



Summary of Investment Policy Changes

Area	Current Policy March 2022	Proposed Policy Updates March 2026	Financial Rationale / Implication
Definitions and governance roles	Definitions / roles were less explicit in places	Expanded definitions and clarified governance roles, delegation and accountability	Reduces operational and compliance risk by clarifying authority, responsibilities and decision points (supports consistent execution and auditability)
Structured deposit products / Principal Protected Notes (PPNs)	No specific policy detail on structured deposits	Updated parameters and minimum requirements for structured deposits (e.g., market-linked Guaranteed Investment Certificates, PPNs), subject to legislative permissibility and diversification limits	Improves decision discipline and documentation for complex products while maintaining diversification controls (including a 25% portfolio cap on structured deposits / PPNs, measured on principal). <i>(Potentially enables improved risk-adjusted outcomes; actual use remains case-by-case.)</i>
Schedule A / credit-risk monitoring	Credit-risk monitoring and rating interpretation were less prescriptive	Updated Schedule A and credit-risk monitoring practices, including using the lowest available rating where multiple ratings exist	More conservative eligibility assessment: may reduce counterparty credit risk and tighten allowable exposures
Schedule B / diversification and exceptions	Diversification limits and exceptions were previously split across two tables (short- and long-term portfolios)	Consolidated diversification limits into one total portfolio-level table and strengthened exception management and reporting.	Clearer consolidated view of limits; strengthens exception governance Consolidates limits and strengthens exception governance. Adjusts select caps (for example, Schedule I deposits 65% to 75%; Municipal Finance Authority products 30% to 35%) to support consolidated cash management and reduce temporary timing-driven breaches
Reporting, performance objectives and benchmarks	Annual Chief Financial Officer reports to the Finance Committee identifying holdings and policy deviations; benchmark set and reported in the annual investment performance report	Expanded annual reporting on holdings, compliance (Schedule B), exceptions, and material credit risks; clarified the net-of-costs return objective; formalized portfolio-aligned benchmarks with periodic review and annual variance reporting	Strengthens oversight, transparency, and early-warning governance; improves performance comparability and accountability (including clearer explanations of material variances and changes in risk/liquidity / constraints)