INVESTMENT POLICY

The Canadian Federation of University Women Charitable Trust ("CFUW Charitable Trust" or "the Trust") was established in 1967 to administer the funds supporting the Fellowships and Awards Program of the Canadian Federation of University Women ("CFUW"). This program is dedicated to the furthering of the education of Canadian women at the post-graduate level.

The Trust is a registered charity under *The Income Tax Act* and as such is subject to the regulations of the Charities Division of the Canada Revenue Agency and governed by the Trustee Act of Ontario.

The purpose of the investment policy is:

a. To provide broad guidelines for the management of the Trust's investment portfolio

b. To ensure prudent investment and administration of the Trust's funds.

The overall management of the portfolio is delegated to the Treasurer who, in consultation with the Trustees, may engage a professional consultant to provide investment advice. Should an investment advisor be engaged, the Treasurer will consult with the advisor on a regular basis.

Investment Objectives:

a. To manage risk and

b. To maintain and increase the capital base and

c. To provide cash flow to support the CFUW Fellowships Program

Investment portfolio asset mix:

a. Fixed income - Bonds, notes, NHA insured mortgage-backed securities, preferred shares and guaranteed investment certificates over one (1) year (40% [range 30- 50%))

b. Equities - Dividend-paying common shares of blue -chip companies and ETF’s (60% [range 50%-70%])

c. Cash and short-term investments - cash, treasury bills, bankers' acceptances, commercial paper, GIC’s one (1) year or less and high interest savings accounts (0% [range 0%-20%])

Liquidity should be such that the cash required for the awards payments in September and February is readily available.

In selecting investments, wherever possible, the activities of the company should be consistent with the aims, objectives and policies of CFUW.

Investments should be free of high initial or redemption charges, should have low ongoing management expenses and should be simple to understand, operate and monitor with results that are easily translated into periodic reporting to the Trustees and CFUW membership.

CFUW Charitable Trust Policies – History of Approved Updates:
January 19, 2015; October 16, 2015; January 16, 2016; September 20, 2024

Investments Held in Foreign Currency

The percentage of cash and investments held in non-Canadian funds shall not exceed 15% (range 10 - 20%) of the total portfolio.

Review Procedures

The CFUW Trust Treasurer, together with the CFUW Trust Chair, shall review the performance of the investment consultant against the relevant benchmarks and objectives on an annual basis, May 1 - April 30, with a view to measuring progress towards the relevant investment objectives.

The current benchmark in use since 2008 is a pension style benchmark represented by the following:

- 10% Canadian T-bill rate,
- 20% 5 Year Canadian Government Bond Rate,
- 21% TSE index return rate,
- 28% S & P 500 (US Market rate) rate, and
- 21% EAFE Index (International Markets) rate.

This benchmark provides a broad comparison with a balanced portfolio that would be invested in Canadian and international markets to a greater extent than the CFUW Charitable Trust portfolio under this policy.

Effective April 30, 2015, an additional benchmark will be used to reflect the parameters of the above policy statement, showing:

- 10% Canadian T-bill rate,
- 30% 5 Year Canadian Government Bond Rate,
- 45% TSE index return rate,
- 15% S&P 500 (US Market rate) rate.

The CFUW Trust Treasurer and/or CFUW Trust Chair shall meet and/or consult with the investment consultant regularly, at least semi-annually, to discuss the performance and investment strategy of the portfolio. Also, the Treasurer and/or Chair will make the investment consultant aware of any cash flow requirements with regard to the August and December award payments.

The benchmark report will be produced on an annual basis and presented to the CFUW Charitable Trust annual meeting for review and any appropriate recommendations the Trustees may wish to make.