Plannera™
PENSIONS & BENEFITS

STATEMENT OF INVESTMENT POLICIES AND GOALS

NOVEMBER 2025

Saskatchewan Liquor Board Superannuation Plan

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Section 1 – Overview

1.01 Purpose of Statement

The purpose of the Liquor Board Superannuation Policy (the Policy) statement is to provide a framework for management of the Saskatchewan Liquor Board Superannuation Fund (the Fund) within levels of risk acceptable to the Liquor Board Superannuation Commission (the Commission). The Policy provides the investment managers with a written statement of specific quality, quantity, and rate of return standards for the Fund.

A major goal of this Policy statement is to establish ongoing communication between the Commission and the investment manager. Effective communication will contribute to management of the portfolio in a manner that is consistent with market conditions, and with the objectives of the Commission. Consultation between the two parties will take the form of regular meetings supplemented, from time to time, by informal contact requested by either party.

This Policy statement is based on the “prudent person portfolio approach” to ensure the prudent investment and administration of the assets of the Saskatchewan Liquor Board Superannuation Plan (the Plan) within the parameters set out in applicable legislation.

1.02 Background of the Fund

The Fund was established by The Liquor Board Superannuation Act (the Act).

1.03 Plan Profile

The Plan is a defined benefit pension plan.

Employee and employer contributions are made to the Fund, and refunds, transfers and retirement benefits are paid from the Fund in accordance with provisions of the Act, and The Superannuation (Supplementary Provisions) Act.

In the event of a deficit occurring in the Plan, the Liquor and Gaming Authority is required to fund the deficiency, pursuant to section 39 of the Act.

Pension payments have exceeded contributions for several years. Presently, pension payments exceed contributions and investment income. Extraordinary payments in excess of regular employer contributions are required to fund the unfunded actuarial liability.

The Liquor and Gaming Authority has agreed to fund the Plan to maintain the current asset base.

1.04 Plan Objective

The primary purpose of the Fund is to provide members of the Fund with retirement benefits prescribed under the terms thereof.

1.05 Investment and Risk Philosophy

The Commission recognizes the importance of the integration of the funding and investment policies. Together, these policies seek to achieve the overall goals of benefit security and contribution stability. Accordingly, the investment beliefs and the risk philosophy reflect these goals.

(a) Investment Philosophy

The Plan is considered to have a low tolerance for risk based on its member demographics and funding status. The supplemental payments from the Liquor and Gaming Authority, however, allow the Plan to maintain a diversified asset mix employing a balance between fixed income and equity investments.

(b) Risk Philosophy

To achieve the long-term investment goals, the Fund must invest in assets that have uncertain returns. The Plan seeks to reduce the overall level of risk by diversifying across asset classes.

The investment manager invests relative to a benchmark portfolio. The return from the benchmark portfolio represents an achievable return for the Fund given the capital market conditions in which it is invested. The specific weights for each asset class are set based on the risk tolerance of the Fund. Risk tolerance is assessed through a detailed review of the Fund and the investment markets that considers:

- Investment time horizon;
- Liquidity needs;

- Regulatory environment, including tax issues;
- Other unique plan-specific factors; and
- Historical and prospective risk (volatility) and return of various asset classes and benchmark portfolios.

1.06 Administration

Day-to-day administration is provided by Plannera *Pensions and Benefits (Plannera)*. Investment management and custody of the Plan's assets have also been delegated as set out in Section 4.01 of this Policy.

1.07 Distinction of Responsibilities

Section 3(2) of the Act provides that the Minister responsible for the Act (the Minister) is the sole member of the Commission.

Pursuant to section 42 of the Act, and subject to the approval of the Minister of Finance, the Commission is responsible for investing the assets of the Plan. The Minister, in their capacity as the Commission, may delegate the decision making authority to a Delegate through a delegation document but remains ultimately responsible for investing the assets of the Plan.

Among other responsibilities, the Commission is responsible for:

(a) Establishing the investment policy and objectives;

(b) Establishing an investment management structure;

(c) Selecting the investment manager;

(d) Selecting the custodian;

(e) Monitoring investment performance; and

(f) Communicating with the investment manager.

In general, the Commission has a fiduciary responsibility to manage the Fund prudently.

Section 2 – Asset Mix and Diversification Policy

2.01 Portfolio Return Expectations

The investment manager appointed by the Plan is directed to achieve a satisfactory long-term rate of return through a diversified portfolio within its mandate, consistent with acceptable risks and prudent management. The long-term investment goal of the Fund is to achieve a minimum annualized rate of return of 2.5percentage points in excess of the Canadian Consumer Price Index. This 2.5 per cent real return objective is consistent with the overall investment risk level that the Fund could assume and normally will be assessed over longer time periods (i.e., 10 years or more).

To achieve this long-term investment goal, the Fund has adopted a neutral asset mix between fixed income and equity investments. The Fund employs passive management, which provides the opportunity to approximate specific investment benchmarks.

2.02 Expected Volatility

The volatility of the Fund is directly related to its asset mix, specifically, the balance between Canadian bonds and Canadian and foreign equities. Since the investment manager does not have the authority to make any type of leveraged investment on behalf of the Fund, the volatility of the Fund should be similar to the volatility of the Benchmark Portfolio set out in Section 4.02.

2.03 Asset Mix

(a) Total Fund Asset Mix

Taking into consideration the Plan's Investment and Risk Philosophies (Section 1.05), the following asset mix has been established:

Able to achieve its long term objectives.

	Minimum (%)	Benchmark (%)	Maximum (%)
Equities			
Canadian Equities	17	22	27
U.S. Equities	9	14	19
Non-North American Equities	9	14	19
Total Equities		**50**	
Fixed Income			
Bonds	40	45	50
Short-Term Investments	2	5	8
Total Fixed Income		**50**	
Total Fund		**100**	

2.04 Management Structure

(a) Philosophy

A balanced management structure has been adopted for management of Plan assets.

This structure employs passive management, which tracks the benchmark over the long-term, with a minimum degree of excess risk.

Section 3 – Permitted and Prohibited Investments

3.01 General Guidelines

The Fund investments must comply with the requirements and restrictions imposed by the applicable legislation, including but not limited to the requirements of The Saskatchewan Pension Benefits Act, 1992, which refers to the Pension Benefits Standards Act, 1985 (Canada) on investment related issues, the Income Tax Act (Canada) and Regulations, and all subsequent amendments.

3.02 Permitted Investments

Assets are invested in a series of pooled funds. Pooled fund investments are governed by the policies for each fund. Plannera and the investment consultant have reviewed the guidelines for the following funds and determined they are appropriate investment vehicles for the Fund assets:

- TD Emerald Canadian Equity Index Fund;
- TD Emerald Pooled U.S. Fund CAD$;
- TD Emerald International Equity Index Fund;
- TD Emerald Canadian Bond Index Fund; and
- TD Emerald Canadian Short-Term Investment Fund.

3.03 Prior Permission Required

Investments in any pooled funds or securities, other than those listed in Section 3.02, requires prior permission.

3.04 Prohibited Investments

The investment manager shall not:

(a) Invest in companies for the purpose of managing them;

(b) Purchase securities on margin or engage in short sales; or

(c) Make any investment not specifically permitted by this Policy.

3.05 Securities Lending

Securities lending is permitted within a pooled fund that permits securities lending.

Section 4 – Monitoring And Control

4.01 Delegation of Responsibilities

The Act is administered by the Commission. Section 3(2) of the Act provides that the Minister responsible for the Act (the Minister) is the sole member of the Commission.

The Minister, in their capacity as the Commission, may delegate the decision making authority to a Delegate through a delegation of authority document but remains ultimately responsible for the administration of the Plan. Overall responsibility for prudent management of the Plan's assets rests with the Commission. The Commission makes recommendations on investment policy, investment manager, actuarial and consulting services, and Plan changes. The Commission is also charged with ensuring the Plan conforms to legislation and monitoring investment performance.

In completing the above duties, a number of responsibilities have been delegated:

(a) The investment manager will:

(i) Invest the assets of the Fund in accordance with this policy;

(ii) Notify the Executive VP, Investments and Chief Investment Officer (EVPI & CIO), in writing of any significant changes in the investment manager's philosophies, policies, personnel, organization, and/or procedures;

(iii) Notify the EVPI & CIO immediately, in writing, of any legal or regulatory proceedings or charges of which the investment manager may be aware against the investment manager's firm and/or investment personnel, or against any sub-advisor and/or that firm's investment personnel;

(iv) Meet with the Commission as required and provide quarterly written reports regarding its past performance, its future strategies, and other issues as requested; and

(v) File quarterly compliance reports (see Section 4.03).

(b) Plannera will:

(i) Advise and support the Plan on matters relating to investment management and administration of the Fund, including but not limited to investment policy, appointing and terminating investment managers, and Plan changes;

(ii) Monitor the Plan's asset mix and rebalance between Pooled Funds as required;

(iii) Monitor investment manager's performance relative to the benchmarks;

(iv) Perform administrative duties as required;

(v) Monitor investment manager compliance on a semi-annual basis; and

(vi) Meet with the Commission as required.

4.02 Performance Measurement

The performance of the Fund shall be measured semi-annually and, in accordance with industry convention, return calculations shall be as follows:

- Time weighted rates of return.
- Total returns, including realized and unrealized gains and losses and income from all sources.

On an annual basis the tracking error of the pooled funds will be reviewed. The permissible tracking error, defined as the amount by which the actual return deviates from the index return, is as follows:

Pooled Funds	Tracking Error
TD Emerald Canadian Equity Index Fund	+/- 12 basis points
TD Emerald Pooled U.S. Fund C$	+/- 12 basis points
TD Emerald International Equity Index Fund	+/- 12 basis points
TD Emerald Canadian Bond Index Fund	+/- 20 basis points

The TD Emerald Canadian Short-Term Investment Fund should exceed the return of the FTSE Canada 91 day T-Bill Index and will be assessed over rolling four-year periods.

Total Fund Benchmark

The primary objective for the Fund is to earn a rate of return that is consistent with the rate of return earned on a benchmark portfolio. The benchmark consists of the following market index total returns weighted as indicated:

Combined Fund Benchmark	%
S&P/TSX Capped Composite Index	22
S&P 500 Index (CAD)	14
MSCI EAFE Net Dividend Index (CAD)	14
FTSE Canada Universe Bond Index	45
FTSE Canada 91 day T-Bill Index	5
Total	**100**

(1) *Effective June 1, 2001*

4.03 Compliance Reporting by Investment Manager

The investment manager is required to complete and sign a compliance report each quarter. The compliance report should indicate whether or not the investment manager's portfolio was in compliance with this Policy during the quarter. Copies of the compliance reports must be sent to Plannera. Report formats for the compliance reports are included under the appendix.

In the event that the investment manager is not in compliance with this Policy, the investment manager is required to advise the EVPI & CIO immediately, detailing the nature of the non-compliance and recommending an appropriate course of action to remedy the situation. If it is deemed to be in the best interest of the Fund, the Commission may grant permission, on a temporary basis, for the investment manager to deviate from the guidelines.

The Plan invests in several pooled funds, which have separate investment policies. Should a conflict arise between the general provisions of this Policy, and the provisions of the pooled fund's investment policy, the investment manager is required to notify the EVPI & CIO on behalf of the Commission, immediately in writing, detailing the nature of the conflict and the investment manager's recommended course of action. Also, any changes to pooled Fund policies must be communicated to the EVPI & CIO, in writing.

4.04 Standard of Professional Conduct

The investment manager is expected to comply, at all times and in all respects, with the Code of Ethics and Standards of Professional Conduct as set forth by the Charted Financial Analyst (CFA) Institute or a code internal to the investment manager that has been reviewed by Plannera and deemed to be appropriate.

The investment manager will manage the assets with the care, diligence and skill that a prudent person skilled as a professional investment manager would use in dealing with pension plan assets. The investment manager will also use all relevant knowledge and skills that it possesses or ought to possess as a prudent investment manager.

4.05 Soft Dollars

A variety of brokers should be used in order to gain maximum utilization of the services available. It is the responsibility of the investment manager to ensure that the distribution of commissions paid is representative of the services rendered.

The Fund does not use soft dollars to pay for any goods or services. The investment manager may use soft dollars to pay for research and other investment-related services with disclosure to the Commission, provided they comply with the Soft Dollar Standards as set forth by the CFA Institute.

4.06 Suppression of Terrorism

The investment manager must comply at all times and in all respects with all applicable Federal Suppression of Terrorism Regulations.

Section 5 – Administration

5.01 Conflicts of Interest

(a) Responsibilities

This standard applies to the members of the Commission and Plannera administration and staff, as well as to all agents employed by them, in the execution of their responsibilities to the Fund (the "Affected Persons").

An "agent" is defined to mean a company, organization, association, or individual, as well as its employees, who are retained by the Commission to provide specific services with respect to the investment, administration, and management of the Fund.

(b) Disclosure

In the execution of their duties, the Affected Persons shall disclose any material conflict of interest relating to them, or any material ownership of securities, which could impair their ability to render unbiased advice, or to make unbiased decisions, affecting the administration of the Fund.

Further, it is expected that no Affected Person shall make any personal financial gain (direct or indirect) because of his or her fiduciary position. However, normal and reasonable fees and expenses incurred in the discharge of their responsibilities are permitted if documented and approved by the Commission.

No Affected Person shall accept a gift, gratuity, or other personal favour, other than one of nominal value, from a person with whom the individual deals in the course of performance of his or her duties and responsibilities for the Commission.

It is incumbent on any Affected Person who believes that he or she may have a conflict of interest, or who is aware of any conflict of interest, to disclose full details of the situation to the attention of the Commission immediately. The Commission, in turn, will decide what action is appropriate under the circumstances but, at a minimum, will table the matter at the next regular meeting of the Commission.

No Affected Person who has or is required to make a disclosure that is determined to be in conflict as contemplated in this Policy shall participate in any discussion, decision, or vote relating to any proposed investment or transaction in respect of which he or she has made or is required to make disclosure.

5.02 Related Party Transactions

The Commission may not enter into a transaction with a related party unless:

(a) The transaction is required for the operation or administration of the Plan, and the terms and conditions of the transaction are not less favourable to the Plan than market terms and conditions;

(b) The securities of the related party are acquired at a public exchange; and

(c) The combined value of all transactions with the same related party is nominal, or the transaction(s) is immaterial to the Plan.

"Related party" is defined in section 1 of Schedule III to the Pension Benefits Standards Regulations, 1985 (Canada). A related party is a person who is the administrator of the Plan, including any officer, director, or employee of the administrator. It also includes the investment managers and their employees, a union representing employees of the employer, a member of the Plan, a spouse or child of the persons named previously, or a corporation that is directly or indirectly controlled by the persons named previously, among others. Related party does not include government or a government agency.

Under the preceding conflict of interest guidelines, it is incumbent on any person to notify the Commission if a conflict arises. Such conflict includes related party transactions.

5.03 Selecting Investment Managers

In the event that a new investment manager must be selected or additional investment manager(s) added to the existing investment manager, the Commission will undertake an investment manager search. The criteria used for selecting an investment manager will be consistent with the Investment and Risk Philosophy set out in Section 1.05 and the Management Structure Philosophy set out in Section 2.04.

5.04 Monitoring of the Investment Manager

To enable the Commission to fulfill its responsibility of monitoring and reviewing the investment manager, Plannera will assist the Commission, on an ongoing basis, in considering:

(d) Investment manager's staff turnover, consistency of style, and record of service;

(e) Investment manager's current economic outlook and investment strategies;

(f) Investment manager's compliance with this Policy, where a manager is required to complete and sign a compliance report; and

(g) Investment performance of the assets of the Plan in relation to the rate of return expectations outlined in this Policy.

5.05 Performance Reporting by Investment Manager

On a calendar quarterly basis, the investment manager will provide a performance report, and a strategy review for the portfolio under management.

5.06 Dismissal of an Investment Manager

Reasons for considering the termination of the services of an investment manager include, but are not limited to, the following factors:

(a) Performance results, which over a reasonable period of time, are below the stated performance benchmarks;

(b) Changes in the overall structure of the fund such that the investment manager's services are no longer required;

(c) Change in personnel, firm structure, and investment philosophy, style, or approach that might adversely affect the potential return and/or risk level of the portfolio;

(d) Legal or regulatory proceedings against the investment manager or its investment personnel, or any sub-advisor firm or that firm's investment personnel; and

(e) Failure to adhere to this Policy.

5.07 Immediate Termination of an Investment Manager

If, in the opinion of Plannera, an event with an investment manager is anticipated to have a material negative impact on future investment performance, Plannera may take the following steps to immediately terminate the services of such investment manager:

(a) Notify the Commission or the President and CEO of Plannera if the Commission is not available, of the circumstances;

(b) Provide the Commission with a written recommendation for termination and the recommended course of action;

(c) Receive approval for the above recommendations from the Commission in writing;

(d) Notify the Minister of Finance, in writing, of the circumstances surrounding the dismissal;

(e) Implement the approved actions; and

(f) Inform the Commission, in writing, at the next scheduled meeting of the circumstances surrounding the dismissal and the course of action taken to transition assets from the terminated manager.

5.08 Voting Rights

The Commission has delegated voting rights acquired through pension fund investments to the investment manager, who may engage a third party to vote on its behalf. The investment manager is expected to vote all proxies in the best interests of the Plan members.

The Commission may take back voting rights of assets held in segregated portfolios for specific situations.

For private placements, voting rights will be delegated to the investment manager or voted directly by a representative of the Commission.

The investment managers should disclose their proxy voting policies and report annually on:

(a) Whether all eligible proxies were voted on the Plan's behalf; and

(b) If the proxy guidelines were followed and report on any deviations.

5.09 Policy Review

This Policy may be reviewed and amended at any time, but it must be formally reviewed by the Commission at least once in every calendar year.

APPENDIX A

COMPLIANCE REPORT

Saskatchewan Pension Annuity Fund

TD Asset Management Inc. Compliance Report for the Period from _____ to _____

	Guidelines (%)		Policy Complied with Yes/No*
Permissible Investments	Canada, provincial, and corporate bond issues, strips, mortgages, mortgage backed securities, and short term investments. Equities, options, futures, and other derivative securities are not permissible.		
Constraints	Duration Solvency	±0.5 years of liability duration (annually). Present value of assets exceeds present value of expected liability payments (annually).	
	Quality	Minimum 'BBB' rating for government bonds. Maximum 10 per cent of the market value of the bond portfolio in bonds of corporate issuers. Maximum 15 per cent of market value of bond portfolio in 'BBB'. Minimum 'A' rating for bonds of corporate issuers. Minimum 'R-1'quality standard for short term investments.	
	Currency - Private Placements Callable Bonds	Foreign debt issues and foreign pay securities not permitted. Minimum 'A' rating for private placement issuers. Callable bonds are not permitted, except for bonds containing a "doomsday" clause.	
	Mortgages	Maximum 10 per cent of the assets in mortgages. Net yield should exceed the yield on Government of Canada Bonds of a similar duration, after deducting all administrative fees.	
	Statutory Requirements	Meets requirements for eligible investments outlined in *The Pension Benefits Act, 1992*. Meets requirements for eligible investments outlined in the *Income Tax Act* (Canada).	
Conflicts of Interest	Disclosure	Conflicts of interest have been disclosed to the Executive Director of Investment Services.	
Firm Proceedings	Disclosure	Change in senior personnel, firm structure, and investment philosophy, style, or approach have been communicated to the Executive Director of Investment Services. Legal or regulatory proceedings against the manager or its investment personnel, or any sub-advisor firm or that firm's investment personnel have been communicated to the Executive Director of Investment Services.	
Standard of Professional Conduct	Compliance	TDAM has adhered to its internal Standard of Professional Conduct and has disclosed any material Standard of Professional Conduct changes made since the prior quarter.	
Suppression of Terrorism	Compliance	In compliance with federal suppression of terrorism regulations.	

* Provide actual weight or range where appropriate. If policy not complied with, comment on specifics.

I believe this to be a factual representation of compliance with the Statement of Investment Policies and Goals throughout the reporting period

_____ TD Asset Management Inc.

Signature and Title Company Name