

Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba

Charter of Investment Policies, Guidelines and Objectives

Effective Date: October 1, 2021

**Replacing:
Investment Objectives & Policy Statement**

**Dated: October, 1989
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TABLE OF CONTENTS

Section 1	Statement of Purpose.....	1
Section 2	Statement of Investment Beliefs.	3
Section 3	Investment Constraints and Objectives.	5
Section 4	Permitted Categories of Investments.	9
Section 5	Asset Allocation Guidelines.	11
Section 6	Investment Mandates and Rebalancing.	12
Section 7	Related Parties.....	15
Section 8	Roles and Responsibilities.	16
Section 9	Voting Rights.....	20
Section 10	Conflicts of Interest.	21
Section 11	Loans and Borrowing.....	22
Section 12	Charter Certification.	23
Appendix A	Canadian Universe Fixed Income Mandate.	24
Appendix B	Core Plus Fixed Income Mandate.	25
Appendix C	Canadian Equity Mandate.	27
Appendix D	Global Equity Mandates.	29
Appendix E	Commercial Mortgage Mandate.....	33
Appendix F	Canadian Real Estate Mandate	35
Appendix G	Infrastructure Mandate.....	37

1.1 Application.

This Charter of Investment Policies, Guidelines and Objectives (the “Policy”) applies to the assets held in the Trust Fund (the “Fund”) for the Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba as amended from time to time (the “Plan”) as described by the Pension Plan Text registered with the Pension Commission (Manitoba), as amended from time to time (the “Plan Text”). The Fund is managed by a Board of Pension Trustees (the “Trustees”) pursuant to a Trust Agreement dated June 10, 1996, as amended from time to time (the “Trust Agreement”).

1.2 Nature of the Plan.

The Plan covers Non-Teaching Employees of Public School Boards in Manitoba. The assets of the Fund pertaining to this defined contribution plan are solely funded by contributions by participating School Boards and employees. Plan benefits are determined by the accumulated value of each member’s account and are dependent on the contributions made, and the investment earnings of the Fund.

The purpose of the Fund is to accumulate assets to provide one source of retirement income for each participant.

1.3 Purpose of this Policy.

This Policy outlines the principles by which the investment of the Fund is managed. The purpose of the Policy is to:

- a. Ensure that all relevant issues are considered in formulating an investment strategy for the Fund,
- b. State the investment guidelines for the Fund, and
- c. Define the performance goals and the procedure for measuring the performance of investment managers.

1.4 Standard of care.

Subject to the terms of the Trust Agreement (including but not limited to Article XI), the Trustees and their appointed advisors shall exercise the degree of care, diligence, and skill that a person of ordinary prudence would exercise in dealing with the property of

another person.

Trustees and their appointed advisors who possess, or because of their profession or business ought to possess, a particular level of knowledge or skill relevant to their responsibilities to the Fund, shall employ that level of knowledge or skill in the interest of the Fund.

1.5 Policy revision.

The nature of the investments and the firms that offer investment services will change over time, and accordingly, this Policy will be reviewed annually and may be amended by the Trustees at their discretion.

The Charter of Investment Policies, Guidelines and Objectives reflect several decisions taken by the Trustees both at the time of the Policy's development and at subsequent reviews. These decisions, in turn, reflect certain beliefs held by the Trustees at the time the decisions were taken or approved.

To the extent these beliefs remain consistent over time, so too should those elements of the Policy that rest upon them. The purpose of this section is to set forth the Trustee's beliefs so that the historical context in which decisions were made will be better understood by readers and users (both current and future) of the Policy.

2.1 General investment beliefs.

The Trustees believe that:

- a. The Fund should be focused on achieving long-term growth with capital preservation in down markets to maximize the probability of achieving the long-term objective of the Fund.
- b. The majority of the variability in the long-term investment returns, and the implied risk inherent in the Fund, can be explained by the strategic asset mix selected. As a result, the strategic asset mix decision is key to determining the risk profile of the Fund.
- c. The key components (asset classes) of the Fund composition are:
 - Canadian and foreign fixed income securities (including cash).
 - Canadian commercial mortgages.
 - Canadian equities.
 - Global equities.
 - Real estate.
 - Infrastructure.

2.2 Beliefs influencing the strategic asset mix and current investment manager structure.

The Trustees believe that:

- a. Over the long term, an investment manager can actively take advantage of security pricing in capital markets and add value to the Fund over and above a benchmark return based on a market index. The belief of active management does not preclude the Trustees from utilizing passive or indexed strategies in particular asset classes where the benefits of lower cost implementation outweigh an active approach.

- b. Over the long term, within certain asset classes, an investment manager can improve the risk/reward profile of the Fund through buying and selling of what the investment manager believes to be undervalued or overvalued securities.
- c. Over the long term, equities will outperform fixed income securities. However, as the pattern of returns from equities will be more volatile than returns from debt fixed income, investing in equities is based on incremental return expectations over fixed income.
- d. An equity investment manager with a global view and global investment opportunity set has the potential to improve the risk/return profile of the Fund versus separate (fixed) allocations to US and International (EAFE) equities.
- e. A well-diversified portfolio incorporating multiple asset classes tends to reduce the implied risk inherent in the Fund.
- f. Over the long term, investment in non-Canadian securities adds diversification from a purely Canadian investment portfolio.
- g. Over the long term, the impact of currency fluctuation on non-Canadian equity rates of return is negligible. As a result, hedging foreign currency exposure for the equity exposures is not necessary.
- h. For certain asset classes, utilizing multi-manager mandates can provide additional diversification in the Fund over utilizing a single manager for each mandate.
- i. Alternative asset classes in a diversified portfolio can impact returns and/or Fund risk. Thus, as more investment opportunities become available to the Fund, the Trustees will consider them for inclusion into the Fund.

2.3 Beliefs influencing the governance structure.

The Trustees are comprised of lay board members who are responsible for all decisions pertaining to this Policy.

Where prudent to do so, the Trustees will utilize the knowledge and expertise of independent third-party advisors. The Trustees believe that the investment management of the Fund assets should be delegated to professional money management firms and as such, understand that a regular review of the investment manager(s) will be necessary for evaluating the effectiveness of the Fund in achieving the long-term goals.

3.1 Investment constraints.**a. Liquidity.**

The main risk associated with maintaining insufficient liquidity in the Fund is the risk that the Trustees will be forced to liquidate assets in unfavorable market conditions to make payments to beneficiaries. Net cash flow (contributions less benefit payouts) is a key factor in determining liquidity requirements. The Fund investment strategy should provide sufficient liquidity at all points in an economic cycle.

The Fund does not currently have, or foresee, any significant liquidity requirements in the near future.

b. Legal.

The Plan is a Defined Contribution Pension Plan registered with the Pension Commission (Manitoba), and as such must comply with the Manitoba Pension Benefits Act as well as the provisions set forth by the Canada Revenue Agency.

The Trustees are to act in compliance with the Pension Benefits Act, CRA Rules, the Plan Text, the Trust Agreement, this Policy, as well as any other applicable laws.

c. Taxes.

The Fund is exempt from any taxation as per Canada Revenue Agency (CRA) legislation. It should be noted that failure to comply with the CRA requirements, could result in de-registration of the Plan at which time the tax-exempt status could be revoked.

d. Time horizon.

The Fund's investment time horizon is an important aspect in formulating the investment strategy. The objective of the Trustees is to have the Plan exist in perpetuity. However, for investment planning and restructuring the Trustees assume that the investment time horizon of the Fund is at least ten years.

e. Unique considerations.

i. Contributions.

Employees contribute, by payroll deduction, eight percent of earnings for the year. School Boards are required to match employee contributions.

ii. Administrative Expenses.

Plan expenses are not paid by the Fund. Each School Board participating in the Plan also contributes to a separate administration account to pay for all Plan expenses. As a result, all performance measurement of the investment managers is conducted gross of investment fees. The governance of the administration account is not covered by this Policy. However, the Trustees can and should review total fees paid for investment-related services rendered to the Plan.

3.2 Investment objectives.

a. Risk objectives.

- i. The uncertainty of future economic and investment conditions calls for prudent diversification in the investments of the Fund to reduce risk. This is enhanced by retaining managers with different investment styles and through investing in multiple asset classes. The different investment mandates are detailed in Appendices A-G.
- ii. With prudent consideration of the objectives and constraints of the Fund, the total risk tolerance of the Fund can be classified as moderate.
- iii. The Fund risk exposure will be measured by using the standard deviation of the investment returns as well as other risk-adjusted return calculation measures.
- iv. In general, the true risk in the Fund is the “probability of loss”. The risk measurements utilized should be viewed as proxies in determining the probability of investment loss.
- v. Each measure of risk will be evaluated on a regular basis for each investment manager and compared to other comparable pension funds. In addition, the correlation of returns among investment managers will be reviewed.
- vi. Risk exposure should generally rank at the median of comparable pension funds. Risk-adjusted returns are expected to consistently exceed comparable market indices and consistently rank above the median over four-year periods.

- vii. The purpose of these tests is to ensure that the Trustees are aware of any unusual risk levels. If any of the above criteria is found not to comply, discussion with the manager(s) should occur so that the Trustees will be aware of the risk levels and the reason for their existence and, if deemed appropriate, take action to amend the situation.

b. Return objectives.

- i. With prudent consideration of the objectives and constraints of the Plan, the investment policy can be directed toward the long-term growth of the Fund without significant concern for short-term liquidity requirements.
- ii. The primary objective of the Fund is to maximize the retirement income of its participating employees within an acceptable level of risk.
- iii. The **REAL RETURN INVESTMENT OBJECTIVE** of the Fund is to achieve a long-term rate of return including capital gains, dividends, interest and other income; net of investment commissions but gross of investment management expenses; equal to the annual change in the Consumer Price Index for Canada plus 3.5 % per annum. This objective should be viewed as an average annual compound rate to be sought over one or more complete capital market cycles.
- iv. The **BENCHMARK INVESTMENT OBJECTIVE** of the Fund is to add value through judicious management, over returns that would have been realized through a benchmark of passive investments. This will be measured over moving **four-year** periods by comparing the Fund's return to that of a benchmark composite portfolio. The Fund's return is expected to **exceed by 0.50 %**, the return computed by linking the quarterly index returns of a portfolio consisting of:
 - 25.0 % S&P/TSX Composite Index.
 - 30.0 % MSCI ACWI Index (net \$CDN).
 - 12.5 % FTSE Canada Universe Bond Index.
 - 12.5 % FTSE Canada Universe Bond Index + 0.50 % per annum.
 - 5.0 % FTSE Canada Short Term Corporate Bond Index.
 - 10.0 % IPD Canada Pooled Property Fund Index.
 - 5.0 % CPI + 4.0 % per annum.
- v. The **RELATIVE PERFORMANCE OBJECTIVE** of the Fund is to rank at or above the **50th percentile** over **four-year** periods of an appropriate universe reported by the measurement service as designated by the Trustees.

- vi. Any investment manager(s) will be placed “on watch” when they fail to achieve the performance objectives outlined in the corresponding mandate statement in Appendix A-G.

- vii. Independent of the above investment performance analysis, the Trustees shall consider whether any other qualitative circumstances may warrant a change in an investment manager. Such circumstances would include, but not be limited to:
 - Significant turnover in the staff of the investment manager(s).
 - Change in ownership of investment manager(s).
 - Failure of the investment manager(s) to satisfy all the responsibilities set out in this Charter.
 - Desire to further diversify the management of the portfolio or to add additional investment manager(s).

SECTION 4

PERMITTED CATEGORIES OF INVESTMENTS

- 4.1 Subject to the Trust Agreement, the Plan Text, and other provisions of this Policy, the Fund may invest in any or all the asset categories and subcategories listed below:
- a. Publicly traded common stocks, units of an income trust, convertible debentures, or preferred securities.
 - b. Publicly traded bonds, debentures, notes, mortgages, or other debt instruments of governments, government agencies, or corporations that are denominated in Canadian dollars.
 - c. Publicly traded bonds, debentures, notes, mortgages, or other debt instruments of governments, government agencies, or corporations that are denominated in non-Canadian dollars.
 - d. Privately placed bonds and commercial mortgages.
 - e. Guaranteed investment contracts or the equivalent of insurance companies, banks, or other eligible issuers, which invest primarily in such instruments.
 - f. Term deposits or similar instruments issued or unconditionally guaranteed by trust companies or banks.
 - g. Cash or money market securities issued by governments, government agencies, or corporations.
 - h. Direct investments in Canadian real estate.
 - i. Direct investments in Canadian and foreign infrastructure.
 - j. Pooled or segregated funds and limited partnerships which may invest in any or all of the above instruments or assets, subject to such funds being an eligible investment for the Plans under pension legislation in applicable jurisdictions.
- 4.2 The Fund may not invest in:
- a. Commodities or derivative instruments related thereto.
 - b. Collectibles.

- c. Non-listed shares.
- d. Securities issued by the Administrator of a School Board participating in the Plan.
- e. Investments that are not permitted for the Plan under pension legislation in Manitoba, and/or the Income Tax Act (Canada).

SECTION 5

ASSET ALLOCATION GUIDELINES

- 5.1 The normal asset mix of the Consolidated Fund (i.e., the consolidation of all investment manager mandates) and the range for strategic deviation is as follows (based on market values):

Asset Class	Minimum	Normal	Maximum
Canadian Equities	20.0 %	25.0 %	30.0 %
Global Equities	25.0 %	30.0 %	35.0 %
Equities	50.0 %	55.0 %	60.0 %
Canadian Universe Fixed Income	7.5 %	12.5 %	17.5 %
Core Plus Fixed Income	7.5 %	12.5 %	17.5 %
Fixed Income	20.0 %	25.0 %	30.0 %
Commercial Mortgages	2.5 %	5.0 %	7.5 %
Real Estate	5.0 %	10.0 %	15.0 %
Infrastructure	2.5 %	5.0 %	7.5 %
Real Assets	10.0 %	15.0 %	20.0 %

- 5.2 At the total fund level, there will be a prudent level of diversification subject to the limits applicable to the Individual mandates outlined in Appendices A-G.

SECTION 6

INVESTMENT MANDATES AND REBALANCING

6.1 The approved investment mandates, commitments, and target asset allocations are presented below. Each mandate has been selected to assure a generally accepted level of diversification and investment risk. Specific details and performance objectives for each mandate are outlined in Appendices A-G:

a. **Total target fund allocation.**

Investment Mandate	Investment Allocation	
	Total Target Asset Commitment at Market Value	Annual Cash Flow
Canadian Universe Fixed Income Mandate	12.5 %	50.0 %
Core Plus Fixed Income Mandate	12.5 %	50.0 %
Canadian Equity Mandate	25.0%	
Global Equity Mandates		
Global Equity Mandate #1	15.0 %	
Global Equity Mandate #2	15.0 %	
Commercial Mortgage Mandate	5.0 %	
Real Estate Mandate	10.0%	
Infrastructure Mandate	5.0 %	

It is understood that liquidity in the real estate and infrastructure portfolios may be limited at times. As such, there may be times where these asset classes will be temporarily excluded from the rebalancing limits as outlined.

For purposes of rebalancing, the Trustees may choose to consider the real estate and infrastructure mandates as a combined “real assets” mandate. Acknowledging that both

asset classes typically require protracted notice when allocating and/or redeeming capital, this combined mandate approach can allow for flexibility when required.

Notwithstanding the above guidelines on rebalancing, the Trustees have the authority to rebalance the portfolio at any time.

b. Global equity mandate limits.

As per Section 6.1(a), The target global equity allocation is 30.0 % of the total fund split equally between two mandates (i.e., 15.0 % each).

While the intent will be to maintain the equal weighting between both mandates, it is understood that market drift will occur between each mandate over time. Rebalancing between the individual global equity mandates will occur as per Section 6.2

c. Real Assets (real estate and infrastructure) mandate limits.

Noting the inherent illiquidity of direct real asset investments, there will be a degree of latitude given with respect to the rebalancing limits for the real asset mandates.

The Trustees will monitor the real asset portfolios to ensure that the mandate balances are such to maintain a prudent level of diversification for the portfolio. Additional commitments and/or withdrawals will be made, as required following the investment manager(s) liquidity policy.

6.2 The total asset allocation may be re-adjusted:

- a. At the discretion of the Trustees.
- b. When the market value of assets in either global equity mandate exceeds 60.0 % of the total global equity assets.
- c. Should the situations outlined in section 6.1 above occur, or become likely to occur, either or both of the annual contribution allocation or the total asset allocation will be adjusted.

6.3 At the end of each quarter (March 31st, June 30th, September 30th, and December 31st), the asset mix will be reviewed for compliance with Section 5.1 as well as Section 6.1 and 6.2. Should the maximum or minimum limits be breached on the asset classes and/or individual mandates, the custodian will be instructed to rebalance the portfolio. The rebalancing target will be the midpoint between the target allocation and the policy limit that was breached.

6.4 The investment mandates will be reviewed at least annually, or at any time as deemed necessary by the Trustees.

7.1 Related Parties of the Fund and Plan include:

- a. The participants of the Plan, including spouses and beneficiaries.
- b. The Administrator and its employees, member School Boards, and the Trustees of the Plan.
- c. The investment managers hired to invest the assets of the Fund.
- d. The custodian of the Fund as appointed by the Trustees.
- e. Any persons, firms, or companies engaged by the Trustees to assist in their management of the Plan.

7.2 Assets of the Fund may be invested in the securities of or involved in a transaction with a Related Party only to the extent permitted under applicable legislation. To the extent that applicable legislation permits Related Party transactions that are nominal or immaterial to the Plan, a transaction shall be considered nominal or immaterial if it involves an amount equal to less than 0.1 % of the market value of the Pension Fund assets.

- 8.1 Within the limits of this Policy and the scope of the responsibilities set forth in the Trust Agreement, the Trustees will:
- a. Oversee all aspects of the investment of the Fund's assets and delegate tasks to qualified third-party advisors where it is deemed prudent to do so.
 - b. Hire additional and/or replace existing investment managers and/or other third-party providers, as deemed necessary and in the best interests of the Fund.
 - c. Monitor the performance, risk management, and qualitative aspects of each investment manager as well as the overall investment strategy.
 - d. Formulate investment mandates for each investment manager, and provide these instructions and mandates to the investment managers consistent with this Policy.
 - e. Monitor the Fund's asset allocation and take steps to ensure that the Plan is rebalanced, as necessary, per Section 6.
 - f. Maintain a current understanding of any legal and regulatory requirements that could reasonably affect the Policy.
 - g. Review the Policy annually or more frequently when deemed necessary.
 - h. Take appropriate steps to resolve conflict of interest issues as per Section 10.
 - i. Where appropriate, keep third-party advisors apprised of any developments that will affect the Fund constraints and/or objectives.
 - j. Comply with all aspects of this Policy, the Plan Text, the Trust Agreement, the Pension Benefits Act (Manitoba), The Income Tax Act, and any other relevant common and legislated laws.

- 8.2 Within the limits of this Policy and the scope of the applicable investment mandate (as per Appendices A-G), the investment manager(s) will:
- a. Have full discretion in day-to-day investment management of the portion of the Fund allocated to them.
 - b. Have the authority to vote all proxies in a prudent manner and solely in the interest of the Fund. However, the Trustees maintain the right to instruct the investment manager(s) on how to exercise voting rights. It should be noted that the above policy on voting rights is not enforceable by the Trustees to the extent that the investments are made within a pooled fund.
 - c. Recommend to the Trustees any changes to their individual mandate that the investment manager(s) deem appropriate.
 - d. Provide advice and counsel with respect to the Fund when called upon to do so by the Trustees.
 - e. Exercise the care, skill, and diligence that can reasonably be expected of a prudent expert and adhere to the CFA Institute's Asset Manager Code of Conduct, Code of Ethics, and Standards of Professional Conduct.
 - f. Within 30 days of the end of a calendar quarter, each investment manager will provide the Trustee with reports containing, at a minimum:
 - i. A valuation of the relevant component of the Fund as at the end of the quarter, including the market value of each security.
 - ii. A listing of transactions that were completed or initiated during the quarter.
 - iii. Data and commentary on the investment manager investment performance (for the past quarter as well as for the past 1, 2, 3, 4, 5, and 10-year periods and since inception) relative to benchmarks established in this Charter.
 - iv. A commentary on the investment strategy and tactics employed over the past quarter.
 - v. An outlook on capital markets for the upcoming quarter and proposed strategies and tactics to be employed during the quarter.
 - vi. Information pertaining to changes in the investment manager's investment or senior management personnel and/or ownership structure, if any.

- vii. Information pertaining to changes to the investment manager's investment style, process, or discipline or any other philosophical, operational or organizational matter that might reasonably be expected to have a bearing on the performance or risk profile of the assets managed by the investment manager.
- viii. Written confirmation that the investment manager is in compliance with this Policy.
- ix. Suggestions regarding revisions to this Policy.
- x. Upon the request of the Board of Pension Trustees, the investment manager(s) will supply to the Board of Pension Trustees:
 - Copies of all documentation in support of any investment activity; and
 - Evidence of suitable insurance coverage.

8.3 Within the limits of this Policy, the custodian will:

- a. Provide safekeeping for Fund assets.
- b. Process transactions as directed by the investment manager(s) and/or the Trustee.
- c. Collect interest, dividends, and the proceeds of cash equivalent and fixed income instrument maturities.
- d. Inform the investment manager(s) of pending corporate actions (i.e., name changes, mergers, etc.) and process instructions related to such matters.
- e. Maintain a record of all transactions.
- f. Provide the Trustees with statements monthly. These statements will include, at a minimum, a summary and a detailed listing of assets held in the Fund as well as a listing of transactions (including deposits, withdrawals, receipt of interest and dividends, purchases, sales, corporate actions, and fees paid) that occurred in the Fund during the reporting period. The Custodians' reports will provide the book value and current market value of each asset held in the Fund, categorized securities by issuer type, market sector, and/or industry, as appropriate.
- g. Provide the investment manager(s) and other agents of the Trustees with the information required to fulfill their duties, as directed by the Trustees.

- 8.4 The Trustees may on a regular or as required basis, seek the advice of other investment advisors regarding both the content and implementation of this policy. Such advice may include but is not limited to:
- a. Strategic asset allocation.
 - b. Manager structures.
 - c. The selection or replacement of an investment manager(s).
 - d. Performance of the Fund and investment managers.
 - e. Risk characteristics of the Fund and each investment manager.
 - f. Performance and risk characteristics of the investment manager(s) relative to an appropriate peer group.
 - g. Qualitative assessment of each manager.
 - h. Changes within the investment manager's organization which might affect the manager's performance, risk characteristics, and service capabilities.
 - i. Acting as a resource on pension legislation changes, market conditions, and other updates relevant to the investment management of the Fund.

SECTION 9

VOTING RIGHTS

- 9.1 The responsibility of exercising and directing voting rights acquired through Fund investments shall normally be delegated to the Managers, who shall at all times act prudently and in the best interest of the Fund.
- 9.2 The Trustees reserve the right to direct or override the voting decision of any Manager if in its view such action is in the best interests of the Fund.
- 9.3 It is recognized that voting rights are not enforceable to the extent that the Fund is invested in pooled funds.

SECTION 10

CONFLICTS OF INTEREST

- 10.1 A conflict of interest, whether actual or perceived, is defined for the purposes of this Policy as any event in which a Related Party may benefit materially from knowledge of, participation in, or by virtue of, an investment decision or holding of the Fund.
- 10.2 Should a conflict of interest arise, the party in the actual or perceived conflict, or any person who becomes aware of a conflict of interest situation, shall immediately disclose the conflict to the Trustees. The party to the conflict shall thereafter abstain from decision-making with respect to the area of conflict, and a written record of the conflict shall be maintained by the Trustees.
- 10.3 All actual or perceived conflicts will be reported to the Trustees.
- 10.4 Where an actual or perceived conflict of interest arises, the nature and substance of the conflict will be disclosed to all affected parties within 30 days after the conflict has arisen.

SECTION 11

LOANS AND BORROWING

- 11.1 No part of the Fund shall be loaned to any persons, partnership, or association except as provided in this Section.
- 11.2 The lending of securities through the Fund's custodian is prohibited. However, the Trustees agree that the securities lending policies of the underlying pooled fund custodian(s) will take precedent over this statement.
- 11.3 The assets of the Fund may not be pledged, hypothecated, or otherwise encumbered in any way except to the extent that temporary overdrafts occur in the normal course of business.
- 11.4 The Trustees shall not borrow on behalf of the Fund except to borrow or raise money and to pay such rate or rates of interest as the Trustees in their absolute discretion deem appropriate occasionally on a short-term basis to:
- a. Provide funds for the current payment of benefits or purchase of annuities without resorting to a distress sale of assets of the Fund or Plan.
 - b. Make additional investments, provided that the assets of the Fund are not pledged as security against the loan and the total indebtedness of the Fund or Plan in respect of such borrowing does not exceed at any time the sum of the required current service contributions to and reasonable earnings of the Fund or the Plan to the immediately subsequent twelve-month period.

CERTIFIED AND APPROVED, the attached is a true and correct copy of the **CHARTER OF INVESTMENT POLICIES, GUIDELINES AND OBJECTIVES** for the Pension Plan for Non-Teaching Employees of Public School Boards in Manitoba

DATED in the city of Winnipeg, in the Province of Manitoba this 22nd day of November, 2021.

Colleen Carswell

Pension Trustee – Board Chair

Colleen Carswell

Print Name

APPENDIX A CANADIAN UNIVERSE FIXED INCOME MANDATE STATEMENT

a. Underlying Portfolio Manager.

The portfolio is passively managed by Fiera Capital.

b. Effective Date.

The mandate has an effective date of January 1, 2012. On June 16, 2021, the mandate was transitioned from an active Canadian universe fixed income mandate to a passive Canadian universe fixed income mandate.

c. Type of Mandate.

The mandate consists of a segregated Canadian fixed income portfolio.

d. Portfolio limitations, characteristics, and diversification limits.

The mandate seeks to replicate the returns of the FTSE Canada Universe Bond Index to the greatest extent possible. The mandate will be fully invested and will keep cash holdings to a maximum of 5% of the market value of the mandate.

Further details of the mandate can be found in the Fiera Fixed Income Investment Mandate dated June 2, 2021.

e. Performance Objectives.

The primary success measure is to achieve the standard in (i) below:

- i. A tracking error over moving four-year periods of 0.25% or less in relation to the FTSE Canada Universe Bond Index.

The investment manager will be placed “on watch” when they fail to achieve the performance objective as outlined above.

a. Underlying Portfolio Manager.

The portfolio is actively managed by AB Global.

b. Effective Date.

The mandate has an effective date of June 1, 2017.

c. Type of Mandate.

The mandate consists of a universe bond pooled fund portfolio that will primarily invest in Canadian government, provincial, municipal and corporate issues. While the mandate is expected to be invested primarily in Canadian issues, the portfolio manager will be able to invest up to 40 % in non-Canadian issuers.

d. Portfolio limitations, characteristics, and diversification limits.

As per the underlying pooled fund investment policy statement.

e. Performance Objectives.

The primary success measure is to achieve both standards in (i) and (ii) below:

- i. A benchmark rate of return over moving four-year periods of:
 - 100 % FTSE Canada Universe Bond Index, plus
 - 0.75 %.
- ii. At least a 40th percentile ranking in the core plus fixed income universe of a Canadian-based performance measurement service, over moving four-year time periods.

The investment manager will be placed “on watch” when they fail to achieve the following tolerance limits for performance:

- One four-year period of annualized performance in the bottom quartile, and/or
- One four-year period of annualized performance below the benchmark portfolio.

f. Pooled Funds.

Investments are made in the above asset class by holding units of pooled funds. The Trustees shall monitor, or cause to be monitored, the contents of such funds for their degree of compliance with the foregoing expectations, and may make or cause to be made such changes in their choice of such funds as are deemed appropriate to meet the objectives of this Policy.

It is understood that a pooled fund has a separate investment policy that can be modified by the underlying investment manager(s). In the event that the underlying pooled fund investment policy is modified, and that modification would conflict with this Charter, the investment manager(s) will notify the Trustees immediately. The Trustees will decide what, if any, action is required and notify the investment manager(s) accordingly.

a. Underlying Portfolio Manager.

The portfolio is passively managed by BlackRock.

b. Effective Date.

The mandate has an effective date of June 1, 2012. On June 30, 2021, the mandate was transitioned from an active Canadian equity mandate to a passive Canadian equity mandate.

c. Type of Mandate.

The mandate consists of a Canadian equity pooled fund portfolio.

d. Portfolio limitations, characteristics, and diversification limits.

As per the underlying pooled fund investment policy statement.

e. Performance Objectives.

The primary success measure is to achieve the standard in (i) below:

- i. A tracking error over moving four-year periods of 0.25% or less in relation to the S&P/TSX Composite Index.

The investment manager will be placed “on watch” when they fail to achieve the performance objective as outlined above.

f. Pooled Funds.

Investments are made in the above asset class by holding units of pooled funds. The Trustees shall monitor, or cause to be monitored, the contents of such funds for their degree of compliance with the foregoing expectations, and may make or cause to be made such changes in their choice of such funds as are deemed appropriate to meet the objectives of this Policy.

It is understood that a pooled fund has a separate investment policy that can be modified by the underlying investment manager(s). In the event that the underlying pooled fund investment policy is modified, and that modification would conflict with this Charter, the investment manager(s) will notify the Trustees immediately. The Trustees will decide what, if any, action is required and notify the investment manager(s) accordingly.

a. Underlying Portfolio Manager.

The portfolio is an actively managed low volatility strategy implemented by BlackRock

b. Effective Date.

The mandate has an effective date of June 23, 2021.

c. Type of Mandate.

The mandate consists of a low volatility global equity pooled fund portfolio.

d. Portfolio limitations, characteristics, and diversification limits.

As per the underlying pooled fund investment policy statement.

e. Performance Objectives.

The primary success measure is to achieve both standards in (i), (ii), and (iii) below:

- i. A benchmark rate of return over moving four-year periods of:
 - 100 % MSCI ACWI (net \$CDN) Index, plus
 - 0.50 %.
- ii. The volatility of returns as measured by standard deviation over moving 4 year periods that is 80% of the volatility of the MSCI ACWI (net \$CDN) Index.
- iii. A bear market capture ratio over moving 4 year periods of 75% or less of the MSCI ACWI (net \$CDN) Index.

The investment manager will be placed “on watch” when they fail to achieve the performance objectives as outlined above.

f. Pooled Funds.

Investments are made in the above asset class by holding units of pooled funds. The Trustees shall monitor, or cause to be monitored, the contents of such funds for their degree of compliance with the foregoing expectations, and may make or cause to be made such changes in their choice of such funds as are deemed appropriate to meet the objectives of this Policy.

It is understood that a pooled fund has a separate investment policy that can be modified by the underlying investment manager(s). In the event that the underlying pooled fund investment policy is modified, and that modification would conflict with this Charter, the investment manager(s) will notify the Trustees immediately. The Trustees will decide what, if any, action is required and notify the investment manager(s) accordingly.

a. Underlying Portfolio Manager.

The portfolio is actively managed by Baillie Gifford.

b. Effective Date.

The mandate has an effective date of March 1, 2016.

c. Type of Mandate.

The mandate consists of a global equity pooled fund portfolio.

d. Portfolio limitations, characteristics, and diversification limits.

As per the underlying pooled fund investment policy statement.

e. Performance Objectives.

The primary success measure is to achieve both standards in (i) and (ii) below:

- i. A benchmark rate of return over moving four-year periods of:
 - 100 % MSCI ACWI (net \$CDN) Index, plus
 - 1.75 %.
- ii. At least a 40th percentile ranking in the global equity universe of a Canadian-based performance measurement service, over moving four-year time periods.

The investment manager will be placed “on watch” when they fail to achieve the following tolerance limits for performance:

- One four-year period of annualized performance in the bottom quartile, and/or
- One four-year period of annualized performance below the benchmark portfolio.

f. Pooled Funds.

Investments are made in the above asset class by holding units of pooled funds. The Trustees shall monitor, or cause to be monitored, the contents of such funds for their degree of compliance with the foregoing expectations, and may make or cause to be made such changes in their choice of such funds as are deemed appropriate to meet the objectives of this Policy.

It is understood that a pooled fund has a separate investment policy that can be modified by the underlying investment manager(s). In the event that the underlying pooled fund investment policy is modified, and that modification would conflict with this Charter, the investment manager(s) will notify the Trustees immediately. The Trustees will decide what, if any, action is required and notify the investment manager(s) accordingly.

a. Underlying Portfolio Manager.

The portfolio is actively managed by Greystone Managed Investments.

b. Effective Date.

The mandate has an effective date of March 1, 2017.

c. Type of Mandate.

The mandate consists of a Canadian commercial mortgage pooled fund portfolio.

d. Portfolio limitations, characteristics, and diversification limits.

As per the underlying pooled fund investment policy statement.

e. Performance Objectives.

The primary success measure is to achieve the standard in (i) below:

- i. A benchmark rate of return over moving four-year periods of:
 - 100 % FTSE Canada Short Term Corporate Bond Index, plus
 - 0.50 %.

The investment manager will be placed “on watch” when they fail to achieve the following tolerance limits for performance:

- One four-year period of annualized performance below the benchmark portfolio.

f. Pooled Funds.

Investments are made in the above asset class by holding units of pooled funds. The Trustees shall monitor, or cause to be monitored, the contents of such funds for their degree of compliance with the foregoing expectations, and may make or cause to be made such changes in their choice of such funds as are deemed appropriate to meet the objectives of this Policy.

It is understood that a pooled fund has a separate investment policy that can be modified by the underlying investment manager(s). In the event that the underlying

pooled fund investment policy is modified, and that modification would conflict with this Charter, the investment manager(s) will notify the Trustees immediately. The Trustees will decide what, if any, action is required and notify the investment manager(s) accordingly.

a. Underlying Portfolio Manager.

The portfolio is actively managed by Fiera Properties.

b. Effective Date.

The mandate has an effective date of January 1, 2015.

c. Type of Mandate.

The mandate consists of a Canadian Real Estate pooled fund portfolio operating under a limited partnership (LP) agreement.

d. Portfolio limitations, characteristics, and diversification limits.

As per the underlying pooled fund investment policy statement and/or LP investment guidelines.

e. Performance Objectives.

The primary success measure is to achieve standards in (i) below:

- i. A benchmark rate of return over moving four-year periods of:
 - 100 % IPD Canada Pooled Property Fund Index, plus
 - 0.50 %.

The investment manager will be placed “on watch” when they fail to achieve the following tolerance limits for performance:

- One four-year period of annualized performance below the benchmark portfolio.

f. Pooled Funds.

Investments are made in the above asset class by holding units of pooled funds. The Trustees shall monitor, or cause to be monitored, the contents of such funds for their degree of compliance with the foregoing expectations, and may make or cause to be made such changes in their choice of such funds as are deemed appropriate to meet the objectives of this Policy.

It is understood that a pooled fund has a separate investment policy that can be modified by the underlying investment manager(s). In the event that the underlying pooled fund investment policy is modified, and that modification would conflict with this Charter, the investment manager(s) will notify the Trustees immediately. The Trustees will decide what, if any, action is required and notify the investment manager(s) accordingly.

a. Underlying Portfolio Manager.

The portfolio is actively managed by Axiom Infrastructure.

b. Effective Date.

The mandate has an effective date of January 1, 2017.

c. Type of Mandate.

The mandate consists of a North American infrastructure pooled fund portfolio operating under a limited partnership (LP) agreement.

d. Portfolio limitations, characteristics, and diversification limits.

As per the underlying pooled fund investment policy statement and/or LP investment guidelines.

e. Performance Objectives.

The primary success measure is to achieve standards in (i) below:

- i. A benchmark rate of return over moving four-year periods of:
 - 100 % CPI, plus
 - 5.0 %.

The investment manager will be placed “on watch” when they fail to achieve the following tolerance limits for performance:

- One four-year period of annualized performance below the benchmark portfolio.

f. Pooled Funds.

Investments are made in the above asset class by holding units of pooled funds. The Trustees shall monitor, or cause to be monitored, the contents of such funds for their degree of compliance with the foregoing expectations, and may make or cause to be made such changes in their choice of such funds as are deemed appropriate to meet the objectives of this Policy.

It is understood that a pooled fund has a separate investment policy that can be modified by the underlying investment manager(s). In the event that the underlying pooled fund investment policy is modified, and that modification would conflict with this Charter, the investment manager(s) will notify the Trustees immediately. The Trustees will decide what, if any, action is required and notify the investment manager(s) accordingly.