

## **Information about the Investment Policy for the Carleton University Retirement Fund**

### What is the Investment Policy?

The Administrator of the Plan must establish a Statement of Investment Policies and Procedures (“SIPP”) that contains the investment policies and procedures in respect of the portfolio of investments that make up the Carleton University Retirement Fund (“the Fund”). The SIPP includes information about the responsible investing policy for the Fund. Environmental, social and governance (ESG) factors are incorporated into the Plan’s investment policies and procedures. Section 3.2 of the Appendix to the SIPP states:

### Responsible Investing

Carleton University (the “University”) provides pension benefits to its employees through the Carleton University Retirement Plan (“the Plan”). The primary goal of the Plan is to assist Plan beneficiaries in providing for a financially-secure retirement income at a reasonable cost. The University as Administrator under the *Pension Benefits Act*, has a fiduciary duty to act in the long-term best interest of the beneficiaries of the Plan. The Pension Committee (the “Committee”) in carrying out its functions per the Plan Text, also has a fiduciary responsibility to the Plan beneficiaries. The prudent and effective management of the Retirement Fund (“the Fund”) as described in this Statement has a direct impact on the achievement of this goal.

The development of this policy is guided by certain principles as they relate to responsible investing. These are:

- That the fund should be invested to achieve the best possible risk-adjusted rate of return on the Fund’s assets.
- That portfolio diversification is necessary to achieve these returns.
- That responsible corporate behaviour with respect to environmental, social and governance (ESG) factors can have a positive effect on long-term financial performance (to varying degrees across companies, sectors, regions, assets classes and time).
- That taking into account ESG issues may better align the portfolio with the interests of our stakeholders.
- That imposing constraints or negative screens on portfolio investments may increase risk or reduce returns or both.
- That stewardship by investors may be an effective way to encourage responsible corporate behaviour.

The University is a signatory to the United Nations-supported Principles for Responsible Investment (PRI) which are considered best practice in the area of responsible investing.

As a signatory, the University commits to the following Principles:

- Incorporate ESG issues into investment analysis and decision-making processes.
- Be an active owner and incorporate ESG issues into ownership policies and practices.
- Seek appropriate disclosure on ESG issues by the entities in which it invests.
- Promote acceptance and implementation of the Principles within the investment industry.
- Work together with other signatories to enhance its effectiveness in implementing the Principles.
- Report on its activities and progress towards implementing the Principles.

### Interested in more information about the SIPP?

The Statement of Investment Policies and Procedures (SIPP) for the Carleton University Retirement Fund is posted here: <https://carleton.ca/pfm>. The SIPP is also available as follows:

- You may obtain a paper or electronic copy of the SIPP by email ([pensionfund@carleton.ca](mailto:pensionfund@carleton.ca)) or call (613-520-3620) or submit a written request to the office of Pension Fund Management, 610 Pigiarkvik, Carleton University, 1125 Colonel By Drive, Ottawa ON K1S 5B6.
- In person at the office of the Superintendent of Financial Services Regulatory Authority of Ontario during business hours or by submitting a written request to the Superintendent’s office for a mail or electronic copy. You may be required to pay applicable fees. You can call (416-250-7250) or email ([pensioninquiries@fsrao.ca](mailto:pensioninquiries@fsrao.ca)), or write to them at this address: Pension Plans Branch, Financial Services Regulatory Authority of Ontario, 5160 Yonge Street, 16th Floor, Toronto ON M2N 6L9. <https://www.fsrao.ca/contact-us>

**CARLETON UNIVERSITY RETIREMENT PLAN FUND INTEREST RATES**

Period July 1 to 30-Jun	Annual Fund Rate %	Four Year Average Fund Rate%	Four-Year Average Minus 6% (1)	Average Annual Nat'l CPI%
For rates prior to 1995 please contact the Pension Fund Management office				
1995-1996	13.1076	11.6181	5.6181	1.87
1996-1997	20.5896	12.8848	6.8848	1.79
1997-1998	12.1280	15.0255	9.0255	1.18
1998-1999	4.2672	12.5231	6.5231	1.08
1999-2000	21.0300	14.5037	8.5037	2.42
2000-2001	-3.8069	8.4046	2.4046	3.05
2001-2002	-0.9552	5.1338	-0.8662	1.66
2002-2003	1.0500	4.3295	-1.6705	3.37
2003-2004	16.3794	3.1668	-2.8332	1.73
2004-2005	10.5392	6.7534	0.7534	2.08
2005-2006	7.8800	8.9622	2.9622	2.48
2006-2007	17.7586	13.1393	7.1393	1.77
2007-2008	-4.3945	7.9458	1.9458	2.18
2008-2009	-11.4398	2.4511	-3.5489	1.67
2009-2010	8.9516	2.7190	-3.2810	0.74
2010-2011	16.0132	2.2826	-3.7174	2.51
2011-2012	-1.2817	3.0608	-2.9392	2.40
2012-2013	15.4450	9.7820	3.7820	0.96
2013-2014	20.6382	12.7037	6.7037	1.43
2014-2015	8.7749	10.8941	4.8941	1.50
2015-2016	2.4220	11.8200	5.8200	1.42
2016-2017	12.6667	11.1255	5.1255	1.46
2017-2018	7.5666	7.8576	1.8576	1.89
2018-2019	4.1650	6.7051	0.7051	2.11
2019-2020	-0.4973	5.9753	-0.0248	1.48
2020-2021	24.5876	8.9555	2.9555	1.46
2021-2022	-6.3725	5.4707	-0.5293	5.54
2022-2023	11.7842	7.3755	1.3755	5.63
2023-2024	11.1069	10.2766	4.2766	3.13
2024-2025	14.8796	7.8496	1.8496	1.99
Adjustments for new retirees between August 1, 2021 to July 1, 2022 (note 1c)				
2022-2023	11.7842	7.4461	1.4461	5.63
2023-2024	11.1069	8.7228	2.7228	3.13
2024-2025	14.8796	10.9427	4.9427	1.99
Adjustments for new retirees between August 1, 2022 to July 1, 2023 (note 1c)				
2023-2024	11.1069	7.2767	1.2767	3.13
2024-2025	14.8796	9.4966	3.4966	1.99
Adjustments for new retirees between August 1, 2023 to July 1, 2024 (note 1c)				
2024-2025	14.8796	8.2199	2.2199	1.99

**(1) Pension Adjustments**

- (a) From July 1, 1982 onwards, the Annual Pension Adjustment formula equalled the four-year average Fund Rate less 6%.
- (b) Pension accrued after July 1, 2003 can increase or decrease based on the Annual Pension Adjustment formula. In periods where the Annual Pension Adjustment formula results in a negative number, the pension accrued prior to July 1, 2003 is not reduced, but subsequent increases are based on the pension as if it had been reduced.
- (c) The annual pension adjustment is applied each July 1st, following the period under review. After June 30, 2001, the Pension Adjustment formula was amended to use 6% as the Fund Rate for any pre-retirement year included in the formula.

**For complete details, please review your annual pension/benefit statement or refer to the Retirement Plan Text.**