

QUARTERLY INVESTMENT REPORT

June 30, 2023

Assets Under Management

as of June 30, 2023

\$61,386 million

as of March 31, 2023

\$60,505 million

Asset Mix

	Policy Asset Mix	June 30, 2023		March 31, 2023	
	(%)	(CAD millions)	(%)	(CAD millions)	(%)
Fixed Income	30.0	16,534	26.9	16,023	26.5
Inflation Sensitive & Alternatives	30.5	20,077	32.7	19,585	32.4
Canadian Equity	6.0	3,642	5.9	4,255	7.0
Global Developed Equity	17.5	11,029	18.0	10,545	17.4
Emerging Markets Equity	5.0	2,961	4.8	3,069	5.1
Global Small Cap Equity	5.0	3,016	4.9	3,020	5.0
Private Equity	6.0	4,028	6.6	3,902	6.4
Overlays	0.0	99	0.2	106	0.2
	100.0	61,386	100.0	60,505	100.0

Performance Summary

	Q2 2023	YTD	1 Year	4 Year
	(%)	(%)	(%)	(%)
LAPP	1.46	4.89	9.16	5.69
Policy Benchmark	1.42	4.81	8.51	4.59
Excess Returns	0.03	0.07	0.65	1.10

Note: Performance net of fees

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Investment Performance by Calendar Years

Asset Category	Asset/Sub-Asset Category Benchmark	2023		Calendar Years		
		Q2 (%)	YTD (%)	2022 (%)	2021 (%)	2020 (%)
Total	Fund	1.5	4.9	(5.0)	15.0	4.5
	Policy Benchmark	1.4	4.8	(6.7)	7.6	9.5
Fixed Income	Asset Category Total	0.3	4.2	(12.3)	(2.4)	10.9
	Asset Category Benchmark	0.3	4.1	(13.0)	(3.6)	10.2
	Short Term and Cash	1.2	2.3	1.9	0.2	0.9
	FTSE TMX Canada 91-day T Bill Index	1.1	2.2	1.8	0.2	0.9
	Universe Bonds	(0.5)	3.0	(11.8)	(2.4)	9.9
	FTSE TMX Canada Universe Bond Index	(0.7)	2.5	(11.7)	(2.5)	8.7
	Long Bonds	0.3	5.5	(23.0)	(4.8)	13.0
	FTSE TMX Canada L.T. Govt. Bond Index	0.3	5.2	(22.6)	(5.1)	12.1
	Private Debt & Loan	2.6	4.5	6.2	8.5	5.9
	Private Debt & Loan Index ⁱ¹	2.8	6.2	(0.1)	(0.9)	8.7
	Private Mortgages	(0.9)	2.3	(5.0)	1.1	9.4
	Private Mortgage Estate Index ⁱⁱ	(1.1)	1.6	(6.1)	(1.1)	8.7
Inflation Sensitive & Alternatives	Asset Category Total	1.4	2.0	11.2	16.6	(8.4)
	Asset Category Benchmark	1.0	1.3	4.1	7.5	1.6
	Real Estate	(0.1)	(0.1)	4.2	14.5	(13.1)
	Real Estate Index ⁱⁱ	(0.1)	(1.6)	1.0	8.0	(2.3)
	Canadian Real Estate	0.4	0.7	7.3	14.2	(14.0)
	Canadian Real Estate Index ⁱⁱⁱ	0.4	0.9	1.2	6.9	(5.2)
	Foreign Real Estate	(0.7)	(1.2)	0.2	15.0	(11.2)
	Foreign Real Estate Index ^{iv}	(0.7)	(4.7)	0.7	9.9	3.8
	Private Infrastructure	3.3	3.9	18.5	20.5	(2.3)
	Private Infrastructure Index ^v	2.0	3.9	7.7	6.8	6.1
	Renewable Resources	(0.2)	2.9	21.5	11.3	(5.5)
	Renewable Resources Index ^{vi}	2.0	3.9	7.7	6.8	6.1
Short Horizon	Asset Category Total	2.0	8.3	(9.6)	22.6	4.6
	Asset Category Benchmark	2.4	8.5	(11.1)	17.7	13.0
	Canadian Equity	1.0	5.1	(4.5)	29.4	(1.8)
	S&P/TSX Capped Composite Index	1.1	5.7	(5.8)	25.1	5.6
	Global Developed Equity	4.1	12.3	(10.6)	25.2	6.1
	MSCI World Index	4.5	12.4	(12.2)	20.8	13.9
	Emerging Markets	(1.5)	3.6	(13.8)	1.3	7.6
	MSCI Emerging Markets Index	(1.3)	2.4	(14.3)	(3.4)	16.2
	Small Cap Equity	(0.2)	4.6	(7.8)	22.7	4.8
	Small Cap Equity Index ^{vii}	0.9	5.1	(12.9)	14.8	13.9
Long Horizon	Private Equity	3.9	4.9	(6.0)	72.5	18.0
	CPI 1 month lagged + 650 bps (5-yr rolling average) ^{viii}	2.5	4.9	9.7	8.8	8.1
Overlays	Opportunistic Investments	(6.5)	(13.2)	1.8	(8.4)	4.8

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Investment Performance by Annualized Years

Asset Category	Asset/Sub-Asset Category Benchmark	2023	Annualized Years			
		YTD (%)	1 (%)	2 (%)	3 (%)	4 (%)
Total	Fund	4.9	9.2	3.5	6.8	5.7
	Policy Benchmark	4.8	8.5	1.0	4.0	4.6
Fixed Income	Asset Category Total	4.2	5.2	(3.4)	(3.0)	(0.1)
	Asset Category Benchmark	4.1	5.4	(4.2)	(4.3)	(0.9)
	Short Term and Cash	2.3	3.9	2.2	1.5	1.6
	FTSE TMX Canada 91-day T Bill Index	2.2	3.8	2.1	1.4	1.5
	Universe Bonds	3.0	3.8	(4.3)	(3.1)	(0.5)
	FTSE TMX Canada Universe Bond Index	2.5	3.1	(4.4)	(3.7)	(1.0)
	Long Bonds	5.5	5.8	(8.6)	(7.9)	(3.2)
	FTSE TMX Canada L.T. Govt. Bond Index	5.2	5.3	(8.4)	(8.3)	(3.5)
	Private Debt & Loan	4.5	7.9	7.6	7.9	6.9
	Private Debt & Loan Index ⁱ	6.2	10.7	2.7	2.0	3.4
	Private Mortgages	2.3	1.3	(0.6)	0.4	2.0
	Private Mortgage Estate Index ⁱⁱ	1.6	2.6	(2.3)	(1.6)	0.7
Inflation Sensitive & Alternatives	Asset Category Total	2.0	7.5	12.9	8.4	5.9
	Asset Category Benchmark	1.3	2.2	5.2	4.5	4.4
	Real Estate	(0.1)	(0.7)	7.2	3.4	1.7
	Real Estate Index ⁱⁱⁱ	(1.6)	(3.1)	2.6	1.9	2.0
	Canadian Real Estate	0.7	2.3	8.4	4.5	2.5
	Canadian Real Estate Index ^{iv}	0.9	(0.6)	3.2	2.0	1.6
	Foreign Real Estate	(1.2)	(4.5)	5.8	2.2	0.8
	Foreign Real Estate Index ^v	(4.7)	(6.3)	2.3	2.1	3.0
	Private Infrastructure	3.9	14.3	19.3	14.5	10.6
	Private Infrastructure Index ^{vi}	3.9	7.8	7.7	7.2	6.9
	Renewable Resources	2.9	21.8	17.2	9.3	9.6
	Renewable Resources Index ^{vii}	3.9	7.8	7.7	7.2	6.9
Short Horizon	Asset Category Total	8.3	15.8	2.6	12.6	7.8
	Asset Category Benchmark	8.5	16.2	1.2	10.0	8.4
	Canadian Equity	5.1	10.2	4.0	14.8	7.7
	S&P/TSX Capped Composite Index	5.7	10.4	3.0	12.4	8.6
	Global Developed Equity	12.3	21.7	5.6	13.8	9.6
	MSCI World Index	12.4	21.6	4.2	11.1	10.1
	Emerging Markets	3.6	4.7	(8.3)	4.3	0.8
	MSCI Emerging Markets Index	2.4	4.4	(9.9)	1.3	1.2
	Small Cap Equity	4.6	15.0	1.0	12.9	7.8
Long Horizon	Small Cap Equity Index ^{viii}	5.1	15.9	(3.0)	9.4	6.6
	Private Equity	4.9	(0.4)	6.7	28.4	20.4
Overlays	Private Equity Index ^{ix}	4.9	9.8	9.7	9.2	8.9
	Opportunistic Investments	(13.2)	(4.7)	(10.9)	(2.9)	(1.9)

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- i Private Debt & Loan Index: 40% S&P/LSTA Leveraged Loan Index + 40% S&P European Leveraged Loan Index + 0.90% (CAD Hedged).
 - ii Private Mortgage Index: 60% FTSE Canada Short Term Bond Index & 40% FTSE Canada Mid Term Bond Index + 50 bps.
 - iii Real Estate Index: A blend of the MSCI REALpac Canadian All Property Index - Large Institutional Subset and MSCI Global Region Property Index, one quarter lagged.
 - iv Canadian Real Estate Index: MSCI REALpac Canadian All Property Index - Large Institutional Subset, one quarter lagged.
 - v Foreign Real Estate Index: MSCI Global Region Property Index, one quarter lagged.
 - vi Private Infrastructure Index: CPI + 450 bps (5-year rolling average for CPI).
 - vii Renewable Resources Index: CPI + 450 bps (5-year rolling average for CPI).
 - viii Small Cap Equity Index: MSCI World Small Cap Index.
 - ix Private Equity Index: CPI + 650 bps (5-year rolling average for CPI).