

# Investment Overview



When you establish a fund with Vancouver Foundation we pool your money with other donations, invest it prudently, and use a portion of the income generated by these investments to support hundreds of worthwhile charities throughout BC.

## Investment Objective

Vancouver Foundation's investment policy is designed to optimize total returns, maximize distributions (the portion of income from your fund that is given out annually) and, at the same time, protect the capital against inflation.

## Investment Options

When you create a fund with Vancouver Foundation you have two investment options:

1. The **Consolidated Trust Fund (CTF)** is a diversified balanced fund of equities, fixed income, real estate and multi-strategy funds. The majority of our funds are invested in the CTF.
2. The **Socially Responsible Investment (SRI) Fund** emphasizes companies that have strong environmental and social attributes, sound corporate governance, and screens out companies involved in the production of tobacco, military weapons and services, nuclear power utilities and uranium mining companies.

## Investment Committee

To ensure the goals of Vancouver Foundation are met, an Investment Committee of volunteers with extensive knowledge in the investment field provides oversight and monitors investment performance. This committee is comprised of the following members: David Christopher\* (Chair), Tom Bradley, Robert Heinkel, Lisa Pankratz\*, Dan Russell, Kelly Woodall, and Sabrina Liak. (\*member of Vancouver Foundation Board of Directors)

The responsibilities of the Investment Committee include:

- ▶ Reviewing the Investment Policy Statements
- ▶ Reviewing asset allocation
- ▶ Monitoring risk and return by fund and by manager
- ▶ Monitoring compliance
- ▶ Recommending appointment/termination of investment managers

## Fund Details

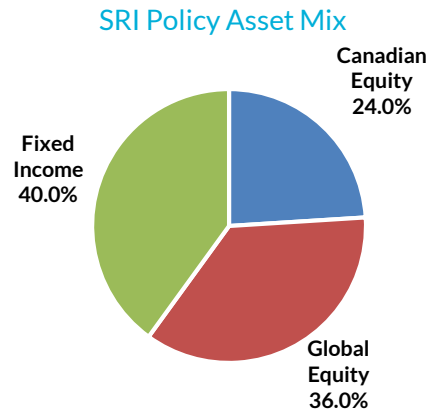
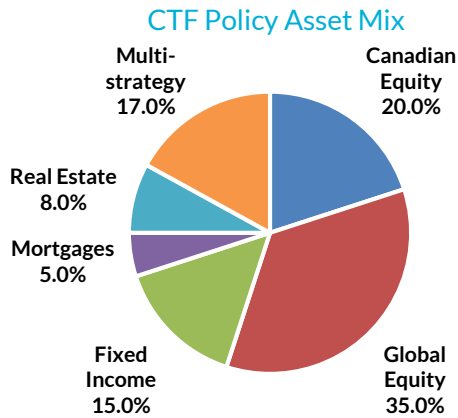
	CTF	SRI
Fund Type	Balanced	Balanced
Inception Date	1943	2002
Total Assets (June 30 <sup>th</sup> , 2017)	\$1.1 billion	\$10.7 million
Cost Recovery Fees (up to \$10 million)	1.15% annually	1.15% annually
Cost Recovery Fees (portion of fund over \$10 million)	0.8% annually	0.8% annually
Distribution Allocation Frequency	Quarterly	Quarterly

[Continued next page >](#)



## Asset Classes

To achieve the appropriate levels of risk exposure balanced against return expectations, our Investment Policy allocates investments to the following asset classes:



## Investment Managers

Vancouver Foundation employs a multi-manager and multi-asset class structure in our investment portfolio. By spreading our funds over multiple firms we can select best-in-class money managers based on their areas of expertise and diversify our holdings across various asset classes and geographies.

### Consolidated Trust Fund Managers

#### Equities

- ▶ Burgundy Asset Management (Can. & Global)
- ▶ CGOV Asset Management (Can.)
- ▶ Fidelity Investments Canada (Can.)
- ▶ Black Creek Investment Management (Global)
- ▶ Vanguard Investments (Global)

#### Fixed Income

- ▶ Phillips, Hager & North Investment Management
- ▶ PIMCO

#### Mortgages

- ▶ Greystone Managed Investments

#### Multi-Strategy Funds

- ▶ AQR Capital Management
- ▶ Polar Asset Management Partners
- ▶ PIMCO

#### Real Estate

- ▶ Bentall Kennedy
- ▶ Integrated Asset Management

### Socially Responsible Investment Fund Managers

#### Equities

- ▶ Guardian Ethical Management (Can. & Global)

#### Fixed Income

- ▶ Phillips, Hager & North Investment Management

## Investment Performance To June 30<sup>th</sup>, 2017 (% annualized)

	1 year	3 years	5 years	10 years
<b>CTF</b>	11.07	7.95	10.77	6.22
<b>SRI</b>	6.62	6.67	9.53	5.15

## Calendar Year Distributions

	2018	2017	2016	2015	2014
<b>CTF (\$ per unit)</b>	0.792	0.751	0.722	0.686	0.649
<b>CTF (Distribution as % of market value*)</b>	3.8%	3.8%	3.7%	3.7%	3.8%
<b>SRI (\$ per unit)</b>	0.797	0.759	0.720	0.673	0.400
<b>SRI (Distribution as % of market value*)</b>	3.8%	3.7%	3.6%	3.4%	2.3%

\*Based on market value as at June 30<sup>th</sup> of the prior year. Figures prior to 2017 are based on September 30<sup>th</sup> of the prior year.

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