

Quarterly Financial Report

December 31, 2015

Assets Under Management

as at December 31, 2015 \$34,306 million
as at September 30, 2015 \$32,547 million

Valuation and Asset Mix

Policy Asset Mix	Dec. 31/15		Sept. 30/15		
	(\$ m)	(%)	(\$ m)	(%)	
Fixed Income	30.5%	10,157	29.6	9,843	30.2
Inflation Sensitive & Alternatives	32.0%	8,202	23.9	7,383	22.7
Canadian Equity	9.0%	3,640	10.6	3,731	11.5
Global Developed Equity*	16.0%	8,374	24.4	7,944	24.4
Emerging Markets Equity	3.5%	1,197	3.5	1,092	3.4
Global Small Cap Equity	3.0%	1,126	3.3	1,048	3.2
Private Equity	6.0%	1,320	3.8	1,318	4.0
Overlays	0.0%	291	0.8	187	0.6
	100%	34,306	100.0	32,547	100.0

*Includes PAUS

Performance Summary

	Q4 2015	Year to Date	1 Year	4 Years*
LAPP	4.5%	7.9%	7.9%	10.4%
Policy Benchmark	3.7%	6.7%	6.7%	10.0%
Excess Returns	0.8	1.2	1.2	0.4

NOTE: Unaudited Performance net of fees.

Comparative Investment Performance by Calendar Years

Asset Category	Asset/Sub-asset Category	2015		Calendar Years		
	Benchmark	QTD	YTD	2014	2013	2012
Total	Fund	4.5	7.9	11.4	11.3	11.1
	Policy	3.7	6.7	12.9	11.0	9.5
	CPI (one month lag)	(0.2)	1.4	2.0	0.9	0.8
Fixed Income	Asset Category Total	1.7	4.3	14.6	(2.8)	5.4
	Asset Category Benchmark	1.6	4.1	14.5	(5.0)	3.9
	Short Term and Cash	0.2	0.9	1.2	1.2	1.2
	FTSE TMX Canada 91 day T Bill Index	0.1	0.6	0.9	1.0	1.0
	Universe Bonds	1.0	4.1	9.8	0.6	7.5
	FTSE TMX Canada Universe Bond Index	1.0	3.5	8.8	(1.2)	3.6
	Long Bonds	2.1	4.1	18.8	(5.0)	5.3
	FTSE TMX Canada L.T. Govt. Bond Index	1.9	4.5	17.9	(7.0)	4.0
	Private Debt & Loan	1.6	6.1	7.0	-	-
	FTSE TMX Canada Universe Bond Index	1.0	3.5	8.8	-	-
	Private Mortgages	0.8	5.1	9.9	0.4	4.7
	FTSE TMX Canada Universe Bond Index	1.0	3.5	8.8	(1.2)	3.6
Inflation Sensitive & Alternatives	Asset Category Total	5.9	8.3	8.3	6.6	10.5
	Asset Category Benchmark	2.5	6.7	11.4	6.9	10.9
	Real Return Bonds	0.8	3.0	13.5	(12.5)	3.1
	FTSE TMX Canada Real Return Bond Index	0.7	2.8	13.2	(13.1)	2.9
	Real Estate	5.6	8.7	8.5	12.3	15.4
	IPD Cdn Bnchmk: Portfolios Valued > C\$1.5bn ¹	3.7	8.0	7.1	10.9	13.8
	Private Income	12.5	13.9	7.3	4.2	7.7
	Private Income Index ²	1.6	5.8	20.7	17.7	10.9
	Timberlands	1.9	4.2	(2.9)	28.3	(0.4)
	Timberlands Index ³	1.6	10.0	13.7	8.0	11.0
Short Horizon	Asset Category Total	6.3	11.2	12.7	27.3	15.3
	Asset Category Benchmark	5.5	8.2	12.2	24.8	11.6
	Canadian Equity	(1.1)	(7.4)	12.4	15.2	12.1
	S&P/TSX Capped Composite Index	(1.4)	(8.3)	10.6	13.0	8.2
	Global Developed Equity	10.0	21.8	13.4	36.4	17.6
	MSCI World Index	9.3	18.9	14.4	35.3	13.2
	Emerging Markets	4.9	6.2	10.4	5.4	17.0
MSCI Emerging Markets Index	4.3	2.0	6.6	4.0	15.7	
	Small Cap Equity	7.5	13.6	9.8	41.9	1.5
	Small Cap Equity Index ⁴	5.7	7.7	6.6	29.3	1.8
Long Horizon	Private Equity	(3.4)	(9.3)	7.3	2.0	12.8
	Private Equity Index ⁵	6.7	4.8	13.7	33.4	18.9
Overlays	Overlays	14.9	52.2	(28.3)	(0.0)	93.7

Comparative Investment Performance by Annualized Years

Asset Category	Asset/Sub-asset Category	2015 YTD	Annualized Years			
	Benchmark		1	2	3	4
Total	Fund	7.9	7.9	9.7	10.2	10.4
	Policy	6.7	6.7	9.8	10.2	10.0
	CPI (one month lag)	1.4	1.4	1.7	1.4	1.3
Fixed Income	Asset Category Total	4.3	4.3	9.3	5.1	5.2
	Asset Category Benchmark	4.1	4.1	9.2	4.3	4.2
	Short Term and Cash	0.9	0.9	1.1	1.1	1.1
	FTSE TMX Canada 91 day T Bill Index	0.6	0.6	0.8	0.8	0.9
	Universe Bonds	4.1	4.1	6.9	4.8	5.4
	FTSE TMX Canada Universe Bond Index	3.5	3.5	6.1	3.6	3.6
	Long Bonds	4.1	4.1	11.2	5.6	5.5
	FTSE TMX Canada L.T. Govt. Bond Index	4.5	4.5	11.0	4.6	4.5
	Private Debt & Loan	6.1	6.1	6.6		
	FTSE TMX Canada Universe Bond Index	3.5	3.5	6.1		
Inflation Sensitive & Alternatives	Asset Category Total	8.3	8.3	8.1	7.6	8.3
	Asset Category Benchmark	6.7	6.7	9.0	8.3	8.9
	Real Return Bonds	3.0	3.0	8.1	0.7	1.3
	FTSE TMX Canada Real Return Bond Index	2.8	2.8	7.9	0.4	1.0
	Real Estate	8.7	8.7	8.4	9.7	11.1
	IPD Cdn Bnchmk: Portfolios Valued > C#1.5bn ¹	8.0	8.0	7.6	8.7	9.9
	Private Income	13.9	13.9	9.2	7.5	7.6
	Private Income Index ²	5.8	5.8	13.0	14.5	13.6
	Timberlands	4.2	4.2	1.9	10.1	7.3
	Timberlands Index ³	10.0	10.0	11.8	10.5	10.7
Short Horizon	Asset Category Total	11.2	11.2	11.9	16.8	16.4
	Asset Category Benchmark	8.2	8.2	10.2	14.8	14.0
	Canadian Equity	(7.4)	(7.4)	2.0	6.2	7.7
	S&P/TSX Capped Composite Index	(8.3)	(8.3)	0.7	4.6	5.5
	Global Developed Equity	21.8	21.8	17.5	23.5	22.0
	MSCI World Index	18.9	18.9	16.6	22.5	20.1
	Emerging Markets	6.2	6.2	8.3	7.3	9.6
	MSCI Emerging Markets Index	2.0	2.0	4.3	4.2	7.0
Long Horizon	Private Equity	(9.3)	(9.3)	(3.3)	(1.6)	1.8
	Private Equity Index ⁵	4.8	4.8	9.2	16.7	17.3
Overlays	Overlays	52.2	52.2	14.1	9.2	26.0

1. *IPD Large Institutional Index: one quarter lag.*
2. *Private Income Index: S&P Global Infrastructure (Hedged C\$)+1%*
3. *Timberlands Index: 50% DEX Real Return Bond/50% MSCI World (Hedged C\$)+1.5%*
4. *Small Cap Equity Index: 1/3 S&P/TSX Small + 2/3 MSCI Small Cap.*
5. *Private Equity Index: MSCI World (Hedged C\$)+3%.*