
FIRST NATIONS
UNIVERSITY
OF CANADA



STATEMENT OF INVESTMENT POLICIES AND PROCEDURES (SIP&P)

The Pension Plan for the Employees of First Nations University of Canada Inc.

FCAA Registration Number: 0934091

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Section I: Definitions

- 1.1 **"Administrator"** of the Plan shall mean the First Nations University of Canada Inc.
- 1.2 **"Board"** shall mean the Board of Directors of the First Nations University of Canada Inc.
- 1.3 **"Bundled Service Provider"** shall mean the firm retained by the MPBC to provide administrative, custodial, investment, and record keeping services for the Plan.
- 1.4 **"Consultant"** shall mean one or more individuals or firms designated from time to time by the MPBC to provide analysis and advice regarding the Plan, its investments, and this SIP&P.
- 1.5 **"Fund"** shall mean the assets of the Plan.
- 1.6 **"Individual Account"** shall mean an account established for the benefit of a Member, which is credited with Member contributions, University contributions, and investment income earned net of any applicable of fees.
- 1.7 **"Investment Option"** shall mean the investment funds, savings accounts, and guaranteed investments accounts offered in the Plan, in which the contributions are invested in by the Members.
- 1.8 **"Manager"** shall mean one or more investment management firms that manage the Investment Option(s) that the Plan offers to the Members. The Manager may employ Pooled or Mutual funds.
- 1.9 **"Management Pensions and Benefits Committee (MPBC)"** shall mean the individuals appointed by the Board to carry out the Board's administrative responsibilities with respect to the Plan.
- 1.10 **"Member"** shall mean an eligible person who has been enrolled in the Plan according to the rules of the Plan.
- 1.11 **"Pension and Benefits Advisory Committee (PBAC)"** shall mean the committee created by the Board to advise it on matters related to the Plan and to obtain inputs and recommendations from the member representatives from the various Collective Bargaining Unions.
- 1.12 **"Plan"** shall mean the defined contribution plan - Pension Plan for Employees of First Nations University of Canada Inc, in effect as of July 1, 1986.
- 1.13 **"Regulations"** shall mean the Regulations made under the Financial and Consumer Affairs Authority of Saskatchewan (the "FCAA"), the provisions of the Income Tax Act ("ITA") of Canada and the Pension Benefits Act ("PBA"), 1992 of Saskatchewan as they are amended from time to time.
- 1.14 **"Related Party"** in respect of the Plan has the meaning as defined in Schedule III of the Regulations to the Pension Benefits Standards Act (Canada).
- 1.15 **"Segregated Fund"** shall mean a fund established by the Bundled Service Provider in accordance with the *Insurance Companies Act* (Canada) and may hold units of the underlying Pooled or Mutual fund.
- 1.16 **"SIP&P"** shall mean this Statement of Investment Policies & Procedures, as amended from time to time.
- 1.17 **"University"** shall mean the First Nations University of Canada Inc.

Section II: Introduction

Plan Overview

- 2.1 The University sponsors a member-directed defined contribution pension plan referred herein as the “Plan”. The Plan provides pension benefits to qualifying employees by assisting employees in accumulating savings for retirement income through payroll deductions.
- 2.2 The primary goal of the Plan is to assist the Members to save for retirement. The Plan is intended to supplement other sources of retirement income such as a Member’s personal retirement savings and government sponsored programs including the Canada Pension Plan and Old Age Security.
- 2.3 The Plan is registered with the Financial and Consumer Affairs Authority of Saskatchewan (the “FCAA”) and is subject to the provisions of the Income Tax Act (“ITA”) of Canada and the Pension Benefits Act (“PBA”), 1992 of Saskatchewan.

Purpose of the SIP&P

- 2.4 This SIP&P is established by the Board to provide the framework for effective management and administration of the Fund, including all investment related matters set forth in this document and as amended from time to time.
- 2.5 This SIP&P is based on the prudent person portfolio approach and in accordance with the parameters set out in the Pension Benefits Act, (Saskatchewan) as well as the Regulations thereunder. The prudent person portfolio approach shall mean the investment standards and procedures that a reasonable and prudent person would apply in respect of a portfolio of investments in order to avoid undue risk of loss and obtain a reasonable return.
- 2.6 The SIP&P will consider the recommendations set out in Capital Accumulation Plan (CAP) Guidelines published by Canadian Association of Pension Supervisory Authorities (CAPSA) or other related CAPSA guidelines that may be relevant to the Plan.
- 2.7 All those involved in the management of the Plan are required to acknowledge and comply with the contents of the SIP&P.
- 2.8 All deposits and investments of the Plan, governed by this document, must be made in the name of the Plan or for its account.

Section III: Governance Overview

Fund Governance

- 3.1 The University, acting through the Board, is the legal administrator of the Plan and has the ultimate fiduciary and administrative responsibility for the Plan. The University is responsible for administering and investing the Fund in accordance with Applicable Regulation, apply standard of care, act in a prudent manner, and in the best interests of the Members.
- 3.2 The Board has established the Management Pension and Benefits Committee (“MPBC”) and delegated it to carry out the day-to-day administration of the Plan as required by the University in its capacity as the Administrator of the Plan.
- 3.3 The Board has established a Pension and Benefits Advisory Committee (the “PBAC”) to serve in an advisory capacity with respect to the Plan and provide recommendations, inputs or feedback from the membership to the MPBC in order for it to carry out its responsibilities.
- 3.4 The Board has designated the Audit, Finance and Risk Committee of the Board (the “AFRC”), an extension of the Board, to assist the Board with the oversight of the Plan, and to make recommendations or provide inputs to the Board with respect to changes to Plan design and to its governance framework.
- 3.5 Some of the duties for which the MPBC is responsible may be delegated, where appropriate, to internal departments including the University’s Human Resources, Payroll and Finance departments as well as to external service providers including, but not limited to, Bundled Service Providers, Investment Managers, Consultants, accountants, and legal counsel. Both the internal and external agents are collectively referred herein as “Delegates”.

Roles and Responsibilities

The following section sets out the responsibilities and roles of each stakeholder as it relates the administration and management of the Plan’s assets.

- 3.6 The **Board** shall:
 - a) establish and adopt this SIP&P;
 - b) review, confirm, or amend this SIP&P from time to time based on recommendations provided by the MPBC and inputs from the AFRC as needed;
 - c) establish the governance framework, including the MPBC and PBAC to carry out their respective delegated duties as it relates to the Plan and the Fund;
 - d) receive reports from the MPBC on the performance of the Fund or other updates on the administration of the Plan;
 - e) consider any recommendations or inputs from the MPBC and PBAC pertaining to the Plan’s design or governance framework;
 - f) review, amend and terminate the Plan, to the extent permitted under negotiated Collective Agreements; and
 - g) monitor and assess the performance of the MPBC.
- 3.7 The **MPBC** shall:

- a) review the appropriateness of the SIP&P and recommend to the Board any changes on a periodic basis or as needed;
- b) ensure that the Fund and the Investment Options are managed in accordance with this SIP&P and their respective underlying Manager's investment policies;
- c) evaluate the appropriateness of the Investment Options provided to the Members on a periodic basis based on the criteria set out in this SIP&P;
- d) add, remove or replace the Managers and the Investment Options available in the Plan;
- e) at least annually, together with the PBAC, review the performance of the Investment Options and the Managers of the Plan;
- f) appoint, terminate and monitor the Plan's external Bundled Service Provider delegated to support with administration, recordkeeping, custodial and investment management services of the Plan;
- g) appoint or terminate other third-party delegates required to support with the Plan administration or provide advisory services including information or specialized knowledge as needed;
- h) review the reasonableness of the investment management fees paid by the Members at least every three years or on a periodic basis and in accordance with best practices or as recommended by the Consultant;
- i) monitor the activities delegated to internal or external delegates and provide the necessary information they need to fulfil their delegated mandate;
- j) ensure that the Members receive appropriate communications concerning the Plan's Investment Options as per Section 7 of this SIP&P;
- k) provide a report to the Board at least on an annual basis on the activities of the Plan, including the performances of the Fund, updates on any changes to the Investment Options or related fees paid by Members and any other substantial changes related to the administration of the Plan;
- l) ensure that contributions, including those withheld from Members' pay, are deposited into the Plan; and
- m) monitor for the reasonableness of expense payments out of the Plan and for approving all expense payments out of the Plan.

3.8 The **PBAC**, in its advisory role, shall:

- a) monitor the appropriateness of the Investment Options available to Members in the Plan;
- b) monitor the performances of the Investment Options of the Plan;
- c) monitor appropriateness of the fees paid by the Members in the Plan on the Investment Options on a periodic basis as recommended by best practices;
- d) support the MPBC in activities related to Member education and communication as set out in Section 7 of this SIP&P; and
- e) provide inputs, recommendations and raise any concerns to the MPBC with respect to

the Investment Options or the management and administration of the Plan's assets.

3.9 The **Bundled Service Provider** shall:

- a) provide administrative, record keeping, custodial, and investment management services in addition to other services such as member education and communication to the Plan pursuant to the agreements entered into from time to time with the University;
- b) make available Investment Options and a group annuity contract permitting investment in Pooled or Mutual funds managed by the Managers;
- c) provide the MPBC with a written annual credit rating report about the Bundled Service Provider and immediately inform them in writing of any credit changes;
- d) ensure that all deposits and investments of the Plan, governed by this document, are registered, or made in the name of the Plan or for its Individual Accounts;
- e) provide timely and accurate accounting of Members' investment records, process contributions and transactions, make payments and provide standard record keeping functions in pursuant of the agreements;
- f) provide to the MPBC, on an annual basis, certificates of compliance from the Managers of each Investment Option offered in the Plan and confirm compliance that the Manager is abiding by the underlying investment manager's investment policy statement for the mandate and complying with the applicable investment guidelines set out in the PBA and ITA;
- g) make available a report on a quarterly basis which details the performance of the Investment Options,
- h) inform the MPBC in writing of any changes in the investment platform offering including any additions or discontinuation of Investment Options;
- i) make available to the MPBC, on a monthly basis, a custodial report, which includes details of transactions during the month and details of the Investment Options held;
- j) assist the MPBC in providing information and education support to the Members in order to help them with their selection of Investment Options;
- k) for those Members who fail to make an active investment election, assign the contributions of those Members to the default Investment Option as prescribed in this SIP&P; and
- l) periodically review the inter-fund transfer activity of Members and report the frequency of such activity to the MPBC.

3.10 The **Managers** shall:

- a) manage the assets of the Investment Options, according to their investment mandates, subject to all relevant Applicable Regulations, and the constraints and directives contained in their own statements of investment policies and any supplementary document provided by the Bundled Service Provider;
- b) notify the Bundled Service Provider if at any point in time, an investment or group of investments, does not comply with their own underlying investment policy statements;
- c) invest the assets of the Pooled or Mutual or Segregated Funds with the care, diligence,

and skill that an investment professional would exercise in the investment of those assets; and

- d) adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct.

3.11 The **Consultant** shall:

- a) assist in evaluating the appropriateness of the Investment Options of the Plan and advise the MPBC on any issues related to the Investment Options or the Managers;
- b) assist in monitoring the performance of the Investment Options and their respective Managers and providing a report to the MPBC at least on an annual basis, or as needed;
- c) assist with the review and revision of this SIP&P as required;
- d) interface with the Bundled Service Provider and other delegates of the Plan, as required;
- e) assist the MPBC with selecting, replacing, or terminating Investment Options and their underlying Managers, as required; and
- f) provide other information, advice, and analysis as requested from time to time.

3.12 The **Members** shall:

- a) inform themselves of the risks and rewards of the Investment Options available in the Plan and understand the terms of the Plan;
- b) make investment decisions and decide on the allocation of the contributions to the Investment Options selected;
- c) consider the Investment Options that align with their respective investment time horizon, risk tolerance and any other goals or objectives for achieving their desired retirement income as Members bear all investment related risks;
- d) utilize the information, tools and resources made available to them in order to develop their unique retirement planning goals and to determine whether there may be a requirement to make voluntary contributions for the purposes of meeting personal retirement goals;
- e) rebalance their Individual Account by adjusting the allocation to the Investment Options selected;
- f) make decisions pertaining to their pension benefit options at termination of employment or at retirement; and
- g) consider obtaining investment, financial planning, and retirement planning advice from independent, qualified advisors.

Section IV: Investment Principles and Beliefs

Investment Structure

- 4.1 The University seeks to provide an investment structure that can assist Members with the accumulation and investment of the contributions made to the Plan. In order to support with this goal, the Plan will provide Members with a selection of Investment Options of varying degrees of risk and return strategies in order to accommodate a diverse range of individual needs, risk tolerance profiles, member demographic characteristics, and varying degrees of investment and financial knowledge.
- 4.2 As such, the following investment principles are considered:
- a) The menu of Investment Options is based on the prudent person portfolio approach, which recognizes the ability of a well-diversified portfolio to lower the risk of large losses and to reduce overall volatility.
 - b) The Investment Options will include single strategy funds across the traditional asset classes for those Members who have the investment knowledge or the desire to construct portfolios that reflect their own risk and return preferences.
 - c) The Investment Options will include prebuilt diversified portfolios such as a balanced fund or a suite of target date retirement funds for Members who do not have the time, knowledge, or desire to build and manage their own portfolios. The target date retirement funds provide Members professionally managed portfolios that are rebalanced automatically, and the asset allocation grows more conservative as the fund approaches its target retirement date.
 - d) Both active management and passive management offer different investment benefits, so each may be suitable for the Members. Active management, after investment management costs, can add value over passively managed index options within an asset class, while passive options can provide low cost, broad market exposure. In determining whether actively or passively managed funds should be offered for a given asset class, the MPBC will take into consideration typical Canadian market practices, attributes of each asset class and product availability as well as the Plan demographics.

Number of Investment Options

- 4.3 There should be a sufficient range of Investment Options in the Plan to permit each Member to customize an appropriate investment portfolio based on the Member's age, risk tolerance, and return objectives.
- 4.4 However, offering too many Investment Options can be counterproductive as it could potentially discourage Members from actively making an investment choice or impede effective communication to Members on their options.
- 4.5 Accordingly, the number of Investment Options shall range anywhere from 8 to 15 (counting the suite of target retirement date funds as a single option). The number of Investment Options may be reviewed and revised from time to time as needed.

Environmental, Social & Governance (ESG) Considerations

- 4.6 The MPBC recognizes that environmental, social and governance (“ESG”) considerations are becoming an important and developing area of focus in the context of registered pension plan assets. In addition, these considerations are viewed as an integral component of the University’s core beliefs as a First Nations institution.
- 4.7 As such, the menu of Investment Options available to the Members shall include at least one Investment Option that incorporates ESG considerations into its strategy for those Members seeking such exposure. The type of offering will depend on the range of options available within this category and the strategy as defined by the underlying Manager’s investment policy.
- 4.8 The MPBC’s primary obligation is to make decisions in the best interests of the Plan’s Members. As such, any measures taken to incorporate ESG considerations should not impair this primary obligation, nor should it conflict with the Board’s fiduciary duties.
- 4.9 The MPBC can add, remove or replace any Investment Options with such consideration at any time.
- 4.10 The MPBC may consider some or all of the following criteria when considering ESG oriented Investment Options that:
- a) address rights of the Indigenous Peoples through negative screening, positive integration, and shareholder advocacy;
 - b) seek appropriate disclosure on ESG issues from Managers in which the Plan invests in as deemed appropriate; and
 - c) communicate and inform Members on the nature of the EGS strategies including their related risk and return expectations.

Section V: Investments

Permitted Asset Classes

- 5.1 The following are permitted asset classes from which Investment Options can be selected for the Plan:
- a) Target retirement date funds or life cycle funds
 - b) Balanced or target risk profile funds
 - c) Canadian fixed income funds
 - d) Equities: Canadian equity, U.S. equity, International equity, Global equity funds
 - e) Money market funds
 - f) Guaranteed funds: Guaranteed investment certificates, Daily compound interest accounts

Diversification

- 5.2 The Investment Options offered by the Bundled Service Provider shall be in the form of Segregated Funds, which in turn may hold units of the underlying Pooled or Mutual funds managed by the Managers.
- 5.3 The Plan will offer Members access to a diverse range of asset classes, as represented in the Investment Options. Where more than one Investment Option is offered within a given asset class, the options should be clearly distinguishable and have different investment management styles.
- 5.4 The Investment Options offered shall be designed so that a Member may build a diversified portfolio or select a single diversified prebuilt option to match the Member's risk, return and retirement goals.
- 5.5 Members are permitted to invest in any or all of the Investment Options in any proportion as decided by the Member. Members may change their investment instructions for future contributions and existing assets at any time, subject to any short-term trading restrictions that may apply.

Default Option

- 5.6 In the event that a Member has not made an investment election, their Individual Account assets and all future contributions will be invested in the default option selected by the MPBC. The default option shall be the target retirement date fund that matures closest to the Member's 65th birthday. The Plan's default option is to be selected from the suite of 10 BlackRock LifePath Index Funds, which range in asset mix and gradually decrease in equity allocation as the Member approaches their target retirement date.

Compliance Reporting

- 5.7 At all times, the Manager will comply with the investment constraints and diversification requirements included in their respective investment policy documents and applicable laws

and regulations. The Bundled Service Provider shall ensure that the Investment Options offered, and the underlying Pooled or Mutual funds managed by the Manager comply with the applicable laws and regulations at all times.

- 5.8 The Bundled Service Provider shall provide a compliance certificate report to the MPBC at least annually. The compliance certificate will indicate whether the Managers were in compliance with their respective investment policies.
- 5.9 While this SIP&P is intended to guide the investment management of the Fund, it is recognized that, for Segregated or the underlying Pooled or Mutual funds held, there may be instances in which there is a conflict between this SIP&P and the investment policy statement of the Investment Option or its underlying fund. In such cases, the underlying fund's investment policy statement shall dominate.

Section VI: Selecting, Monitoring and Terminating Guidelines

Selecting Investment Options

- 6.1 The MPBC has selected the Investment Options for the Plan after due consideration and as part of its ongoing monitoring, the number of Investment Options available may be extended or reduced at any time.
- 6.2 In selecting the Investment Options to be offered under the Plan, the MPBC shall take into account its governance capabilities, industry trends, administrative feasibility, diversification, the benefits of active and passive management, and the fees as well as the expenses associated with the funds. In addition, the MPBC shall consider the University's underlying beliefs and values as a First Nations Institution.
- 6.3 Investment Option selection may consider all or some of the following criteria:
 - a) Each Investment Option must be eligible as a qualified investment according to Applicable Regulations;
 - b) Each Investment Option should adhere to the goals and objectives of the Plan as set out in this SIP&P;
 - c) The Investment Options are not overly complex so that the MPBC can periodically assess the characteristics of each Option;
 - d) The Investment Options can be liquidated into cash within a reasonable amount of time;
 - e) The level of risk associated with each Investment Option is not excessive when analyzed within the context of a Member's entire portfolio;
 - f) The Investment Options should include an appropriate default option;
 - g) Each of the Investment Options should be easily differentiated from every other Investment Option to facilitate communication to Members; and
 - h) The attributes of the Investment Options offered shall be reasonable. The qualitative and quantitative attributes shall include investment objectives, investment strategies, investment risks, the manager, historical performance, diversification, and reasonable market competitive fees.

Monitoring

- 6.4 As Members have individual goals and choose their own investments, there is no rate of return expectation for the Plan. The investment allocation is determined by the Members for all contributions made on their Individual Accounts, within the range of Investment Options offered by the Plan. The degree of portfolio diversification is thus determined individually by Member choice.
- 6.5 The MPBC shall review and evaluate the Investment Options, at least annually, on the basis of the respective underlying Pooled or Mutual fund or on a segregated fund basis where only the

segregated form is available.

- 6.6 The evaluation of the Investment Options involves both qualitative and quantitative factors as described in this Section. The benchmarks and performance objectives for the Investment Options are set out in Appendix A of the SIP&P.

Quantitative Evaluation

- 6.7 For the purpose of measuring rates of return of the actively and passively managed Investment Options, all returns shall be in Canadian dollars and measured before investment management fees, recordkeeping or administration fees and operating expenses, but after transaction costs.
- 6.8 The primary investment objective of each actively managed Investment Option shall be to achieve a rate of return equal to or greater, over a rolling four-year period, as stated by the underlying Manager's performance benchmark objective set out in Appendix A of the SIP&P.
- 6.9 As a secondary objective, each actively managed Investment Option is expected to achieve above median performance, over a rolling four-year period, relative to an appropriate universe of similar options for the respective asset class.
- 6.10 The investment objective of each passively managed Investment Option shall be to achieve a rate of return that is within the specified target tracking error range, over a rolling four-year period, as stated by the underlying Manager set out in Appendix A of the SIP&P.

Qualitative Evaluation

- 6.11 The MPBC shall evaluate the Managers on the following qualitative criteria:
- a) Overall adherence by a Manager to the mandate's investment policy with respect to each Investment Option managed by the Manager;
 - b) Consistency of a Manager's portfolio activities, style, and philosophy with its stated style and strategy;
 - c) The portfolio construction process, including the ability to efficiently manage the portfolio as measured by portfolio turnover and capacity management;
 - d) Risk management and return characteristics of the Investment Options;
 - e) The characteristics of the Manager's organization including ownership structure, litigation or violation of securities regulations, consistency of key personnel and their role in the investment decision-making process; and
 - f) Competitiveness of fees paid by Members

Terminating Managers and Investment Options

- 6.12 The following events could trigger a closer review or termination of the Manager with respect to each Investment Option:
- a) Persistent underperformance relative to its objectives set out in this SIP&P, though this alone may not be sufficient to terminate the Manager but could initiate a review;
 - b) Adverse change in the ownership of the firm or loss of key member(s) of the investment
 - c) Change in the process used by the Manager or its investment style;

- d) Change in the business focus of the Manager;
 - e) Uncompetitive fees relative to other available similar products;
 - f) Changes in the investment structure or beliefs of the Plan; and
 - g) Any other event deemed relevant by the MPBC or based on relevant recommendations or concerns expressed by the PBAC.
- 6.13 In the event that the Investment Option or underlying Manager fails to satisfactorily comply with the factors outlined in the SIP&P, the MPBC may, at its discretion, begin a process to further in-depth review the Investment Option, consider the inputs and recommendations from the PBAC, and may take any of the following actions:
- a) Establish a watch period for the Investment Option before additional actions are taken;
 - b) Supplement or replace the Investment Option with one or more alternatives;
 - c) Eliminate the Investment Option within the asset class offering; and
 - d) Any other action as the MPBC feels is appropriate under the circumstances.
- 6.14 The MPBC reserves the right to replace an Investment Option or underlying Manager at any time if such replacement is deemed to be in the best interest of the Members, without regard to whether the quantitative and qualitative standards set out above have been met. In such situations, the MPBC may seek inputs and recommendations from the PBAC as needed.

Section VII: Information Guidelines for Members

- 7.1 The Bundled Service Provider shall make available tools and resources such as the investment risk profile questionnaire to support Members in choosing their respective Investment Options.
- 7.2 Members should be periodically reminded to seek independent financial advice with respect to choosing their Investment Options or making any other decisions that may affect their retirement goals.
- 7.3 The MPBC and the PBAC, with the assistance of the Bundled Service Provider and the Consultant, shall ensure the following information with respect to Investment Options be made available to Members:
 - a) Description of the types of funds, including the default option;
 - b) Investment objectives, type of underlying investments holdings, and a description of the risk of each Investment Option;
 - c) Performance and benchmark statistics;
 - d) Asset allocation and portfolio statistics;
 - e) Fees and expenses; and
 - f) Glossaries and/or articles explaining general investment terms and concepts.
- 7.4 From time-to-time, the MPBC and the PBAC, through its Bundled Service Provider or Consultant, may supplement the above-mentioned information and decision-making tools with additional education and communication. The MPBC shall obtain inputs and recommendations from the PBAC as it relates to education and communication materials for the Members.
- 7.5 The Bundled Service Provider shall provide information and support to Members with respect to their Investment Option selections. However, the information and tools provided by the Bundled Service Provider shall not constitute investment advice to Plan Members.

Section VIII: Plan Expenses and Investment Fees

- 8.1 The MPBC shall monitor, on an annual basis, all fees and expenses paid by Members and undertake a review on a triennial or periodic basis, to evaluate the reasonableness of such fees and expenses.
- 8.2 The level of fees and expenses for the individual Investment Options will vary. Factors that contribute to this variation include: type of asset class managed, active or passive management, single or multi-manager structure, fixed or variable asset mix, geographic diversification, market capitalization, etc.
- 8.3 The cost related to the administration and investment of the Fund is charged to the participating Members based on their respective investment decisions.
- 8.4 The MPBC reserves the right to change its Plan fees and fee review processes at any time.

Section IX: General Provisions

Conflict of Interest and Disclosure Requirements

- 9.1 This standard applies to the University and the members of the MPBC, as well as to all agents employed by them, in the execution of their responsibilities under the Pension Benefits Act, 1992 (Saskatchewan) (the “Affected Persons”).

An “agent” is defined to mean a company, organization, association or individual, as well as its employees who are retained by the MPBC to provide specific services with respect to the investment, administration, and management of the Fund. The requirements set out here applies specifically to the Plan Fund but should be applied in conjunction with the Code of Conduct and Conflict of Interest Policy in effect.

In the execution of their duties, the Affected Persons shall disclose any material conflict of interest relating to them, or any material ownership of securities, which could impair their ability to render unbiased advice, or to make unbiased decisions, affecting the administration of the Fund.

Further, it is expected that no Affected Person shall make any personal financial gain (direct or indirect) because of his or her fiduciary position. However, normal, and reasonable fees and expenses incurred in the discharge of their responsibilities are permitted if documented and approved by the University.

No Affected Person shall accept a gift or gratuity or other personal favour, other than one of nominal value, from a person with whom the employee deals in the course of performance of his or her duties and responsibilities for the Plan.

It is incumbent on any Affected Person who believes that he or she may have a conflict of interest, or who is aware of any conflict of interest, to disclose full details of the situation to the attention of the MPBC immediately. The conflict disclosure shall be entered into the minutes of the meeting or, if disclosed in between meetings, will table the matter at the next regular meeting. The MPBC, in turn, will decide what action is appropriate under the circumstances as set out in the Code of Conduct and Conflict of Interest Policy in effect.

No Affected Person who has or is required to make a disclosure as contemplated in this SIP&P shall participate in any discussion, decision or vote relating to any proposed investment or transaction in respect of which he or she has made or is required to make disclosure, unless otherwise determined permissible by unanimous decision of the MPBC.

Lending of Cash and Securities

- 9.2 The Plan itself may not enter into cash or securities lending agreements, although the Investment Options may do so if their Segregated Fund or underlying Pooled or Mutual fund investment policies permit.

Liquidity of Investments

- 9.3 Virtually all Plan assets are invested in segregated Investment Options, which in turn may hold underlying Pooled or Mutual funds that are valued daily and redeemable daily.

Derivatives, Options, and Futures

- 9.4 The Plan itself may not invest directly in derivatives, options, and futures although the Investment Options may do so if their Segregated Fund or underlying Pooled or Mutual fund investment policies permit.

Voting Rights

- 9.5 The University has delegated voting rights, acquired through investments held in Pooled or Mutual funds to its Managers. The Managers are expected to exercise all voting rights in the interests of enhancing the value of the Pooled or Mutual funds. The Managers shall report, on a periodic basis, their voting policies to the Bundled Service Provider or the University. For Segregated Funds held, no voting rights are acquired, so there are no voting rights retained or delegated.

Valuation of Investments

- 9.6 The Managers of the Investment Options shall value the Pooled or Mutual fund units. The Bundled Service Provider shall value the Guaranteed Fund(s). All Investment Options offered under the Plan are valued daily.

Related Party Transactions

- 9.7 For the purposes of this section, a “Related Party” has the meaning as defined in Schedule III of the Regulations to the Pension Benefits Standards Act, 1985 (Canada). The Plan will only enter into a transaction with any Related Party on behalf of the Plan if:
- (i) the terms and conditions of the transaction are not less favourable to the Plan than market terms and conditions; and
 - (ii) it does not involve the making of loans to, or investments in, the related party.

The Plan may also enter into a Related Party transaction if the Related Party transaction is not material to the Plan, where material is defined as 1% of the market value of the Fund.

Section X: Policy Approval and Review

- 10.1 The MPBC shall review the SIP&P periodically in response to relevant changes in prudent investment practices or the external environment or when certain triggering events occur such as:
- a) governance changes;
 - b) changing investment beliefs;
 - c) changes to the membership demographics of the Plan;
 - d) new investment products;
 - e) changes to legislation;
 - f) any practical issues that arise from the application of the SIP&P; and
 - g) any other events deemed relevant by the MPBC.

**Approved and Adopted by
First Nations University of Canada Inc.**

Signature

Name

Title

Date

Appendix A

Investment Options and Performance Objectives

The Performance Objectives for each Investment Option reflects the following information:

- A rolling 4-year annualized performance objective for the actively and passively managed strategies as per the underlying Manager
- A \pm tracking error range for the passively managed index strategies as per the underlying Managers

Prebuilt Solutions

Investment Options	Performance Objective (Rolling 4-years)	Tracking Error Range
Target Retirement Date Funds		
BlackRock LifePath Retirement Fund	Manager Specific ¹	$\pm 0.50\%$
BlackRock LifePath 2020 Fund	Manager Specific ¹	$\pm 0.50\%$
BlackRock LifePath 2025 Fund	Manager Specific ¹	$\pm 0.50\%$
BlackRock LifePath 2030 Fund	Manager Specific ¹	$\pm 0.50\%$
BlackRock LifePath 2035 Fund	Manager Specific ¹	$\pm 0.50\%$
BlackRock LifePath 2040 Fund	Manager Specific ¹	$\pm 0.50\%$
BlackRock LifePath 2045 Fund	Manager Specific ¹	$\pm 0.50\%$
BlackRock LifePath 2050 Fund	Manager Specific ¹	$\pm 0.50\%$
BlackRock LifePath 2055 Fund	Manager Specific ¹	$\pm 0.50\%$
BlackRock LifePath 2060 Fund	Manager Specific ¹	$\pm 0.50\%$
Balanced Funds		
SRI Balanced Fund (Mackenzie)	Manager Specific ²	N/A
Balanced Pension Trust (Phillips, Hager & North)	Manager Specific ³	N/A

¹ The benchmark portfolios for the target date funds change over time. Longer dated funds will have greater equity allocations that the manager reduces over time. The benchmark asset mix includes exposure to any or all of the following asset classes: Canadian equities, U.S. equities, international developed and emerging market equities, Canadian fixed income, non-Canadian fixed income, real estate, alternative investments, cash & equivalents. The detailed benchmarks and allocation are provided in the Annual Investment Monitoring Reports provided by the Consultant.

² 30% S&P/TSX Composite Index, 25% MSCI World Index, 45% FTSE Canada Universe Bond Index

³ 20% S&P/TSX Capped Composite Index, 36% MSCI World Index (CAD, Net), 36% FTSE Canada Universe Bond Index, 1% FTSE Canada 30 Day T-Bill Index, 3% Canada CPI + 4%, 4% MSCI Emerging Market Index (CAD, Net)

Single Strategy Options

Investment Options	Performance Objective (Rolling 4-years)	Tracking Error Range
Canadian Equity		
Canadian Core Equity Institutional Fund (Fidelity)	S&P/TSX Capped Composite	N/A
Canadian Equity Index Fund (TDAM)	S&P/TSX Composite	± 0.08%
US Equity		
U.S. Equity Index Fund (TDAM)	S&P 500 (CAD, Net)	+0.20% to + 0.40%
International Equity		
International Equity Index Fund (TDAM)	MSCI EAFE (CAD, Net)	± 0.20%
Global Equity		
Global Equity Fund (MFS)	MSCI ACWI (CAD, Net)	N/A
Global Equity Index Fund (TDAM)	MSCI World ex-Cda (CAD, Net)	± 0.30%
Fixed Income		
Fixed Income Fund (TD Greystone)	FTSE Canada Universe Bond	N/A
Canadian Bond Index Fund (TDAM)	FTSE Canada Universe Bond	± 0.16%
Money Market		
Money Market (LK) Fund (Mackenzie)	FTSE Canada 91-day T-Bill	N/A