



**Statement of Investment
Policies and Procedures**

for the

**Canada Post Corporation
Defined Contribution Component (DC)
of the Registered Pension Plan
and Group Retirement Savings Plan (GRSP)
(Capital Accumulation Plans)**

PBSA Registration. No. 57136

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Section 1 Scope

- 1.1 The present Statement of Investment Policies and Procedures applies to the following Capital Accumulation Plans which will be referred to as “the Plans” in the following sections:
- Group Retirement Savings Plan (GRSP) of Canada Post Corporation, which includes the Voluntary Savings Plan
 - Defined Contribution (DC) component of the Canada Post Corporation Registered Pension Plan (PBSA registration number: 57136)

These Plans are sponsored by Canada Post Corporation (the “Corporation”).

Section 2 Purpose

- 2.1 The Corporation provides Capital Accumulation Plans designed to help plan members (the “Members”) achieve their long-term financial goals. The primary goal of the Plans is to assist Members in the capital accumulation required to supplement the retirement income provided by universal programs such as C/QPP and OAS. While the Corporation and the Member contributions are an important part of each Member’s retirement savings, these monies are only one part of a Member’s overall retirement savings. The prudent and effective management of the Plans assets (the “Fund”) will have a direct impact on the achievement of this goal.
- 2.2 This statement of investment policies and procedures (the “Statement”) addresses the manner in which the Fund shall be invested. The Board of Directors of the Corporation (the “Board”) has adopted the Statement to ensure continued prudent and effective management of the Fund. Investments shall be selected in accordance with the criteria and limitations set forth herein and in accordance with all relevant legislation. The Statement also defines the range of investment options and procedures adopted for the ongoing operation of the Fund. The Statement complies with all relevant legislation.
- 2.3 Third parties or advisors providing services in connection with the Fund and any other person dealing with the Fund shall comply at all times with the Statement.
- 2.4 The Statement may be changed or modified at any time at the Corporation’s sole discretion, subject to applicable legislation. The Statement will be reviewed when deemed necessary to determine whether any modifications are necessary or desirable.

Section 3 Fund Governance

- 3.1 The Corporation is the administrator of the Plans, as the term administrator is defined under the *Pension Benefits Standards Act, 1985* (Canada) (the “PBSA”). The Corporation acts through the Board in discharging its duties. The Board has assigned tasks to the [Pension Committee](#), to the [Audit Committee](#) and to the [Human Resources and Compensation Committee \(HRCC\)](#), and the Pension Committee has approved Terms of Reference for the [Pension Advisory Council](#). Some of these committees, in turn, have assigned certain tasks

to various third parties retained to assist in carrying out their duties in respect of the Fund. The Board, however, retains overall responsibility for the Fund. The Board has assigned its responsibilities in respect of the Fund as set out in this section.

- 32 The Corporation has delegated to a service provider (the “Provider”) the recordkeeping, investments and certain communication activities related to the Plans.
- 33 The Provider will:
- provide the Corporation with reports containing information (including investments of the assets, all transactions that occurred between the investment options during the period, and the performance of each investment option) agreed upon between the Corporation and the Provider;
 - assist the Corporation in providing investment information and decision-making tools to support Members in making their selection of investment options;
 - provide the Corporation with current descriptions and investment policies of the Investment Funds retained by the Corporation to be offered under the Plans;
 - ensure the investment policies of the Investment Funds meet all legislative requirements;
 - obtain from the Fund Managers an annual certificate of compliance with the Investment Fund Investment Policies;
 - inform the Corporation in writing of any change in the Investment Fund Investment Policies;
 - signal to the Corporation changes to the investment constraints of an Investment Fund used under the Plans; and
 - make necessary arrangements with a custodian for the safekeeping/record keeping of the assets of its Segregated Investment Funds.
- 34 The Interest Account Provider will:
- provide individual 5-Year Interest Accounts to Members for each deposit and offer competitive interest rates;
 - provide the Corporation with reports containing information (including rates of interest on 5-Year Interest Accounts issued during the period as well as the transactions that occurred during the period) agreed upon between the Corporation and the Interest Account Provider;
 - ensure that the maximum CDIC/Assuris protection applies to each individual Member;
 - provide the Corporation with a written annual credit rating report and immediately inform the Corporation in writing of any change.
- 35 Parties appointed in connection with the Plans are listed in Appendix A.

Section 4 Plan Overview and Investment Implications

- 4.1 The Plans are capital accumulation plans under which Members are responsible of the investment decisions made regarding their account. The size of a Member’s account balance at retirement will be directly related to the amount and timing of contributions to the Member’s account and to the performance of the investment options selected by the Member. Under the plan, the Members bear the investment risk.

Investment Implications

- 42 The Members have diverse demographics, diverse investment and financial experience, and diverse risk tolerance. The Corporation believes that the best way to address the diverse investment needs of the Members is to offer a range of investment options including market based options (the “Investment Funds”) that covers the major asset classes and the risk/return spectrum appropriate for retirement funds.
- 43 The range of investment options also includes a Guaranteed Investment Account (GIA).
- 44 The list of Investment Funds currently available as investment options under the Plans is attached as Appendix B.
- 45 Members are permitted to invest in any or all of the investment options selected by the Corporation for the Plans in any proportion. Members may change their investment instructions for future contributions and existing assets at any time. In accordance with the Joint Forum Guidelines for Capital Accumulation Plans, Members are responsible for selecting investment options to meet their personal objectives subject to their personal risk tolerance and to their chosen level of contributions.

Section 5 Investment Objectives and Beliefs

- 51 Members are responsible for allocating contributions (made by Members and the Corporation) among the different investment options offered. The investment options offered allow the Members to manage their assets with a view to their own investment objectives, horizon and risk tolerance.
- 52 The Corporation recognizes that the Members are not investment professionals yet are called upon to make investment decisions (fund selection, rebalancing, etc.).
- 53 In establishing the types of investment options to be offered under the Plans, the Corporation has considered the main objectives of an investment structure, namely:
- allow employees to tailor their portfolio to their needs by accommodating various investment horizons and risk tolerance profiles;
 - cover the risk/reward spectrum (i.e. trade-off between risk and return potential associated with different asset classes and asset mixes); and
 - offer distinct options in order to assist Members in choosing options that adequately fit their profile and investment behaviour.

- 54 The Corporation, from time to time, reviews and confirms its investment beliefs. Currently, the Corporation believes:
- That equity investments will provide greater long-term returns than fixed income investments, although with greater short-term volatility;
 - That it is prudent to diversify investments across the major asset classes;
 - That allocation to foreign equities will increase portfolio diversification and thereby decrease portfolio risk while, at the same time, providing the potential for enhanced long-term returns;
 - That allocation to alternative investments will further increase portfolio diversification as their returns have low correlation with those of traditional asset classes (equity and fixed income), providing the potential for enhanced long-term risk-adjusted returns;
 - That Fund Managers with active mandates can reduce portfolio risk below market risk and potentially add value through security selection strategies;
 - That Fund Managers with core active mandates are expected to exhibit a lower tracking error relative to the market than a growth or value style while still generating value added in all type of markets over the long-term;
 - In some asset classes, such as bonds and US equity, the potential for added value is limited and does not warrant the additional risk and investment fees associated with active management;
 - That environmental, social and governance (ESG) factors can have a material financial impact on investment performance, particularly over the long-term, and should be considered in the investment process.
 - That it is appropriate to retain more than one Fund Manager provided that such managers offer style/process diversification;
 - That long term asset allocation between various asset classes has the most impact over long-term portfolio returns; and
 - That divergent market performance among different asset classes may, from time to time, cause the asset allocation to deviate from the target asset allocation established by an individual Member. Most Members may not have the time, interest or investment knowledge to efficiently manage a portfolio of options and rebalance investments to their personal target allocation.
- 55 The Corporation has determined, after taking into account the above mentioned objectives and beliefs, that the following investment options are currently appropriate and provides a well-diversified and differentiated range of options:
- Guaranteed Investment Account
 - Money Market Fund
 - Canadian Bond Fund
 - Target Date Funds
 - Canadian Equity Funds
 - US Equity Fund
 - Global Equity Fund
 - International Equity Fund
- 56 The investment options offered under the Plans are:
- diversified;
 - cover reasonably well the risk/reward spectrum (i.e. trade-off between risk and return potential associated with different asset classes and asset mixes); and

- conducive to reasonable long-term returns based on the risk profile determined by each Member, without the need for Member intervention such as portfolio rebalancing.

5.7 Taking into consideration the Members’ knowledge and interest in investments, the above investment options are grouped into two tiers, representing two types of investors. The structure of each tier and the rationale supporting this set of choices is outlined below:

Tiers	Types of Funds	Rationale
Tier 1: “Do it for me”	<ul style="list-style-type: none"> • Target Retirement Date 	<ul style="list-style-type: none"> • Designed for investors who do not want to be concerned with asset allocation decisions • Offers investors a simple solution for investing based on the year of retirement • Allows for a single investment decision with an asset allocation that evolves with the Member’s age/investment horizon
Tier 2: “Do it myself”	<ul style="list-style-type: none"> • GIA • Money Market (active) • Fixed Income (passive) • Canadian Equity (active and passive) • US Equity (passive) • Global Equity (active) • International Equity (active) 	<ul style="list-style-type: none"> • Limited number of options covering the risk/return spectrum, in terms of asset class • Allows for asset allocation decisions • Automatic rebalancing to target asset allocation • Made up of passive and active investment options

- 58 The Target Date Funds are typically intended for Members who want to select one diversified fund based on the year they expect to begin withdrawing assets from their accounts. The Target Date Funds are comprised of at least 8 funds that are invested in underlying fixed income, domestic equity and global equity securities, and alternative investments. The funds are periodically rebalanced by the Fund Managers to their target allocations. In addition, the Fund Managers will gradually reallocate the funds to a more conservative profile (e.g. higher fixed income allocation) as the target date nears. This is based on the belief that Members closer to their target date have less time to recover from short-term investment losses and thus have less tolerance for the higher short-term volatility associated with higher equity allocations. New Target Date Funds will be periodically added to accommodate new workforce entrants with further out retirement dates.
- 59 Members are permitted to invest in any or all of the investment options approved by the Corporation in any proportion and are not limited by the 2-tier structure above which is intended to facilitate the communication and investment selection process for the Members.
- 5.10 When a Member has not made an active and complete investment election, the Target Date Fund with the maturity date that is nearest to, but not later than, the year the Member will reach the age of 65, will be the default investment option. Members have the option, at any time, to transfer assets to another investment option offered. Assets will be transferred at market value.
- 5.11 The Corporation shall review the investment options offered on a periodic basis and will ascertain that they remain suitable and consistent with the stated objectives.

Section 6 Fund Performance Objectives

61 The Fund Managers shall be monitored and evaluated at least semi-annually based on the following quantitative and qualitative criteria. The Corporation may require the assistance of the Consultant for the evaluation of the Fund Managers.

Quantitative Evaluation

62 *Active management*

With respect to each actively managed Investment Fund offered under the Plans, the quantitative performance of the Fund Manager will be considered satisfactory if:

- The average annual return (before deduction of investment management fees) of the Investment Fund exceeds the objectives indicated in the following table over every consecutive rolling four-year period; or,
- The average annual return (before deduction of investment management fees) of the Investment Fund exceeds the appropriate asset class median manager return (i.e. the Fund Manager's positioning is above the median of a broad survey of Canadian institutional pooled funds) over every consecutive rolling four-year period, where available.

Actively Managed Investments		
Fund	Benchmark (Total Return Indices)	Value-Added Objective
Money Market	FTSE TMX Canada 91-Day T-Bill Index	+0.10%
Canadian Equity	S&P/TSX Capped Composite	+1.00%
International Equity	MSCI EAFE (\$CAD)	+1.50%
Global Equity	MSCI World ex-Canada (\$CAD)	+1.50%

63 *Passive management*

With respect to each passively managed Investment Fund offered under the Plans, the quantitative performance of the Fund Manager shall be considered satisfactory if the average annual return (before deduction of investment management fees) of the Investment Funds falls within the range indicated in the following table over every consecutive one-year period:

Passively Managed Investments		
Fund	Benchmark	1-year Tracking Variance
Canadian Bond Index	FTSE TMX Canada Universe Bond Index	±0.20%
Canadian Equity Index	S&P/TSX Capped Composite	±0.20%
U.S. Equity Index (Registered)	S&P 500 (\$CAD)	±0.20%
U.S. Equity Index (Non-Registered)	S&P 500 Net of Withholding Taxes (\$CAD)	±0.40%
BlackRock LifePath Index Retirement	BlackRock LifePath Index Retirement Benchmark ⁽¹⁾	±0.30%
BlackRock LifePath Index 2025	BlackRock LifePath Index 2025 Benchmark ⁽¹⁾	±0.30%
BlackRock LifePath Index 2030	BlackRock LifePath Index 2030 Benchmark ⁽¹⁾	±0.30%
BlackRock LifePath Index 2035	BlackRock LifePath Index 2035 Benchmark ⁽¹⁾	±0.30%
BlackRock LifePath Index 2040	BlackRock LifePath Index 2040 Benchmark ⁽¹⁾	±0.30%
BlackRock LifePath Index 2045	BlackRock LifePath Index 2045 Benchmark ⁽¹⁾	±0.30%
BlackRock LifePath Index 2050	BlackRock LifePath Index 2050 Benchmark ⁽¹⁾	±0.30%
BlackRock LifePath Index 2055	BlackRock LifePath Index 2055 Benchmark ⁽¹⁾	±0.30%
BlackRock LifePath Index 2060	BlackRock LifePath Index 2060 Benchmark ⁽¹⁾	±0.30%

(1) For monitoring purposes, benchmarks returns will be provided by BlackRock and validated by the Consultant. The asset allocation of the fund will change over time. Benchmark returns are blended and are based on the fund's target asset allocation and the actual returns of the S&P/TSX Capped Composite Index, S&P 500 Index, Russell 2000 Index, MSCI EAFE Index, MSCI Emerging Markets Index, S&P GSCI Commodity Index, FTSE EPRA/NAREIT Developed Index, DJ Brookfield Global Infrastructure Index, FTSE TMX Canada Universe Bond Index, FTSE TMX Canada Long Term Bond Index and FTSE TMX Canada Real Return Bond Index. Current target asset allocations for BlackRock Target Date Funds are listed in Appendix C.

64 Target Date Funds

With respect to each passively managed Target Date Fund, in addition to the criteria set in section 6.3, the quantitative performance of the Fund Manager shall be considered satisfactory if the average annual return (before deduction of investment management fees) of each fund is above the median of a broad survey of Canadian Target Date Funds at each maturity date over every consecutive rolling four-year period, where available.

65 For the purpose of measuring rates of return of the Investment Funds, all returns shall be measured before investment management fees, but after Fund operating expenses. All index returns shall be total returns. All foreign index returns shall be Canadian dollar returns.

Qualitative Evaluation

- 66 The Fund Managers shall be evaluated on the following qualitative criteria:
- ratings provided by the Consultant;
 - overall adherence by a Fund Manager to its Investment Fund Investment Policies;
 - consistency of a Manager’s portfolio activities, style and philosophy with its stated style and strategy;
 - retention of a Fund Manager’s professional staff; replacement of a Fund Manager’s staff lost by retirement, resignation, etc.;
 - quality of a Fund Manager’s communication with the Provider and/or Corporation;
 - competitiveness of fees;
 - characteristics of a Fund Manager’s firm (e.g., ownership, growth in assets under management, client retention/loss, etc.); and
 - consistency of key personnel and their role in the investment decision.

Section 7 Selection, Monitoring and Termination Policy for the Fund Managers

7.1 The Corporation has adopted the following policy for the selection, monitoring and termination of the Fund Managers. The Corporation may require the assistance of advisors for the selection and monitoring of the Fund Managers.

Selection

- 7.2 The process used to select the Fund Managers could normally include the following steps:
- establish the criteria that are of importance to the Corporation in the selection of the Fund Managers;
 - screen the universe of Fund Managers based on the criteria defined in the first step to determine potential candidates;
 - review a manager search report providing relevant information on the potential candidates; and
 - select the Fund Managers.

- 73 In the establishment of the list of potential candidates, the Corporation may consider, but not limit itself to, the following criteria:
- ratings provided by the Consultant;
 - stable and well established institutional organization;
 - clear investment philosophy;
 - appropriate Investment Funds Investment Policies;
 - approach to managing ESG related risks and opportunities;
 - sizeable and experienced investment teams;
 - historical returns; and
 - fee competitiveness.

Monitoring

- 74 The Corporation will review Investment Fund performance at least semi-annually and will assess the Fund Manager's performance against the other relevant qualitative and quantitative factors, described in Section 6, periodically, but no less frequently than annually.
- 75 In consideration of the Plans' goals and objectives, several standards may be utilized in evaluating the investment performance (as opposed to a single measurement). These standards reflect several aspects of investment performance, including the specific objectives for the mandate, the market indices, and the performance of other fund managers. Each active portfolio will be compared to a universe of other active portfolios deemed to be most appropriate as well as to a benchmark index. The appropriateness of the comparison will be determined by matching key characteristics of each portfolio against the characteristics of the portfolios in the universe. The following guidelines describe the quantitative as well as qualitative evaluation processes, based on the evaluation factors described in Section 6.
- 76 The following events could trigger a closer review of a Fund Manager:
- a change in the ownership of the firm;
 - the loss of key member(s) of the investment team for a product included for the Plans or unusual personnel turnover;
 - a change in the process used by the Fund Manager or its investment style;
 - when the characteristics of the investment are no longer consistent with the Fund Manager's intended role within the Plans;
 - when the Fund Manager's performance is such that continued inclusion in the fund line up is not warranted or the current style is no longer deemed appropriate by the Corporation;
 - a change in the business focus of the Fund Manager (for example, change of focus from institutional to retail business);
 - excessive or rapid asset growth / depreciation in a product offered under the Plans.
 - failure to meet, over continuous periods, the return objectives specified for the Fund Manager in the Statement;
 - inability to provide adequate information or service to the Provider and/or the Corporation.

- 7.7 A Fund Manager may be placed on watch, replaced or terminated whenever the Corporation determines it is appropriate based on the evaluation criteria and/or triggering events described above. Further considerations may include the following:
- The impact of the Fund Manager’s style on performance and that style cycles can persist for periods longer than four years.
 - Consistency of performance as represented by rolling four-year performance versus benchmarks and peer groups will be considered. Performance in various markets could also be considered in applying criteria for watch and termination.
 - Risk-adjusted returns as represented by the information ratio and reward-to-risk ratio, relative to an appropriate peer group, may be considered in addition to absolute performance.
- 7.8 Following a closer review of a Fund Manager, the Consultant will suggest a course of action relating to the Fund Managers, which may fall into any one of the following three categories:
- **Retain** – the Consultant has confidence in the Fund Manager’s ability to add value in the future. The Fund Manager’s investment performance is satisfactory and there are no organizational and strategy issues of significant concern.
 - **Place on Watch** – the Fund Manager’s investment performance is not satisfactory and/or issues relating to the organization or strategy are of concern. “Watch” status will be regularly assessed until such time as the Consultant recommends this status be removed or some other appropriate action is undertaken.
 - **Terminate** – the Consultant’s confidence in the Fund Manager’s ability to add value in the future is weak or average or there are significant concerns relating to the organization, services or strategy. If the investment strategy and/or objectives of the Plans change, the Corporation may terminate the Fund Manager if its strategy is no longer consistent with the Plans’ new strategy/objectives.
- 7.9 The Corporation will consider factors, including the Consultant’s suggested course of action, in determining which Fund Managers are appropriate for watch list inclusion or termination, which may not be limited to the factors listed above.
- 7.10 If at any time the Fund Manager fails to meet the long term performance benchmark for consecutive evaluation periods, the Corporation may request a detailed explanation of the underperformance and meet with the Fund Manager or the Provider specifically to discuss the Investment Fund’s underperformance.

Termination

- 7.11 In the event that the Fund Manager materially fails to satisfactorily comply with any of the factors outlined above (qualitative and/or quantitative), or should some other material change prompt concerns as to its appropriateness to continue as a Fund Manager, the Corporation may, at its discretion, begin a process to review the Fund Manager’s mandate and take any of the following actions:
- Establish a probationary period before additional actions are taken with respect to the Investment Fund;
 - Supplement the Investment Fund with one or more alternative Investment Funds;

- Replace the Investment Fund with one or more alternative Investment Funds; or
- Eliminate the Investment Fund.

Reservation of Discretion

7.12 The Corporation reserves the right to replace a Fund Manager at any time if such replacement is deemed to be in the best interests of the Members, without regard to whether the quantitative and qualitative standards set out in this Statement have been met.

Section 8 Conflict of Interest Guidelines

Individuals or Other Bodies Governed by the Guidelines

8.1 The Corporation, the Board, the Pension Committee, the Fund Managers, the Provider, and any employee or third party employed or retained by any of the foregoing to provide services to the Fund and any other person involved with the management of the Fund, shall be made aware of, and shall agree to respect and be bound by these guidelines.

Conflict of Interest

8.2 No person dealing with the Fund shall permit his / her private interests to conflict with the discharge of his / her duties in respect of the Fund, nor shall he / she use his / her position or knowledge gained from the performance of such duties in such a way as to give the appearance of such conflict. Such conflicts include, but are not limited to, actions or inactions, which may result in:

- improper personal gain or advantage to a person;
- the appearance of conflict between the person's interest and his / her duties and powers in respect of the Fund; or
- improper personal gain or advantage to a third party.

Any person, when making decisions or recommendations regarding the investment of assets of the Fund, shall immediately disclose to the Board any material conflict of interest, or potential material conflict of interest, relating to him or her and any material beneficial ownership of the investments involved, or any other matter known to such person that could be reasonably expected to interfere with his / her duty in respect of the Fund. For purposes hereof, a "material" conflict or beneficial ownership interest is one which is substantial enough to reasonably be expected to impair the person's ability to render unbiased and objective advice in respect of the Fund, or to carry out his / her responsibilities to the Fund in an unbiased and appropriate manner. For greater certainty, these guidelines in no way derogate from any Corporation conflict of interest policies that would otherwise apply to any or all of the parties mentioned in paragraph 8.1 above.

Procedure on Disclosure

8.3 The person involved in the conflict or potential conflict shall disclose the nature and extent of the conflict or potential conflict to the Board in writing. The disclosure shall be made orally if knowledge of the conflict or potential conflict arises in the course of a discussion at a meeting of the Board or the Pension Committee. Upon the disclosure of a conflict or

potential conflict of interest, or of a circumstance that may be perceived as a conflict or potential conflict, any person who discloses a conflict or potential conflict shall cease from any actions or decisions that might be perceived to result in promulgating or adding to the conflict or potential conflict until the Board provides written direction to the person. The Board shall be the sole arbiter in determining whether any conflict or potential conflict of interest exists and, if so, shall take the necessary measures to remedy the situation.

Section 9 Miscellaneous

Lending of Cash and Securities

91 The Fund itself may not enter into cash or securities lending agreements, although the Investment Funds may do so if their policies so permit.

Derivatives, Options, and Futures

92 The Fund itself may not invest directly in derivatives, options, and futures although the Investment Funds may do so if their policies permit.

Liquidity

93 The Guaranteed Investment Account and Investment Funds are valued daily and are highly liquid.

Voting Rights

94 The trustees of the Investment Funds exercise all voting rights acquired through the investments of the Investment Funds.

Valuation of Investments

95 The trustees of the Investment Funds shall value the Investment Fund units. The Provider shall value the Guaranteed Investment Account and the Segregated Investment Fund.

Depositor Insurance

96 The Provider shall arrange for Assuris or CDIC protection for investments in the Guaranteed Investment Account up to the respective limits.

Section 10 Statement Review

10.1 As required, the Corporation shall review the Statement, taking into account whether any developments such as the following have occurred:

- governance changes;
- changing investment beliefs;
- changing risk tolerance;
- changes to benefits provided by the Plans;
- changes to the Plans' membership demographics;
- changes to the Plans' cash flows;
- new investment products;
- changes to legislation; and
- any practical issues that arise from the application of the Statement.

Appendix A Appointment of Parties in Connection with the Plans

The Corporation has appointed the following parties in connection with the management of the Plans:

Recordkeeper: *Canada Life Assurance Company (Canada Life)*

Interest Account and Investment Fund Provider: *Canada Life Assurance Company (Canada Life)*

Consultant: *Mercer Investment Consulting*

The Pension Committee has appointed the following parties in connection with the management of the Fund:

Fund Manager(s): *See Appendix B*

Appendix B List of Fund Options

Investment Category	Fund Name	Fund Manager
Money Market	Money Market Fund	Mackenzie Investments
5-Year GIAs	5-Year Interest Accounts	Canada Life Assurance Company
Canadian Bond	Canadian Bond Index Fund	TD Asset Management
Target Date Funds	LifePath Retirement Index Fund LifePath 2025 Index Fund LifePath 2030 Index Fund LifePath 2035 Index Fund LifePath 2040 Index Fund LifePath 2045 Index Fund LifePath 2050 Index Fund LifePath 2055 Index Fund LifePath 2060 Index Fund	BlackRock
Canadian Equity	Canadian Equity Index Fund CCL Group Canadian Equity Fund	TD Asset Management Connor, Clark and Lunn
U.S. Equity	U.S. Equity Index Fund	BlackRock
International Equity	International Equity Fund	MFS MB Investment Management
Global Equity	Global Equity Fund	MFS MB Investment Management (Global Equity Core)

Effective September 1, 2021

Note: Any subsequent BlackRock LifePath Fund will be added to the list of fund options to accommodate new workforce entrants with further out retirement dates.

Appendix C Target Asset Allocation of Target Date Funds

Target Date Funds

Benchmark Portfolio Target Asset Allocation as at October 1, 2021

BlackRock reviews their models each quarter to determine the target asset allocation. Therefore, the target asset allocation will vary over time as the funds converge to maturity and BlackRock's models are updated.

Asset class	Index	Retirement Date Funds			
		Retirement	2025	2030	2035
Canadian Short term Bonds	FTSE TMX Canada 91-Day T-Bill Index	0.00%	0.00%	0.00%	0.00%
Canadian Bonds Universe	FTSE TMX Canada Universe Bond Index	57.55%	49.16%	37.57%	26.50%
Canadian Real Return Bonds	FTSE TMX Canada Real Return Bond Index	2.44%	2.44%	2.44%	2.33%
Canadian Large Cap. Equities	S&P®/TSX Capped Composite Index	8.38%	9.90%	11.98%	14.02%
US Large Cap. Equities	S&P 500® Index	15.40%	18.86%	23.59%	28.19%
US Small Cap. Equities	Russell 2000 Index	1.10%	1.34%	1.68%	2.01%
International Equities	MSCI EAFE Index	6.98%	8.54%	10.69%	12.77%
Emerging Markets	MSCI Emerging Markets Index	3.30%	4.04%	5.05%	6.03%
Commodities	S&P GSCI Commodity Index	1.00%	1.00%	1.00%	0.95%
Real estate	FTSE EPRA/NAREIT Developed Index	2.57%	3.15%	4.00%	4.80%
Global Infrastructure	Dow Jones Brookfield Global Infrastructure Index	1.28%	1.57%	2.00%	2.40%

	Retirement Date Funds					
Asset class	Index	2040	2045	2050	2055	2060
Canadian Short term Bonds	FTSE TMX Canada 91-Day T-Bill Index	0.00%	0.00%	0.00%	0.00%	0.00%
Canadian Bonds Universe	FTSE TMX Canada Universe Bond Index	15.97%	6.91%	1.17%	0.00%	0.00%
Canadian Real Return Bonds	FTSE TMX Canada Real Return Bond Index	1.90%	1.12%	0.37%	0.00%	0.00%
Canadian Large Cap. Equities	S&P®/TSX® Capped Composite Index	16.12%	18.13%	19.53%	19.48%	19.48%
US Large Cap. Equities	S&P 500® Index	32.69%	36.76%	39.46%	40.31%	40.31%
US Small Cap. Equities	Russell 2000 Index	2.33%	2.62%	2.81%	2.87%	2.87%
International Equities	MSCI EAFE Index	14.81%	16.65%	17.87%	18.26%	18.26%
Emerging Markets	MSCI Emerging Markets Index	7.00%	7.87%	8.44%	8.63%	8.63%
Commodities	S&P GSCI Commodity Index	0.78%	0.46%	0.15%	0.00%	0.00%
Real estate	FTSE EPRA/NAREIT Developed Index	5.60%	6.32%	6.80%	6.97%	6.97%
Global Infrastructure	Dow Jones Brookfield Global Infrastructure Index	2.80%	3.16%	3.40%	3.48%	3.48%