

The word "Calgary" in white sans-serif font on a red rectangular background.

AC2024-0460
ATTACHMENT 2



2023 Annual Investment Report

Corporate Planning & Financial Services

All figures and returns are stated in Canadian dollars unless otherwise noted



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Capital Markets Review

2023 began with caution, following the first year on record that saw double-digit negative returns for both fixed income investments and equities, and was marked by significant volatility as investors navigated the changing economic environment. Despite potential headwinds from geopolitical instability, especially in the Middle East, the year closed strongly, with positive returns across almost all asset classes as confidence in an economic soft landing increased.

Hawkish monetary policy continued into mid-2023, with the Bank of Canada and US Federal Reserve raising target interest rates by 75 and 100 basis points, respectively, before indicating an end to the hikes as inflation showed signs of normalization; in Canada, the inflation rate declined from 6.8% in 2022 to 3.9% in 2023.

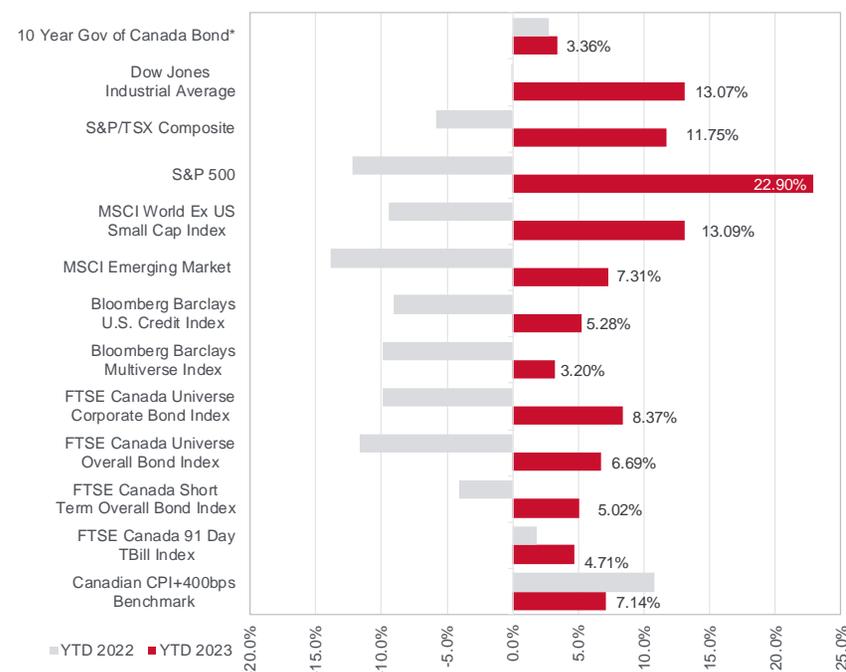
Equity returns in 2023 were strong, with the MSCI All Country World Index returning 18.9%. Equity returns were themselves dominated by American ‘mega-cap stocks’, particularly in the information technology sector, leading the S&P 500 to a return of 22.9%. The year was marked by the outperformance of large-caps over small-caps, the US over the world, and the developed world over emerging markets, reflected in relatively stronger returns for The City of Calgary (The City)’s core equity mandates.

Canadian bond returns were positive in 2023, driven by declines of 10 to 25 basis points in Canadian longer-term bond yields year-over-year. The FTSE Canada Universe Bond Index returned 6.7% for the year, while short-term bond returns were slightly lower, with the FTSE Canada Short Term Bond Index returning 5.0%, as higher yields were offset by unfavourable moves on the short side of the yield curve. Investment income earned by The City’s investment portfolio was able to offset realized capital losses.

Crude oil was rangebound for most of 2023 with a moderate spike in price in September and subsequently falling to close the year 10.7% lower. The Canadian dollar strengthened against the US dollar (USD) by 2.4%, driven largely by broad USD weakness in anticipation of dovish monetary policy, and showed strength relative to most major global currencies except the Euro, pound sterling, and Swiss franc.

Sources: CC&L, Refinitiv, BNP, Government of Canada

2023 Capital Market Returns



*Yield as at December 31, 2023
Source: CIBC Mellon, eVestment, Government of Canada, Refinitiv

Investment Objectives

The City of Calgary has three core investment objectives that drive all strategic investment decisions:

1. Preservation of Capital

- a. Primary objective for total investment portfolio

2. Risk Mitigation

- a. Diversification of asset classes and security holdings by sector, geography, and style
- b. Policy constraints and limits

3. Investment Returns

- a. Maximization of returns, relative to risk
- b. Key considerations related to liquidity and investment time horizon requirements

Sources of Investments

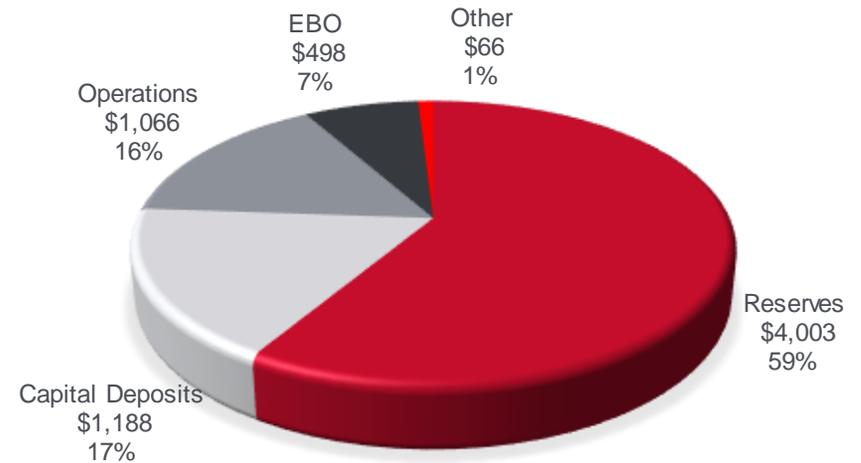
The City of Calgary invests funds from the following sources:

- Reserves: operating, capital and sustainment
- Capital Deposits: off-site levies and government grants
- Funded Employee Benefit Obligations (EBO)
- General Operations
- Other: trusts and affiliated entities

Each source of funds has its own objectives, constraints, target asset mix, and income allocation rules for that fund. The composition of the full portfolio is determined by the aggregation of these individual policies according to the proportion that each source contributes.

Portfolio Composition

As at December 31, 2023 (\$ millions)



Summary of Investments

Total Assets Under Management

As at December 31, 2023, the market value of The City's total investment portfolio was \$6.82 billion, an increase of \$588 million from \$6.23 billion in the previous year, predominantly due to strong returns in both the equity and fixed income sectors.

Market value and cost – last five quarters

\$ millions

Market value	Q4/23	Q3/23	Q2/23	Q1/23	Q4/22
Internal Management					
Short Term Liquidity	1,237	1,679	1,693	1,117	1,448
External Management					
Short Term Fixed Income	1,921	2,011	2,038	1,902	1,819
Universe Fixed Income	2,394	1,887	1,898	1,904	1,836
Equities	751	695	704	684	643
Real Assets	475	491	478	480	451
Currency Overlay	43	36	42	36	35
Total	6,820	6,799	6,853	6,121	6,232

Cost	Q4/23	Q3/23	Q2/23	Q1/23	Q4/22
Internal Management					
Short Term Liquidity	1,237	1,679	1,693	1,117	1,448
External Management					
Short Term Fixed Income	1,944	2,105	2,107	1,950	1,900
Universe Fixed Income	2,458	2,091	2,032	2,013	1,994
Equities	697	689	689	686	692
Real Assets	474	467	462	432	416
Currency Overlay	29	35	38	37	43
Total	6,839	7,066	7,021	6,234	6,492

Totals may not add due to rounding.

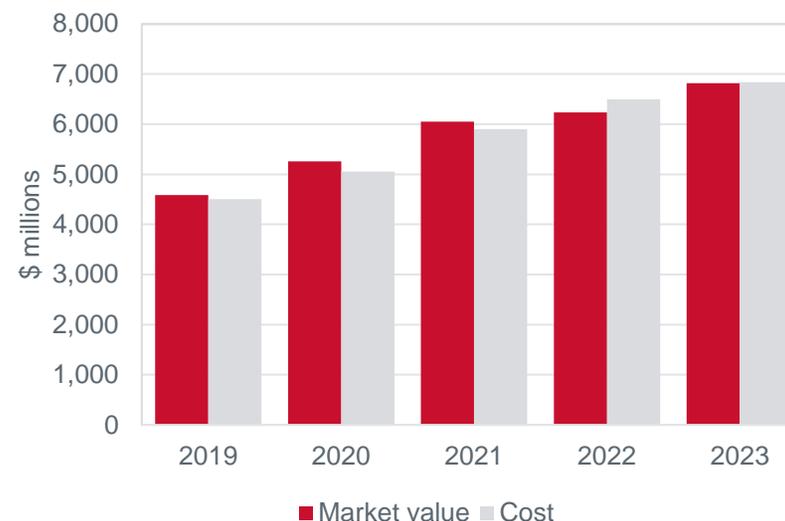
Growth in Investments

The City's investment portfolio has grown by \$2.24 billion since year end 2019. Approximately 70 per cent of this increase was driven by additions to sources of capital, with the remainder deriving from investment returns.

Going forward, the rate of asset growth will depend on contributions to and withdrawals from reserves, investment returns, and major capital projects.

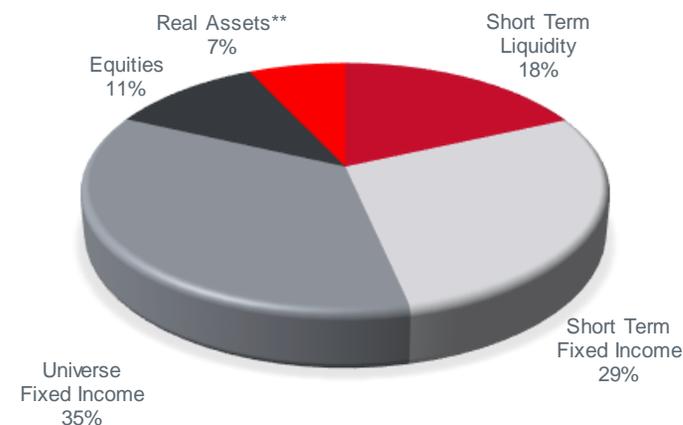
Due to the strong returns from equities and fixed income, unrealized losses decreased from \$260 million at year end 2022 to \$19 million at year end 2023.

Year-End AUM



Investment Allocation

Portfolio Manager/mandate	Market Value (\$ millions)	Allocation %
Short Term Liquidity	1,236.9	18.3%
Short Term Liquidity	1,236.9	18.3%
Short Term Fixed Income	1,921.0	28.3%
Short Term Universe Bonds	1,297.6	19.1%
PH&N Short Term	454.1	6.7%
CC&L Short Term	359.0	5.3%
Short-Term Bonds (Internal)	484.5	7.1%
Canadian Commercial Mortgages	623.4	9.2%
PH&N Mortgage	374.2	5.5%
Addenda Mortgage	132.2	2.0%
Sun Life Mortgage	117.1	1.7%
Universe Fixed Income	2,393.8	35.3%
Universe Bonds	1,071.8	15.8%
PH&N Universe	454.1	6.7%
CC&L Universe	456.6	6.7%
BlackRock Universe	161.0	2.4%
Global Bonds	944.7	13.9%
Pimco	391.6	5.8%
Manulife	355.3	5.2%
BlackRock FIGO	197.8	2.9%
Private Credit*	377.3	5.6%
Sun Life PFIP	176.5	2.6%
Bridgepoint BDL II	61.1	0.9%
Crestline SLF II	28.2	0.4%
Crestline SLF III	37.1	0.5%
Brookfield BID III	36.6	0.5%
Bridgepoint BDL III	37.8	0.6%
Equities	750.8	11.1%
Vanguard US ETF	328.4	4.8%
CC&L - International	208.0	3.1%
Wasatch Small Cap	118.1	1.7%
Ashmore Emerging Market	96.3	1.4%
Real Assets**	474.7	7.0%
Northleaf NICP II & NSIP	138.1	2.0%
CBRE GIF	152.7	2.3%
Brookfield IM	74.7	1.1%
Northleaf NICP III	51.1	0.8%
BlackRock GRP III	58.2	0.9%



As at December 31, 2023, Source: The City of Calgary, State Street, CIBC Mellon

*Private Credit AUM does not include committed capital not yet deployed (\$86 million)

**Real Assets AUM does not include committed capital not yet deployed (\$200 million)

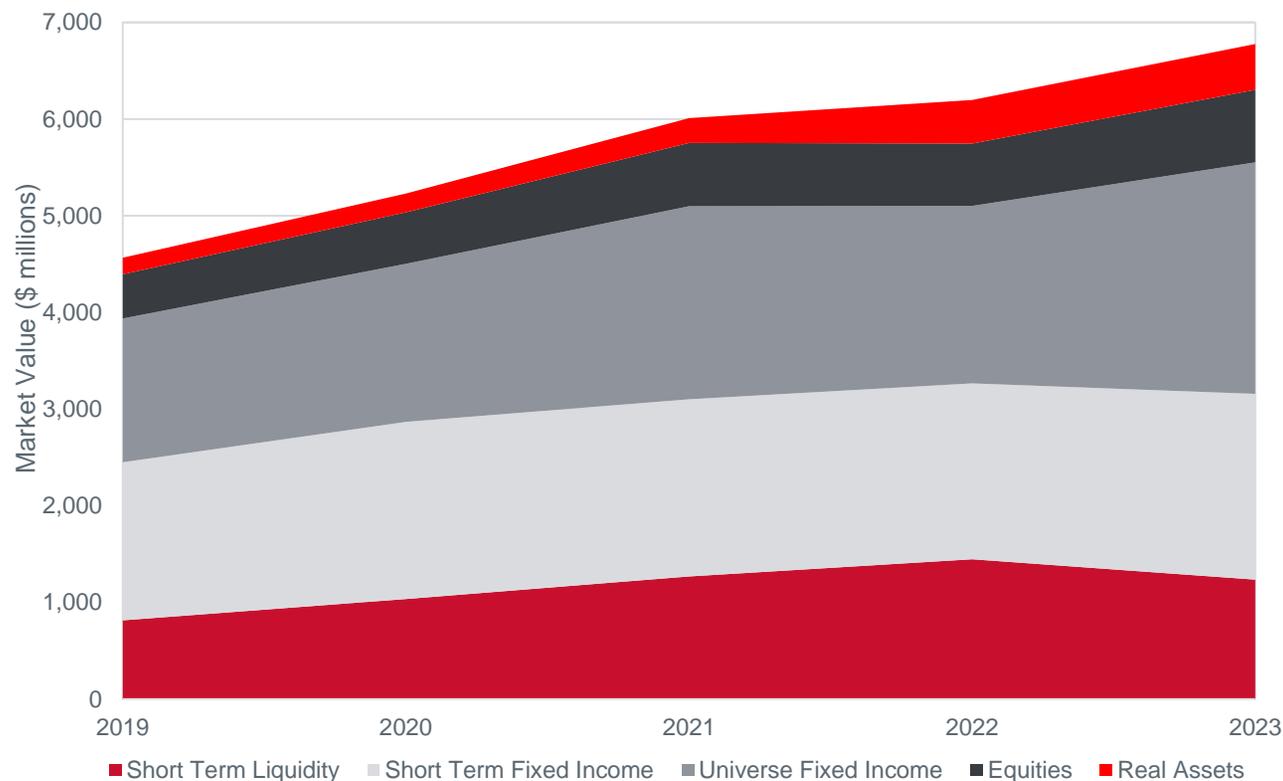
Investment Allocation (cont.)

The City of Calgary’s investment policy was updated in 2020 to revise the aggregate asset mix to help mitigate investment risks and increase risk-adjusted returns. The market value of The City of Calgary’s consolidated investment portfolio has increased from \$4,584 million at year end 2019 to \$6,820 million at December 31, 2023.

The strategic direction over this period has been to increase allocations to longer-term asset classes, which grew from 56 per cent of the total portfolio to 63 per cent of the total portfolio (excluding the Short Term Liquidity Portfolio). The largest of these is the Universe Fixed Income portfolio, which has increased from a market value of \$1,456 million to \$2,394 million. Private Credit allocations within the Universe Fixed Income portfolio have risen from \$209 million to \$337 million (excluding \$86 million of committed capital not yet deployed). Further, the Real Assets portfolio has grown from \$171 million to \$475 million (excluding \$200 million of committed capital not yet deployed).

Looking forward, The City will continue to grow its exposure to longer-term asset classes through new and existing commitments, while continuing to maintain sufficient liquidity to fund operations, and ongoing and near-term projects.

Investment Allocations



Investment Performance (% , net of fees)

Historical Performance

	Annualized Returns				Annual Returns				
	1 Year	3 Years	5 Years	ITD	2023	2022	2021	2020	2019
The City of Calgary Consolidated*	7.61	1.02	3.17	2.71	7.61	-6.14	2.06	6.53	6.46
Benchmark	7.35	0.56	2.73	2.34	7.35	-6.46	1.28	6.65	5.55
Value Added	0.26	0.46	0.44	0.37	0.26	0.32	0.79	-0.12	0.91
Short Term Liquidity*	5.19	2.85	2.54	1.94	5.19	2.54	0.85	1.79	2.38
Benchmark	4.71	2.22	1.83	1.31	4.71	1.82	0.17	0.86	1.65
Value Added	0.48	0.63	0.71	0.63	0.48	0.73	0.68	0.93	0.73
Short Term Fixed Income	5.63	0.54	2.08	2.19	5.63	-3.78	0.00	5.93	2.95
Benchmark	5.02	-0.06	1.56	1.78	5.02	-4.05	-0.93	5.19	2.89
Value Added	0.61	0.60	0.52	0.41	0.61	0.26	0.94	0.75	0.06
Universe Fixed Income	6.98	-0.94	2.54	2.72	6.98	-8.55	-0.63	8.53	7.43
Benchmark	6.69	-2.13	1.55	2.21	6.69	-9.77	-2.59	8.23	6.45
Value Added	0.29	1.19	0.99	0.51	0.29	1.23	1.96	0.30	0.98
Equities	17.23	3.30	7.69	7.79	17.23	-16.09	12.07	5.98	23.99
Benchmark	18.92	6.97	12.08	9.45	18.92	-12.43	17.53	14.80	25.88
Value Added	-1.69	-3.67	-4.39	-1.66	-1.69	-3.66	-5.46	-8.82	-1.89
Real Assets	7.90	10.06	11.11	8.60	7.90	12.41	9.92	6.41	19.39
Benchmark	5.05	7.81	7.58	7.07	5.05	8.37	10.43	1.28	14.19
Value Added	2.85	2.25	3.53	1.53	2.85	4.04	-0.51	5.13	5.19
Currency Hedge Overlay	0.45	0.30	0.64	0.19	0.45	-0.58	1.02	0.73	1.62
Benchmark	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Value Added	0.45	0.30	0.64	0.19	0.45	-0.58	1.02	0.73	1.62

* The City of Calgary's Consolidated and Short Term Liquidity performance excludes High Interest Savings Accounts (HISA). The estimated returns, including HISA, for The City of Calgary Consolidated and Short Term Liquidity portfolios for 2023 are 7.29% and 5.36%, respectively.

Source: State Street, The City of Calgary

Performance Measurement Benchmarks

The investment performance of all funds is reported to the Investment Advisory Committee on a quarterly basis and presented annually to The City's Audit Committee. Investment benchmarks* are used for comparison purposes to assess the actual performance of The City's investment managers versus their respective performance benchmarks. Active investment managers are expected to generate higher returns (net of fees) than the benchmark measure over a business cycle.

Short Term Fixed Income Portfolio

- FTSE Canada Short Term Bond Index (Addenda, Connor, Clark & Lunn (CC&L), Phillips, Hager & North (PH&N), Internal Short Term Bonds, Sun Life)

Universe Fixed Income Portfolio

- FTSE Canada Universe Bond Index (BlackRock, PH&N, CC&L)
- Bloomberg US Credit Index (PIMCO)
- Bloomberg Capital Multiverse Index Unhedged (\$ CAD) (Manulife)
- Bloomberg Global Aggregate Bond Index (BlackRock)
- FTSE Canada Universe Corporate Bond Index (Sun Life)
- MorningStar US Leveraged Loan Index + 200 bps (Crestline, Brookfield)
- MorningStar European Leveraged Loan Index + 200 bps (Bridgepoint)

Equity Portfolio

- MSCI All Country World Index (ACWI) ex-US Index (CC&L)
- S&P 500 Total Return Index (Vanguard US)
- MSCI Emerging Market (EM) Index (Ashmore)
- MSCI World Small Cap Index (Wasatch)

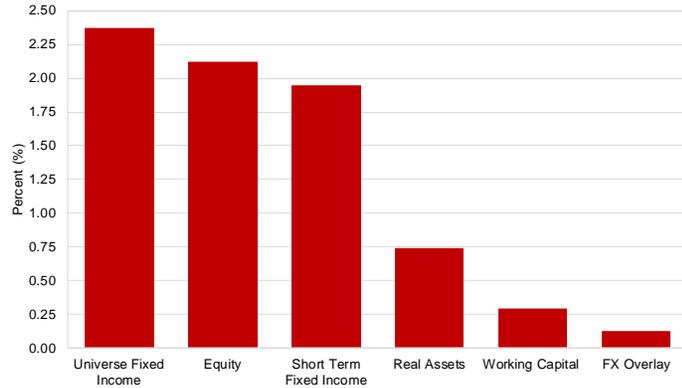
Real Assets

- Consumer Price Index (CPI) + 400 bps (Northleaf, Northleaf US, BlackRock GRP, CBRE CGIF)
- FTSE Global Core Infrastructure 50-50 Index (Brookfield)

* Please refer to Appendix 2 for the disclaimer of the benchmarks

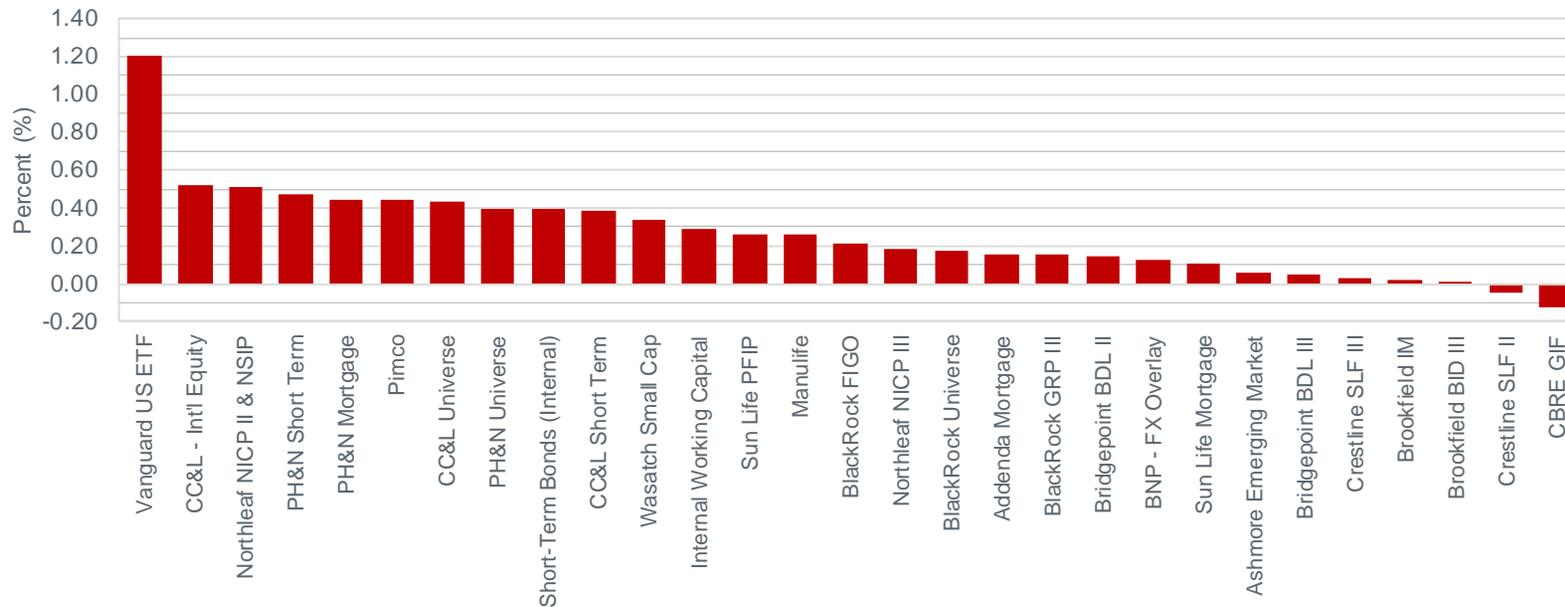
Contribution to Return

Portfolio Contribution to Return – 2023



- The City of Calgary’s consolidated portfolio return in 2023 was 7.61%
- The combination of higher yields and a decrease in interest rates led to higher returns in both Short- and Universe Fixed Income, which were significant contributors to the portfolio’s total return
- Relative to its weight, equity was the greatest contributor to the returns of The City’s portfolio

Mandate Contribution to Return – 2023



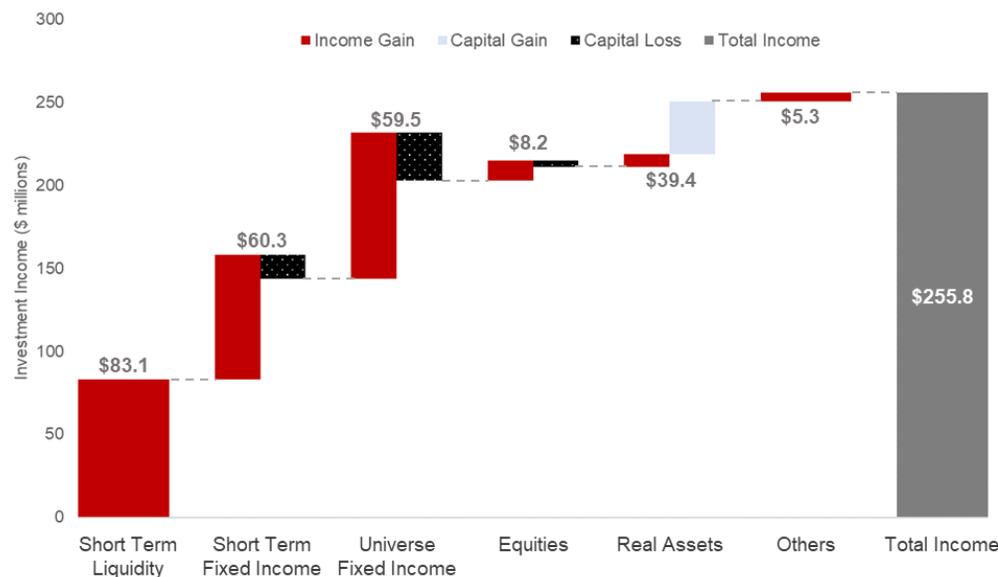
Investment Income

In 2023, The City of Calgary’s total portfolio generated \$255.8 million of investment income before expenditures and allocations. Investment income varies from investment return because it is calculated based on interest, dividends, and realized capital gains and losses. This excludes unrealized gains and losses, which constituted approximately half of the portfolio’s return in 2023. Corporate Total Investment Income was primarily attributable to high yields in fixed income portfolios. As The City’s investments have grown, expenditures, including investment management fees paid to external investment managers and interest expenses for the commercial paper program, have increased.

Investment Income (\$ millions) for the years ended December 31	2017	2018	2019	2020*	2021	2022	2023
Corporate Total Investment Income	125.6	73.6	211.5	167.7	168.1	160.2	255.8
Expenditures (net of receivables)	7.0	2.4	7.0	11.2	17.0	19.5	33.8
Available Income for Allocation	118.6	71.2	204.5	156.6	151.1	140.7	222.0
Allocations to Self-Supporting Business Units and Capital Deposits	40.2	22.0	43.1	52.0	48.5	34.6	64.3
Transfers to Reserves from Operations	27.2	19.0	41.0	47.0	43.1	31.3	59.3
General Investment Income	51.2	30.2	120.4	57.6	59.4	74.7	98.4

*In 2020, the overall investment portfolio generated a general investment income of \$57.6 million versus the budgeted income target of \$36 million, and an excess income of \$21.6 million was allocated to the Established Area Growth Change Strategy Reserve. Prior to 2022, expenditures did not include embedded management fees for externally managed strategies. See “Expense Management” on p.28 for details.

Investment Income – 2023



Short Term Liquidity

Investment Objective

To generate investment income while preserving capital and providing liquidity for the cash flow requirements of all The City's funds.

Performance (% net of fees)

For the year ended December 31, 2023

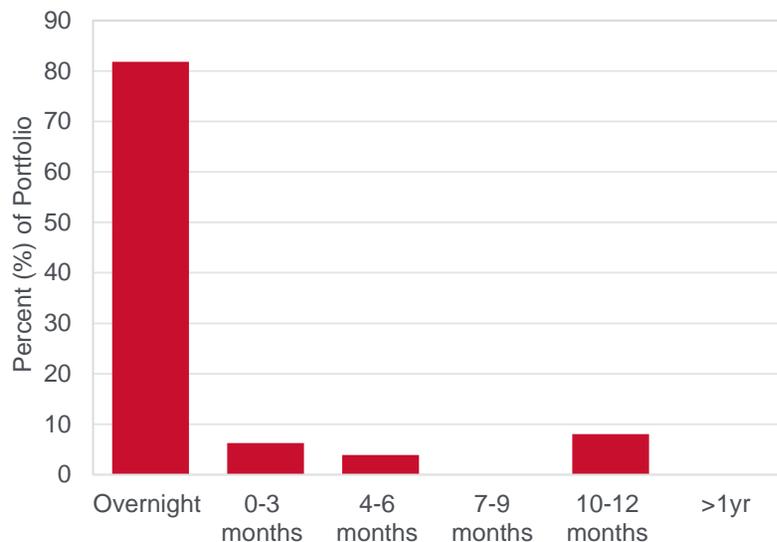
	Annualized Returns			
	1 Year	3 Years	5 Years	ITD
Short Term Liquidity	5.19	2.85	2.54	1.94
Benchmark	4.71	2.22	1.83	1.31
Value Added	0.48	0.63	0.71	0.63

Benchmark: FTSE Canada 91 Day Treasury Bill Index

*Returns are Term Deposits only. The estimated return, including returns from HISA, for 2023 is 5.36%.

Portfolio Maturities

As at December 31, 2023



Assets Under Management

	\$ millions
Term Deposits	305.0
High Interest Savings & High Interest Notice Accounts	931.9
Closing Net Asset Value - Dec 31, 2023	1,236.9

This portfolio was partially funded by up to \$300.0 million of outstanding commercial paper issued by The City.

Positioning

The Short Term Liquidity Portfolio invests in a combination of corporate and bank paper, term deposits, and short-term government and corporate bonds. All investments in the Short Term Liquidity Portfolio mature in one year or less. In 2023, cash balances declined as the longer-term fixed income investments became relatively more attractive, leading to reallocation from the Short Term Liquidity Portfolio to other fixed income portfolios. Nonetheless, The City continued to receive high rates for holding cash.

Investment Highlights

The internally managed Short Term Liquidity Portfolio returned 5.2% in 2023, exceeding the benchmark return of 4.7%.

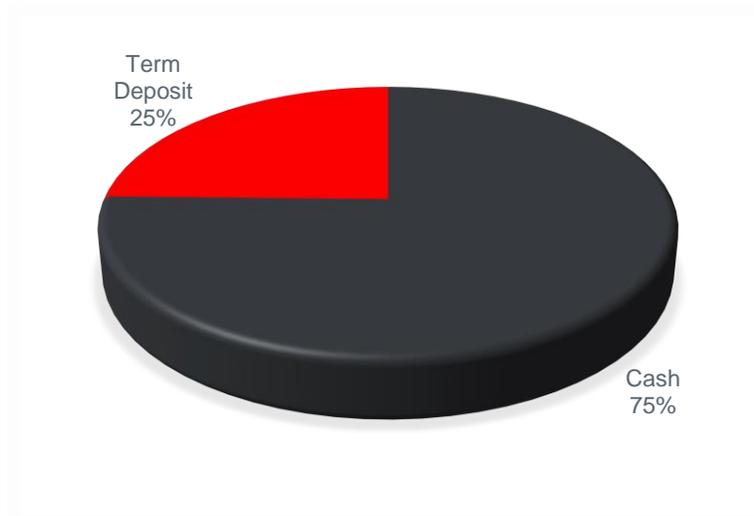
Short Term Liquidity (cont.)

Forward Looking Strategy

The bias for the Short Term Liquidity portfolio continues to favour liquid high interest savings accounts, as The City receives high rates from its bank account providers. Nonetheless, as 2023 progressed and the yield curve started to “normalize”, there was an opportunity to lock in GIC rates that were above liquid cash deposit rates and given the increasing probability the Bank of Canada may start to cut rates in the later half of 2024, the portfolio may continue to add to its GIC holdings when rates make it attractive to do so.

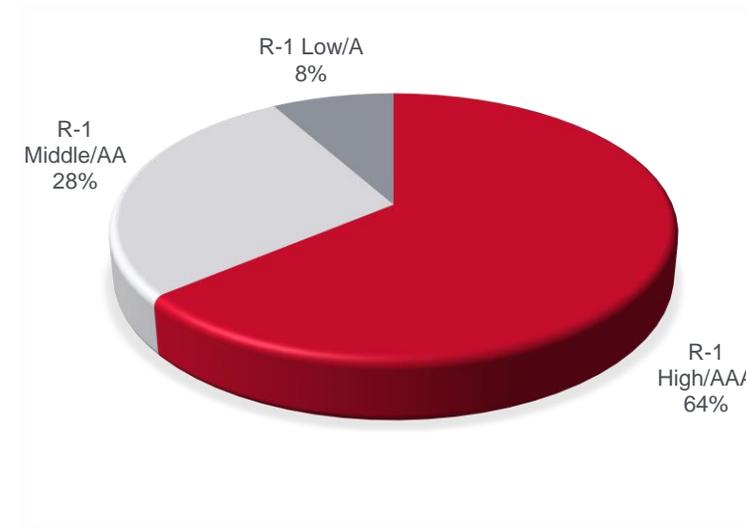
Asset Type

As at December 31, 2023



Credit Quality*

As at December 31, 2023



*Term deposits only

Commercial Paper Program

To supplement The City’s liquidity requirements, The City has a \$300 million Commercial Paper program which was 100% utilized throughout Q4 2023. The high utilization rate reflects The City’s ability to issue Commercial Paper at rates lower than rates that The City receives in liquid high interest rate accounts.

Short Term Fixed Income

Investment Objective

To provide exposure to short-term Canadian fixed income securities and commercial mortgages, with an emphasis on capital preservation and income generation.

Performance (% net of fees)

For the year ended December 31, 2023

	Annualized Returns			
	1 Year	3 Years	5 Years	ITD
Short Term Fixed Income	5.63	0.54	2.08	2.19
Benchmark	5.02	-0.06	1.56	1.78
Value Added	0.61	0.60	0.52	0.41

Benchmark: FTSE Canada Short Term Bond Index

Composition

As at December 31, 2023

Mandate	AUM (\$ millions)	% of portfolio	Current Yield (%)	Duration (years)
PH&N Short Term	454.1	24%	4.26%	2.6
Short Term Bonds (Internal)	484.5	25%	4.94%	2.7
CC&L Short Term	359.0	19%	4.20%	2.4
PH&N Mortgage	374.2	19%	5.27%	2.8
Addenda Mortgage	132.2	7%	6.13%	1.9
Sun Life Mortgage	117.1	6%	5.55%	3.2
Short Term Fixed Income	1,921.0		4.82%	2.6

Assets Under Management

	\$ millions
Opening Net Asset Value - January 1, 2023	1,819.0
Cash Flows	-15.4
Portfolio Gains & Losses*	117.5
Closing Net Asset Value - Dec 31, 2023	1,921.0

*Includes realized/unrealized capital gains and losses, dividends, and interest income

Positioning

Over 2023, The City reallocated a portion of non-mortgage fixed income investments from the Short Term Fixed Income portfolio to the Universe Fixed Income portfolio in an effort to lengthen the duration of the consolidated portfolio.

Investment Highlights

The Short Term Fixed Income portfolio returned 5.6% in 2023 versus the benchmark return of 5.0%. Current yields within the portfolio remain in the 4-6% range, which is a slight decline since year-end 2022.

Canadian commercial mortgages moderately outperformed short-term public bonds over the course of 2023.

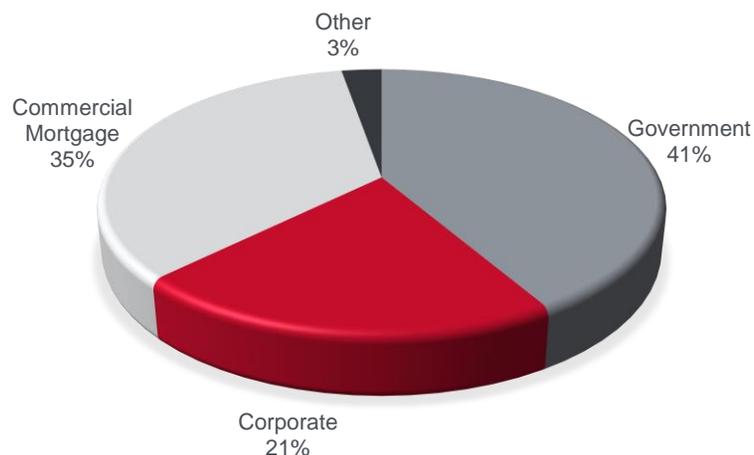
Forward Looking Strategy

The City plans to further reduce the Short Term Fixed Income portfolio in 2024 to fund commitments in the Real Assets portfolio and continue to rebalance into other asset classes.

Short Term Fixed Income (cont.)

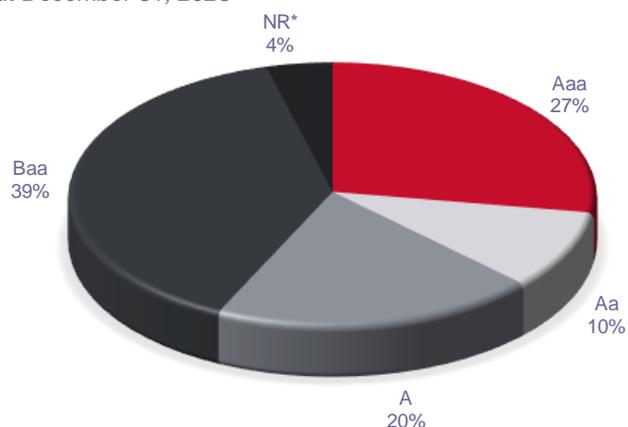
Sector Allocation

As at December 31, 2023



Credit Quality

As at December 31, 2023



NR – not rated

*The credit rating for commercial mortgages was estimated at 'Baa'

Geographic Allocation

As at December 31, 2023, the Short Term Fixed Income portfolio was 98.7% allocated to Canada, with 1.1% allocated to the United States and the remainder to the United Kingdom.

Responsible Investing

Manager	PRI Signatory	PRI Rating	Other Ratings
Addenda	✓	★★★★☆	
CC&L	✓	★★★★☆	
PH&N	✓	★★★★★	AA (MSCI)
Sun Life	✓	★★★★☆	AAA (MSCI)

*PRI – the United Nations Principles for Responsible Investing

- Addenda was among 25 signatories of an open letter calling for the joint adoption of the new non-financial disclosure standards of the International Sustainability Standards Board (ISSB).
- CC&L believes that many ESG factors have a material impact on investment risk and return across time horizons and asset classes. CC&L is a member of various domestic and global industry organizations that promote ESG best practices.
- The PH&N investment teams meet with the management teams and boards of investee companies on an ongoing basis, often discussing ESG-related risks and opportunities that are material to investments. In Q4 2023, the team engaged with a regional development bank to gain a better understanding of the company's ESG-labelled bond program.
- Sun Life joined the Partnership for Carbon Accounting Financials (PCAF) to work with peers on emerging practices for quantifying and disclosing financed emissions.

Universe Fixed Income

Investment Objective

To provide exposure to longer term Canadian and global fixed income securities and Private Credit investments, with an emphasis on capital preservation and income generation.

Performance (% net of fees)

For the year ended December 31, 2023

	Annualized Returns			
	1 Year	3 Years	5 Years	ITD
Universe Fixed Income	6.98	-0.94	2.54	2.72
Benchmark	6.69	-2.13	1.55	2.21
Value Added	0.29	1.19	0.99	0.51

Benchmark: FTSE Canada Universe Bond Index

Composition

As at December 31, 2023

Mandate	AUM (\$ millions)*	% of portfolio	Current Yield (%)	Duration (years)**
PH&N Universe	454.1	19%	4.05%	7.3
CC&L Universe	456.6	19%	4.10%	7.2
BlackRock Universe	161.0	7%	3.94%	7.3
Canadian Universe	1,071.8	45%	4.05%	7.3
Pimco US IG	391.6	16%	5.32%	6.5
Manulife Strategic Income	355.3	15%	4.54%	4.4
BlackRock FIGO	197.8	8%	6.41%	3.3
Global Fixed Income	944.7	39%	5.15%	5.1
Sun Life PFIP	176.5	7%	5.92%	5.9
Bridgepoint BDL II	61.1	3%	10.30%	2.2
Crestline SLF II	28.2	1%	8.00%	3.0
Crestline SLF III	37.1	2%	11.70%	3.0
Brookfield BID III	36.6	2%	10.10%	4.3
Bridgepoint BDL III	37.8	2%	10.90%	4.6
Private Credit	377.3	16%	8.26%	4.5
Universe Fixed Income	2,393.8		5.19%	6.0

* Private credit AUM does not include committed capital not yet deployed (\$2 million to Crestline SLF III; \$3 million to Bridgepoint BDL II; \$44 million to Brookfield BID III; \$37 million to Bridgepoint BDL III)

** An average life of loans was used for Private Credit mandates

Assets Under Management

	\$ millions
Opening Net Asset Value - January 1, 2023	1,835.9
Cash Flows	371.5
Portfolio Gains & Losses*	186.3
Closing Net Asset Value - Dec 31, 2023	2,393.8

*Includes realized/unrealized capital gains and losses, dividends, and interest income.

Positioning

The City contributed significant capital to this portfolio over the course of 2023, increasing its exposure to longer duration fixed income. Exposure to private credit has been maintained through new investments and deployment of committed capital even as existing investment returns are distributed as older vintage funds enter their harvest period.

Investment Highlights

The Universe Fixed Income portfolio returned 7.0% in 2023 versus the benchmark return of 6.7%. The City's public fixed income outperformed its benchmarks, especially on the global side. Strong returns were driven by the year-over-year decline in yields toward the long end of the yield curve.

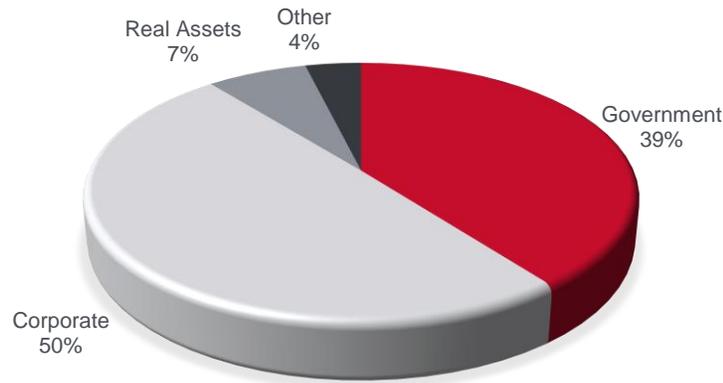
Forward Looking Strategy

The City will continue to allocate to private credit markets through existing commitments to Crestline SLF III, Bridgepoint BDL III and Brookfield BID III, and will look to make further commitments to private credit investments in an effort to diversify current holdings.

Universe Fixed Income (cont.)

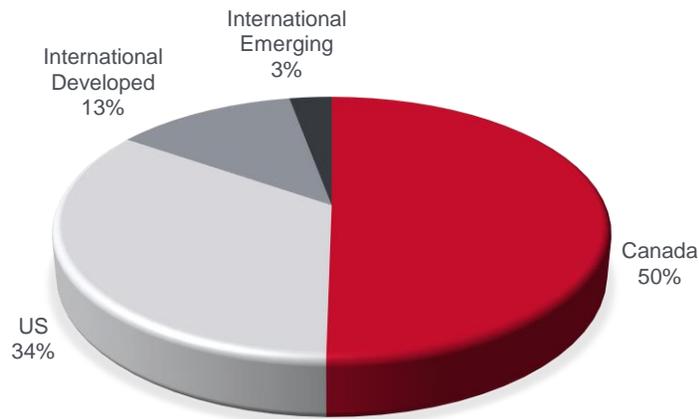
Sector Allocation

As at December 31, 2023



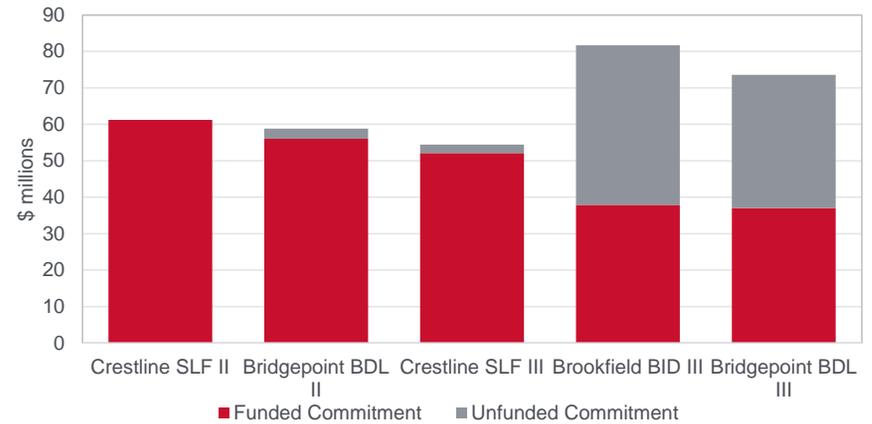
Geographic Allocation

As at December 31, 2023



Committed Capital

As at December 31, 2023



Responsible Investing

Manager	PRI Signatory	PRI Rating	Other Ratings
BlackRock	✓	★★★★☆	AA (MSCI)
Bridgepoint	✓	★★★★★	
Brookfield	✓	n.a.*	AA (MSCI)
Crestline	✓	n.a.*	
Manulife	✓	★★★★☆	AA (MSCI)
Pimco	✓	★★★★★	

*has not gone through official ratings process at time of report publication

- BlackRock was included in the 2023 Bloomberg Gender Equality Index among 485 global companies.
- Crestline became a signatory to PRI in October 2021 and believes in implementing policies incorporating ESG as complementary to its traditional financial analysis and portfolio construction.

Equities

Investment Objective

Investment in a diversified portfolio of global equities located in developed and emerging markets to achieve long-term capital appreciation, dividend income and to help mitigate the effects of inflation.

Performance (% net of fees)

For the year ended December 31, 2023

	Annualized Returns			
	1 Year	3 Years	5 Years	ITD
Equities	17.23	3.30	7.69	7.79
Benchmark	18.92	6.97	12.08	9.45
Value Added	-1.69	-3.67	-4.39	-1.66

Benchmark: MSCI All Country World Index

Composition

As at December 31, 2023

Mandate	AUM (\$ millions)	% of portfolio	Strategy	Current Yield (%)
Vanguard US ETF	328.4	44%	Index	1.42%
CC&L International	208.0	28%	Quantitative	3.15%
Wasatch Small Cap	118.1	16%	Active	0.52%
Ashmore Emerging Markets	96.3	13%	Active	1.99%
Equities	750.8			1.83%

Assets Under Management

	\$ millions
Opening Net Asset Value - January 1, 2023	643.4
Cash Flows	-2.8
Portfolio Gains & Losses*	110.3
Closing Net Asset Value - Dec 31, 2023	750.9

*Includes realized/unrealized capital gains and losses, dividends, and interest income

Positioning

The equity portfolio is a mix of index replication, quantitative and actively managed strategies. The portfolio is overweight small/mid cap and emerging market equities compared to the benchmark.

Investment Highlights

The equity portfolio returned 17.2% in 2023 versus the benchmark return of 18.9%. The US market has shown resiliency despite the outlook of 'higher for longer' with respect to interest rates and has outpaced both developed and emerging markets. The City's equity portfolio continues to underperform relative to its MSCI ACWI benchmark. The underperformance in the equity portfolio is largely due to The City's overweight position to emerging markets and the relative underperformance of the emerging markets strategy itself.

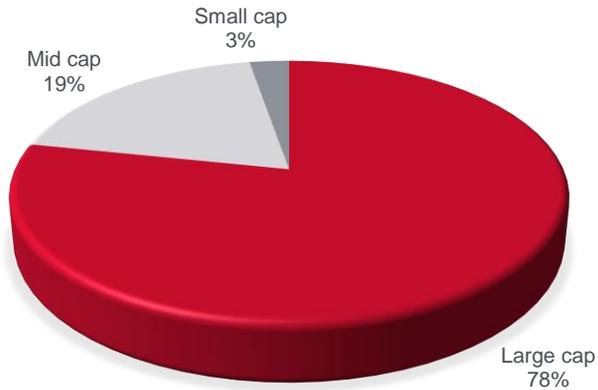
Forward Looking Strategy

The City will look to optimize its investment strategy to better navigate the anticipated dynamics of the 2024 equity landscape. This includes reassessing our selection criteria and allocations, laying the groundwork to outperform the MSCI ACWI benchmark in the long term.

Equities (cont.)

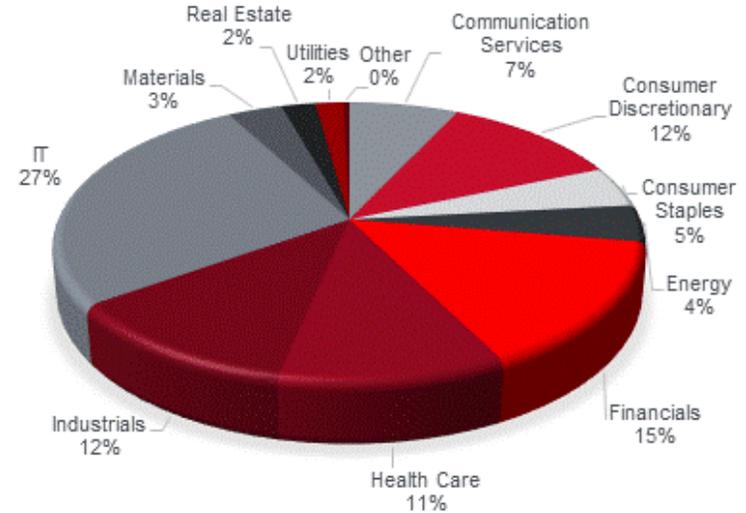
Sector Allocation

As at December 31, 2023



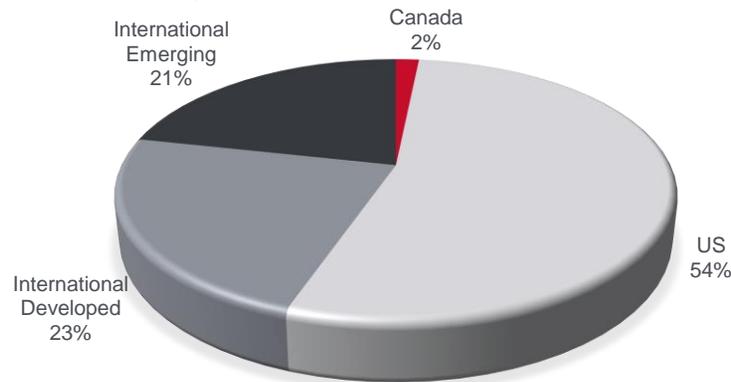
Sector Allocation

As at December 31, 2023



Geographic Allocation

As at December 31, 2023



Responsible Investing

Manager	PRI Signatory	PRI Rating	Other Ratings
Ashmore	✓	★★★★☆	
Vanguard	✓	★★★★☆	
Wasatch	✓	★★★★☆	

- Ashmore has been considering ESG factors in its investment approach since 1992. The firm believes explicit ESG scoring and integration of ESG into the investment process enhances its ability to deliver superior risk-adjusted returns.
- Wasatch adopted OECD ESG guidelines in 2022. The firm hosts ESG training for team members quarterly.

Real Assets

Investment Objective

Investment in infrastructure and real estate assets to help mitigate the effects of inflation and provide diversification in risk-seeking assets.

Performance (% net of fees)

For the year ended December 31, 2023

	Annualized Returns			
	1 Year	3 Years	5 Years	ITD
Real Assets	7.90	10.06	11.11	8.60
Benchmark	5.05	7.81	7.58	7.07
Value Added	2.85	2.25	3.53	1.53

Benchmark: Canadian CPI +4.0%

Composition

As at December 31, 2023

Mandate	AUM (\$ millions)**	% of portfolio	Current Yield (%)	Inception Date*
Northleaf NICIP II & NSIP	138.1	29%	16.20%	Jan-17
CBRE GIF	152.7	32%	4.00%	May-22
Brookfield Global Listed Infra	74.7	16%	3.00%	Mar-15
Northleaf NICIP III	51.1	11%	3.40%	Mar-21
BlackRock GRP III	58.2	12%	5.40%	Jun-21
Real Assets	474.7		7.50%	

* The City of Calgary engagement date

** Real assets AUM does not include committed capital not yet deployed (\$14 million to Northleaf NICIP II & NSIP; \$21 million to Northleaf NICIP III; \$29 million to BlackRock GRP III; and \$136 million to CBRE Global Alpha)

Assets Under Management

	\$ millions
Opening Net Asset Value - January 1, 2023	451.1
Cash Flows	16.8
Portfolio Gains & Losses*	6.7
Closing Net Asset Value - Dec 31, 2023	474.7

*Includes realized/unrealized capital gains and losses, dividends, and interest income

Positioning

The Real Assets portfolio consists of public and private infrastructure investments across four main sectors: Utilities & Renewables, Transports, Energy Infrastructure and Communications.

Investment Highlights

The Real Assets portfolio returned 7.9% in 2023 versus the benchmark return of 5.1%.

During the year, The City made a \$100 million USD commitment to its first real estate investment, which will provide exposure to real estate assets on a global scale and offer The City's investment portfolio another diversifying source of investment return.

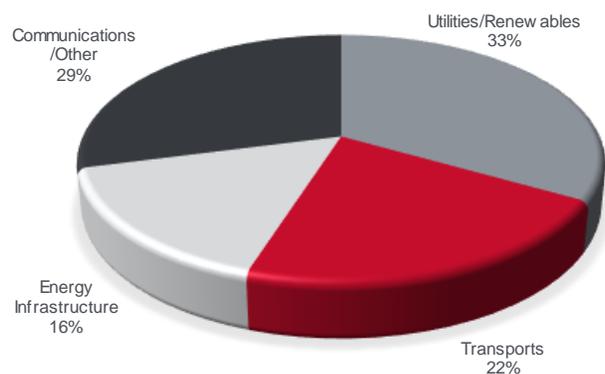
Forward Looking Strategy

The City will continue to allocate to existing infrastructure mandates through existing commitments to BlackRock GRP III, and Northleaf NICIP III and will explore additional commitments in infrastructure and real estate assets. With respect to the real estate commitment made in 2023, it is expected that the entire \$100 million USD capital amount will be deployed in the second half of 2024.

Real Assets (cont.)

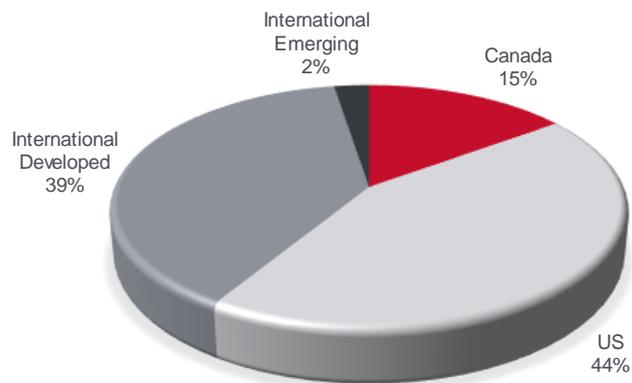
Sector Allocation

As at December 31, 2023



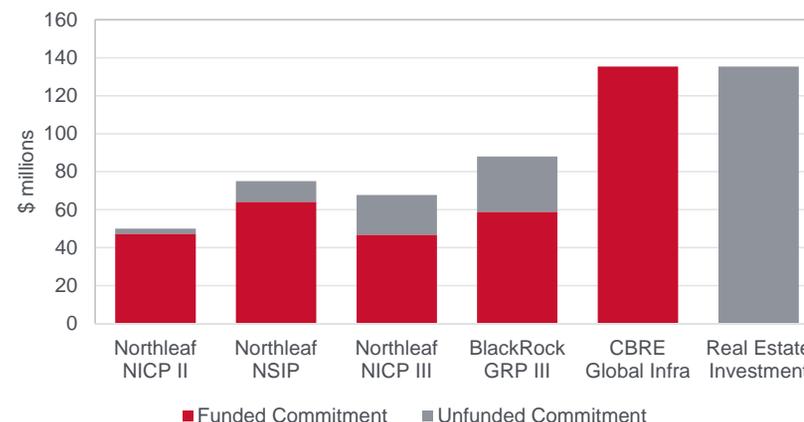
Geographic Allocation

As at December 31, 2023



Committed Capital

As at December 31, 2023



Responsible Investing

Manager	PRI Signatory	PRI Rating	Other Ratings
BlackRock	✓	★★★★★	AA (MSCI)
Brookfield	✓	n.a.*	AA (MSCI)
CBRE	✓	★★★★★	
Northleaf	✓	★★★★★	

*has not gone through official ratings process

- Brookfield has announced its commitment to achieve net-zero carbon emissions by 2050 across the assets it manages.
- CBRE strives to lead the transition to a sustainable future and became a signatory to the UK Stewardship Code in 2023.
- Northleaf's investment team undertakes an analysis of each investment opportunity to ascertain all material potential ESG considerations, risks and opportunities.

Currency Overlay

Investment Objective

To reduce the negative impact on returns due to foreign currency exposure in externally managed accounts.

The notional value to which BNP Paribas manages the portfolio is based on the foreign currency exposures of The City's underlying portfolio, excluding all non-CAD exposures that represent less than 1% of the portfolio NAV.

Performance (% net of fees)

For the year ended December 31, 2023

	Annualized Returns			
	1 Year	3 Years	5 Years	ITD
Currency Overlay	0.45	0.30	0.64	0.19
Benchmark	0.00	0.00	0.00	0.00
Value Added	0.45	0.30	0.64	0.19

Benchmark: Zero Benchmark (passive)

Assets Under Management

	\$ millions
Opening Net Asset Value - January 1, 2023	35.3
Cash Flows	0.8
Portfolio Gains & Losses*	7.0
Closing Net Asset Value - Dec 31, 2023	43.1

*Includes realized/unrealized capital gains and losses, dividends, and interest income

Positioning

BNP Paribas reviews net foreign currency exposures for The City's portfolio, and at their discretion, implements a hedge between 0% and 100% for each underlying currency exposure.

Investment Highlights

Foreign currency exposure was \$1.6 billion at the end of Q4 2023. This exposure was mainly influenced by additional capital calls made in foreign currency, increasing the value of foreign assets. After a volatile 2023, the Canadian dollar closed out the year with an appreciation of 2.4% against the USD. The portfolio strategy helped mitigate volatility while outperforming the zero benchmark by 0.5%.

Forward Looking Strategy

The active foreign exchange hedging policy aims to manage risk in periods of volatility. BNP expects USDCAD to remain rangebound but has a slight bias towards USD strength given the resilience of the US Economy, and the strategy will run a relatively small core hedging position to take advantage. Volatility in foreign exchange markets may increase as global monetary policies begin to ease, and BNP will continue to trade tactically when opportunities arise.

Currency Overlay (cont.)

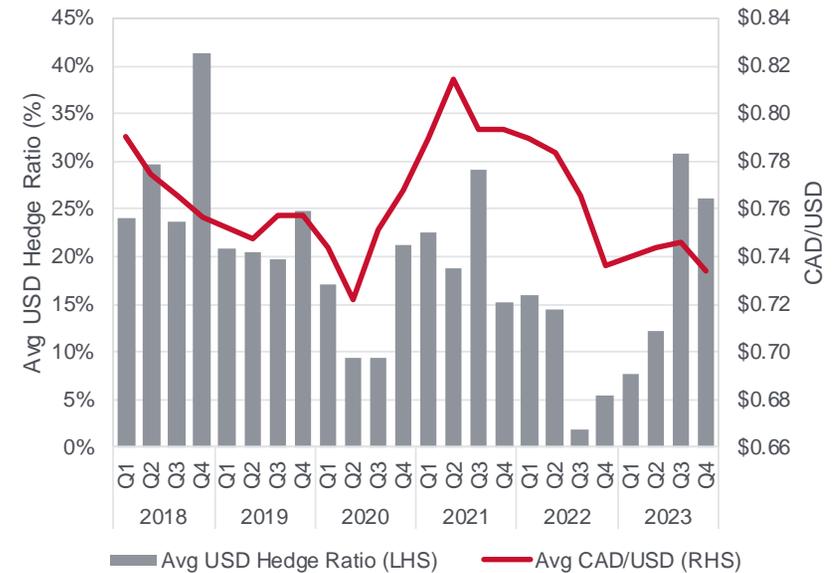
Benchmark Exposures

As at year end, since inception (February 2018)



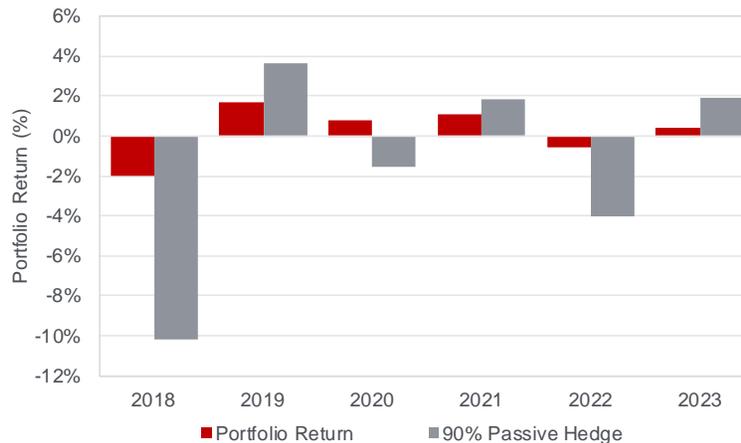
Average USD Hedge Ratio

For each quarter, since inception (February 2018)



Historical Performance

For the years ended December 31, since inception (February 2018)



Responsible Investing

Manager	PRI Signatory	PRI Rating	Other Ratings
BNP Paribas	✓	★★★★★	AA (MSCI)

- BNP Paribas was a founding signatory of the PRI in 2006 and has strived to implement ESG principles effectively and continued to develop the approach, regularly reporting on our achievements in terms of meeting our PRI goals.
- In 2023, the firm announced the launch of Nature Action 100 as a founding member, a collaborative initiative with the objective of reversing nature loss.

2024 Economic & Capital Market Outlook

The International Monetary Fund (IMF) projects that the global economy will maintain a growth rate of 3.1% in 2024, consistent with the estimated growth rate of 3.1% in 2023. There are several key themes in 2024 which could support the continued growth of the global economy:

- Resilient growth in major economies;
- Inflation subsiding faster than expected;
- High borrowing costs cooling demand;
- Fiscal policy amplifying economic divergence

With disinflation and steady growth, the likelihood of a hard landing has receded. Risks to global growth are broadly balanced, opening the path to a soft landing. While the forecasted growth rate for 2024 is below the historical average of 3.8% (2000-2019), it still reflects resilience amid challenges such as elevated central bank policy rates and a withdrawal of fiscal support. Inflation is falling faster than expected in most regions, signaling progress in addressing supply-side issues and monetary policy effectiveness. Global headline inflation is expected to continue its decline to 5.8 percent in 2024, supporting economic stability and recovery efforts.

According to the Bank of Canada, Canadian economic growth is anticipated to remain close to zero through the first quarter of 2024. It is then expected to pick up gradually as the effects of past interest rate increases on growth begin to fade and the recent easing in financial conditions supports demand. Inflation is expected to remain close to 3% over the first half of 2024 before easing gradually and returning to the 2% target in 2025.

The City's diversified investments across sectors and asset classes should help enhance resilience and offer the potential for sustained growth and stability of the investment program.

	(% Change, YoY)	2022	2023 (E)	2024 (P)	2025 (P)
GDP	Global	3.5	3.1	3.1	3.2
	Euro Area	3.4	0.5	0.9	1.7
	Emerging Economies	4.1	4.1	4.1	4.2
	Canada	3.8	1.1	1.4	2.3
	United States	1.9	2.5	2.1	1.7
	China	3.0	5.2	4.6	4.1
	CPI	Global	8.7	6.8	5.8
	Canada*	6.8	3.9	2.8	2.2
	Advanced Economies	7.3	4.6	2.6	2.0
	Emerging Economies	9.8	8.4	8.1	6.0

(E) : Estimate (P): Projections, Source: IMF, * Bank of Canada

Compliance

Portfolio Manager/mandate	Market Value (\$ millions)	In Compliance?	Exceptions
Short Term Fixed Income			
Short Term Universe Bonds			
PH&N Short Term	454.1	Yes	
CC&L Short Term	359.0	Yes	
Canadian Commercial Mortgages			
PH&N Mortgage	374.2	Yes	
Addenda Mortgage	132.2	Yes	
Sun Life Mortgage	117.1	Yes	
Long Term Fixed Income			
Universe Bonds			
PH&N Universe	454.1	Yes	
CC&L Universe	456.6	Yes	
BlackRock Universe	161.0	Yes	
Global Bonds			
Pimco	391.6	Yes	
Manulife	355.3	Yes	
BlackRock FIGO	197.8	Yes	
Private Credit			
Sun Life PFIP	176.5	Yes	
Bridgepoint BDL II	61.1	Yes	
Crestline SLF II	28.2	Yes	
Crestline SLF III	37.1	Yes	
Brookfield BID III	36.6	Yes	
Bridgepoint BDL III	37.8	Yes	
Equities			
Vanguard S&P 500 ETF	328.4	n/a	
CC&L International	208.0	Yes	
Wasatch	118.1	Yes	
Ashmore	96.3	Yes	
Real Assets			
Northleaf Capital	138.1	Yes	
CBRE CGIF	152.7	Yes	
Brookfield IM	74.7	Yes	
Northleaf US	51.1	Yes	
BlackRock GRP III	58.2	Yes	
FX Overlay			
BNP Mellon	43.1	Yes	

Investment Governance

The City's Investment & Governance Policy (CP2020-02) articulates the governance framework for the management of City investments. It sets out the accountability, reporting, and disclosure requirements for all investment activity. This policy establishes the roles and responsibilities of Council, the Investment Advisory Committee (IAC), Administration, and external investment managers regarding the management of portfolio investments.

Council approves The City's Investment & Governance Policy, receives the Annual Investment Report through Audit Committee, and delegates authority to manage investment-related policies to Administration. The IAC oversees The City's investment program to ensure that investments are effectively managed in accordance with legislation, Council-approved policies, and industry best practices.

In 2020, The City completed a comprehensive investment strategy review which resulted in a new Investment & Governance Policy, approved by Council in June 2020. The review entailed a major examination of City funds and obligations including operating and capital requirements, capital deposits, and short-term liquidity to fully understand the characteristics, including risk tolerance, time horizon, and liquidity requirements of these funds. A new internal Funds Policy established objectives and asset mixes for each source of funds under management. The internal Investment Portfolios Policy provides detail on how each asset class portfolio is managed. The revised aggregate asset mix has the potential to increase sector and geographic diversification of assets to mitigate investment risks and increase risk-adjusted returns.

In Q4 2023, The City of Calgary engaged an external consultant to perform an investment governance review and identify any areas where any changes or improvements could be made. The final report was published by the consultant in Q1 2024, and The City of Calgary will consider the recommendations for implementation as a form of continuous improvement across all aspects of the investment portfolio.

Responsible Investing (RI) Considerations

Responsible Investing (RI) has been referred to as sustainable investment and can potentially lead to better financial returns while having positive impacts both socially and environmentally. Three key pillars of RI include:

- ESG Integration
- Value alignment
- Overall impact of investments

The City's Investment Team plans to integrate a Responsible Investing framework into the investment process. This initiative may include, although are not limited to, the integration of RI in asset allocation and manager selection processes, developing a Manager ESG scorecard, and developing an RI section to be added to existing investment policies.

Environmental, Social, and Governance (ESG) Considerations

ESG refers to three key factors in the investment process that can impact the financial value and sustainability of an investment. These factors are environmental, social, and corporate governance.

Factoring good governance and sustainable business practices into the investment process is becoming common practice in the institutional investment industry. Studies of stock returns indicate a positive correlation between stock price performance and a company's rating on an ESG index. More recent studies show that as ESG factor screens become more prevalent in the industry, companies with poor governance do not attract wide-scale investment and returns may suffer as a result.

Good governance takes many forms. It includes following local environmental regulations, labour and safety standards, as well as sound corporate board and executive management structures. An important component of ESG and sustainable investing is engagement with company management. Institutional investors can exercise influence over companies by engaging in dialogue with them and taking an active role in proxy voting. Shareholders can use their influence and voting authority to modify a company's ESG practices to enhance long-term value.

When The City of Calgary is selecting or reviewing an external investment manager, The City monitors how ESG is implemented not only in the execution of investment management decisions but also how the investment manager implements ESG in its own operations. Most of The City's investment mandates include fundamental analysis where The City's managers meet directly with external investment managers to gain a thorough understanding of their structure and business practices. By partnering with like-minded investment managers, The City can ensure its corporate values are reflected in its investment holdings.

Risk Management and Compliance

The City manages investment risk through a sound governance framework and comprehensive investment policies. These policies define investment objectives, appropriate diversification requirements, eligible asset classes and security instruments, investment strategies, and quality and quantity constraints.

The City's primary risk management tool is effective governance of funds with strategic implementation and diversification at both the security and portfolio level. Investment managers apply rigorous investment analysis and practices to select securities and construct portfolios that are diversified among security types, maturity dates, issuers, industry sectors, and geographically by country and region. Additionally, The City constructs a total portfolio of diverse strategies, asset classes, and investment manager styles. A prudently diversified portfolio should reduce the overall impact if performance from any one security, asset class, or investment manager underperforms.

When investing in the capital markets, some risk is inevitable. This includes liquidity, market, credit, and interest rate risk from inflation and rising interest rates. The key is to identify and understand the risks being accepted. The City monitors advanced risk metrics at both the manager and total portfolio level to ensure that the level of risk taken is in line with The City's risk tolerance and that The City is meeting its investment objectives.

The City's investments are held electronically at a securities custodian. One control the custodian provides is independent, third-party settling and reporting of all trades which protects The City's investable assets. The custodian provides independent verification of all accounting information and security holdings. The City also receives third-party performance measurement and reporting. Return performance reported by The City's investment managers is verified and compared against both market benchmarks and peers which allows The City to effectively evaluate manager performance.

Compliance statements from investment managers are received quarterly. Compliance statements are verified and maintained by Treasury. During the year, all investments complied with the Municipal Government Act, the Major Cities Investment Regulation and The City of Calgary's investment policies.

Expense Management

The City uses external investment managers to manage much of its investments. These managers are carefully selected and monitored by its own team of internal portfolio managers. External managers can provide expertise in more specialized asset classes and have a great deal of resources in terms of investment personnel, other professionals, and systems. The size of The City's portfolio and allocations is such that it can receive very favourable pricing when investing in these funds. In 2023, expenditures were approximately \$22.5 million compared to \$19.6 million in 2022. This increase is largely due to an increase in the size of The City's investment portfolio, and a continued increased allocation to private assets which generally have higher fees than investments in public assets.

As part of the governance framework, cost effectiveness is assessed through annual participation in surveys conducted by CEM Benchmarking and Municipal Benchmarking Network Canada. Participation in cost benchmarking services provides The City with a comparison of investment management costs against other municipalities.

In 2022, total externally managed investment costs were 39.1bps, which was 13bps lower than the Canadian median of funds that participated in the CEM benchmarking survey. The City has a significantly different asset mix than other cities.

CEM Benchmarking data for 2023 will become available in Q4 of 2024.

Definitions/Glossary

Benchmark	A standard against which the performance of an investment manager can be measured. Generally, broad market stock and bond indexes are used for this purpose.
Diversification	<p>A risk-management technique that mixes a wide variety of investments within a portfolio. The rationale behind this technique contends that a portfolio of different kinds of investments will, on average, yield higher returns and result in lower price volatility than individual investments found within the portfolio.</p> <p>Diversification strives to smooth unsystematic risk events in a portfolio so that the positive performance of some investments will neutralize the negative performance of others. Therefore, the benefits of diversification will hold if the securities in the portfolio are not perfectly correlated</p>
Duration	Measures the sensitivity of the full price of a bond (including accrued interest) to a change in interest rates.
Infrastructure Investments	Investments in Canadian and global businesses that focus on a variety of public sponsored and private quality infrastructure assets such as toll roads, utilities, renewable energy, communications, and transportation and healthcare facilities.
Investment Managers	Those firms or individuals appointed by the Chief Financial Officer for the investment of each Fund's assets. Includes both internal and external managers.
Market Value	The price at which a security is trading in the open market.
Portfolio	Collection of assets held by an investor.
PRI	The Principles for Responsible Investment is an independent organization advocating on behalf of responsible investment. They seek to understand the investment implications of ESG factors, and work to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.
Rate of Return	The gain or loss of an investment over a specified period, expressed as a percentage increase over the initial investment cost. Gains on investments include any income received from the security, plus realized and unrealized capital gains.
Risk-Adjusted Return	A standardized measure of investment return based on an adjustment for the level of risk involved in generating that return.

Appendix 1 – Mandate Level Returns

Short Term Fixed Income

Annualized Returns	Annualized Returns				Annual Returns				
	1 Year	3 Years	5 Years	ITD	2023	2022	2021	2020	2019
PH&N Short Term	5.17	0.32	2.06	2.06	5.17	-3.37	-0.63	6.39	3.06
Benchmark *	5.02	-0.06	1.62	1.67	5.02	-4.05	-0.93	5.29	3.09
Value Added	0.15	0.38	0.44	0.39	0.15	0.67	0.30	1.10	-0.04
CC&L Short Term	5.16	0.09	1.83	1.92	5.16	-3.87	-0.82	5.98	3.06
Benchmark *	5.02	-0.06	1.62	1.67	5.02	-4.05	-0.93	5.29	3.09
Value Added	0.14	0.15	0.21	0.25	0.14	0.18	0.11	0.69	-0.04
Short Term Bonds (internal)	4.97	n.a.	n.a.	0.92	4.97	-2.02	n.a.	n.a.	n.a.
Benchmark *	5.02	n.a.	n.a.	0.15	5.02	-4.05	n.a.	n.a.	n.a.
Value Added	-0.05	n.a.	n.a.	0.77	-0.05	2.03	n.a.	n.a.	n.a.
PH&N Mortgage	7.05	0.96	2.28	2.72	7.05	-5.30	1.50	5.57	3.04
Benchmark *	5.02	-0.06	1.62	1.57	5.02	-4.05	-0.93	5.29	3.09
Value Added	2.03	1.02	0.66	1.15	2.03	-1.25	2.43	0.28	-0.05
Addenda Mortgage	6.86	2.44	3.32	3.37	6.86	-1.27	1.90	5.75	3.56
Benchmark *	5.02	-0.06	1.62	1.57	5.02	-4.05	-0.93	5.29	3.09
Value Added	1.84	2.50	1.70	1.80	1.84	2.78	2.83	0.46	0.47
Sunlife Mortgage	5.73	-0.34	2.02	2.02	5.73	-7.07	0.76	7.31	4.06
Benchmark *	5.02	-0.06	1.62	1.62	5.02	-4.05	-0.93	5.29	3.09
Value Added	0.71	-0.28	0.40	0.40	0.71	-3.03	1.69	2.02	0.97

*FTSE Canada Short Term Overall Bond Index
Canadian dollar returns (% net of fees)
Source: State Street

Universe Fixed Income

Annualized Returns	Annualized Returns				Annual Returns				
	1 Year	3 Years	5 Years	ITD	2023	2022	2021	2020	2019
PH&N Universe	6.61	-2.56	1.74	2.47	6.61	-11.15	-2.33	10.40	6.74
Benchmark *	6.69	-2.80	1.30	2.06	6.69	-11.69	-2.54	8.68	6.87
Value Added	-0.08	0.24	0.44	0.41	-0.08	0.53	0.21	1.72	-0.13
CC&L Universe	7.23	-2.34	1.75	2.42	7.23	-11.36	-1.99	9.63	6.79
Benchmark *	6.69	-2.80	1.30	2.06	6.69	-11.69	-2.54	8.68	6.87
Value Added	0.54	0.46	0.45	0.36	0.54	0.32	0.54	0.95	-0.08
BlackRock Universe	6.69	-2.84	1.26	1.52	6.69	-11.72	-2.60	8.55	6.93
Benchmark *	6.69	-2.80	1.30	1.56	6.69	-11.69	-2.54	8.68	6.87
Value Added	0.00	-0.04	-0.04	-0.04	0.00	-0.04	-0.07	-0.14	0.06
Pimco US IG	6.84	-1.10	2.44	3.67	6.84	-8.71	-0.80	7.60	8.36
Benchmark **	5.28	-2.09	1.73	3.11	5.28	-9.10	-1.92	7.43	8.04
Value Added	1.56	0.99	0.71	0.56	1.56	0.38	1.12	0.17	0.32
Manulife Strategic Income	6.26	-0.78	2.85	2.41	6.26	-8.47	0.42	8.34	8.77
Benchmark ***	3.20	-4.16	-0.83	0.35	3.20	-9.91	-5.32	7.11	1.72
Value Added	3.06	3.38	3.68	2.06	3.06	1.44	5.74	1.23	7.05
BlackRock FIGO	6.58	0.10	n.a.	2.09	6.58	-6.33	0.47	5.63	n.a.
Benchmark ****	2.88	-4.42	n.a.	-1.58	2.88	-10.16	-5.52	7.28	n.a.
Value Added	3.70	4.52	n.a.	3.67	3.70	3.83	5.99	-1.65	n.a.

* FTSE Canada Universe Overall Bond Index

** Bloomberg U.S. Credit Index

*** Bloomberg Multiverse Index

**** Bloomberg Global Aggregate Index

Canadian dollar returns (% net of fees)

Source: State Street

Universe Fixed Income (cont.)

Annualized Returns	Annualized Returns				Annual Returns				
	1 Year	3 Years	5 Years	ITD	2023	2022	2021	2020	2019
Sunlife PFIP	9.57	-0.24	2.82	3.16	9.57	-9.06	-0.35	8.70	6.50
Benchmark*	8.37	-1.23	2.51	2.73	8.37	-9.87	-1.34	8.74	8.05
Value Added	1.20	0.99	0.31	0.43	1.20	0.81	0.99	-0.03	-1.55
Bridgepoint BDL II	16.37	9.28	8.11	6.74	16.37	6.83	4.99	12.38	0.69
Benchmark**	16.43	4.52	4.93	4.35	16.43	-0.71	-1.07	11.64	-0.19
Value Added	-0.06	4.76	3.18	2.39	-0.06	7.54	6.06	0.74	0.88
Bridgepoint BDL III	n.a.	n.a.	n.a.	10.50	n.a.	n.a.	n.a.	n.a.	n.a.
Benchmark**	n.a.	n.a.	n.a.	5.49	n.a.	n.a.	n.a.	n.a.	n.a.
Value Added	n.a.	n.a.	n.a.	5.01	n.a.	n.a.	n.a.	n.a.	n.a.
Crestline SLF II	-8.28	7.17	7.01	7.64	-8.28	16.30	15.42	7.49	6.05
Benchmark***	12.28	8.98	7.05	7.28	12.28	8.62	6.31	3.32	5.15
Value Added	-20.56	-1.81	-0.04	0.36	-20.56	7.67	9.11	4.18	0.90
Crestline SLF III	5.23	n.a.	n.a.	9.54	5.23	14.22	n.a.	n.a.	n.a.
Benchmark***	12.28	n.a.	n.a.	8.94	12.28	8.62	n.a.	n.a.	n.a.
Value Added	-7.05	n.a.	n.a.	0.60	-7.05	5.60	n.a.	n.a.	n.a.
Brookfield BID III	2.08	n.a.	n.a.	2.08	2.08	n.a.	n.a.	n.a.	n.a.
Benchmark***	12.28	n.a.	n.a.	12.28	12.28	n.a.	n.a.	n.a.	n.a.
Value Added	-10.20	n.a.	n.a.	-10.20	-10.20	n.a.	n.a.	n.a.	n.a.

* FTSE Canada Universe Corporate Bond Index

** MorningStar European Leveraged Loan Index + 200bps

*** MorningStar US Leveraged Loan Index (LLI) + 200bps

Canadian dollar returns (% net of fees)

Source: State Street

Equities

(%)	Annualized Returns				Annual Returns				
	1 Year	3 Years	5 Years	ITD	2023	2022	2021	2020	2019
Vanguard US ETF	22.59	10.56	n.a.	12.70	22.59	-13.71	27.76	16.25	n.a.
Benchmark *	22.90	11.27	n.a.	13.21	22.90	-12.16	27.61	16.32	n.a.
Value Added	-0.31	-0.71	n.a.	-0.51	-0.31	-1.55	0.15	-0.07	n.a.
CC&L International Q	15.29	5.69	n.a.	8.19	15.29	-8.76	12.25	11.97	n.a.
Benchmark **	13.09	3.22	n.a.	5.85	13.09	-9.43	7.37	9.18	n.a.
Value Added	2.20	2.47	n.a.	2.34	2.20	0.67	4.88	2.79	n.a.
Wasatch Smallcap Developed	19.18	-1.17	n.a.	5.24	19.18	-27.43	11.62	n.a.	n.a.
Benchmark ***	13.22	4.52	n.a.	9.54	13.22	-12.44	15.19	n.a.	n.a.
Value Added	5.96	-5.69	n.a.	-4.30	5.96	-14.99	-3.58	n.a.	n.a.
Ashmore Emerging Markets	3.48	-7.55	n.a.	-0.92	3.48	-19.48	-5.15	12.19	n.a.
Benchmark ****	7.31	-3.61	n.a.	2.39	7.31	-13.90	-3.06	16.60	n.a.
Value Added	-3.83	-3.94	n.a.	-3.31	-3.83	-5.58	-2.09	-4.41	n.a.

* S&P 500 - Total Return Index

** MSCI All Country World Ex United States Index

*** MSCI World Small Cap Index

**** MSCI Emerging Markets Index

Canadian dollar returns (% net of fees)

Source: State Street

Real Assets

(%)	Annualized Returns				Annual Returns				
	1 Year	3 Years	5 Years	ITD	2023	2022	2021	2020	2019
Northleaf NICP II & NSIP	17.83	13.27	12.14	9.78	17.83	16.13	6.19	12.78	8.20
Benchmark *	7.14	8.87	7.54	7.06	7.14	10.80	9.22	5.45	6.67
Value Added	10.69	4.40	4.60	2.72	10.69	5.34	-3.03	7.32	1.52
Brookfield Global Listed Infra	1.77	5.62	7.26	3.90	1.77	-2.66	18.94	-4.67	26.40
Benchmark **	-0.53	4.95	5.53	5.69	-0.53	2.05	13.90	-5.74	20.14
Value Added	2.30	0.67	1.73	-1.79	2.30	-4.70	5.04	1.08	6.27
Northleaf NICP III	17.80	n.a.	n.a.	18.46	17.80	15.74	n.a.	n.a.	n.a.
Benchmark *	7.14	n.a.	n.a.	9.01	7.14	10.80	n.a.	n.a.	n.a.
Value Added	10.66	n.a.	n.a.	9.45	10.66	4.95	n.a.	n.a.	n.a.
BlackRock GRP III	13.64	n.a.	n.a.	6.73	13.64	12.05	n.a.	n.a.	n.a.
Benchmark *	7.14	n.a.	n.a.	8.90	7.14	10.80	n.a.	n.a.	n.a.
Value Added	6.50	n.a.	n.a.	-2.17	6.50	1.26	n.a.	n.a.	n.a.
CBRE CGIF	-4.78	n.a.	n.a.	7.00	-4.78	n.a.	n.a.	n.a.	n.a.
Benchmark *	7.14	n.a.	n.a.	7.91	7.14	n.a.	n.a.	n.a.	n.a.
Value Added	-11.92	n.a.	n.a.	-0.91	-11.92	n.a.	n.a.	n.a.	n.a.

* CPI + 400bps

** FTSE Global Core Infrastructure 50/50 Index

Canadian dollar returns (% net of fees)

Source: State Street

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