



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.

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 & Cash Equivalents	1%	20%
Fixed Income		
Canadian Fixed Income	29%	65%
Global 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 table above summarizes the asset mix ranges for the Manager(s) responsible for management of the portfolio (at market value). The asset mix ranges provide the Manager(s) sufficient flexibility to adjust asset mix positioning based on their view of the economy and markets at any given time.

The returns of the asset classes listed above will be compared to appropriate benchmarks prescribed by the Manager(s), and outlined within the respective Investment Policy Statements if mutual/pooled funds are utilized within the portfolio, as part of the regular reporting. This is to measure the performance of the Manager(s) against a passively managed portfolio.

ELIGIBLE SECURITIES AND INVESTMENT CONSTRAINTS

Cash & Cash Equivalents:

Cash, treasury bills, notes, debentures, bonds and asset backed securities. All investments shall be rated R1 or equivalent by a recognized credit rating agency. Maximum term to maturity of any one issue is 365 days, floating rate securities term to maturity may exceed 365 days provided the interest rate reset is no less than every 185 days.

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 cash equivalents. To increase the diversification benefits and the probability of generating better return outcomes in a greater variety of environments, the JCFC's fixed income allocation may include investments Globally.

Canadian Fixed Income:

- Permitted securities include bonds, debentures, mortgage-backed securities, asset-backed securities and derivatives which may include interest rate & currency futures, forwards and swaps.
- Securities rated below investment grade will not be purchased.
- A maximum 5% exposure to any single corporate bond issuer.
- Maximum 10% in foreign currency securities. Foreign currency exposure may be hedged back to Canadian dollars, at the discretion of the Managers.

Global Fixed Income:

- Permitted securities include fixed income securities rated AAA to D which include bonds, debentures, mortgage-backed securities, asset-backed securities, and other securitized products, private placements and bank or leveraged loans.
- Derivatives may include interest rate and currency forwards.
- Maximum 10% exposure to any single, non-government issuer.
- Unrated securities to a maximum of 10% of portfolio value.
- Foreign currency exposure may be hedged back to Canadian Dollars, at the discretion of the Managers.

State of Israel Bonds:

- 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.



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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. Equities include the following:

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 recommend 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.

MUTUAL AND POOLED FUNDS (COMMINGLED ASSETS):

All investments shall adhere to the policies and objectives described in the Manager(s) Investment Policy Statements, and equivalent, as applicable for the respective mutual/pooled vehicles utilized within the portfolio.

While such funds will be managed in accordance with their own Investment Policy Statements, these policies should include constraints that are reasonably similar to those described in this policy. The Manager(s) are expected to advise the JCFC in the event of any material discrepancies between this policy and the respective Investment Policy's for the mutual/pooled vehicles utilized in the portfolio.

Changes to any of the Manager(s) respective Investment Policy Statements, where utilized in the portfolio, will be communicated to the JCFC within a reasonable time frame.

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.

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 12th, 2019

Amendment Approved by the JCFC Board, May 28, 2025