

Investment Objective

The goal of Vancouver Foundation's investment policy is to optimize total returns and maximize distributions consistent with the risk profile approved by the Board of Directors; while ensuring the protection of capital.

Investment Information

The funds you place with us are invested in one of two balanced funds from which you can choose: the Consolidated Trust Fund (CTF) or the Socially Responsible Investment Fund (SRI). The majority of funds held at Vancouver Foundation are invested in the CTF; the SRI is 5 years old and has positive and negative screens.

Investment Committee Roles

- Establish Investment Policy
- Establish Target Asset Mix
- Recommend Investment Managers
- Monitor Performance
- Adjust investment mandates
- Monitor disbursement rate
- Use Aon Consulting to advise on policy issues, manager selection and performance

2009 Investment Committee Members

- Gord MacDougall, CFA* - Chair
- Richard Whittall
- Craig Smith, CFA
- Floyd Murphy, CLU, CH.F.C.*
- Brian Kenning*
- Brian McDermott
- Jeff Dowle*
- Sid Fattedad, CGA
- Lisa M. Pankratz, FCA, CFA
- Dr. Robert Heinkel

*Board Member

Asset Classes

Asset Classes	Target Allocation (Range)*		December 31, 2008 Actual	
	CTF	SRI	CTF	SRI
Canadian Equities	22% (10-27)	15%	18%	11%
Global Equity	33% (15-38)	45%	33%	42%
Fixed Income	32% (25-45)	40%	35%	46%
Real Estate	6% (5-15)	-	6%	-
Mortgages	7% (3-10)	-	7%	-
Cash	0% (0-5)	-	1%	1%

**This is the interim target range. Longer term, the target allocation is 35% equities, 35% fixed income (including mortgages) and 30% alternatives (including real estate, infrastructure and market neutral hedge funds).*

Investment Managers (as of January 1, 2009)

CTF - Equities

- Phillips, Hager & North (Canadian)
- McLean Budden (Canadian)
- Wellington Capital (U.S.)
- Capital Guardian (Global)
- Alliance Bernstein (Global)

CTF - Fixed Income

- Phillips, Hager & North (fixed income)
- PIMCO (fixed income - core plus)

CTF - Real Estate/Mortgages

- GWL Investment Management Ltd. (real estate)

- Bentall Capital Management (real estate)
- PenCor Capital Corp. (mortgages)
- Bancorp Financial Services Inc. (mortgages)

SRI - Equities

- Genus Capital Management (Canadian)
- Genus Capital Management (Global)

SRI - Fixed Income

- Phillips, Hager & North

2009 Fund Details

	CTF	SRI
Fund Type	Balanced	Balanced
Inception Date	1943	2002
Total Assets	\$600 million	\$12 million
Total Fee	1.07% p.a.	1.10% p.a.
<i>Administration Cost</i>	<i>0.65% p.a.</i>	<i>0.65% p.a.</i>
<i>Recovery Fee</i>		
<i>Investment Fee¹</i>	<i>0.42% p.a.</i>	<i>0.45% p.a.</i>
Distribution	3%	3%
Distribution Allocation Frequency	Quarterly	Quarterly

Calendar Year Returns (%)

Year	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
CTF	-14.3	0.25	12.1	10.0	8.1	8.8	-8.3	-5.2	2.0	13.4
SRI	-12.4	-1.46	12.7	10.1	8.6	8.9	-	-	-	-

Calendar Year Distribution Rate (%)

Year	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
CTF/SRI	3.0	5.0	5.0	4.8	4.5	4.5	4.8	5.5	5.5	5.5	5.5

Investment Policy

[Click here to read our full Investment Policy](#)

¹ Please note: The investment fee is a direct cost recovery of the investment advisory fees charged to us by our money managers, custodian and investment consultants, and is charged proportionately to all funds. The estimated allocation to the SRI Fund is slightly higher in view of the current smaller size of the new portfolio and the added costs for SRI screening.