



JEWISH COMMUNITY FOUNDATION OF CALGARY

THE JEWISH COMMUNITY FOUNDATION OF CALGARY STATEMENT OF INVESTMENT POLICY AND GUIDELINES

GENERAL

This Investment Policy ("Policy") is to be used for the funds ("the Fund") managed in the name of The Jewish Community Foundation of Calgary (the "Foundation") by its Investment Manager(s). The basic goal underlying the establishment of the Policy is to ensure that the assets of the Fund, together with all retained investment income earned by the Fund, shall be invested in a prudent manner so as to optimize the long-term returns while taking into account the distribution policies and operating costs associated with the Foundation.

OVERSIGHT

The Board and its Finance and Investment Committee understand that historically returns from the capital markets will vary from one period to the next, sometimes dramatically. As a very long-term investor, the Board is willing to accept this volatility in order to earn the higher long-term rates of return necessary to meet our long-term distribution and capital appreciation requirements.

The Board recognizes that investment risk may be managed through active investment strategies. It intends to manage this risk by: establishing guidelines for the portfolio manager(s); by monitoring rigorously the compliance with these guidelines; and by evaluating investment performance.

LEGISLATION

The assets of the Foundation will be invested in keeping with all applicable legislation.

BASIC OBJECTIVES

The Fund's broadly stated current investment objectives are:

- A) to ensure safety of capital over the longer term.
- B) to earn sufficient investment returns to meet the Foundation's disbursement requirements.
- C) to earn sufficient income to fund the Foundation's ongoing operating costs.
- D) with sufficient liquidity to balance current distribution requirements with the need to achieve real return growth sufficient to maintain the purchasing power of the Foundation's endowments over the long-term. The Foundation is expected to exist in perpetuity and the time horizon can therefore be considered greater than 10 years; at the same time, the portfolio requires sufficient liquidity to support the Foundation's disbursement requirements on a timely basis.
- E) the Foundation will endeavour to ensure that no investment is made in securities issued by a company or entity that is participating in a boycott of Israel, Israeli agencies, companies or individuals.



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PORTFOLIO COMPOSITION AND TARGET ASSET MIX

The overall investments of the Fund will adhere to the following limits on asset mix (at market value):

Asset Class	Minimum	Maximum
Cash & Equivalents	1%	20%
Fixed Income		
Canadian Fixed Income	29%	65%
Non-Canadian Fixed Income	0%	10%
Total Fixed Income	29%	65%
Equities		
Canadian Equities	20%	50%
Non-Canadian Equities	19%	49%
Total Equities	39%	69%
Alternative Assets	0%	5%

The asset mix ranges allow the Portfolio Manager(s) sufficient discretion to take-on defensive positions by significantly over-weighting the fixed income assets in the portfolio.

ELIGIBLE SECURITIES AND QUALITY CONSIDERATIONS

Cash & Equivalents:

Treasury Bills, Bankers Acceptances and other similar money market securities maturing within one year, or in cash. All investments shall be rated R1 or equivalent by a recognized credit rating agency.

Fixed Income:

Fixed income assets generate stable flows of income, providing greater certainty of nominal cash flow than other asset classes. They have the lowest historical and expected returns of the asset classes included in the JCFC's portfolio aside from cash and equivalents. The JCFC's fixed income allocation is limited to marketable securities that have high liquidity. Included among the marketable holdings are Canadian, American and foreign fixed income securities.

1. Fixed income investments shall have a maturity in excess of one year at the time of purchase.
2. Government securities, entities guaranteed by governments, and State of Israel bonds are eligible investments.
3. Non-Canadian fixed income shall be defined as U.S. or international fixed income



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securities that trade outside of Canada.

4. Preferred shares and convertible debentures shall be considered fixed income investments.
5. All government bonds, corporate bonds, mortgage-backed securities (MBS) and asset-backed securities (ABS) shall be rated investment grade by two recognized rating agencies, preferably Dominion Bond Rating Service and Standard and Poor's. In the case of a split rating, the manager will have the right to select the rating service to be used to determine the rating.
6. MBS investments must be guaranteed by a federal agency.
7. No single corporate entity will represent more than 10% of the total bond portfolio at market value or 5% of the total Fund.
8. The Foundation has traditionally held a portion of its assets in State of Israel Bonds. The Foundation intends to maintain a minimum of 3% of the total Fund in State of Israel Bonds. The maximum value of State of Israel Bonds to be held by the Foundation will be at the discretion of the Foundation's Board of Directors.

Equities:

Over the long-term, equity holdings are generally expected to generate returns superior to those of less risky assets such as bonds and cash. The JCFC's equity allocation is limited to marketable securities traded on public exchanges and which have high market liquidity. Included among the marketable holdings are Canadian, American and foreign equities.

1. Common shares, rights and warrants that are listed on a regulated stock exchange shall be eligible equity investments.
2. Non-Canadian equities shall be defined as U.S. or international equities that trade on a regulated exchange outside of Canada.
3. No equity investment shall represent more than 10% of total equity holdings.
4. An Investment Manager shall not purchase securities on margin or engage in short sales.

Alternative Investments:

The Investment Committee may consider other categories of investment from time to time for possible inclusion if such investments, in their opinion, may help achieve the investment objectives. Should the Investment Committee approve a new category of investment for inclusion in the Fund, they shall develop constraints and guidelines in respect of investing in that category of investment. At this time, the JCFC does not hold real assets or utilize hedging strategies.

Commingled Assets:

The Manager may hold the portfolio in commingled assets managed by the Manager, provided that such commingled assets are operated within constraints reasonably similar to those described in this Policy.



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REPORTING

1. The Manager shall provide monthly investment statements to the Fund.
2. Quarterly reporting shall include a performance report relative to an agreed upon benchmark and a compliance report.
3. If required and requested by representatives of the Fund, the Manager shall be available to meet and review the portfolio on a quarterly basis.

CONFLICT OF INTEREST

The Manager must disclose any material interest in any investment or proposed transaction. All investment activities related to the Jewish Community Foundation of Calgary must be conducted in accordance with the CFA Institute Code of Ethics and Standards of Professional Conduct.

VOTING RIGHTS

The Manager will have the right but not the obligation to exercise the voting rights of the investments.

LENDING OF SECURITIES

The Manager may lend the Fund's securities through its custodian.

REVIEW OF INVESTMENT POLICY & GUIDELINES

This policy statement shall be reviewed annually.

REVIEW OF INVESTMENT MANAGERS

The Investment Committee will undergo of the JCFC's Investment Managers as follows:

- In addition to ongoing performance monitoring, the Investment Committee shall undertake a formal manager review every 4-years, to allow for a full investment cycle to take place.
- An earlier review may be conducted should performance merit the need to do so.
- An earlier review may be conducted upon a material change at any of the managers, or a change of control at any of the managers

The Current IPS Reflects the Following Approvals and Amendments:

IPS Approved by the JCFC Board May 30th, 2012

Amendment Approved by the JCFC Board, October 23rd, 2014

Amendment Approved by the JCFC Board, September 28th, 2016

Amendment Approved by the JCFC Board, May 23rd, 2018

Amendment Approved by the JCFC Board, March 12, 2019

Amendment Approved by the JCFC Board, June 7, 2023