



## Appendix B: Description of ONE Investment Pools, Products and Outcomes

Following is a list of the ONE Investment Pools and products used to achieve target asset allocations. For more information on how these ONE Investment Pools and solutions are managed, please see further detail on the ONE Investment [website](#).

<b>ONE Investment Pool or Product</b>	<b>External Portfolio Manager</b>	<b>Mandate</b>	<b>Asset Class</b>
<b>High Interest Savings (HISA)</b>	CIBC Commercial Banking	Savings account	Cash
<b>ONE Canadian Government Bond Fund</b>	MFS	Bonds of < 5 years' maturity focused on Canadian Government bonds	Canadian short-term Fixed Income
<b>ONE Canadian Corporate Bond Fund</b>	MFS	Primarily in Canadian Corporate Bonds	Canadian Fixed Income
<b>ONE Global Bond Fund</b>	Manulife Investment Management	Global Unconstrained Fixed Income	Global Fixed Income
<b>ONE Global Equity Fund</b>	Mawer Investment Management	Global Equities inclusive of Emerging Markets exposure	Global Equities
<b>ONE Canadian Equity Fund</b>	Guardian Capital	Canadian Equity with conservative investment approach	Canadian Equities

## Investment Outcomes

The asset allocations for ONE Investment's Outcomes are detailed in the tables below. Rebalancing will be managed for these asset allocations as explained in this Plan. As asset mixes drift away from their intended target and converge on either the minimum or maximum ranges noted below, ONE Investment will rebalance the holdings to restore allocations to the intended asset mix. The Outcomes will also be rebalanced twice annually, as required, to ensure the allocations do not drift materially away from the intended targets. Note that these allocations target a maximum of 70% foreign exposure, and Canadian Bond exposure targets equal allocation to the ONE Canadian Government Bond Fund and the ONE Canadian Corporate Bond Fund.

<u>Cash Outcome</u>	% Weight		
	Min	Target	Max
ONE HISA	na	100	na
<b>Total Cash</b>		<b>100</b>	

<u>Stable Return Outcome</u>	% Weight			Duration (Years)
	Min	Target	Max	
ONE HISA	8	10	12	
<b>Total Cash</b>	<b>8</b>	<b>10</b>	<b>12</b>	
ONE Canadian Equity Fund		9		
ONE Global Equity Fund		21		
<b>Total Equity</b>	<b>26</b>	<b>30</b>	<b>34</b>	
ONE Canadian Government Bond Fund		9		1.6 – 3.6
ONE Canadian Corporate Bond Fund		9		3.0 – 6.9
ONE Global Bond Fund		42		2.0 – 6.0
<b>Total Fixed Income</b>	<b>55</b>	<b>60</b>	<b>65</b>	
<b>Total Allocated</b>		<b>100</b>		

<u>Contingency Outcome</u>	% Weight			Duration (Years)
	Min	Target	Max	
ONE HISA				
<b>Total Cash</b>		<b>0</b>		
ONE Canadian Equity Fund		18		
ONE Global Equity Fund		42		
<b>Total Equity</b>	<b>55</b>	<b>60</b>	<b>65</b>	
ONE Canadian Government Bond Fund		6		1.6 – 3.6
ONE Canadian Corporate Bond Fund		6		3.0 – 6.9
ONE Global Bond Fund		28		2.0 – 6.0
<b>Total Fixed Income</b>	<b>35</b>	<b>40</b>	<b>45</b>	
<b>Total Allocated</b>		<b>100</b>		

<u>Asset Management Reserve Outcome</u>	% Weight			Duration (Years)
	Min	Target	Max	
ONE HISA				
<b>Total Cash</b>		<b>0</b>		
ONE Canadian Equity Fund		27		
ONE Global Equity Fund		63		
<b>Total Equity</b>	<b>88</b>	<b>90</b>	<b>92</b>	
ONE Canadian Government Bond Fund		1.5		1.6 – 3.6
ONE Canadian Corporate Bond Fund		1.5		3.0 – 6.9
ONE Global Bond Fund		7		2.0 – 6.0
<b>Total Fixed Income</b>	<b>8</b>	<b>10</b>	<b>12</b>	
<b>Total Allocated</b>		<b>100</b>		

## Target Date Outcomes:

Investments with target dates will be managed to reduce risk as the target date approaches. As time passes and the spending needs get closer, it is appropriate to reduce the amount of risk so that there is greater certainty that the funds will be available as needed. This means that reserves, reserve accounts and other balances that are assigned to target date allocation will be reassigned to a nearer dated Target Date Outcome as time passes. In this way as the spending needs grows nearer, the associated investment allocations will migrate to a lower risk Outcome.

Target Date Outcomes	Target Date 3- 5 Years			Target Date 5-10 Years			Target Date 10+ Years		
	Min	Target	Max	Min	Target	Max	Min	Target	Max
ONE HISA		20			0			0	
<b>Total Cash</b>	<b>17</b>	<b>20</b>	<b>23</b>		<b>0</b>			<b>0</b>	
ONE Canadian Equity Fund		3			15			22.5	
ONE Global Equity Fund		7			35			52.5	
<b>Total Equity</b>	<b>8</b>	<b>10</b>	<b>12</b>	<b>45</b>	<b>50</b>	<b>55</b>	<b>71</b>	<b>75</b>	<b>79</b>
ONE Canadian Government Bond Fund		10.5			7.5			3.75	
ONE Canadian Corporate Bond Fund		10.5			7.5			3.75	
ONE Global Bond Fund		49			35			17.5	
<b>Total Fixed Income</b>	<b>66</b>	<b>70</b>	<b>74</b>	<b>45</b>	<b>50</b>	<b>55</b>	<b>21</b>	<b>25</b>	<b>29</b>
<b>Total Allocated</b>		<b>100</b>			<b>100</b>			<b>100</b>	

## *Excerpt from Investment Plans - Rebalancing*

### 9. Rebalancing

Each account's asset mix will be monitored by ONE Investment. Each investment Outcome will have target weights assigned for each holding, which collectively represent the intended asset mix for the Outcome. Minimum and maximum weights will also be assigned for asset classes, and these weights will guide the rebalancing process. Should the weight deviate outside the minimum or maximum weights noted in Appendix B, the account will be rebalanced as soon as practicable to bring it within the minimum/maximum range. Given variations in market liquidity, transactions will be completed as soon as reasonably viable, taking into account the investment objectives. Cash inflows/outflows will be used to rebalance as much as possible; if they are insufficient, investments will be sold in a commercially reasonable manner and reallocated as required.

ONE Investment will rebalance all accounts to target weights twice annually based on fixed dates: April 15 and October 15 (or the following business day). Accounts that are within a 2% threshold of the intended targets will not be rebalanced.