



REPORT

To: ONE Joint Investment Board
 From: Keith Taylor, Chief Investment Officer, ONE Investment
 Date: February 26, 2026
 Re: Investment Plan Implementation Update
 Report: ONE JIB 2026-005

1. RECOMMENDATIONS

It is recommended that the Board:

1. Receive the report.

2. SUMMARY

This report summarizes the details of trade implementation related to the Investment Plans approved by ONE JIB at its November 2025 meeting. At that meeting, Investment Plans for two new Participating Municipalities, Township of Georgian Bay and Municipality of Oliver Papouge, were approved. The Board also carried out its annual review of Investment Plans for several municipalities, including the Town of Aylmer, the Town of Bracebridge, the Township of Central Frontenac, the City of Kenora, the Municipality of Red Lake, and the City of Thunder Bay. The table below summarizes key features of these Investment Plans:

| Municipality | Contributions to MNRI | Transitioned from Outcomes to Models | Model Assigned (equity weight) | Allocation to Alternative Investments |
|----------------------------------|----------------------------------|--------------------------------------|--------------------------------|---------------------------------------|
| Town of Aylmer | N/A | November | Model E+ (Equity = 50%) | Pending allocation |
| Town of Bracebridge | N/A | November | Model G (Equity = 70%) | |
| Township of Central Frontenac | \$500,000 received December 2025 | N/A | Model F (60% Equity) | |
| City of Kenora (CPTF) | N/A | November | Model E+ (Equity = 50%) | Pending allocation |
| City of Kenora (General Account) | \$500,000 received December 2025 | November | Model E (50% Equity) | |
| Municipality of Red | N/A | N/A | Model D | |

| Municipality | Contributions to MNRI | Transitioned from Outcomes to Models | Model Assigned (equity weight) | Allocation to Alternative Investments |
|---------------------------------|-----------------------------------|--------------------------------------|--------------------------------|---------------------------------------|
| Lake | | | (40% Equity) | |
| City of Thunder Bay | N/A | November | Model E+ (50% Equity) | Pending allocation |
| Township of Georgian Bay | \$6,700,000 received January 2026 | New Investor | Model D (40% Equity) | |
| Municipality of Oliver Paipouge | \$4,263,403 received January 2026 | New Investor | Model F (60% Equity) | |

3. BACKGROUND

A summary of trading activity is provided to ONE JIB on a quarterly basis

This report summarizes noteworthy trading, specifically highlighting transactions related to client cash flows and the implementation of Investment Plans approved by ONE JIB. This report intentionally excludes routine trading activities, such as account rebalancing or the deployment of MNRI into less liquid investment funds over time, which may be discussed in other ONE JIB reports. The purpose of this report is to communicate significant trading activity to ONE JIB, focusing primarily on the implementation of Investment Plans.

The shift of MNRI from outcomes to model portfolios was completed in November

In March 2025, the 11 Participating Municipalities invested in ONE Investment’s pooled funds transitioned into ONE Investment’s new business model and the new Investment Manager’s funds. The allocations based on outcome mapping were maintained using PH&N funds. Participating Municipalities have been transitioning into the model portfolios as part of the annual Investment Plan update process. The implementation of the Investment Plans approved in November 2025 resulted in the remaining four municipalities that were still using outcome- based allocations being transitioned into model portfolios. All Participating Municipalities are now invested in the model portfolios, except Durham Region, which continues to use customized allocations for its MNRI.

4. ANALYSIS

Investment Plan updates for Town of Aylmer, Town of Bracebridge, City of Kenora and City of Thunder Bay redeployed MNRI into the model portfolios

Investment Plans for Aylmer, Bracebridge, Kenora and Thunder Bay were approved at the November 2025 ONE JIB meeting. These four Investment Plans directed that MNRI

be invested in the model portfolios approved by ONE JIB on September 4, 2025. The MNRI had been invested based on the investment outcomes and was redeployed into the model portfolios in late November.

Township of Central Frontenac and City of Kenora made incremental contributions to MNRI

The Investment Plans for Central Frontenac and Kenora, which were approved in November 2025, involved contributions of additional MNRI. Central Frontenac's \$500,000 contribution was received in early December and deployed into the approved model portfolio. Kenora's \$500,000 contribution, which was associated with the General Account, was received in mid-December and deployed into the approved model portfolio.

Additional potential mid-year contributions or withdrawals were noted in the investment plans of Central Frontenac and Kenora. These cashflows will be addressed later in 2026, after the municipalities submit a mid-year update form confirming the cashflow details.

Based on the recommendation of the Investment Manager, the PH&N Overseas Equity Fund was removed from investment allocations

A review of the PH&N Overseas Equity Fund by the Investment Manager resulted in a recommendation to remove the fund from investment allocations. At its November 25, 2025 meeting, ONE JIB approved adding the RBC International Equity Index Fund to the approved list as a replacement fund. This resulted in changes to investment allocations for all Participating Municipalities.

Two new Participating Municipalities joined ONE JIB with their MNRI deployed in January 2026

Township of Georgian Bay and Municipality of Oliver Paipoonge joined the ONE JIB with initial MNRI contributions of \$6.7 million and \$4.3 million, respectively. Their effective date of January 15, 2026, was established in advance. The cash contributions were received and invested in accordance with the approved Investment Plans.

Three approved Investment Plans included allocations to alternative investments, which may require time to implement fully

Three of the Investment Plans approved at the November 25, 2025 ONE JIB meeting included allocations to alternative investments – Town of Aylmer, Kenora's CPTF and City of Thunder Bay. The alternative investment funds do not provide daily liquidity; instead, they provide liquidity windows throughout the year. These three Participating Municipalities have been put in a queue to gain allocations to these alternative funds. When allocations are confirmed, the Investment Manager will sell some existing funds to redeploy proceeds in the intended alternative investment funds.

5. CONCLUSION

The Investment Plan updates approved at the November ONE JIB meeting resulted in four Participating Municipalities being transitioned from the Outcome allocations to the ONE JIB-approved model portfolios. All Participating Municipalities are now invested in the approved model portfolios, except Durham Region, which uses custom allocations. Two new participating municipalities were approved at the November ONE JIB meeting, with their MNRI being deployed into model portfolios in January 2026. All related trading activity occurred seamlessly.

Drafted by: Keith Taylor, Chief Investment Officer

Approved by: Afshin Majidi (Interim) and Donna Herridge, Co-Presidents/CEOs