

Inventory of Policy Changes – SAA Implementation

1) Total Fund

a) Asset Allocation

- i) Revise table to reflect current and new asset allocation as well as ranges (See below for summary of changes) - **Attachment 4 pg. 48, 49 of 10**

Current

Asset Class	Asset Segment	Target Allocation	Range Relative to Target Allocation
Growth - Public Equity	Total Public Equity	50%	+/-7%
Public Equity Segment 1	Cap Weighted	35%	-
Public Equity Segment 2	Factor Weighted	15%	-
Growth - Private Equity	Private Equity	8%	+/-4%
Income	Total Income	28%	+/-6%
Income Segment 1	Long Treasury	10%	-
Income Segment 2	Long Spread	15%	-
Income Segment 3	High Yield	3%	-
Real Assets	N/A	13%	+/-5%
Inflation Assets	N/A	0%	+3%/0%
Liquidity	N/A	1%	+3%/-6%

Proposed

Asset Class	Asset Segment	Target Allocation	Range Relative to Target Allocation
Public Equity	Total Public Equity	42%	+/-7%
	Cap Weighted	30%	-
	Factor Weighted	12%	-
Private Equity	Private Equity	13%	+/-5%
Income	Total Income	30%	+/-6%
	Treasury	5%	-
	Mortgage-Backed Securities	5%	-
	Investment Grade Corporates	10%	-
	High Yield	5%	-
	Emerging Market Sovereign Bonds	5%	-
Real Assets	N/A	15%	+/-5%
Private Debt	N/A	5%	+/-5%
Total Asset Exposure	N/A	105%	
Strategic Leverage	N/A	-5%	
Total		100%	

- ii) Update language to account for potential breach of ranges due to market volatility and lagged accounting of private assets – **Attachment 4 pg. 8 of 103**
- iii) Add language describing how liquidity will be managed and how sufficient liquidity is maintained - **Attachment 4 pg. 8 of 103**
- b) Investment Benchmarks
 - i) Revise PERF benchmark table to reflect Board approved SAA and benchmarks - **Attachment 4 pg. 51 of 103**
 - ii) Remove benchmark table for investment programs with no strategic allocation - **Attachment 4 pg. 51, 52 of 103**
- c) Investment Leverage
 - i) Reduce Active Leverage limit from 20% to 15% - **Attachment 4 pg. 14 of 103**
 - ii) Updated collateral language to allow for other securities permitted under industry-standard collateral agreements for derivative usage in the Asset Allocation Program - **Attachment 4 pg. 9 of 103**
 - iii) Simplify and more directly distinguish Active Leverage from Strategic Leverage to align with board reporting and prior communication regarding Financing and Liquidity while also moving certain technical measurement criteria to policy related procedures - **Attachment 4 pg. 14, 15, 16 of 103**
 - iv) Added reference to the Leverage Section within the Securities Lending Program - **Attachment 4 pg. 25 of 103**

2) Program Areas

- a) Private Debt (New Program): Incorporate new section into TF Policy with content based on core elements of the existing Opportunistic section of policy that has been built over last two years (majority of today's Opportunistic Program assets and strategies will transfer to Private Debt) - **Attachment 4 pg. 20, 21 of 103**
- b) Global Fixed Income (Existing Program): Revise existing GFI Policy to reflect the program becoming five distinct segments (Treasury, Mortgage-Backed, Investment Grade, Emerging Market Sovereign and High Yield) - **Attachment 6 pg. 2, 6, 7 of 8**
- c) Opportunistic (Existing Program): Private Debt related content removed, define Opportunistic investments, and added language requiring CIO approval for new strategies - **Attachment 4 pg. 57, of 103**

Inventory of Policy Changes – Administrative (Team reorganizations, Readability, Clean-up, Formatting) - **Attachment 4 pg. 35, 38, 52, 53, 54 of 103**