

# Pooled Fund Annualized Returns (C\$)

FIXED INCOME, REAL ESTATE & ILLIQUID ASSETS | PERIODS ENDING MARCH 31, 2016

SHORT TERM	25 YEARS	20 YEARS	15 YEARS	10 YEARS	5 YEARS	4 YEARS	3 YEARS	2 YEARS	1 YEAR
Short Term Fund 1	3.4	2.7	2.0	1.6	0.9	0.9	0.8	0.7	0.6
FTSE TMX Canada 30 Day Treasury Bill Index	3.3	2.5	1.9	1.5	0.8	0.8	0.8	0.7	0.5
Short Term Fund 2	3.7	2.9	2.3	1.9	1.1	1.1	1.1	1.0	0.8
FTSE TMX Canada 91 Day Treasury Bill Index	3.5	2.7	2.1	1.7	0.9	0.9	0.8	0.7	0.5
Short Term Fund 3	3.4	2.3	0.1	2.2	5.8	6.6	8.3	8.2	2.0
Citigroup 30 Day Treasury Bill Index	3.0	2.0	0.0	2.0	5.9	6.7	8.4	8.3	2.2
Short Term Bond Fund		4.8	4.1	3.6	2.6	2.2	2.2	2.5	1.1
FTSE TMX Canada Short Term Gov't Bond Index	5.7	4.7	4.1	3.6	2.5	2.1	2.1	2.4	1.0
<b>MORTGAGES</b>									
Fixed Term Mortgage Fund		6.7	6.0	5.4	4.7	4.1	3.7	3.6	1.9
FTSE TMX Canada Short Term Bond Index + 100 bps		6.0	5.4	4.9	3.9	3.5	3.3	3.5	2.1
Construction Mortgage Fund		6.2	5.6	5.5	4.8	4.9	5.0	4.9	4.8
FTSE TMX Canada 365 Day T-Bill Index + 100 bps		4.3	3.6	3.2	2.2	2.1	2.0	1.9	1.5
Mezzanine Mortgage Fund			9.2	9.4	9.1	10.6	11.2	12.1	7.5
FTSE TMX Canada 365 Day T-Bill Index + 250 bps		5.8	5.2	4.7	3.7	3.6	3.5	3.4	3.0
<b>BONDS</b>									
Universe Bond Fund					5.4	4.2	4.1	5.5	0.5
FTSE TMX Canada Universe Bond Index	7.4	6.4	5.8	5.2	5.2	4.0	3.9	5.4	0.8
Global Government Bond Fund					5.2	4.5	4.3	6.3	3.2
JPMorgan Global Investment Grade GBI (Hedged C\$)				5.2	5.6	5.0	4.9	6.4	3.4
Real Return Bond Fund					4.2	1.5	1.5	5.7	(2.1)
FTSE TMX Canada Real Return Bond Index		8.0	7.2	4.9	4.6	1.8	1.7	5.8	(2.2)
<b>OTHER</b>									
All Weather Fund								1.0	(5.9)
USD Nominal 6.5% (Converted to CAD)								7.6	8.8
<b>REAL ESTATE</b>									
Realpool Domestic		10.2	9.6	8.7	9.5	7.9	6.6	6.4	5.3
Canadian Consumer Price Index (CPI) + 400 bps	5.8	5.9	5.8	5.6	5.4	5.3	5.3	5.2	5.3
Canadian CPI	1.8	1.9	1.8	1.6	1.4	1.3	1.3	1.2	1.3
<b>PRIVATE PLACEMENTS BENCHMARK</b>									
MSCI AC World Net Index + 200 bps / BMO Small Cap 10 Year Annualized + 450 bps	14.3	14.1	14.2	12.9	13.4	15.9	16.4	10.7	(0.3)
<b>ILLIQUID FUNDS</b> <i>Final audited IRR Returns as at December 31, 2015</i>									
Realpool Global			4.8	4.8	10.2	11.3	14.2	14.1	17.5
Nominal 7% / Canadian CPI + 700 bps			8.6	8.3	7.9	7.5	7.4	7.0	7.0
Canadian CPI + 400 bps			5.8	5.7	5.5	5.5	5.6	5.3	5.5
Private Placements		9.4	9.1	12.5	17.8	20.3	22.9	21.6	25.5
MSCI AC World Net Index + 200 bps / BMO Small Cap 10 Year Annualized + 450 bps		14.8	14.3	13.9	15.3	20.4	22.1	17.1	18.9
Infrastructure & Renewable Resources									
Infrastructure				11.3	11.6	10.6	10.9	10.6	11.5
Nominal 8%				8.0	8.0	8.0	8.0	8.0	8.0
Renewable Resources							10.6	7.3	6.7
Nominal 7%							7.0	7.0	7.0

Benchmarks are presented in blue. Actual pooled fund returns, net of costs, are in black.

# Pooled Fund Benchmarks

FIXED INCOME, REAL ESTATE & ILLIQUID ASSETS

## SHORT TERM

### Short Term Fund 1 – FTSE TMX Canada 30 Day Treasury Bill Index

An index which maintains an average term to maturity of 30 days. This index assumes a monthly buy and hold strategy of Government of Canada 30 day T-Bills.

### Short Term Fund 2 – FTSE TMX Canada 91 Day Treasury Bill Index

An index which maintains an average term to maturity of 91 days by assuming to sell and repurchase a portfolio of Government of Canada T-Bills every two weeks.

### Short Term U.S. Fund 3 – Citigroup 30 Day Treasury Bill Index

An index that purchases 1 month T-bills at the beginning of each month. At the end of the month, all proceeds are reinvested at the new 1 month T-Bill rate.

### Short Term Bonds – FTSE TMX Canada Short Term Government Bond Index

An index based on a theoretical portfolio of short term government bonds that have a term to maturity of 1 to 5 years. The average term to maturity is approximately 3 years.

## MORTGAGES

### Fixed Term Mortgage Fund – FTSE TMX Canada Short Term Overall Bond Index + 100 Basis Points

This index includes bonds issued by the Government of Canada, Provincial and Municipal bonds, and Corporate bonds with a rating of BBB- or higher and most closely approximates the expected term to maturity of the Fixed Term Mortgage Fund. The added 100 basis points reflects the illiquidity and higher credit risks of mortgages.

### Construction Mortgage Fund – FTSE TMX Canada 365 Day Treasury Bill Index + 100 Basis Points

This index assumes to sell and repurchase a portfolio of Government of Canada T-Bills every four weeks and most closely approximates the expected term to maturity of the Construction Mortgage Fund. The added 100 basis points reflect the illiquidity and higher credit risks of mortgages.

### Mezzanine Mortgage Fund – FTSE TMX Canada 365 Day Treasury Bill Index + 250 Basis Points

This index assumes to sell and repurchase a portfolio of Government of Canada T-Bills every four weeks and most closely approximates the expected term to maturity of the Mezzanine Mortgage Fund. The added 250 basis points reflect the illiquidity and higher credit risks of mortgages.

## BONDS

### Universe Bond Fund – FTSE TMX Canada Universe Bond Index

An index based on a theoretical portfolio of diversified government and corporate bonds, intended to be a broad measure of the Canadian investment-grade bond market.

### Global Government Bond Fund – JPMorgan Global Investment Grade Government Bond Index (GBI), Hedged C\$

A total return, market capitalization weighted index comprised of 13 developed countries, rebalanced monthly. Bonds must have a minimum remaining maturity of one year.

### Real Return Bond Fund – FTSE TMX Canada Real Return Bond Overall Index

An index based on a theoretical portfolio of real return bonds which have a minimum BBB- credit rating and remaining maturity greater than one calendar year.

## OTHER

### All Weather Fund – USD Nominal 6.5% (Converted to CAD)

A nominal return of 6.5% in U.S Dollars as at April 1, 2015. Prior to this date a nominal return of 6.5% in Canadian Dollars.

## REAL ESTATE

### Realpool – Canadian Consumer Price Index (CPI) + 400 Basis Points

The increase in the Canadian cost of living plus 400 basis points, which are added to reflect the illiquidity of Real Estate holdings.

## PRIVATE PLACEMENTS

### Private Placements – Morgan Stanley Capital International (MSCI) All Country World Net Index + 200 Basis Points

The composite benchmark is a blend of the TSX 200 Index + 3% from inception to March 31, 2003, the BMO Small Cap Equity Only Index + 4.5% effective April 1, 2003, 10 year annualized BMO Small Cap Equity Index + 4.5% from April 1, 2004, and MSCI ACWI + 2% effective April 1, 2010.

## ILLIQUID FUNDS

### Realpool Global – Primary benchmark: Nominal 7%

– Secondary benchmark: Canadian CPI + 400 Basis Points

The Realpool Global Benchmark is a nominal return of 7% as of January 1, 2014. The benchmark was changed from the Canadian Consumer Price Index plus 700 basis points. The secondary benchmark is the Canadian Consumer Price Index plus 400 basis points.

### Private Placements – MSCI All Country World Net Index + 200 Basis Points

The program benchmark is the same as the Private Placement composite benchmark above, blended with an 8% nominal return calculated at every calendar year-end to reflect the mezzanine fixed income component, effective April 1, 2004.

### Infrastructure – Nominal 8%

A nominal return of 8%.

### Renewable Resources – Nominal 7%

A nominal return of 7%.

# Pooled Fund Annualized Returns (C\$)

EQUITIES | PERIODS ENDING MARCH 31, 2016

	25 YEARS	20 YEARS	15 YEARS	10 YEARS	5 YEARS	4 YEARS	3 YEARS	2 YEARS	1 YEAR
<b>CANADIAN EQUITIES</b>									
Indexed Canadian Equity Fund S&P/TSX Composite Index	8.1	7.9	6.8	4.3	2.2	5.5	5.3	0.2	(6.4)
	8.1	7.5	6.5	4.0	1.9	5.2	5.0	(0.0)	(6.6)
Enhanced Indexed Canadian Equity Fund S&P/TSX Capped Composite Index	8.3	7.8	6.5	4.4	2.6	5.8	5.5	(0.0)	(6.9)
	8.3	7.8	6.5	4.0	1.9	5.2	5.0	(0.0)	(6.6)
Active Canadian Equity Fund S&P/TSX Capped Composite Index	9.1	8.8	7.6	5.0	4.8	8.3	9.0	3.5	(2.8)
	8.3	7.8	6.5	4.0	1.9	5.2	5.0	(0.0)	(6.6)
Active Canadian Small Cap Equity Fund S&P/TSX Small Cap Index			3.2	(1.2)	5.3	8.8	8.1	(1.0)	(6.6)
					(5.7)	(2.6)	(0.6)	(7.7)	(5.7)
<b>GLOBAL EQUITIES</b>									
Indexed Global Equity Fund MSCI World ex-Canada Net Index	7.4	5.6	3.6	5.5	13.3	16.2	16.7	10.3	(0.7)
						15.7	16.3	9.9	(1.1)
Indexed Global ESG Equity Fund MSCI World ESG Net Index					13.0	15.4	16.0	10.0	(0.6)
						15.6	15.6	9.6	(1.0)
Enhanced Indexed Global Equity Fund MSCI World ex-Canada Net Index	7.4	5.6	3.6	5.5	13.3	16.5	16.9	10.2	(0.6)
						15.7	16.3	9.9	(1.1)
Active Global Equity Fund MSCI World / World ex-Canada Net Index	7.3	5.6	3.8	5.6	13.2	16.4	16.8	12.0	0.4
					13.3	15.7	16.3	9.9	(1.1)
Thematic Public Equity Fund* MSCI World ex-Canada Net Index	7.4	5.6	3.6	5.5	13.3	15.7	13.4	10.7	(6.3)
Canadian CPI + 3.5%	5.3	5.4	5.4	5.2	4.9	4.8	4.8	4.7	(1.1)
								4.7	4.8
<b>U.S. EQUITIES</b>									
Indexed U.S. Equity Fund MSCI USA Total Return Index	9.7	7.7	4.6	8.1	18.0	19.7	21.0	15.7	3.5
		7.7	4.6	8.1	18.0	19.7	21.0	15.7	3.5
Active U.S. Equity Fund Russell 1000 Total Return Index	10.0	7.3	4.6	7.1	15.8	18.1	18.5	10.8	(3.8)
		7.8	4.9	8.2	17.9	19.7	20.9	15.2	2.6
Active U.S. Small Cap Equity Fund Russell 2000 Total Return Index	9.8	7.4	6.2	6.3	14.8	18.2	19.0	7.9	(4.2)
					13.5	16.4	15.8	7.0	(7.8)
<b>NON-NORTH AMERICAN EQUITIES</b>									
Indexed European Equity Fund Active European Equity Fund				3.5	8.4	11.9	11.6	1.2	(6.2)
				3.1	9.3	14.0	14.1	2.9	(3.2)
MSCI Europe Net Index	7.5	5.7	3.1	3.1	8.1	11.6	11.3	1.0	(6.5)
Indexed Asian Equity Fund MSCI Pacific Net Index	2.8	1.2	2.8	2.4	8.8	10.9	9.7	7.6	(6.0)
					8.8	11.0	9.8	7.6	(6.0)
Active Asian Equity Fund MSCI AC Asia Pacific ex-Japan Net Index				6.3	5.0	7.4	6.5	6.0	(9.0)
					5.7	8.4	7.0	5.0	(9.7)
Indexed Emerging Markets Equity Fund Active Emerging Markets Equity Fund					4.2	5.8	5.4	1.9	(9.9)
					4.2	5.8	5.4	6.1	(8.0)
MSCI Emerging Markets Net Index				4.1	1.5	3.5	3.5	1.8	(10.2)

\*The Thematic Public Equity Fund has two benchmarks: the MSCI World ex-Canada Net Index over 4 years; and CPI + 3.5% over 4 years. Interim benchmark is reported for information purposes.

**Benchmarks are presented in blue. Actual pooled fund returns, net of costs, are in black.**

# Pooled Fund Benchmarks

## EQUITIES

### CANADIAN EQUITIES

#### **Indexed Canadian Equity Fund – Standard & Poor's (S&P) / Toronto Stock Exchange (TSX) Composite Index**

This index covers Canadian-incorporated companies and income trusts listed on the Toronto Stock Exchange. It is a capitalization-weighted index and returns are calculated on a total return basis with dividends reinvested.

#### **Enhanced Canadian Equity Fund – S&P/TSX Capped Composite Index**

The S&P/TSX Composite Index covers Canadian-incorporated companies and income trusts listed on the Toronto Stock Exchange. The S&P/TSX Capped Composite Index limits the weight of a company in the index to 10 percent. The Enhanced Indexed Canadian Equity Fund excludes stocks within each economic sector of the S&P/TSX that are judged to be overvalued. As of October 1, 2012 the benchmark was changed from the S&P/TSX Equity Index to the S&P/TSX Capped Composite Index.

#### **Active Canadian Equity Fund – S&P/TSX Capped Composite Index**

The S&P/TSX Composite Index covers Canadian-incorporated companies and income trusts listed on the Toronto Stock Exchange. The S&P/TSX Capped Composite Index limits the weight of a company in the index to 10 percent. As of October 1, 2012 the benchmark was changed from the S&P/TSX Equity Index to the S&P/TSX Capped Composite Index.

#### **Active Canadian Small Cap Equity Fund – S&P/TSX Small Cap Index**

This index covers Canadian-incorporated companies and income trusts listed on the Toronto Stock Exchange. As the Small Cap Index, it requires companies' market capitalization to be between C\$100 million and C\$1.5 billion, and restricts eligibility only to stocks actively and regularly traded, and listed for at least 12 months. As of October 1, 2012, the benchmark was changed from the S&P/TSX Small Cap Equity Index to the S&P/TSX Small Cap Index.

### GLOBAL EQUITIES

#### **Global Equity Funds – MSCI World ex-Canada Net Index**

A free float-adjusted market capitalization weighted total return index that includes dividends net of withholding taxes. It is designed to measure the mid and large cap equity market performance of 22 of 23 Developed Markets Countries in the U.S., Europe, and the Asia-Pacific region. Changed from the MSCI World Net Index to the MSCI World ex-Canada Net Index as of July 1, 2011.

#### **Indexed Global ESG Equity Fund – MSCI World ESG Net Index**

A total return, broadly diversified global equity index comprised of large and mid cap companies with high Environmental, Social and Governance (ESG) ratings relative to their sector peers. To limit tracking error, the Index is designed to have similar sector and regional weights to the MSCI World Index. Constituent selection is based on data from MSCI ESG Research and spans 23 Developed Market Countries.

#### **Thematic Public Equity Fund – MSCI World ex-Canada Net Index; CPI + 350 Basis Points Over 4 Years**

The MSCI World ex-Canada Net Index is a free float-adjusted market capitalization weighted total return index that includes dividends, net of withholding taxes. It is designed to measure the mid and large cap equity market performance of 22 of 23 Developed Markets Countries in the U.S., Europe, and the Asia-Pacific region. The secondary index is the Canadian Consumer Price Index (CPI) which measures the increase in the Canadian cost of living.

### U.S. EQUITIES

#### **Indexed U.S. Equity Fund – MSCI USA Total Return Index**

This index is designed to measure the performance of the large and mid cap segments of the U.S. market. With 626 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in the U.S. equity market. Changed from the S&P 500 Total Return Index to the MSCI USA Total Return Index as of January 1, 2016.

#### **Active U.S. Equity Fund – Russell 1000 Total Return Index**

A total return index which includes the largest 1000 U.S. companies, based on market capitalization, from the Russell 3000 Index which covers 98% of the investable U.S. equity universe.

#### **Active U.S. Small Cap Equity Fund – Russell 2000 Total Return Index**

A total return index which includes the smallest 2000 U.S. companies, based on market capitalization, from the Russell 3000 Index which covers 98% of the investable U.S. equity universe.

### NON-NORTH AMERICAN EQUITIES

#### **European Equity Funds – MSCI Europe Net Index**

A free float-adjusted market capitalization weighted total return index that includes dividends net of withholding taxes. It is comprised of large and mid cap securities from 15 European Developed Markets countries.

#### **Indexed Asian Equity Fund – MSCI Pacific Net Index**

A free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the Developed Markets in the Pacific region. Currently, the Index consists of the following 5 Developed Markets countries: Australia, Hong Kong, Japan, New Zealand, and Singapore.

#### **Active Asian Equity Fund – MSCI All Country Asia Pacific ex-Japan Net Index**

This index is comprised of large and mid cap securities spanning 4 Developed Markets and 8 Emerging Markets countries in the Asia Pacific region. It is a free float-adjusted market capitalization weighted total return index that includes dividends net of withholding taxes.

#### **Emerging Markets Equity Funds - MSCI Emerging Markets Net Index**

A free float-adjusted market capitalization weighted index that is designed to capture large and mid cap equity market performance from 23 Emerging Markets countries.