COAST FUNDS

COAST CONSERVATION ENDOWMENT FUND FOUNDATION

INVESTMENT GUIDELINES

SEPTEMBER 2021

A gyaaGang *monumental pole* raised in 2017 in honour of the ancestors who occupied Tlielang *Hiellen Village Site* beside Hl'yaalang Gandlee, the river that runs beside Taaw *Tow Hill, Haida Gwaii*

PHOTO BY
Brodie Guy

COAST FUNDS | COAST CONSERVATION ENDOWMENT FUND FOUNDATION

Investment Guidelines

Coast Funds | Coast Conservation Endowment Fund Foundation

BACKGROUND

1.1 The Coast Conservation Endowment Fund Foundation ("Fund") was created to support specific conservation activities.

1.2 The Board of Directors of the Foundation ("Board") has overall responsibility for the Fund.

1.3 The Statement of Investment Policy ("Policy") adopted by the Board documents the policies for the management of the Fund.

1.4 The Investment, Finance and Audit Committee ("Committee") established by the Board is responsible for developing, reviewing and monitoring detailed guidelines and constraints for the management of the Fund investments, referred to as the Investment Guidelines ("Guidelines").

1.5 This document constitutes the Guidelines.

PERMITTED CATEGORIES OF INVESTMENT

2.1 Section 1.21 to 1.23 of the Policy sets out the rules for permitted investment in asset classes and the process for adding new asset classes.

2.2 The permitted categories of investments are:

(a) equities, including common and preferred shares, income trusts, warrants, rights, instalment receipts and convertible debentures, all of which may be issued by Canadian or non-Canadian issuers, and Depository Receipts of companies based outside Canada and the United States;

(b) debt securities of Canadian and non-Canadian issuers, issued in Canadian or non-Canadian currencies, including sovereign, provincial, municipal and corporate bonds, debentures, mortgages, mortgage-backed securities, asset-backed securities, notes and other debt instruments;

(c) interest-bearing cash and cash equivalents, including guaranteed investment contracts or term deposits with banks, trust companies or insurance companies;

(d) forward contracts, futures or options solely for the purposes and subject to the constraints set out in paragraphs 4.19 and 4.20;

(e) Canadian real estate;

(f) infrastructure; and

(g) unitized pooled funds or mutual funds consisting of eligible investments in the above categories, managed in accordance with the guidelines and constraints as set out in Section 4.

FUND STRUCTURE

INVESTMENT MANAGEMENT STRUCTURE

3.1 The Committee has established the following investment management structure:

Investment Manager	Canadian Equities	Global Equities	Fixed income	Real Estate	Infrastructure	Total
Leith Wheeler			12.5%			**12.5%**
ACM Advisors			12.5%			**12.5%**
Fiera Capital	10%	27.5%				**37.5%**
GWL Realty Advisors				20%		**20%**
Axium Infrastructure					17.5%	**17.5%**
Total	**10%**	**27.5%**	**25%**	**20%**	**17.5%**	**100%**

3.2 In the event that the total allocation to an investment manager at the end of a quarter is more than 10% higher or lower than the total allocation set out in paragraph 3.1, the Chair of the Committee will instruct staff to reallocate the assets to the percentages set out in the "Total" column.

ASSET MIX

3.3 The asset mix of the Fund shall at all times be maintained within the following ranges:

Asset Class	Minimum	Benchmark	Maximum
Canadian Equities	5%	10%	15%
Global Equities	17.5%	27.5%	37.5%
Fixed Income	15%	25%	35%
Real Estate	10%	20%	25%
Infrastructure	7.5%	17.5%	27.5%
Short-Term Investments	0%	0%	20%

3.4 In the event that the allocation to an asset class at the end of a quarter is outside of the range of the minimum and maximum as set out in paragraph 3.3, the Chair of the Committee will instruct staff to reallocate the assets to the percentages set out in the "Total" column in paragraph 3.1 and direct the investment managers to reallocate their assets in accordance with paragraph 3.3.

3.5 Cash disbursements from the Fund are to be funded from one or a combination of investment managers and asset classes, as determined by Coast Funds' CFO and confirmed by the Fund's investment advisor, to maintain compliance with paragraphs 3.1, 3.2, 3.3, and 3.4. In the event that Coast Funds' CFO and the Fund's investment advisor do not agree on the investment manager or asset class allocation, the decision shall be referred to the Chair of the Committee.

INVESTMENT MANAGER MANDATES

3.6 The Committee has established mandates for each Investment Manager, as set out in Appendix A.

3.7 The Committee shall monitor the performance of the Investment Managers in accordance with Section 6, and shall recommend to the Board any changes in Investment Managers as the Committee deems in the best interest of the Fund.

GUIDELINES AND CONSTRAINTS

APPLICATION OF GUIDELINES AND CONSTRAINTS

4.1 All investments shall conform to the Constitution, the Policy, these Guidelines and any applicable law and regulations

4.2 Investment Managers shall not invest in any assets that are not in an approved category of investment.

4.3 All securities shall be purchased through normal public market facilities, unless the purchase price approximates the prevailing market price and is negotiated on an arm's length basis.

4.4 The Fund shall be invested in accordance with the Environmental, Social and Governance standards set out in the Policy. In no event shall the Fund be invested in companies with 20% or more of total production derived from Alberta oil or tar sands extraction.

4.5 The Committee has the responsibility for making recommendations to the Board on any additional screens that may incorporate either positive or negative elements.

4.6 The Fund will be invested in individual securities, and not in pooled funds or mutual funds, unless otherwise specifically permitted in writing by the Chair.

4.7 All investments in mortgages must be in a pooled fund.

FIXED INCOME AND CASH EXCLUDING MORTGAGES

4.8 All investments in Canadian fixed income securities shall be in securities that are subject to regular price quotations by recognized investment dealers in Canada and for which ratings are available for the borrower or the debt issuer.

4.9 The target duration of the fixed income portfolio shall be the duration of 8 years. The duration of the fixed income portfolio will be maintained within a band of 5-9 years.

4.10 No more than 5% of a fixed income portfolio shall be invested in debt issues of any one corporate or municipal issuer rated AA or above by the Dominion Bond Rating Service ("DBRS") or equivalent service; no more than 3% of a fixed income portfolio shall be invested in debt issues of any one corporate or municipal issuer rated A by the DBRS or equivalent service.

4.11 At least 50% of a fixed income portfolio will be invested in bonds issued by the Government of Canada, Canadian Indigenous-supportive governmental organizations (such as First Nations Finance Authority), a Province of Canada, or guaranteed by the Government of Canada all of which will be rated A or above by the DBRS or equivalent service. No more than 50% of a fixed income portfolio will be invested in the bonds or other fixed income assets of corporations.

4.12 No more than 40% of a fixed income portfolio shall be invested in debt issues of corporate issuers with an A rating. No more than 10% of a fixed income portfolio shall be invested in debt issues of corporate issuers with BBB rating. No part of a fixed income portfolio shall be invested in debt issues of issuers with a BB or lower rating. A minimum AA- average portfolio rating will be maintained at all times.

4.13 All Short-Term investments, including Canadian cash equivalents and Short-Term commercial paper, having a maturity of one year or less, shall be rated minimum R-1 Low by the DBRS, an equivalent rating from another agency, or, where not rated, an equivalent level as determined by the market.

4.14 No more than 5% of the market value of the Short-Term investments may be invested in the commercial paper of any one single issuer except in the case of paper of, or guaranteed by, one of the five major chartered banks.

EQUITIES

4.15 The following constraints shall apply to each Canadian and global equity portfolio:

(a) All securities shall be publicly traded and listed on a recognized stock exchange of the applicable country;

(b) Each portfolio shall always contain at least 25 holdings. The market value of the 20 largest positions shall amount to no more than 75% of the market value of the portfolio;

(c) The portfolio weight invested in the common stock or other equity issue of any one corporation shall not be more than 8% of the market value of the portfolio;

(d) The portfolio weight invested in all bank common stocks or other equity issues shall not be more than 25% of the combined market value of the Canadian and global equity portfolio(s);

(e) The portfolio weight invested in all global bank common stocks or other equity issues shall not be more than 25% of the global equity portfolio; and

(f) Investments in small capitalization equities (defined as stocks of corporations having a total equity market capitalization of $1 billion or less) shall not exceed 10% of portfolio assets.

OTHER LIMITATIONS

4.16 Investment Managers shall not purchase securities on margin or engage in short sales.

4.17 No entity, including the Board, the Committee, the Investment Managers, or any member of such entity may lend, pledge or otherwise encumber any of the Fund's assets.

4.18 Investment Managers may create exposure in currencies only by direct investment in foreign equities or debt acceptable under the Policy.

4.19 An Investment Manager managing a global equity portfolio that wishes to hedge the exposure to a currency may do so through forward contracts, futures or options. Investment Managers may not increase the portfolio's exposure to a currency (other than the Canadian dollar), except as provided in paragraph 4.18.

4.20 Investment Managers may not engage in the purchase or sale of derivatives, options or futures except as permitted under paragraph 4.19 or to replicate a market index for a portion of the Investment Manager's portfolio not exceeding 5% of the total, for a period of time not exceeding 90 days.

COMMUNICATIONS REQUIREMENTS

COMMUNICATION BY THE INVESTMENT MANAGERS

5.1 Each Investment Manager will prepare and deliver a report on the management of its portfolio as soon as practicable at the end of each calendar quarter. Such report shall contain a list of the securities held in the portfolio of the end of the quarter, a list of all of the transactions conducted by the Investment Manager since the previous report, a summary the cash flows to and from the portfolio in the quarter, the rate of return earned by the portfolio in the quarter, the performance target, the rate of return relative to the performance target, and an overview of its current economic outlook and investment strategy.

5.2 Investment Managers will meet with the Committee or with the Fund's staff at least once a year to review the results the Investment Manager has achieved and the report described in paragraph 5.1, and to discuss its economic outlook and investment strategy.

5.3 Investment Managers shall inform the CFO of the Fund promptly of any changes in the Investment Manager's firm, including any changes in ownership, senior investment personnel or investment management style.

COMMUNICATION BY THE INVESTMENT COMMITTEE

5.4 The Chair will meet at least quarterly with the Board to report on the investment management of the Fund. The Chair's report will include a review of the investment performance of the Fund and any recommendations to amend the Policy.

MONITORING AND REVIEW

REVIEW OF THE POLICY

6.1 The Committee shall review the Policy and Guidelines at least once every year, and recommend to the Board any changes the Committee feels are necessary.

6.2 The Committee shall review the Policy as soon as practicable when any legislative changes may affect the investment of the Fund, and recommend to the Board any revisions they feel are necessary.

MONITORING AND REVIEW OF INVESTMENT PERFORMANCE

6.3 Each calendar quarter, the Committee shall review the evaluation conducted of the performance of the Investment Managers. The Committee shall review:

(a) the investment returns of the Investment Managers, including each component of the Investment Managers' portfolios, over both the short term and the long term;

(b) the value added or lost by each Investment Manager relative to the performance target of the Investment Manager, as set out in Appendix A, and the sources and amounts of the value gained and lost;

(c) the level of risk taken by each Investment Manager in making its decisions, and the appropriateness of those decisions;

(d) the Investment Manager's adherence to the Policy and Guidelines;

(e) the Investment Manager's adherence to the investment approach and decision-making process for which the Investment Manager was hired;

(f) any changes in the Investment Manager's firm, including ownership, organizational structure and key investment personnel.

6.4 An Investment Manager's continued suitability may be examined at any time should the Investment Committee lose confidence in the Investment Manager's ability to succeed. Factors that might lead to a review include one or more of the following:

(a) performance over the short term substantially below the performance target or inappropriate levels of risk;

(b) changes in the Investment Manager's investment approach and decision-making processes;

(c) fundamental changes within the Investment Manager's firm, including changes in ownership, personnel or a substantial growth or reduction in assets under management;

(d) evidence of malfeasance by the Investment Manager;

(e) failure to adhere to this Policy.

6.5 Concerns about the performance of an Investment Manager shall be noted in the minutes of the Committee's meeting, and shall include the conclusions of the Committee as to the next steps that will be taken in connection with the retention of such Investment Manager.

Proxy Voting Responsibilities

7.1 The Fund manages its assets in a manner that will provide sustainable conservation finance for Participating First Nations in perpetuity. Consequently, the Fund's actions must support First Nations' long-term interests. Equities held by Coast Funds usually carry voting rights and as such are valuable assets.

DUTIES OF LOYALTY AND CARE

7.2 The directors and officers of the Fund and anyone appointed to vote proxies on the Fund's behalf have a duty of loyalty to exercise their proxy voting authority solely in the interests of the Fund's Members: Participating First Nations and the Fund's funders. They have a duty of care to exercise their proxy voting authority with the prudence, skill, and diligence that a prudent person would exercise in managing the property of others. Failing to vote the plan's shares, voting without consideration of the effects of the vote, or voting arbitrarily with or against management violates these duties. Additionally, those who are responsible for voting the Fund's shares also have a duty to take reasonable steps to ensure that they receive and act on the proxies for all of the Fund's shares in a timely manner.

Application of these guidelines

7.3 The Fund will vote its proxies in accordance with these proxy voting guidelines.

(a) The Fund will vote in a manner that is consistent with the duties of loyalty and care, and that supports implementation of current best practices in corporate governance and social responsibility.

(b) Above all else, the Fund will always vote in the best long-term interests of Participating First Nations and Coast Funds' funders.

7.4 In deciding how to apply the guidelines, the Fund will consider the circumstances of each vote as well as the general principles contained in these guidelines. The overarching principle in interpreting and applying these guidelines is to follow the course of action that will best serve the long-term interests of Participating First Nations and Coast Funds' funders. Voting decisions may deviate from these guidelines if doing so would best serve Participating First Nations' and Coast Funds' funders' interests in the long term. If questions arise about the application or interpretation of these guidelines for any issue, they should be resolved in consultation with the Fund's board of directors.

7.5 The Fund will not attempt to manage companies by shareholder referendum and will ensure that any attempts to influence a company do not harm its financial viability.

Retention of voting authority

7.6 In cases where the Fund delegates its voting authority to external investment managers or a proxy voting service, it reserves the right to direct the vote on any particular resolution or issue.

ANNUAL REVIEW OF GUIDELINES

7.7 The standards for corporate governance and corporate social responsibility evolve over time. There is growing acceptance of the view that shareholders' interests must be considered along with those of a company's other stakeholders, such as its employees, creditors, suppliers, and the citizens of the community where it operates, as well as the environment, in order to sustain long term profitability.

7.8 This shift in the view of shareholders' role in the company is consistent with the perspective of long-term shareholders and with the inclusion of environmental, social and governance issues into investment decision-making. Corporate governance standards are evolving accordingly.

7.9 The Fund will continue to monitor changes in corporate governance and update these guidelines to reflect those changes. These guidelines will be reviewed, updated, and approved by the Committee on an annual basis.

Reporting requirements and transparency

7.10 The Fund publishes these guidelines on its website to ensure they are available to all companies in which it invests in, to any First Nation or funder, and to the public. Directors and officers will monitor delegated voting decisions as part of their duty to manage the Fund in the best interests of Participating First Nations and funders. The fiduciaries responsible for voting should report regularly to the board on how each proxy has been voted. This report should include a written account of the reason the Fund authorized any vote that deviates from these guidelines. The Fund's board and their voting fiduciaries will agree on the details, timing, and frequency of these reports at the beginning of the fiduciaries' contract, and they will review their agreement annually.

PROXY VOTING GUIDELINES (PVG)

7.11 The Fund delegates its voting rights to individual Investment Managers. Investment Managers will exercise the Fund's voting rights in order to maintain the highest standard of corporate governance, sustainability of the business, and practices of the companies whose shares are held.

7.12 Proxy voting is a key element of the Fund's integration of environmental, social and governance ("ESG") and Indigenous factors in the investment process.

7.13 Delegation of voting rights:

(a) Investment Managers are delegated the responsibility of directing the Custodian in the exercise of voting rights acquired through the Fund's investments in the portion of the Fund managed by them.

(b) Investment Managers will maintain a record of how voting rights are exercised on behalf of the Fund.

(c) Investment Managers will exercise acquired voting rights with the intent of fulfilling the Fund's investment objectives and policies, with careful consideration of specified voting guidelines below.

APPLICATION OF GUIDELINES BY ASSET MANAGERS OR VOTING AGENT

7.14 Any investment manager or adviser who, under the terms of a contract, is responsible for voting shares held by the Fund is expected to follow the proxy voting guidelines outlined below in making voting decisions. Where the guidelines call for decisions to be made on a case-by-case basis, voting agents should base their decisions on what would best serve the Fund's Participating First Nations and funders in the long term as embodied in the agreements and standards referenced in these guidelines. If a voting agent believes the interests of Participating First Nations and funders would be best served by deviating from the guidelines, the Fund should be consulted before such a vote is cast.

PVG 1 - FREE, PRIOR, AND INFORMED CONSENT OF INDIGENOUS PEOPLES AND SOCIAL LICENSE TO OPERATE

BACKGROUND

7.15 The survival, security and human rights of millions of Indigenous peoples around the world are continuously threatened. Efforts to extract or develop natural resources in Indigenous peoples' traditional territories often threaten their lives, cultures, and territories. Indigenous communities are demonstrating an assertiveness when it comes to rejecting resource extraction projects. Coast Funds believes that to secure project access and ensure that invested assets eventually realize a return, leading companies must recognize the right to the free, prior and informed consent of affected Indigenous communities and deliver tangible benefits to them. Companies should recognize and follow the UN Declaration on the Rights of Indigenous Peoples, which sets out the individual and collective rights of Indigenous peoples, as well as their rights to culture, identity, language, employment, health, education and other issues.

7.16 The phrase "social license to operate" refers to companies obtaining the support of communities who may be affected by mining, energy, pipeline, or other projects before proceeding. Social license to operate includes the free, prior, and informed consent of Indigenous peoples. Obtaining a social license to operate often requires companies to take steps to secure community support that go beyond what is required by law. Proposals concerning social license to operate are usually filed with extractive-industry companies, but the concept also applies to other industries.

7.17 Companies that proceed with projects without obtaining and maintaining local consent may face protests, sabotage, boycotts, negative publicity, and falling share prices. Some oil and mining companies have had to abandon projects because of local opposition, after investing hundreds of millions of dollars. Companies that fail to obtain local consent may also violate laws and/or international agreements, particularly those designed to protect the rights of Indigenous peoples.

7.18 **Voting Guidelines**

(a) Investment Managers exercising proxies on behalf of the Fund will vote FOR reasonable proposals that ask companies to obtain and maintain free, prior, and informed consent of Indigenous peoples.

(b) Investment Managers exercising proxies on behalf of the Fund will vote FOR proposals requesting companies to develop, strengthen or implement a policy or guideline designed to address free, prior and informed consent/consultation from Indigenous peoples or other communities.

(c) Investment Managers exercising proxies on behalf of the Fund will vote FOR proposals requesting that companies support and follow the UN Declaration on the Rights of Indigenous Peoples and/or create a policy or program to do so.

(d) Investment Managers exercising proxies on behalf of the Fund will vote FOR proposals asking companies to assess and report on the adoption of policies related to free prior and informed consent.

PVG 2 - HUMAN RIGHTS AND WORKERS' RIGHTS

Background

7.19 The Fund is in favour of shareholder proposals calling for the respect of human rights in Canada and elsewhere in the world where such proposals are based on the universal principles established by the UN's Universal Declaration of Human Rights, by the conventions of the International Labour Organization (ILO), or by the Canadian Charter of Rights and Freedoms.

7.20 **Voting Guidelines**

(a) Investment Managers exercising proxies on behalf of the Fund will vote FOR the adoption of codes of conduct or policies related to any of the following areas:

1. Workers' rights as defined by the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, including the prohibition of forced labour, the prohibition of child labour (under 15 years of age), the prohibition of discrimination in employment and in working conditions, and the right of association and of collective bargaining).
2. Policies against discrimination on the basis of sex, race, ethnic origin, religion and sexual orientation.
3. Addressing the gender pay gap.
4. The application of international humanitarian law in zones of conflict.
5. Ensuring adequate working conditions in all facilities of the company, its subcontractors and suppliers throughout the world.
6. Improved disclosure, such as reporting under the Workforce Disclosure Initiative.

(b) Investment Managers exercising proxies on behalf of the Fund will vote FOR any resolution calling for an internationally recognized certification organization to ascertain the respect of human rights in the facilities of the company, its subcontractors and suppliers and to formulate appropriate recommendations.

PVG 3 -INTERNATIONAL STANDARDS FOR SUSTAINABILITY AND SOCIAL ISSUES

Background

7.21 As a practical matter, proxy votes on sustainability and social issues differ from those on corporate governance issues in several ways. First, proposals on environmental and social issues are usually made by shareholders rather than by management. Second, the range of possible issues within corporate social responsibility is vast—certainly much larger than the range of topics covered by corporate governance. This makes it virtually impossible to anticipate and devise guidelines for all of the possible proposals that could be presented on a given proxy ballot. These guidelines address this problem by identifying a set of broad, internationally accepted standards and norms against which to assess corporate social responsibility proposals, augmented by specific guidelines for common types of proposals.

7.22 As stated earlier, if an issue on a proxy ballot is not specifically addressed by these guidelines, the Investment Manager's voting decision will be guided by the Fund's commitment to the long-term interests of Participating First Nations and funders.

7.23 **Voting Guidelines**

(a) In general, Investment Managers exercising proxies on behalf of the Funds will vote FOR any proposals that call on companies to adhere to or report on compliance with principles established in the following international standards:

1. The UN Declaration on the Rights of Indigenous Peoples
2. The UN Universal Declaration of Human Rights
3. The UN Guidelines Principles on Business and Human Rights
4. The International Labour Organization's Fundamental Principles and Rights at Work
5. The International Labour Organization's Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy
6. The Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises
7. The International Finance Corporation Performance Standards on Environmental and Social Sustainability
8. The UN Global Compact

PVG 4 - MITIGATING CLIMATE CHANGE

Background

7.24 The Fund believes climate change represents an important risk both in the short and long term and that companies should seek ways to mitigate climate change risks and plan accordingly. The Fund supports disclosure on climate change risk mitigations and the objective of limiting the global average temperature increase to well below 2ºC, as described in the Paris Climate Accord.

7.25 **Voting Guidelines**

(a) Investment Managers exercising proxies on behalf of the Fund will vote FOR reasonable proposals calling for companies to improve oversight, management and reduction of their greenhouse gas emissions.

(b) Investment Managers exercising proxies on behalf of the Fund will vote FOR reasonable proposals that encourage boards and management to disclose steps they are taking to address climate-related risks in business planning and/or capital expenditures.

(c) Investment Managers exercising proxies on behalf of the Fund will vote FOR any proposals calling for additional disclosures on strategic planning in a low-carbon economy and the objective of limiting the global average temperature increase to well below 2oC.

(d) Investment Managers exercising proxies on behalf of the Fund will vote FOR proposals calling for companies to report on policies and procedures governing lobbying and public policy advocacy as they relate to climate change.

(e) Investment Managers exercising proxies on behalf of the Fund will vote FOR proposals calling for nomination of directors with appropriate expertise in climate science and related matters.

PVG 5 - DISCLOSURE OF ESG RESPONSIBILITIES

Background

7.26 The Fund supports the disclosure of environmental, social, and governance (ESG) information. With this information, shareholders are better equipped to make adequate assessments of risks and potential liabilities versus potential return based on our fundamental research. The Fund supports a standardized approach to reporting on ESG factors in order to make the information useful and comparable.

7.27 **Voting Guidelines**

(a) Investment Managers will vote FOR proposals that ask companies to report to shareholders using the Global Reporting Initiative Guidelines (https://www.globalreporting.org/standards).

(b) Investment Managers will vote FOR proposals for companies to issue integrated sustainability and financial reports as long as integrated reports can be understood and provide as much information as separate sustainability and financial reports would provide.

(c) Investment Managers will vote FOR proposals to provide shareholders with reports related to the specific social and environmental aspects of their operations, including related risks and liabilities and efforts to mitigate those risks, provided the information is not already easily accessible to shareholders.

MISCELLANEOUS PROVISIONS

CONFLICT OF INTEREST

8.1 A conflict of interest exists when a person has the opportunity to advance or protect his or her own interest or the private interests of others with whom the person has a relationship, including a familial or other personal or business relationship, in a way detrimental to the interests, or potentially harmful to the integrity or fundamental mission of the Fund.

8.2 No member of the Board, the Committee or an Investment Manager, or a Fund employee or contractor may exercise their powers with regard to the investment of the Fund in their own personal or business interest or in the interest of their family or of a third person, nor may any such member place themselves in a position of conflict of interest or potential conflict of interest.

8.3 An individual, upon first becoming aware of a conflict of interest or a potential conflict of interest shall disclose in writing the nature and extent of an interest to the Chair immediately. The Chair shall report such disclosure to the Committee.

8.4 If the party disclosing the conflict of interest has the capacity to participate in or to make decisions affecting the investments of the Fund, the party may continue to participate only with the approval of the Committee.

8.5 The failure of a person to comply with the procedures described in this Section shall not of itself invalidate any decision, contract or other matter.

APPENDIX A – INVESTMENT MANAGER MANDATES

LEITH WHEELER

A.1 Leith Wheeler has been retained to manage a portion of the fixed income portion of the Fund. They may hold up to 10% of their portion of the Fund in short-term investments, cash or cash equivalents.

A.2 Leith Wheeler's objective is to exceed the return of 60% of the FTSE Canada Universe Provincial Bond Index + 40% of the FTSE Canada Universe Corporate AA/AAA Index over rolling four-year periods, after investment management fees.

A.3 Due to the passive nature of the mandate and the inclusion of First Nations Finance Authority bonds in the portfolio, some tracking error is anticipated. However, to the extent possible, Leith Wheeler will attempt to minimize the tracking error, i.e. to less than 0.5% per year, over the long term.

A.4 Leith Wheeler's benchmark portfolio will be reviewed annually. In the event of a significant duration mismatch between the benchmark portfolio and Leith Wheeler's target duration of 8 years, the benchmark portfolio will be adjusted.

ACM ADVISORS

A.5 ACM has been retained to manage a portion of the fixed income portion of the Fund in their commercial mortgage fund.

A.6 ACM's performance objective is to exceed the return of the FTSE TMX Canada Short Term Bond Index + 1.4% over rolling four-year periods, after investment management fees.

FIERA CAPITAL

A.7 Fiera Capital Corporation ("Fiera") has been retained to manage the Canadian and global equities of the Fund. They may hold up to 10% of their portion of the Fund in short-term investments, cash or cash equivalents.

A.8 Fiera's normal allocation is 26.7% in Canadian equities and 73.3% in global equities. They may vary the allocation to these two asset classes within a range of 5% around the normal allocation. They may hold up to 10% of their portion of the Fund in short-term investments, cash or cash equivalents.

A.9 Fiera's performance objective is to exceed the return of 26.7% of the S&P / TSX Composite Index + 73.3% of the MSCI World Index (Canadian dollars) + 1.0% over rolling four-year periods, after investment management fees.

GWL REALTY ADVISORS

A.10 GWL Realty Advisors has been retained to manage a portion of the Fund in a segregated pooled real estate fund made available through a variable annuity policy offered by The Great-West Life Assurance Company. They may hold up to 20% of their portion of the Fund in short-term investments, cash or cash equivalents.

A.11 GWL Realty Advisors' performance objective is to exceed the return of the IPD Canada Quarterly Property Fund Index over rolling four-year periods, after investment management fees.

AXIUM INFRASTRUCTURE

A.12 Axium Infrastructure Inc. ("Axium") has been retained to manage a portion of the Fund in their pooled infrastructure fund. They may hold up to 20% of their portion of the Fund in short-term investments, cash or cash equivalents.

A.13 Axium's performance objective is to achieve a rate of return in excess of the Consumer Price Index (CPI) + 5% over rolling four-year periods, after investment management fees.