546,659
Alternatives	10%	$218,664
Total	100%	$2,186,635

Bracebridge is investing for its local share of a hospital and other future projects, and no allocation change is recommended

Bracebridge Council completed its 2026 annual review and made no changes to the municipality's investment policy, which does not permit alternative investments.

A portion of Bracebridge's long-term MNRI is intended to fund the municipality's local cash and in-kind contribution toward the new hospital, including land and road and traffic improvements, by 2037.

The 2026 MCQ shifts some MNRI from the 10-plus-year category to the five-to-10-year category as a precaution; no immediate use is planned. The MCQ continues to show no material MNRI drawdowns within the next 10 years.

Bracebridge therefore retains a long-term investment horizon. The Treasurer has confirmed the municipality is comfortable with its current allocation and risk level.

Continued investment in **Model G**, with 70% equity and no alternatives, remains appropriate and is recommended.

Table 2 summarizes Bracebridge's proposed Model G allocation based on assets under management *as of September 30, 2026*.

Table 2: Bracebridge Allocation Summary

70% EQUITY MODEL (G)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	30%	$2,997,980
Global Fixed Income and Credit	0%	$0
Canadian Equities	35%	$3,497,643
Global Equities	35%	$3,497,643
Alternatives	0%	$0
Total	100%	$9,993,265

Georgian Bay's circumstances remain broadly unchanged; adding alternative investments is recommended

Georgian Bay Council completed its 2026 annual review and made no changes to the municipality's investment policy, which permits alternative investments.

MNRI and cash flow forecasts remain broadly consistent with the prior year, with a modest increase in funds assigned to the 10-plus-year horizon. Although the MCQ identifies possible drawdowns within three to five years, the Treasurer advised that these amounts are precautionary and are not tied to firm spending plans.

In 2025, the municipality expressed a preference to defer adding alternatives (at that time) because of its limited experience under the Prudent Investor framework. During the 2026 annual review, the Treasurer advised that this concern no longer applies.

A 2027 feasibility study will assess options for two fire stations, with design and construction potentially beginning in 2028. Financing has not been determined, but the municipality expects any construction to be debt-financed and therefore not to materially affect MNRI.

Moving from Model D to **Model D+** is recommended. The change retains a 40% equity allocation and introduces a 10% allocation to alternatives. Table 3 summarizes the proposed allocation based on assets under management *as of September 30, 2026*, and Table 4 compares the current and recommended target weights.

Table 3: Georgian Bay's Allocation Summary

40% EQUITY MODEL (D+)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	35%	$2,418,160
Global Fixed Income and Credit	15%	$1,036,354
Canadian Equities	20%	$1,381,806
Global Equities	20%	$1,381,806
Alternatives	10%	$690,903
Total	100%	$6,909,029

Table 4: Comparison of Target Weights for Model D (Current) and Model D+ (Recommended)

Comparison of Model D to D+		
Asset Classes	**Target Weight Model D**	**Target Weight Model D+**
Cash & Equivalent	0%	0%
Canadian Fixed Income	45%	35%
Global Fixed Income and Credit	15%	15%
Canadian Equities	20%	20%
Global Equities	20%	20%
Alternatives	0%	10%
Total	100%	100%

Kenora's longer investment horizon in the General account supports the addition of alternative investments in the investment plan

Kenora maintains two MNRI accounts: General and the Citizen's Prosperity Trust Fund (CPTF). The CPTF is a legacy-style account intended to support annual withdrawals while preserving its principal balance over time.

Kenora Council completed its 2026 annual review and made no changes to the investment policy, which permits alternative investments.

In December 2026, the municipality plans to contribute $500,000 to the General account and withdraw $1.6 million from the CPTF account, for a net MNRI withdrawal of $1.1 million.

<u>Kenora – General</u>

The 2025 MCQ identified $5 million for use within five years. In 2026, the Treasurer moved these funds to the five-to-10-year horizon because capital work was deferred or removed from the forecast. Currently no major new infrastructure projects are planned.

The municipality plans to **contribute $500,000 in December 2026**. Staff hope to continue annual contributions, subject to decisions by the new Council.

The longer investment horizon in the 2026 MCQ supports adding alternative investments. Moving the General account from Model E to **Model E+** is therefore recommended. The change retains a 50% equity allocation and adds a 10% allocation to alternatives. Table 5 summarizes the proposed allocation based on assets under management *as of September 30, 2026, before the planned contribution*; Table 6 compares the current and recommended target weights.

Table 5: Kenora (General) Allocation Summary

50% EQUITY MODEL (E+)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	32.5%	$8,890,427
Global Fixed Income and Credit	7.5%	$2,052,791
Canadian Equities	25%	$6,842,636
Global Equities	25%	$6,842,636
Alternatives	10%	$2,737,054
Total	100%	$27,370,544

Table 6: Comparison of Target Weights for Model E (Current) and Model E+ (Recommended)

Comparison of Model E to E+		
Asset Classes	**Target Weight Model E**	**Target Weight Model E+**
Cash & Equivalent	0%	0%
Canadian Fixed Income	37.5%	32.5%
Global Fixed Income and Credit	12.5%	7.5%
Canadian Equities	25%	25%
Global Equities	25%	25%
Alternatives	0%	10%
Total	100%	100%

Kenora – CPTF

The CPTF supports annual withdrawals to offset operating costs while maintaining an approximate baseline principal of $43 million. When the account falls below the baseline, the municipality may defer part of a withdrawal and record a receivable. A planned **$1.6 million withdrawal in December 2026** will clear the remaining receivable backlog. Withdrawals in 2027 and 2028 are expected to be below the normal $1.25 million annual amount because other investments will mature; the regular amount is expected to resume

in 2029.

The account's long-term purpose and outlook remain unchanged. Continued investment in **Model E+**, with 50% equity and 10% alternatives, remains appropriate and is recommended. Table 7 summarizes the allocation based on assets under management *as of September 30, 2026, before the planned withdrawal*.

Table 7: Kenora (CPTF) Allocation Summary

50% EQUITY MODEL (E+)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	32.5%	$16,741,397
Global Fixed Income and Credit	7.5%	$3,863,399
Canadian Equities	25%	$12,877,998
Global Equities	25%	$12,877,998
Alternatives	10%	$5,151,199
Total	100%	$51,511,992

Oliver Paipoonge has increased its MNRI; overall investment horizon remains long term

Oliver Paipoonge recently obtained $2.9 million in funding for completed capital work previously funded from reserves while construction was in progress. This transaction replenishes those reserves, and the municipality has identified **$2,945,044 as additional MNRI** because there is no immediate planned use for the funds. The contribution is expected **in December 2026**.

Council completed its annual review and made no changes to the investment policy, which does not permit alternative investments.

All MNRI has an investment horizon of more than 10 years, and no major capital projects are planned. Continued investment in **Model F**, with 60% equity and no alternatives, remains appropriate and is recommended. Table 8 summarizes the allocation based on assets under management *as of September 30, 2026, before the planned contribution*.

Table 8: Oliver Paipoonge's Allocation Summary

60% EQUITY MODEL (F)		
Asset Classes	**Target Weight**	**Total Invested**
Cash & Equivalent	0%	$0
Canadian Fixed Income	30%	$1,349,152
Global Fixed Income and Credit	10%	$449,717
Canadian Equities	30%	$1,349,152
Global Equities	30%	$1,349,152

60% EQUITY MODEL (F)		
Asset Classes	**Target Weight**	**Total Invested**
Alternatives	0%	$0
Total	100%	$4,497,172

5. CONCLUSION

The 2026 annual reviews confirm that the current model assignments remain appropriate for Aylmer, Bracebridge, Kenora's CPTF account, and Oliver Paipoonge. For Georgian Bay and Kenora's General account, the longer-term MNRI outlook and municipal comfort with alternative investments support moving to the corresponding "plus" models. The recommended changes add a 10% allocation to alternatives without changing either account's equity allocation.

Approval of the Investment Plans will align each municipality's portfolio with its investment horizon, risk tolerance, policy constraints, and current financial circumstances. The planned December 2026 transactions are a $500,000 contribution to Kenora's General account, a $1,600,000 million withdrawal from Kenora's CPTF account, and a $2,945,044 contribution from Oliver Paipoonge.

ATTACHMENTS

Attachment 1: Aylmer Investment Policy
Attachment 2: Aylmer 2026 Municipal Client Questionnaire
Attachment 3: Aylmer 2026 Investment Plan
Attachment 4: Bracebridge Investment Policy
Attachment 5: Bracebridge 2026 Municipal Client Questionnaire
Attachment 6: Bracebridge 2026 Investment Plan
Attachment 7: Georgian Bay Investment Policy
Attachment 8: Georgian Bay 2026 Municipal Client Questionnaire
Attachment 9: Georgian Bay 2026 Investment Plan
Attachment 10: Kenora Investment Policy
Attachment 11: Kenora 2026 Municipal Client Questionnaire
Attachment 12: Kenora 2026 Investment Plan
Attachment 13: Oliver Paipoonge Investment Policy
Attachment 14: Oliver Paipoonge 2026 Municipal Client Questionnaire
Attachment 15: Oliver Paipoonge 2026 Investment Plan

Drafted by: Jennifer Hess CPA CMA, Manager Investment Services, MFOA
Approved by: Donna Herridge and Christina Pavone, Co-President/Co-CEOs, ONE Investment

Attachment 1

INVESTMENT POLICY STATEMENT – POLICY #1.10

FOR

THE CORPORATION OF THE TOWN OF AYLMER (the "Municipality")

SEPTEMBER 3, 2025

TABLE OF CONTENTS

1. DEFINITIONS 1
2. PURPOSE AND LEGISLATIVE FRAMEWORK 5
2.1 Purpose of Policy 5
2.2 Governing Legislation 6
2.3 Prudent Investor Standard 7
3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY 7
3.1 Determination of MNRI and MRI 7
3.2 Overview of Portfolios 9
4. ROLES AND RESPONSIBILITIES 9
4.1 Role of ONE JIB 9
4.2 Role of Municipal Staff 9
4.3 Ethics and Conflicts of Interest 10
5. INVESTMENT 10
5.1 MRI 10
5.1.1 MRI: Investment Objectives 10
5.1.2 MRI: Eligible Investments 11
5.2 MNRI 12
5.2.1 MNRI: Investment Objectives 12
5.2.2 MNRI: Eligible Investments 13
5.2.3 MNRI: Sinking Funds 13
5.2.4 Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities 14
5.2.5 Restricted Special Assets 14
5.3 Third-Party Trust Funds and Designated Funds 14
5.4 Investment Management 15
5.4.1 Investment Management of MRI 15
5.4.2 Investment Management of MNRI 15
5.5 Transition to Prudent Investor Regime / OCIO Offering 15
5.6 Investment Constraints 15
5.6.1 Environmental, Social and Governance (ESG) Investing 15
5.6.2 Securities Lending 16
5.6.3 Derivatives 16
5.6.4 Use of Leverage 16
5.6.5 Pooled Funds 16

5.6.6 Currency Hedging 16
5.6.7 Alternative Asset Classes 17
5.6.8 Prohibited Investments 17
5.7 Performance Monitoring, Rebalancing and Management 17
5.7.1 MRI 17
5.7.2 MNRI 17
6. ADMINISTRATIVE POLICIES 17
6.1 Flow of Money and Annual Municipal Budget 17
6.1.1 Transfer to ONE JIB as Part of Annual Review Process 17
6.1.2 Transfer to Municipality as Part of Annual Review Process 18
6.2 Flow of Money Otherwise than through the Budget Process 18
6.2.1 Surplus Funds 18
6.2.2 Contingencies 18
6.3 Valuation of Investments 18
6.4 Voting Rights 19
6.5 Internal Controls 19
6.6 Custodians 19
6.7 Reporting 19
6.7.1 MRI 19
6.7.2 MNRI 19
7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE 20
7.1 Revocation / Amendment of Previous Investment Policy 20
7.2 Modifications to the IPS 20
7.3 Effective Date 20
Schedule A Restricted Special Assets 21
Schedule B Third-Party Trust Funds and Designated Funds 22
Appendix 1: ONE JIB Agreement 23

Town of Aylmer

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 Town of Aylmer

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 Town of Aylmer's MNRI and 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 By-law 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.

ln 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 2 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. Refer to Table 1 below.

Table 1:

Investment Horizon for the Town of Aylmer

	Investment Horizon					
omitted from investment	MRI Amount Within 1 month to 1 year	MRI Amount 12 to 24 months	MNRI Amount 2 years to 3 years	MNRI Amount 3 to 5 years	MNRI Amount 5 to 10 years	MNRI Amount 10+ Years

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon
Cash	Cash	Preservation of capital	Low risk; high liquidity	< 3 years
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)
Target Date	Target Date 3-5 yrs	Preservation of capital	Low risk; high liquidity	3 - 5 years
	Target Date 5-10 yrs	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years
	Target Date 10+ yrs	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years

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 the Deputy Treasurer.

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.

Table 1:

Investment Horizon for the Town of Aylmer

	Investment Horizon					
omitted from investment	MRI Amount Within 1 month to 1 year	MRI Amount 12 to 24 months	MNRI Amount 2 years to 3 years	MNRI Amount 3 to 5 years	MNRI Amount 5 to 10 years	MNRI Amount 10+ Years

Outcome Category	Outcome Strategy	Objective	Risk Tolerance, Liquidity	Investment Horizon
Cash	Cash	Preservation of capital	Low risk; high liquidity	< 3 years
Stable Return	Stable Return	Income generation: To generate returns to fund recurring needs	Moderate risk with emphasis on growth and stable returns, regular liquidity	> 5 years (Perpetual)
Contingency	Contingency	Contributions for unexpected and infrequent events	Higher risk, emphasis on longer-term capital growth with some liquidity	> 5 years (Perpetual)
	Asset mgt reserves	Contributions to generate returns to fund asset management reserves	Higher risk, emphasis on longer-term capital growth; low liquidity	> 10 years (Perpetual)
Target Date	Target Date 3-5 yrs	Preservation of capital	Low risk; high liquidity	3 - 5 years
	Target Date 5-10 yrs	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Moderate risk, liquid	5 - 10 years
	Target Date 10+ yrs	Contributions toward capital projects, mitigate inflation impacts and meet target funding requirements	Higher risk, emphasis on long term inflation-adjusted growth	> 10 years

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 to this Municipality at this time

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

The direct investment in LDC shares and/or promissory notes, shall be permitted and included as part of the MNRI held by ONE JIB. Specific details of this investment shall be approved by Council in its sole and absolute discretion, and ONE JIB shall adhere to all terms and conditions as directed. More specifically, ONE JIB shall be prohibited from selling, transferring, assigning, or pledging the LDC shares without consent of the Municipality.

LDC shares are considered restricted, special assets and remain in the custody of the Town of Aylmer. LDC shares are to be viewed as separate standalone investments with the subject matter expertise and administrative functions remaining under the purview of the Town of Aylmer. Council retains direct, de facto control of the LDC shares and ONE JIB shall adhere to all terms and conditions as directed. More specifically, Council controls all acquisition and disposition decisions related to current and future LDC assets. Any voting related to LDC shares will be undertaken solely by the Town of Aylmer.

The investment in LDC shares will not be included in calculations regarding asset mix/allocations or other constraints that apply to the these Long-Term Funds.

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

ln 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 permitted if approved by Treasurer.

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 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

No direct investments in commodities or commodity futures (other than broad market indices), investments in, or mortgages on, raw or undeveloped real property, foreign direct investment in countries subject to Canadian or UN economic sanctions.

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.

MRI will be determined by the Treasurer based on the capital requirements in the short-term. As explained in Table 1.

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.

MNRI will be determined by the Treasurer based on the capital requirements in the long-term. As explained in Table 1.

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 investment policy shall revoke prior investment policies when amended.

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 September 3, 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

Schedule A

Restricted Special Assets

Debt Securities

Not Applicable to this Municipality at this time

Own Debt Securities

Not Applicable to this Municipality at this time

LDC and other MSC Securities

Not Applicable to this Municipality at this time

Other

Other investments held as of the prudent effective date, that are not under the management and control of ONE JIB

Schedule B

Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

No Trust Funds will be included in the investment strategy at this time.

Designated Funds

No other designated funds will be included in the investment strategy at this time.

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 Town of Aylmer

Address: 46 Talbot Street W Aylmer, Ontario, N5H1J7

Treasurer Information

Name: Heather Sachs

Phone Number: (519) 773-3164 Extension: 4919

Email: hsachs@town.aylmer.on.ca

`

*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

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? 8,180

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? $ 77,000

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

Town of Aylmer has evolved to become the epicenter of business and commerce for eastern Elgin County. Since its founding in 1817, the community of Aylmer has provided its residents and its neighbouring communities with a variety of services and facilities including medical centers, churches, schools, emergency services, and recreational facilities. Strategically located on Highway 3, and within easy distance to Highway 401 and a variety of urban centers, the Town is home to a broad range of manufacturing firms, as well as a variety of small and medium-sized businesses with available space to sell in our AIM industrial park.

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*	$ 2,245,726
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)	$ 2,245,726

☐ 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)

We will look at increasing this contribution after the capital projects are prioritized with the new council.

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)**
MNRI with ONE JIB	$ 2,245,726			$ 2,245,726
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 2,245,726	$ 0	$ 0	$ 2,245,726

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 (+)					$ 750,000
Net Change to MNRI	$ 0	$ 0	$ 0	$ 0	$ 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.

The numbers above are conservative we expect further contributions within the next 2 - 5 years.
The probability of draw downs in the next 5 to 10 years is extremely remote.

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

We will look at increasing this contribution after the capital projects are prioritized with the new council. Currently accuracy is low

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.

Not with the current balance invested

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 have contingency reserves for unanticipated requests for funding and a council initiatives reserve for council projects that they wish to use for discretionary projects that come up outside of the budget process.

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?

Capital preservation is the main objective. Willingness to accept low returns in order to minimize the likelihood of losses.
Risk tolerance that should be considered is a conservative approach such as a small chance of loss of capital over a 5-year period would be ideal considering all of these gains/ losses are realized through the financial statements at year end.
Large infrastructure projects such as the commissioning of the Lagoons Optimization projects will occur in the next few years and combination of debt/reserves/grants will pay for these upgrades. The continuation of the large-scale wastewater projects are currently underway, and the majority of funds are available through current reserves, user rates and grant funding but a debenture will be required in the next 12 to 24 months to fund the second phase of the project.

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 September, 2026



Heather Sachs

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 Aylmer

DATE: November 24, 2026

CONTENTS

1. DEFINITIONS 1

2. PURPOSE 2

3. RESPONSIBILITY FOR PLAN 3

4. INVESTMENT GOALS AND OBJECTIVES 4

5. INVESTMENT PORTFOLIO 5

6. APPLICABLE ONE JIB POLICIES 7

7. ELIGIBLE FUNDS 8

8. REBALANCING 10

9. IMPLEMENTATION 11

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 Aylmer's Money Not Required Immediately (MNRI) as defined in Section 3.1 of Aylmer's Investment Policy (Policy).

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

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 Aylmer's Policy.

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 Aylmer's investment needs, as described in its Investment Policy, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the Municipal Client Questionnaire (MCQ) and dialogue with the Treasurer inform ONE JIB about the municipality's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Aylmer's MNRI in this Plan is consistent with the details as disclosed in their Investment Policy and MCQ. Section 5.2.1 of their Investment Policy 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 Income and capital appreciation • Manage risks, such as inflation, economic growth and interest rates.

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.	$2,186,635

**Valuation as of September 30, 2026*

Other considerations:

- The municipality currently has no planned contribution or withdrawal in 2027
- The investment horizon remains the same, 100% has been allocated 10+ years.
- Council has reviewed the Investment Policy and has not made any amendments.
- The Policy permits Alternative Investments.
- The Treasurer did identify that in 2027 there will be a review of planned projects (currently financed from MRI). If the scope is scaled back and/or if they are deferred, it may impact future MNRI - there is a possibility of future contributions that would have a shorter investment horizon.

5.2 Allocations

50% EQUITY MODEL (E+)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	25	32.5%	45
Global Fixed Income and Credit	5	7.5%	15
Canadian Equities	15	25%	35
Global Equities	15	25%	35
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
Not Applicable	• No change to the model portfolio allocation is being proposed

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested.

Cashflow needs of the municipality 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.

BRACEBRIDGE
The Heart of Muskoka

The Corporation of the Town of Bracebridge
Policy and Procedure

INVESTMENT POLICY STATEMENT

Subject:	Investment Policy Statement	**Policy Number:**	TOB-2019-006
Date Approved:	December 18, 2019	**Date Modified:**	October 12, 2022 October 11, 2023 November 13, 2024 October 15, 2025
Lead Department:	Finance		

TABLE OF CONTENTS

1. DEFINITIONS 3
2. PURPOSE AND LEGISLATIVE FRAMEWORK 7
   - 2.1 Purpose of Policy 7
   - 2.2 Governing Legislation 8
   - 2.3 Prudent Investor Standard 9
3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY 9
   - 3.1 Determination of MNRI and MRI 9
   - 3.2 Overview of Portfolios 10
4. ROLES AND RESPONSIBILITIES 10
   - 4.1 Role of ONE JIB 10
   - 4.2 Role of Municipal Staff 10
   - 4.3 Ethics and Conflicts of Interest 11
5. INVESTMENT 11
   - 5.1 MRI 11
     - *5.1.1 MRI: Investment Objectives* 11
     - *5.1.2 MRI: Eligible Investments* 12
   - 5.2 MNRI 12
     - *5.2.1 MNRI: Investment Objectives* 13
     - *5.2.2 MNRI: Eligible Investments* 13
     - *5.2.3 MNRI: Sinking Funds* 13
     - *5.2.4 Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities* 14
     - *5.2.5 Restricted Special Assets* 14
   - 5.3 Third-Party Trust Funds and Designated Funds 14
   - 5.4 Investment Management 14
     - *5.4.1 Investment Management of MRI* 14
     - *5.4.2 Investment Management of MNRI* 14
   - 5.5 Investment Constraints 15
     - *5.5.1 Environmental, Social and Governance (ESG) Investing* 15

5.5.2 Securities Lending 15
5.5.3 Derivatives 15
5.5.4 Use of Leverage 15
5.5.5 Pooled Funds 15
5.5.6 Currency Hedging 16
5.5.7 Alternative Asset Classes 16
5.6 Performance Monitoring, Rebalancing and Management 16
5.6.1 MNRI 16
6. ADMINISTRATIVE POLICIES 16
6.1 Flow of Money and Annual Municipal Budget 16
6.1.1 Transfer to ONE JIB as Part of Annual Review Process 16
6.1.2 Transfer to Municipality as Part of Annual Review Process 16
6.2 Flow of Money Otherwise than through the Budget Process 16
6.2.1 Surplus Funds 16
6.2.2 Contingencies 17
6.3 Valuation of Investments 17
6.4 Voting Rights 17
6.5 Internal Controls 17
6.6 Custodians 17
6.7 Reporting 18
6.7.1 MRI 18
6.7.2 MNRI 18
7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE 18
7.1 Revocation / Amendment of Previous Investment Policy ..... **Error! Bookmark not defined.**
7.2 Modifications to the IPS 18
7.3 Effective Date 19
Schedule A Restricted Special Assets 20
Schedule B Third-Party Trust Funds and Designated Funds 21

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, and 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.

Director of Finance/Treasurer means the Director of Finance/Treasurer as appointed by by-law of the Municipality or their designate.

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 Bracebridge.

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 Director of Finance/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 2020-015 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 Director of Finance/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, and current ONE Investment investments that will not be required to meet financial obligations that become due more than eighteen (18) 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 Director of Finance/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 Director of Finance/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 Director of Finance/Treasurer.

Consistent with this IPS, the Director of Finance/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 Director of Finance/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 Director of Finance/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 Director of Finance/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 Accountability and Transparency Policy 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 Director of Finance/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 contributes 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 Director of Finance/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 Director of Finance/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

Not Applicable to this Municipality.

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

The direct investment in LDC shares 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 Director of Finance/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 and 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 Director of Finance/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 Investment Constraints

5.5.1 Environmental, Social and Governance (ESG) Investing

The Municipality supports ESG investing for 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.

5.5.2 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.

5.5.3 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.

5.5.4 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 Director of Finance/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.

5.5.5 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.

5.5.6 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.

5.5.7 Alternative Asset Classes

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.

5.6 Performance Monitoring, Rebalancing and Management

5.6.1 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 Director of Finance/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 Director of Finance/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 Director of Finance/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 Director of Finance/Treasurer is authorized to direct ONE JIB to return any amounts determined by the Director of Finance/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 40% 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 40% 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 Director of Finance/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 Director of Finance/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 Director of Finance/Treasurer shall bring forward an Investment Activity Staff Report at least annually to Council. This report shall include investment performance during the period covered and any other information required under the Regulation and that the Director of Finance/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 Director of Finance/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 Director of Finance/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 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 Director of Finance/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.

7.2 Effective Date

This IPS was adopted by Council of the Municipality effective October 15, 2025. The Director of Finance/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:

Director of Finance/Treasurer

Date

Schedule A

Restricted Special Assets

Debt Securities

None

Own Debt Securities

None

LDC and other MSC Securities

Common shares of Lakeland Holdings Ltd.

Other

None

Schedule B

Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

The Corporation of the Town of Bracebridge Cemetery Care and Maintenance Trust Fund collected under the *Funeral, Burial and Cremation Services Act, 2002.*

Designated Funds

None

APPENDIX B

ONE JIB Agreement

Link to ONE JIB Agreement

Print

Clear Form

Attachment 5

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 Town of Bracebridge

Address: 1000 Taylor Court, Bracebridge

Treasurer Information

Name: Paul Judson

Phone Number: (705) 394-5908 Extension: N/A

Email: pjudson@bracebridge.ca

`

*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).

The Town's Treasurer is a CFA charterholder and worked for 20 years in the ratings industry

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? 17,305

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? $ 230,884

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

N/A

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*	$ 10,089,254
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)	$ 10,089,254

☑ 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)

Portfolio Value (A) based on market value of the portfolio as at Aug 31, 2026

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)
Long-term investment	$ 6,726,169			$ 6,726,169
Contingencies	$ 3,363,085		$ 3,363,085	
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 10,089,254	$ 0	$ 3,363,085	$ 6,726,169

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.

Capital cash flow projections incorporate anticipated capital expenditures, capital grants, and development charge revenues. The forecast does not include an explicit inflation assumption for future capital costs. However, it also does not assume future annual operating surpluses, which are typically transferred to reserves and have historically helped offset inflationary pressures on the capital program.

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

The Town forecasts cash balances over a 12-month period and reserve and reserve fund balances over a ten-year period. The longer-term reserve forecast is reasonably reliable within the first five years, with accuracy declining beyond that period as capital timing, funding sources, and other assumptions become less certain.

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 does not currently have any specific use identified for its ONE JIB funds and does not anticipate drawing on these funds in the near term. The Town's long-term capital plan includes several significant projects over the next ten years, including a new fire station, downtown street-scape revitalization, and large urban park development. These projects are currently expected to be funded through other sources. However, longer-term funding requirements will depend on factors such as external grant funding, assessment growth, project timing, and future annual surpluses. Accordingly, while no draw on the ONE JIB portfolio is currently planned, a portion of the funds could potentially be required over the longer term. To provide flexibility for this possibility, one-third of the portfolio value has been identified as a contingency in Table 5.1 of the MCQ.

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?

Unanticipated requests are completed by motion of Council, generally to be funded by a related reserve. Currently the Town does not expect to require MNRI to fund unexpected 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?

None.

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 22 day of September, 20 26

Paul Judson

Paul Judson Digitally signed by Paul Judson Date: 2026.09.22 09:15:15 -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 Town of Bracebridge

DATE: November 24, 2026

CONTENTS

1. DEFINITIONS 1

2. PURPOSE 2

3. RESPONSIBILITY FOR PLAN 3

4. INVESTMENT GOALS AND OBJECTIVES 4

5. INVESTMENT PORTFOLIO 5

6. APPLICABLE ONE JIB POLICIES 7

7. ELIGIBLE FUNDS 8

8. REBALANCING 10

9. IMPLEMENTATION 11

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 Bracebridge's Money Not Required Immediately (MNRI) as defined in Section 3.1 of Bracebridge 's Investment Policy (Policy).

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

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 Bracebridge's Policy.

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 Bracebridge's investment needs, as described in its Investment Policy, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the Municipal Client Questionnaire (MCQ) and dialogue with the Treasurer inform ONE JIB about the municipality's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Bracebridge's MNRI in this Plan is consistent with the details as disclosed in their Investment Policy and MCQ. Section 5.2.1 of their Investment Policy 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 • 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 • Macro risks, such as inflation, economic growth and interest rates.

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.	$9,993,265

**Valuation as of September 30, 2026*

Other considerations:

- The municipality currently has no planned contribution or withdrawal in 2027
- The investment horizon remains long-term, when comparing the year over year change, there has been some shift from 10+ years to 5-10 years. The Treasurer has indicated the 5-10 year MNRI is contingency – it is precautionary, currently there is no planned use for these funds.
- Council has reviewed the Investment Policy and has not made any amendments.
- The Policy restricts Alternative Investments.
- Bracebridge's share of the new local hospital is due by 2037 in cash and in-kind (land, capital road improvements). Part of the 10+ year MNRI is for the hospital.

5.2 Allocations

70% EQUITY MODEL (G)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	20	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
Not Applicable	• No change to the model portfolio allocation is being proposed

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested.

Cashflow needs of the municipality 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

Township of Georgian Bay
Investment Policy Statement

Policy Number: 2025-002-FN | Department: Finance / IT

Effective Date: October 6, 2025 | Approval: C-2025-230

Attachments: Schedule A – Restricted Special Assets
Schedule B – Third-Party Trust Funds and Designated Funds

Related Documents / Legislation:

Municipal Act, 2001, c. 25, Sections 418-420
Municipal Act, 2001, Ontario Regulation 438/97

A. Policy Statement

This policy establishes procedures to invest municipal funds in a manner which will provide the highest return within risk tolerances that are appropriate for the Township. Investments must comply with the Municipal Act, 2001, c. 25 (the "**Act**"), Sections 418-420 and Eligible Investments, Related Financial Agreements and Prudent Investment, Ontario Regulation 438/97.

B. Purpose

This IPS governs the investment of the Municipality's MNRI and 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 By-law 2025-065 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.

ln 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.

C. 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 Township of Georgian Bay.

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.

D. General Terms and Procedures

1. LEGISLATIVE FRAMEWORK

1.1 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.

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 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.

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 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 B) 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 5.2.

Any changes in this IPS 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 4 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.

3. 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 (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.

3.2 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 1.1, 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 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 IPS.

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 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.

4.2 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.

4.3 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 Equity Portfolio; 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.

[Optional: The Municipality's existing investment policy, which is referred to in Part I of the Regulation as a statement of investment policies and goals, is attached as Appendix 2 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 attached investment policy will prevail.]

4.4 MNRI

The Municipality's MNRI is described in Section 2.1. 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.

4.5 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.

4.6 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.

4.7 MNRI: Sinking Funds

Not Applicable to this Municipality

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

Not Applicable to this Municipality

4.9 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.

4.10 Third-Party Trust Funds and Designated Funds

ln 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.

4.11 Investment Management

4.12 Investment Management of MRI

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

4.13 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.

4.14 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.

4.15 Investment Constraints

4.16 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.

4.17 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.

4.18 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

4.19 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.

4.20 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.

4.21 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.

4.22 Alternative Asset Classes

The applicable legislation does not prevent the direct / 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.

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.

4.23 Prohibited Investments

Not applicable for this Municipality.

4.24 Performance Monitoring, Rebalancing and Management

4.25 MRI

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

Investment of MRI will be monitored and rebalanced as attached in Appendix 2.

4.26 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 three-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 IPS, and reports on the Sub-Investment Manager's performance.

5. ADMINISTRATIVE POLICIES

5.1 Flow of Money and Annual Municipal Budget

5.2 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.

5.3 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.

5.4 Flow of Money Otherwise than through the Budget Process

5.5 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 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 6.1.1 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.

5.7 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.

5.8 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.

5.9 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.

5.10 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.

5.11 Reporting

5.12 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 (s*ubject to any reporting obligations contained in the Municipality's existing investment policy attached as Appendix 2).* 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.

5.13 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.

6. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE

6.1 Revocation / Amendment of Previous Investment Policy

This IPS amends, and restates as so amended, the existing Investment Policy *FN-002-2015* approved by Council on December 7, 2015.

6.2 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.

6.3 Effective Date

This IPS is adopted by Council of the Township of Georgian Bay effective September 8, 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.

E. Supported By

Strategic Plan

Fiscal Responsibilities and Technology Efficiencies
Streamline Planning Policies and Procedures

SCHEDULE A

Restricted Special Assets

Debt Securities

Not applicable for this Municipality.

Own Debt Securities

Not applicable for this Municipality.

LDC and other MSC Securities

Not applicable for this Municipality.

Other

Not applicable for this Municipality.

SCHEDULE B

Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

Georgian Bay 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

Not applicable for this Municipality.

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 Georgian Bay

Address: 99 Lone Pine Road, Port Severn, ON L0K 1S0

Treasurer Information

Name: Jasvinder Rattigan

Phone Number: (705) 538-2337 Extension: 243

Email: jrattigan@gbtownship.ca

`

*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? 3,500

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? $ 98,000

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

The Township has a permanent population of approximately 3,500 residents, which grows significantly to over 18,500 during the seasonal months.

Georgian Bay is a rural waterfront community with an extensive shoreline—our community is shaped by water, distance, and seasonality .

Roughly 82% of western Township residences are accessible only by water, particularly in Honey Harbour and the coastal areas.

We border Moose Deer Point First Nation and Wahta Mohawk Territory.

Historically, the economy centered on lumber, commercial fishing, and the railway hub of MacTier; today it's largely marinas and tourism.

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*	$ 7,017,129
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)	$ 7,017,129

☐ 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)**
Financial Stability	$ 7,717,129	$ 2,000,000	$ 2,700,000	$ 3,017,129
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 7,717,129	$ 2,000,000	$ 2,700,000	$ 3,017,129

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 (-)			$ 2,000,000	$ 2,000,000	$ 2,000,000
Anticipated MNRI Contributions (+)					
Net Change to MNRI	$ 0	$ 0	$ 2,000,000	$ 2,000,000	$ 2,000,000

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 Township of Georgian Bay includes a comprehensive set of assumptions and factors so Council has a realistic picture of future financial capacity. We align assumptions with the Asset Management Plan (AMP), Development Charges (DC) Background Study, reserve and reserve fund policies, and broader economic conditions.

Key Assumptions Include:
1. Inflation & Escalation; 2. Revenues - including seasonal property tax base vs. limited year-round growth; 3. Expenditures; and, 4. Reserve & Reserve Fund Contributions.

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

The municipality maintains capital cost forecasts beyond five years; however, due to factors such as staff turnover and historical underinvestment in existing assets, the Township is currently experiencing a backlog in capital planning, resulting in varying levels of forecast accuracy.

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 Township has a permanent population of approximately 3,500 residents, which grows significantly to over 18,500 during the seasonal months. The municipality is currently undertaking several key studies to update our Asset Management Plan. The Township recently completed its Asset Management Plan, including facility condition audits which formed part of the overall plan. The Township is currently working on a comprehensive roads needs study and Transportation Master Plan. These reviews will help inform long-term infrastructure planning and investment decisions. They will also inform future capital planning, including two fire hall expansion projects scheduled for 2028 at an estimated cost of $4.2 million each. The Township operates with a combined annual operating and capital budget of approximately $20 million, balancing the needs of our permanent population with the demands of our much larger seasonal community.

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 Township manages unanticipated funding requests through a combination of reserve funds, contingency allocations, and careful monitoring of operating and capital budgets. Minor unplanned expenditures are typically covered from existing departmental budgets or the operating contingency reserve, while larger, unforeseen items are reviewed by Council for potential supplementary funding or reallocations. The likelihood of needing to draw on MNRI for unexpected budget shortfalls is low to moderate, reflecting a proactive budgeting approach, ongoing monitoring, and the existence of multiple reserve funds (stabilization, asset replacement, and capital reserves) designed to provide financial flexibility.

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 Township of Georgian Bay has several unique circumstances that may influence cash flow, MNRI forecasts, return objectives, and risk tolerance, which include seasonal population fluctuations, waterfront and rural infrastructure needs, reliance on external funding, historical underinvestment in assets, small-town scale and economic sensitivity.

These factors suggest that the Township's investment plan should prioritize liquidity, capital preservation, and measured growth, while maintaining sufficient flexibility to respond to timing variations and unplanned capital needs.

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 18 day of August, 20 26

Jas Rattigan Digitally signed by Jas Rattigan Date: 2026.08.18 12:35:45 -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 9

INVESTMENT PLAN FOR

The Township of Georgian Bay

DATE: November 24, 2026

CONTENTS

1. DEFINITIONS 1

2. PURPOSE 2

3. RESPONSIBILITY FOR PLAN 3

4. INVESTMENT GOALS AND OBJECTIVES 4

5. INVESTMENT PORTFOLIO 5

6. APPLICABLE ONE JIB POLICIES 7

7. ELIGIBLE FUNDS 8

8. REBALANCING 10

9. IMPLEMENTATION 11

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 Georgian Bay's Money Not Required Immediately (MNRI) as defined in Section 2.1 of Georgian Bay's Investment Policy (Policy).

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

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 Georgian Bay's Policy.

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 Georgian Bay's investment needs, as described in its Investment Policy, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the Municipal Client Questionnaire (MCQ) and dialogue with the Treasurer inform ONE JIB about the municipality's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Georgian Bay's MNRI in this Plan is consistent with the details as disclosed in their Investment Policy and MCQ. Section 4.5 of their Investment Policy 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; • 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

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 D+ (40% Equity) assigned.	$6,909,029

**Valuation as of September 30, 2026*

Other considerations:

- Council has reviewed the Investment Policy and has not made any amendments.
- The Policy permits Alternative Investments.
- The municipality currently has no planned contribution or withdrawal in 2027
- The investment horizon remains consistent with 2025 with a modest increase in funds assigned to the 10+ year investment horizon.
- The MCQ does identify a potential drawdown within three to five years, the Treasurer advised that these amounts are precautionary and are not tied to firm spending plans.
- Work on two fire stations is in the capital forecast; financing has not been determined but most likely would be financed with long-term debt.

5.2 Allocations

40% EQUITY MODEL (D+)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	25	35%	45
Global Fixed Income and Credit	5	15%	25
Canadian Equities	10	20%	30
Global Equities	10	20%	30
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
November 2026	• Once approved by the ONE JIB, PH&N Institutional will commence the required trades as needed to move to Model D+

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested.

Cashflow needs of the municipality 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

INVESTMENT POLICY STATEMENT

FOR

THE CITY 0F KENORA (the “Municipality”)

OCTOBER 21, 2025

TABLE OF CONTENTS

OVERVIEW 1
1. GLOSSARY AND DEFINITIONS 2
2. PURPOSE AND LEGISLATIVE FRAMEWORK 7
2.1 Purpose of Policy 7
2.2 Governing Legislation 7
2.3 Prudent Investor Standard 8
3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY 8
3.1 Determination of MNRI and MRI 8
3.2 Overview of Portfolios 9
4. ROLES AND RESPONSIBILITIES 9
4.1 Role of ONE JIB 9
4.2 Role of Municipal Staff 10
4.3 Ethics and Conflicts of Interest 10
5. INVESTMENT 11
5.1 MRI: Short-Term Funds 11
5.1.1 Short-Term Funds: Investment Objectives 11
5.1.2 Short-Term Funds: Eligible Investments 11
5.2 MNRI: Long-Term Funds 12
5.2.1 Long-Term Funds: Investment Objectives 12
5.2.2 Long-Term Funds: Eligible Investments 13
5.2.3 Long-Term Funds: Sinking Funds 13
5.2.4 Long-Term Funds: Local Distribution Corporation (LDC) Securities 13
5.3 Third-Party Trust Funds and Designated Funds 14
5.4 Investment Management 14
5.4.1 Investment Management of Short-Term Funds 14
5.4.2 Investment Management of Long-Term Funds 14
5.5 Transition to Prudent Investor Regime 14
5.6 Investment Constraints 15
5.6.1 Environmental, Social and Governance (ESG) Investing 15
5.6.2 Securities Lending 15
5.6.3 Derivatives 15
5.6.4 Use of Leverage 15
5.6.5 Pooled Funds 16

5.6.6 Currency Hedging 16
5.6.7 Prohibited Investments 16
5.7 Performance Monitoring, Rebalancing and Management 16
5.7.1 Short-Term Funds ..... **Error! Bookmark not defined.**
5.7.2 Long-Term Funds ..... **Error! Bookmark not defined.**
6. ADMINISTRATIVE POLICIES 17
6.1 Flow of Funds and Annual Municipal Budget 17
6.1.1 Transfer to ONE JIB as Part of Budget Process 17
6.1.2 Transfer to Municipality as Part of Budget Process 17
6.2 Flow of Funds Otherwise than through the Budget Process 17
6.2.1 Surplus Funds 17
6.2.2 Contingencies 18
6.3 Valuation of Investments 18
6.4 Voting Rights 18
6.5 Internal Controls 18
6.6 Custodians 18
6.7 Reporting 19
6.7.1 Short-Term Funds ..... **Error! Bookmark not defined.**
6.7.2 Long-Term Funds ..... **Error! Bookmark not defined.**
7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE 19
7.1 Revocation / Amendment of Previous Investment Policy 19
7.2 Modifications to the IPS 19
7.3 Effective Date 20
Schedule A Third-Party Trust Funds and Designated Funds 21
Appendix I: ONE JIB Agreement ..... **Error! Bookmark not defined.**
Appendix II: Investment Policy for Short-Term Funds ..... **Error! Bookmark not defined.**

The City of Kenora

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, and (ii) principles governing the investment of each category of money. This Investment Policy Statement (IPS) is intended to respond to the foregoing requirements

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, 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.

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: 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 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.

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 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").

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: 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.

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.

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 Long-Term Funds 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 applicable to the Municipality's investments adopted and maintained by the Council of the Municipality for Long-Term Funds under the Regulation, and for Short-Term Funds, 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 City of Kenora.

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 July 2, 2020, 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 Funds.

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 funds that are invested and managed by an External Portfolio Manager. Funds are pooled or combined with funds 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 July 2, 2020, the date on 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 Funds 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.

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 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.

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 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 MRl. lt is intended, among other things, to direct the Manager of Finance/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 #37-2021 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.

ln 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 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.

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 Manager of Finance/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.

2.2 Governing Legislation

Investments of MRI will, in accordance with this IPS, only be made in Legal List Securities.

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.

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.

The Act provides that the Municipality 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.

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.

As well, the Prudent Investor Standard makes use of Modern Portfolio Theory, which looks towards the portfolio as a whole, rather than towards the prudence of each investment in the portfolio.

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's MNRI will be comprised of money that is to be used to meet financial obligations that become due more than 24 months 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 funds by the Manager of Finance/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 External Portfolio Managers, Custodians, administrators and other investment professionals (Agents);
- Allocating the money and investments under its control and management among External Portfolio Managers;
- Monitoring the performance of the 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 Manager of Finance/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 Manager of Finance/Treasurer.

Consistent with this IPS, the Manager of Finance/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 Manager of Finance/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 Manager of Finance/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 Manager of Finance/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 City of Kenora's Short-Term Portfolio shall comply with the City of Kenora's conflict of interest guidelines and the relevant sections of 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 Funds

The Municipality's MRI is described in this IPS consist of money needed to meet the short-term financial obligations of the Municipality and are controlled and managed by the Manager of Finance/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 funds contribute to municipal revenues.

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 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.

5.1.2 MRI: Eligible Investments

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.

Eligible investments include the following offerings by ONE Investment:

- ONE Investment High Interest Savings Account;
- ONE Investment Money Market Portfolio; 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.

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 staggered so that investment cash inflows occur throughout the year.

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 funds to meet expenditures.

c) Rate of Return
The Municipality's funds shall be invested to maximize the rate of return within acceptable risk levels while respecting the security of principal, legal constraints and the adequate 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.

5.2 MNRI: Long-Term Funds

The Municipality's MNRI is described in Section 3.1 as Long-Term Funds. In accordance with the ONE JIB Agreement and this IPS, ONE JIB has exclusive control and management of the Long-Term Funds 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 pay 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 Manager of Finance/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.

5.2.2 Investment of MNRI

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.

MNRI: Eligible Investments

Eligible investments for Long-Term Funds include any Pooled Fund or other collective investment vehicle or institutional investment management product sponsored or managed by ONE Investment for the Prudent Investment Program (Prudent Investment Offering), provided always that the products and the selection of products comply in all material respects with the IPS and that the ONE JIB has approved them as part of the municipality's investment plan.

Additionally, nothing in this IPS prevents Long-Term Funds from being held in cash, short term money market instruments, or overnight deposits.

5.2.3 MNRI: Sinking Funds

N/A

5.2.4 Local Distribution Corporation (LDC) Securities

The direct investment in LDC shares are considered to be Restricted Special Assets (as listed in Schedule A) and remain in the custody of the City of Kenora. LDC shares are to be reviewed as separate standalone investments with the subject matter expertise and administrative functions remaining under the purview of the City of Kenora. Council retains direct, de facto control of the LDC shares. More specifically, Council controls all acquisition and disposition decisions related to current and future LDC assets. Any voting related to LDC shares will be undertaken solely by the City of Kenora.

5.2.5 Restricted Special Assets

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

5.2.6 City of Kenora Debt

Debt required by the City for capital projects has been issued internally to the Citizens' Prosperity Trust Fund. These investments will be considered to be Restricted Special Assets.

5.3 Third-Party Trust Funds and Designated Funds

ln 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 B.

For certainty, the third-party trust funds and the designated funds are not MNRI of the Municipality, and such funds are not under the control or management of ONE JIB.

5.4 Investment Management

5.4.1 Investment Management of MRI

The investment of Short-Term Funds shall be controlled and managed by the Manager of Finance/Treasurer.

5.4.2 Investment Management of MNRI

The investment of Long-Term Funds shall be controlled and managed by ONE JIB in accordance with this IPS. An investment advisor shall be retained by ONE JIB to define and manage the asset allocation using External Portfolio Managers.

Competent External Portfolio Managers shall be appointed by ONE JIB and they shall enter into an agreement with ONE Investment that complies with this IPS and Part II of the Regulation and provide compliance and performance reports. In accordance with the applicable regulatory requirements, ONE JIB shall make any External Portfolio Manager changes deemed in the best interest of the Municipality. For each External Portfolio Manager, ONE Investment shall agree on a set of operational guidelines including constraints, discretion limits, diversification and quality standards, and performance expectations, which are documented in each External Portfolio Manager's guidelines.

5.5 Transition to Prudent Investor Regime

The MNRI of the City of Kenora includes a portfolio of bonds that have been pledged to the ONE JIB and held in a custodial account associated with the ONE JIB. This portfolio of bonds reflects balances of the Citizens Prosperity Trust Fund that totalled $3.043 million

as at December 31, 2022. Proceeds from any maturities of these bonds or coupon interest received will be transitioned into ONE Investment Prudent Investor funds or ONE HISA by ONE Investment accruing to the City's Investment Plan. The liquidation of this bond portfolio and transition of the proceeds into ONE Investment Funds/ONE HISA can be accelerated, as directed by the City at any time.

5.6 Investment Constraints

5.6.1 Environmental, Social and Governance (ESG) Investing

The City 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.

The City of Kenora supports ESG investing for Short-Term and Long-Term Funds. The Manager of Finance/Treasurer is required to invest in instruments that support responsible ESG principles, where appropriate.

For the investment of Long-Term Funds, ONE JIB is required to explore how External Portfolio Managers are implementing responsible investing principles at the time of hiring and during periodic reviews. It may report on results periodically, if requested. Accommodating specific ESG considerations may not be possible either due to availability or to costs.

5.6.2 Securities Lending

For the investment of Short-Term Funds, securities lending is permitted through ONE Investment Program investments only.

For the investment of Long-Term Funds, the Municipality may invest in pooled funds, and other investment funds that are controlled by an External Portfolio Manager who may engage in Securities Lending if the policies of the External Portfolio Manager that apply to such pools permit such an action.

5.6.3 Derivatives

Derivatives may not be used for speculative purposes. They may be used for the investment of Long-Term Funds where they are fully covered by a backing asset, e.g., as for currency or other hedging, to change portfolio duration or in covered call strategies.

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 Manager of Finance/Treasurer (for MRI) shall have in place monitoring procedures to manage overall exposure to any

counterparty and in the aggregate Leverage is not a strategy currently employed by ONE JIB but may be considered at a later date.

5.6.5 Pooled Funds

All investment strategies may be pursued directly through holdings of corporate and government issuers and indirectly via pooled funds and investment funds or any combination thereof. The investment strategies may also include allocations to cash or short-term investment vehicles.

5.6.6 Currency Hedging

The Short-Term 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 Portfolio is expected and necessary 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 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.Prohibited Investments

Investments in no event may be made in foreign direct investment in countries subject to Canadian or UN economic sanctions.

5.7 Performance Monitoring, Rebalancing and Management

5.7.1 MRI

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, direction and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived. Authorized employees exercising due diligence shall be relieved of personal responsibility for an individual investment's credit risk or market price changes.

The Manager of Finance/Treasurer is responsible for establishing controls for performance monitoring, rebalancing and management of Short-Term Funds, in

accordance with this IPS. If an investment is, in the Manager of Finance/Treasurer's opinion, not consistent with the investment objectives set out in this IPS, the Manager of Finance/Treasurer will report the inconsistency to Council within 30 days after becoming aware of the inconsistency, and corrective action will be taken.

5.7.2 MNRI

For the investment of Long-Term Funds, each account's asset mix will be monitored on a periodic basis by ONE JIB. Should the asset mixes deviate outside the ranges set out in the Investment Plan, the account will be rebalanced as soon as practicable taking into consideration variations in market liquidity and the investment objectives. Cash inflows /outflows will be used to rebalance as much as possible. If they are insufficient, investments will be sold in a commercially reasonable manner and reallocated as required.

Investments are expected to achieve returns at least equal to their benchmarks measured over a rolling five-year period. ONE JIB shall provide at least annual reporting described in Section 6.7 that demonstrates the Municipality's holdings, declares compliance with this IPS and shows External Portfolio Manager performance.

6. ADMINISTRATIVE POLICIES

6.1 Flow of Funds and Annual Municipal Budget

6.1.1 Transfer to ONE JIB as Part of Budget Process

On an annual basis, as part of the Municipality's budget process, the Municipality shall identify the amount, if any, of Long-Term Funds that it holds. Any Long-Term Funds 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 Budget Process

On an annual basis, as part of the Municipality's budget process, ONE JIB shall be notified by the Manager of Finance/Treasurer as to the amount, if any, required by the Municipality from the Long-Term Funds then under the control and management of ONE JIB for the Municipality's operational purposes. Such amount shall be deemed to be Short-Term Funds and shall be returned to the Municipality in a lump sum or by way of periodic payments, as directed by the Manager of Finance/Treasurer.

6.2 Flow of Funds 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 surplus by the Manager of Finance/Treasurer at any such time during the year shall be transferred to ONE JIB to be under its management and control as Long-Term Funds.

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 Manager of Finance/Treasurer is authorized, from time to time after the approval of the Municipality's budget, to direct ONE JIB to return any amounts determined by the Manager of Finance/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 Funds 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 Funds). In determining the Budgeted Long-Term Funds for purposes of calculating the 25% limit, any Long-Term Funds to be transferred to the control and management of ONE JIB in accordance with that year's budget 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.

6.3 Valuation of Investments

Investments shall be valued according to the values provided by the Custodian(s). For the investment of Long-Term Funds, values of unitized vehicles shall be valued according to the unit values published daily 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 External Portfolio Manager 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 Manager of Finance/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 Manager of Finance/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 Funds, the Custodian shall be acceptable to ONE Investment. For Short-Term Funds the Custodian shall be acceptable to ONE Investment if ONE Investment is administering the investment of the

Municipality's Short-Term Funds, otherwise the Custodian shall be acceptable to the Municipality.

6.7 Reporting

6.7.1 MRI

For the investment of Short-Term Funds, the Manager of Finance/Treasurer shall report at least annually to Council, such report to be in such form and contain such content as Council may request. The report to Council shall include investment performance during the period covered and such other information as required under regulation and as the Manager of Finance/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 Long-Term Funds at least annually. Such 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, their average term to maturity and yield relative to the benchmark, book value, market value, realized/unrealized gains/losses and actual income received;
- Dates of all transactions including the purchase and sale prices;
- A statement by the Manager of Finance/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 Manager of Finance/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, which shall provide monthly reporting showing all securities held, their book values, market values and all income received.

7. APPROVAL, SUBSEQUENT MODIFICATIONS AND EFFECTIVE DATE

7.1 Revocation / Amendment of Previous Investment Policy

As of the effective date of this IPS the previously approved Investment Policy of the City of Kenora is superseded and repealed.

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 Manager of

Finance/Treasurer with respect to the investment of Short-Term Funds and from ONE JIB with respect to the investment of Long-Term Funds.

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 review will take into account:

- 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 October 21, 2025 The Director of Finance is directed to sign a copy of this IPS to evidence approval and to deliver a copy of this IPS to ONE JIB.

Ryan Marsh

Signed by:



Director of Finance/Treasurer

October 21, 2025

Date

Schedule A

Restricted Special Assets

City of Kenora Debt

LDC Shares held by the City of Kenora

Long Term Investments held prior to July 2, 2020

Schedule B

Third-Party Trust Funds and Designated Funds

Third-Party Trust Funds

Synergy North	$8,500,00
Cemetery land fund	18,003
Cemetery perpetual care fund	875,534
Inscription fee fund	213,842
Library	32,677

Designated Funds

Listed here for information and tracking purposes only. The Municipality has no authority or responsibility with respect to investment of designated funds. For example, social housing capital reserves of a local housing corporation which are to be invested in the Housing Services Corporation's pooled capital reserve funds managed by Encasa.

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: City of Kenora

Address: 1 Main Street South, Kenora

Treasurer Information

Name: Ryan Marsh

Phone Number: (807) 487-2197 Extension: _____

Email: rymarsh@kenora.ca

`

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

Name: Michelle Saunders

Phone Number: (807) 467-2024 Extension: _____

Email: msaunders@kenora.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? 14,967

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

3.3 How much does a 1% tax rate increase generate? $ 350,000

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*

.

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*	$ 79,554,809
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)	($ 1,100,000)
Total MNRI under the management and control of ONE JIB (A + B)	$ 78,454,809

☐ 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)

Required transfer from CPTF prior to end of 2026 is $1,600,000
Anticipated transfer to Kenora General Investment prior to the end of 2026 $500,000

The reported $79,454,809 represents the sum of Kenora General and CPTF

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)**
Kenora General	$ 28,153,056		$ 6,000,000	$ 22,153,056
CPTF	$ 50,301,753	$ 7,076,000	$ 6,250,000	$ 36,975,753
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 78,454,809	$ 7,076,000	$ 12,250,000	$ 59,128,809

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 (-)	($ 980,000)	($ 746,000)	($ 3,750,000)	($ 12,250,000)	
Anticipated MNRI Contributions (+)	$ 500,000				
Net Change to MNRI	($ 480,000)	($ 746,000)	($ 3,750,000)	($ 12,250,000)	$ 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.

1. Funding of capital projects
2. City Operating funding / return on investment
3. Inflation
4. Alternative Investment opportunities

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

Yes, the City of Kenora prepares a 10 year Capital budget that is accurate to +/- 30-40%. The asset management plan informs the budget process and supports the requirement replacement amount. It is revisited each year through the budget process - adjusting priority and value of the projects.

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.

City of Kenora is supporting the Provincial build of the new local Hospital which will include additional/upgraded infrastructure to service the new location. Although the cost of the project and potential amount of provincial funding is not entirely predictable at this point, City of Kenora feels that we have adequate cash reserves and the availability of credit to buffer the excess cash outflows.

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?

Use of reserve funds - a balance of cash management and reliance on our investments -whereby cash on hand would be leverage prior to reliance on the invested funds.

It is unlikely that we will need additional funds. However, we feel availability of 5,000,000 is justifiable.

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?

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 01 day of October, 20 26

Ryan Marsh

Ryan Marsh Digitally signed by Ryan Marsh Date: 2026.10.01 10:32:31 -05'00'

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 City of Kenora

DATE: November 24, 2026

CONTENTS

1. DEFINITIONS 1

2. PURPOSE 2

3. RESPONSIBILITY FOR PLAN 3

4. INVESTMENT GOALS AND OBJECTIVES 4

5. INVESTMENT PORTFOLIO 5

6. APPLICABLE ONE JIB POLICIES 7

7. ELIGIBLE FUNDS 8

8. REBALANCING 10

9. IMPLEMENTATION 11

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 City of Kenora's Money Not Required Immediately (MNRI) as defined in Section 3.1 of Kenora's Investment Policy (Policy).

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

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 City of Kenora's Policy.

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 City of Kenora's investment needs, as described in its Investment Policy, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the Municipal Client Questionnaire (MCQ) and dialogue with the Treasurer inform ONE JIB about the municipality's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Bracebridge's MNRI in this Plan is consistent with the details as disclosed in their Investment Policy and MCQ. Section 5.2.1 of their Investment Policy 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 • 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 • Macro risks, such as inflation, economic growth and interest rates.

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*
Kenora General	Model E+ (50% Equity) assigned.	$27,370,544
Kenora CPTF	Model E+(50% Equity) assigned.	$51,511,992

**Valuation as of September 30, 2026*

Other considerations:

- In December 2026 the municipality plans on making a $500,000 contribution to the General account and a ($1,600,000) withdrawal from the CPTF account.
- Council has reviewed the Investment Policy and has not made any amendments.
- The Policy permits Alternative Investments.
- *Kenora Genera*l – the investment horizon has lengthened. MNRI previously identified as three to five years in the 2025 Annual Review has been extended to the five-to-ten-year horizon in the 2026 MCQ. This change was because of capital program deferrals. No major new infrastructure projects have been identified in the forecast.
- *Kenora CPTF* – the investment horizon has not changed, this account is in perpetuity, with an annual withdrawal. The purpose of this account is to make an annual contribution to offset operating budget costs. If the balance drops below the principal base, the city has the option to set up a receivable. Forecasted withdrawals in 2027 and 2028 are expected to be below the standard $1.25 million, based on other investments maturing.
- The expected increased withdrawal in 2026 from the CPTF will clear the receivable backlog.

5.2 Allocations

70% EQUITY MODEL (E+)			
Asset Classes	**Minimum (%)**	**Target Weight**	**Maximum (%)**
Cash & Equivalent	0	0%	10
Canadian Fixed Income	25	32.5%	45
Global Fixed Income and Credit	5	7.5%	15
Canadian Equities	15	25%	35
Global Equities	15	25%	35
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
November 2026	• Once approved by the ONE JIB, PH&N Institutional will commence with the required trades as needed to move the General account to Model E+
November / December 2026	• $500,000 will be remitted to ONE Investment and deployed into Model E+ for the General account • ($1,600,000) will be withdrawn and returned to the Municipality upon their request (prior to year end) from the CPTF account

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested.

Cashflow needs of the municipality 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.

SCHEDULE "A"
TO
BY-LAW NO. 74-2025

Attachment 13

INVESTMENT POLICY STATEMENT

FOR

THE CORPORATION OF THE MUNICIPALITY OF OLIVER PA POONGE

SEPTEMBER 9, 2025

TABLE OF CONTENTS

1. DEFINITIONS 1
2. PURPOSE AND LEGISLATIVE FRAMEWORK 5
2.1 Purpose of Policy 5
2.2 Governing Legislation 6
2.3 Prudent Investor Standard 7
3. MONEY REQUIRED IMMEDIATELY AND MONEY NOT REQUIRED IMMEDIATELY 7
3.1 Determination of MNRI and MRI 7
3.2 Overview of Portfolios 8
4. ROLES AND RESPONSIBILITIES 8
4.1 Role of ONE JIB 8
4.2 Role of Municipal Staff 9
4.3 Ethics and Conflicts of Interest 9
5. INVESTMENT 10
5.1 MRI 10
5.1.1 MRI: Investment Objectives 10
5.1.2 MRI: Eligible Investments 11
5.2 MNRI 11
5.2.1 MNRI: Investment Objectives 11
5.2.2 MNRI: Eligible Investments 12
5.2.3 MNRI: Sinking Funds 12
5.2.4 Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities 12
5.2.5 Restricted Special Assets 12
5.3 Third-Party Trust Funds and Designated Funds 13
5.4 Investment Management 13
5.4.1 Investment Management of MRI 13
5.4.2 Investment Management of MNRI 13
5.5 Transition to Prudent Investor Regime / OCIO Offering 13
5.6 Investment Constraints 14
5.6.1 Environmental, Social and Governance (ESG) Investing 14
5.6.2 Securities Lending 14
5.6.3 Derivatives 14
5.6.4 Use of Leverage 14
5.6.5 Pooled Funds 14

5.6.6 Currency Hedging 15
5.6.7 Alternative Asset Classes 15
5.6.8 Prohibited Investments 15
5.7 Performance Monitoring, Rebalancing and Management 15
5.7.1 MRI 15
5.7.2 MNRI 15
6. ADMINISTRATIVE POLICIES 16
6.1 Flow of Money and Annual Municipal Budget 16
6.1.1 Transfer to ONE JIB as Part of Annual Review Process 16
6.1.2 Transfer to Municipality as Part of Annual Review Process 16
6.2 Flow of Money Otherwise than through the Budget Process 16
6.2.1 Surplus Funds 16
6.2.2 Contingencies 16
6.3 Valuation of Investments 16
6.4 Voting Rights 17
6.5 Internal Controls 17
6.6 Custodians 17
6.7 Reporting 17
6.7.1 MRI 17
6.7.2 MNRI 17
7. SUBSEQUENT MODIFICATIONS TO THE IPS 18
Schedule A Restricted Special Assets 19
Schedule B Third-Party Trust Funds and Designated Funds 20
Appendix 1: ONE JIB Agreement 21

THE CORPORATION OF THE MUNICIPALITY OF OLIVER PAIPOONGE

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 Municipality of Oliver Paipoonge.

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/Deputy CAO 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 75-2025 Prudent Investor 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/Deputy CAO, 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 two (2) calendar 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/Deputy CAO 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/Deputy CAO, 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/Deputy CAO.

Consistent with this IPS, the Treasurer/Deputy CAO 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/Deputy CAO;
- 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/Deputy CAO 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/Deputy CAO.

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/Deputy CAO.

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

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

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/Deputy CAO.

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. The Treasurer shall monitor the performance, rebalance asset mix and manage MRI in a manner that achieves the investment objectives set out in this 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/Deputy CAO 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/Deputy CAO.

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/Deputy CAO is authorized to direct ONE JIB to return any amounts determined by the Treasurer/Deputy CAO 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/Deputy CAO 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/Deputy CAO. 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/Deputy CAO 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/Deputy CAO 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/Deputy CAO 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/Deputy CAO.

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. SUBSEQUENT 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/Deputy CAO 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.

Signed by:

Treasurer / Deputy CAO
[Title: Treasurer]

Sept 22/25
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

Care and maintenance trust funds under the *Funeral, Burial and Cremation Services Act*, 2002 that are to be invested pursuant to the *Trustee Act*

Designated Funds

Not Applicable

Print

Clear Form

Attachment 14

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: Oliver Paipoonge

Address: 3250 Hwy 130, Rosslyn, ON P7K 0B1

Treasurer Information

Name: John MacGillivray

Phone Number: (807) 935-0258 Extension: _____

Email: treasurer@oliverpaipoonge.on.ca

`

*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

ONE Prudent Investment Portfolio

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? 6,035

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

3.3 How much does a 1% tax rate increase generate? $ 102,507

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*

.

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*	$ 4,573,869
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)	$ 2,945,044
Total MNRI under the management and control of ONE JIB (A + B)	$ 7,518,913

☐ 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)**
Infrastructure Projects	$ 7,518,913			$ 7,518,913
	$ 0			
	$ 0			
	$ 0			
	$ 0			
Total MNRI - *auto calculate*	$ 7,518,913	$ 0	$ 0	$ 7,518,913

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 (+)	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000
Net Change to MNRI	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000

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 have asset life cycle management strategies in our asset management planning system that allows us to forecast our capital asset expenditures for various time frames, e.g., 10 years, 50 years, etc. Unless we have some reason to think otherwise, we assume our levels of service will remain static. We do not assume inflation on these costs because we assume revenues will also increase with inflation, so the net effect of inflation is more or less negligible.

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

We forecast beyond 5 years. We are unable to assess with much reliability the accuracy of our forecasting since we have only been doing it for a few years. For asset classes for which we have a good understanding and reliable data like roads we have more confidence in our forecasting, but for asset classes like buildings for which we have less understanding and poorer data we have less confidence in our forecasting.

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 maintain a significant working capital reserve that is sufficient to handle our every day needs plus unanticipated needs. Current senior staff are unaware of any significant unanticipated needs in the last decade that required large outlays of cash, so we think the likelihood of a significant unanticipated need is quite low. We also have a large overdraft facility with our bank that could be used if necessary. We think the probability that we would need to draw done our MNRI to fund unexpected budget shortfalls is quite low.

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 8 day of October, 2026

John MacGillivray

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 8 day of October, 2026

John MacGillivray

Name and Signature of Treasurer

Second Signature (if required)

Attachment 15

INVESTMENT PLAN FOR

The Municipality of Oliver Paipoonge

DATE: November 24, 2026

CONTENTS

1. DEFINITIONS 1

2. PURPOSE 2

3. RESPONSIBILITY FOR PLAN 3

4. INVESTMENT GOALS AND OBJECTIVES 4

5. INVESTMENT PORTFOLIO 5

6. APPLICABLE ONE JIB POLICIES 7

7. ELIGIBLE FUNDS 8

8. REBALANCING 10

9. IMPLEMENTATION 11

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 Oliver Paipoonge's Money Not Required Immediately (MNRI) as defined in Section 3.1 of Oliver Paipoonge's Investment Policy (Policy).

This Plan applies to all investments controlled and managed by ONE JIB on behalf of the Municipality of Oliver Paipoonge.

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 Oliver Paipoonge's Policy.

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 Oliver Paipoonge's investment needs, as described in its Investment Policy, provide Council's guidance to ONE JIB in determining investment allocations. Further guidance from the Municipal Client Questionnaire (MCQ) and dialogue with the Treasurer inform ONE JIB about the municipality's current goals, objectives, circumstances, and risk tolerance, and help determine investment allocations. The allocation of Bracebridge's MNRI in this Plan is consistent with the details as disclosed in their Investment Policy and MCQ. Section 5.2.1 of their Investment Policy 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 • 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 • Macro risks, such as inflation, economic growth and interest rates.

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*
MNRI Consolidated Holdings	Model F (60% Equity) assigned.	$2,945,044

**Valuation as of September 30, 2026*

Other considerations:

- In December 2026 the municipality plans on making a $2,945,044 contribution.
- Council has reviewed the Investment Policy and has not made any amendments.
- The Policy does not permit Alternative Investments.
- The investment horizon has not changed since 2025. The 2026 MCQ shows all MNRI with a ten year plus investment horizon. Currently there is no planned use for these funds.
- The additional MNRI is a result of the municipality obtaining a ten-year loan from Infrastructure Ontario on completed capital projects. The municipality had been funding costs (during the construction phase) from reserves.

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
November/December 2026	• $2,945,044 will be remitted to ONE Investment and deployed into Model F

9.3 Accommodating Cashflow needs

Income from investments will be automatically reinvested.

Cashflow needs of the municipality 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: November 24, 2026
Re: Board Governance Self-Evaluation Report – Fall 2026
Report: ONE JIB 2026-068

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.
2. Direct ONE Investment staff to bring forward the 2028 Board Governance Self-Evaluation Survey in the fourth quarter of 2028.

2. SUMMARY

In Fall 2026, the ONE JIB completed its annual Board Governance Self-Evaluation survey, as required by section 4.13 of its Terms of Reference. The survey used the same questions as 2025, scored from 1 (strongly disagree) to 5 (strongly agree). All 12 Board members responded anonymously, a 100% response rate.

Results were very strong. One respondent averaged 1.3 and provided no written comments; staff believe the scale was misinterpreted in their response. Staff have reworked to numbers to reverse the scale, with those figures presented in parenthesis. Average scores by question ranged from 3.5 to 4.6 (3.5 to 4.8). Most responses were scored between 4 and 5, with individual averages of 1.8 to 4.8 (3.8 to 4.8).

Key themes and staff responses for 2027:

- ONE JIB: simplify the MCQ and IPS templates and review municipal risk tolerance in the first half of 2027, add municipal performance since inception, and look at additional training on reviewing the External Portfolio Manager.
- Functioning: streamline agenda packages as participation grows rather than adding review time.
- Relationships: members trust staff; staff will explore municipal fiscal framework training and building relationships with new key staff.
- Priorities: focus on growing the number of participating municipalities and continuing an effective investment process.

3. BACKGROUND

ONE JIB's Terms of Reference require an annual self-assessment

Board evaluation is a core element of good governance. Results help boards improve their

effectiveness, identify strengths and weaknesses in substance and process, orient new members, and validate future priorities. As contemplated in section 4.13 of ONE JIB's Terms of Reference, ONE Investment staff developed an online self-assessment that has been completed by ONE JIB every year.

Self-assessment supports continuous improvement; perspectives may vary with members' backgrounds

The self-evaluation questions were designed to identify where improvements can be made, celebrate successes, and plan ONE JIB's future work. ONE JIB is a skills-based board whose members' experience is primarily in either municipal finance or investment.

Self-assessment questions were unchanged from 2025 and cover five sections

The assessment is split into five sections as follows:

- How well has the ONE JIB done its job?
- How well has the ONE JIB functioned?
- Does the ONE JIB have effective relationships?
- What should the ONE JIB's priorities be over the next 1-2 years?
- Feedback to the Chair of the ONE JIB (not covered in this report)

Each question was scored from 1 (strongly disagree) to 5 (strongly agree). Responses were anonymous.

4. ANALYSIS

All Board members responded; one respondent's scores of one (1) to three (3) likely reflect a misinterpretation of the scoring scale

Eleven of 12 respondents scored primarily between four (4) and five (5), with the occasional three (3). One respondent scored predominantly one (1) and two (2), with the occasional three (3). Because no written comments explained the low scores, staff believe the Board member misinterpreted the scale. These scores have been adjusted and are presented in parenthesis.

Average scores were high: 3.5 to 4.6 (3.5 to 4.8) by question, and 1.8 to 4.8 (3.8 to 4.8) overall for individual respondents

Responses were very strong overall, with question averages from 3.5 to 4.6 (3.5 to 4.8). Individual averages ranged from 1.8 to 4.8 (3.8 to 4.8).

How well has ONE JIB done its job?

The survey indicates that ONE JIB is making good decisions within a strong governance framework. The consent agenda helps ONE JIB focus on key business and makes efficient use of members' time, which is increasingly valuable as the number of Participating Municipalities grows. In 2026, an Investment Policy Committee was added to

allow focused discussion of a few issues and to expand ONE JIB's capacity, which proved effective in managing growth to date. Table 1 outlines the areas of focus ONE JIB members identified in the 2026 survey.

Table 1 - Areas of Focus for 2027

Key ONE JIB Areas of Focus	ONE Investment Response
Simplifying or improving the MCQ and IPS to become more effective and focus on municipal specific issues	A review of the template documents was completed at the February 2026 ONE JIB meeting. Another review is scheduled for the first half of 2027 which will include a review of all templates, work to include a simplified version of the policy (per municipal request), as well as a review of ONE's treatment of municipal risk tolerance.
Adding municipal performance since inception (as opposed to that of the External Investment Manager) will provide additional information for the ONE JIB	ONE has been working on performance since inception (2020) and will add to the resource library once completed. For all municipalities that joined after June 1, 2024, their current report is accurate to since inception.
Training on how to review the performance of the External Portfolio Manager to more effectively identify issues would be helpful	ONE will look at additional ONE JIB training.

How well has ONE JIB functioned?

Members indicated that ONE JIB is functioning well; most comments concerned meeting logistics. Table 2 outlines the most frequently mentioned areas of focus for 2027.

Table 2 - Functional Areas of Focus for 2027

Key ONE JIB Areas of Focus	ONE Investment Response
The quality of the reports has improved but concerns about the size of the agenda package remain, given the anticipated growth.	As participation in ONE JIB continues to grow, ONE Investment staff are looking to streamline the amount of material ONE JIB receives.
Potential to provide agenda packages earlier to provide members with more preparation time	Rather than additional review time, staff will examine options for reducing the size of packages.

Does ONE JIB have effective relationships?

ONE JIB members trust staff. Staff will continue to look for opportunities to build relationships among members. Attending conferences also helps members better

understand, and build relationships with municipal Councils and staff.

Table 3 - Effective Relationships Areas of Focus

Key ONE JIB Areas of Focus	ONE Investment Response
Municipalities are complex and additional training related to the municipal fiscal framework would be beneficial.	Staff will look at municipal training, especially as it relates to the fiscal framework.
As one Co-President/CEO is new, it's difficult to assess that relationship	ONE JIB will become more familiar with the new Co-President/CEO and other key staff throughout 2027.

What should ONE JIB's priorities be over the next 1-2 years?

Table 4 outlines the priorities members identified for ONE JIB over the next 1-2 years, with staff responses.

Table 4 - Functional Areas of Focus for 2027

Key ONE JIB Areas of Focus	ONE Investment Response
ONE JIB should focus on increasing the number of participating municipalities rather than the AUM with a focus on an effective process.	ONE Investment has found that ONE JIB's participation in municipal conferences has been beneficial in increasing interest in Prudent Investment.

5. CONCLUSION

ONE JIB's Governance Self-Evaluation achieved a 100% response rate among current Board members. The results helped inform the 2027 Workplan. Key priorities for 2027 are streamlining the quarterly meeting and reviewing templates such as the IPS, MCQ and IP. Building relationships between ONE JIB members and key staff, and strengthening members' understanding of municipalities, will remain priorities for ONE Investment.

Drafted by: Donna Herridge, Co-President/CEO
Approved by: Donna Herridge and Christina Pavlone, Co-President/CEO's

REPORT

To: ONE Joint Investment Board
From: Donna Herridge, Co-President/Co-CEO, ONE Investment
Date: November 24, 2026
Re: 2027 Workplan
Report: ONE JIB 2026-069

1. RECOMMENDATIONS

It is recommended that the Board:

1. Approve the 2027 Workplan.

2. SUMMARY

The 2027 Workplan (previously known as the “Futures List”) outlines the Board’s quarterly work, guided by the Strategic Plan, including investment manager performance reviews, annual model portfolio review, and municipal Investment Plan approvals/updates. Priorities are staffing and resources, data analytics, a stronger relationship with PH&N Institutional (“PH&N") , and investment education for new staff and councils. Board feedback through the self-evaluation survey informs staff efforts to manage meeting and agenda-package demands. Municipal conferences and MFOA’s Northern Finance Workshop will offer learning and networking opportunities. Attachment 1 provides the workplan.

3. BACKGROUND

Planning resources to deliver the 2027 agenda

As ONE JIB’s service provider, ONE Investment is monitoring progress on the 2026 Workplan/Futures List to identify staffing and resource needs for 2027. This planning supports timely, well-developed reports, regulatory compliance and the needs of Participating Municipalities. The quarterly schedule is presented for Board consideration.

4. ANALYSIS

Aligning recurring Board work with strategic priorities

The Strategic Plan guides the 2027 workplan. The Board reviews PH&N’s performance quarterly and approves model portfolios annually, with the annual model portfolio review planned for the third quarter. Following significant growth to 27 Participating Municipalities in 2026, ONE JIB will continue to review/update Investment Plans for the existing municipalities and approve plans for new participants.

Board feedback informs 2027 priorities

ONE JIB provided input on 2027 priorities in September. In addition, the October 2026 self-evaluation survey identified recurring concerns about meeting package size, which have been partly addressed by the addition of an Investment Policy Committee. Following certain staff vacancies in 2026, options are being presented to the ONE Investment Board to support business excellence. Priorities for 2027 are adequate resources, continued progress on data analytics and a strong relationship with PH&N.

Supporting growth and educating new Councils

ONE Investment aims to build on the strong growth in Prudent Investment interest in 2026. Following the 39% turnover in the recent municipal election, new Councils may face pressure for low tax rate increases. Investment income can help offset property tax pressures and we will tell that story wherever possible. Adequate resources are critical to support existing and prospective investors and to educate new Councils about municipal investing.

Building municipal insight through learning and networking

ONE JIB members valued opportunities to learn directly about investors' circumstances in 2026. Members will continue to be invited to select municipal conferences to deepen their understanding of municipal finance and connect with municipal elected officials and staff.

The biennial MFOA Northern Finance Workshop, offered in Thunder Bay and Sudbury in fall 2027, will provide further opportunities for interested JIB members to learn about northern Ontario communities.

5. CONCLUSION

The 2027 Workplan supports timely, informed Board decisions and efficient use of staff and Board resources. Advance agenda planning will help ONE Investment deliver high-quality information when the Board needs it.

ATTACHMENTS

Attachment 1: 2027 Workplan

Drafted by: Donna Herridge Co-Presidents/CEO
Approved by: Donna Herridge and Christina Pavone, Co-Presidents/CEO

Attachment 1
ONE JIB 2027 Workplan

Agenda Category	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Board Governance & Administrative Matters	ONE JIB Reappointment of Members Governance Review		2028 Pre-Budget Consultation ONE Investment Annual Report	Board Competencies and Skills Matrix Review Annual Workplan "Futures List"
Strategy and Policy	Quarterly Workplan List Review	Municipal Insights Quarterly Workplan List Review Municipal Template Review	Quarterly Workplan List Review ONE JIB Policy Review (as required)	Municipal Insights Quarterly Workplan List Review
Investment Oversight	Municipal Reports: Q4 municipal performance reports Investment Plan Implementation Update Investor Onboarding IPS and MCQ review and Investment Plan Approval Investment Manager Reports: Q4 Performance Review Investment Manager Presentation Quarterly and Year-end Compliance Reports	Municipal Reports: Q1 municipal performance reports Investment Plan Implementation Update Investor Onboarding IPS and MCQ review and Investment Plan Approval Investment Manager Reports: Q1 Performance Review Investment Manager Presentation Quarterly Compliance Reports	Municipal Reports: Q2 municipal performance reports Investment Plan Implementation Update Investor Onboarding IPS and MCQ review and Investment Plan Approval Investment Manager Report: Q2 Performance Review Investment Manager Presentation Quarterly Compliance Reports PH&N Model Portfolio Review	Municipal Reports: Q3 municipal performance reports Investment Plan Implementation Update Investor Onboarding IPS and MCQ review and Investment Plan Approval Investment Manager Report: Q3 Performance Review Investment Manager Presentation Quarterly Compliance Reports