



## **Investment Policy of the Dawson College Foundation**

*(Adopted by the Board of Directors on February 1, 2024)*

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### **Overview:**

Dawson College plays a vital part of the Montreal community, educating and preparing thousands of people for the next phase of their lives, be it university or the workplace.

The College is recognized as being an exemplary post-secondary institution that embodies an outstanding culture of learning and fosters a climate of continuous improvement.

For over 50 years now, we have stood firm in our belief that every student deserves a chance, and our dedicated faculty and staff remain committed to providing a rich education both in and out of the classroom. Our philosophy is to educate the student as a whole person, so that our graduates are not only good students, but they are good citizens.

## **Purpose of Foundation:**

As Dawson College develops and grows, traditional government funding falls short.

The Dawson College Foundation (DCF) exists to assure access to an enriched learning experience. The Foundation looks for support from the internal and external community to supplement resources so that no valid Dawson College project goes unfunded.

Established in 2006 as a source of support for public education, the Foundation provides support to Dawson students through the **Awards and Scholarships** Program, financial aid, and by funding a host of innovative initiatives that enrich every Dawson student's life.

## **Portfolio Management:**

In 2019, the DCF Investment Committee created a request for proposal (RFP) outline for a future best-in-class management firm and 5 Canadian companies were asked for a RFP. The Committee evaluated the incoming proposals, presented results to the Board of Directors and the Board selected CC&L Private Capital Group to manage the DCF funds in April, 2020.

**Risk:** DCF's investment portfolio risk tolerance is medium and its investment objective is balanced.

**Investment Time Horizon:** Greater than 5 years

**Portfolio Strategy:** Portfolio strategy will be managed by CC&L Private Capital and implemented using pooled funds. This allows efficient asset class and security diversification along with cost-effective expenses including custody, transaction, recordkeeping, and valuation fees.

As referenced by CC&L Private Capital, the portfolio will be invested in proprietary pooled funds representing various asset classes (e.g. fixed income, equities) as determined by the tactical asset allocation decisions of CC&L Private Capital and implemented in accordance to our Portfolio's investment objective and constraints. The asset allocation may be adjusted from time to time based on market conditions and/or changes to the investment objective. The Portfolio will be managed on a total return basis (including interest, dividends and capital growth).

We have chosen to have each account managed to the same asset allocation strategy instead of using a process to distribute selected investments across various account types.

**Liquidity Needs & Income Requirements:** The majority of the investments held in our Portfolio are liquid to meet DCF spending requirements.

**Ongoing Investment Review:** CC&L Private Capital may, at any time, adjust the Portfolio's asset allocation to reflect the opportunities and risks they anticipate in the capital markets. This forms part of an ongoing asset allocation review process that can also accommodate changes to our personal circumstances. As such, the asset class weighting in our actual Portfolio may vary considerably.

**Ethical Standards – Management Group:** CC&L Private Capital adheres to the Code of Ethics and Standards for Professional Conduct of the CFA Institute and is a signatory to the United Nations-supported Principles for Responsible Investment. Negative and positive screening guidelines come from this document (See Appendix).

**Reporting:** The DCF will receive quarterly reports from CC&L Private Capital that clearly show the performance of the Portfolio over various time intervals. The reports also contain details of investment strategy, any changes to the asset allocation of the Portfolio, and a list of securities held in the Portfolio.

**Investment Committee Makeup:**

- The DCF has formally established an active investment committee on December 16, 2019.
- The DCF Investment Committee is made up of at least one Dawson faculty member, one Dawson non-faculty member, a Dawson student representative, and a Dawson management and/or an external representative

**Investment Committee Responsibilities:**

- Establish and review annually the implementation of the objectives of the Responsible Investment Policy
- Monitor, at least quarterly, the financial performance, time horizon, and risk results of the Policy and DCF investments
- Ensure the investment policy is a public document and socially responsible investments totals are public
- Evaluate investment manager's performance based on DCF objectives annually
- Monitor proxy voting activity by CC&L Private Capital, and with respect to any assets directly held by the DCF, identify any proxy voting decisions requiring action.

**Responsible Investment Policy:**

As Dawson College is recognized as a leader in sustainability and has a core value of well-being for all, its investments should align with ESG guidelines.

- The DCF's investments will be managed in accordance with the Responsible Investing guidelines of the managing firm and this Policy

- In compliance with Dawson’s carbon neutral forever initiative, the DCF, in association with the Dawson Office of Sustainability, will submit and offset the GHG emissions from all investments and submit associated data annually to the Office of Sustainability for reporting purposes.
- A preferred 100% of investments, but a minimum limit of 60% of investments at any given time, will be in socially responsible investments.

These investments may be found in any asset class and may include, but are not limited to renewable energy, sustainable infrastructure, reforestation, low carbon funds, increase and protection of biodiversity, and sustainable real estate.

### **Permitted Investments**

Investment managers are bound by the guidelines and restrictions set out in their own management firm mandates and this policy.

### **Proxy Voting Policy**

The DCF adopts and subscribes to the Voting Rights Policy of CC&L with respect to the assets under their management.

With respect to any assets which may from time to time be directly held by the DCF, the Investment Committee shall monitor any decisions which may require action by proxy, and if necessary and appropriate, exercise any rights to vote in accordance with the principles of Responsible Investing adopted in the present Policy. Any action concerning such assets shall be limited to exercising the right to vote by proxy, and shall respect the rules governing the activities of registered charities.

### **Conflict of Interest & Disclosure Requirements**

Members of the Investment Committee shall be subject to the same rules governing the obligations of DCF directors, namely Articles 321-329 of the Civil Code of Quebec applied making any necessary textual adaptations.

## Appendix

### United Nations Principles of Responsible Investments

**The six Principles for Responsible Investment offer a menu of possible actions for incorporating ESG issues into investment practice.**

*The Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system.*

#### Signatories' commitment

“As institutional investors, we have a duty to act in the best long-term interests of our beneficiaries. In this fiduciary role, we believe that environmental, social, and corporate governance (ESG) issues can affect the performance of investment portfolios (to varying degrees across companies, sectors, regions, asset classes and through time).

We also recognise that applying these Principles may better align investors with broader objectives of society. Therefore, where consistent with our fiduciary responsibilities, we commit to the following:

- **Principle 1:** We will incorporate ESG issues into investment analysis and decision-making processes.
- **Principle 2:** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- **Principle 3:** We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- **Principle 4:** We will promote acceptance and implementation of the Principles within the investment industry.
- **Principle 5:** We will work together to enhance our effectiveness in implementing the Principles.
- **Principle 6:** We will each report on our activities and progress towards implementing the Principles.

The Principles for Responsible Investment were developed by an international group of institutional investors reflecting the increasing relevance of environmental, social and corporate governance issues to investment practices. The process was convened by the United Nations Secretary-General.

In signing the Principles, we as investors publicly commit to adopt and implement them, where consistent with our fiduciary responsibilities. We also commit to evaluate the effectiveness and improve the content of the Principles over time. We believe this will improve our ability to meet commitments to beneficiaries as well as better align our investment activities with the broader interests of society.

We encourage other investors to adopt the Principles.”