

Alberta Refrigeration Industry Pension Plan

Pension Plan Assets and Strategies

November 2025



Purpose of Statement of Investment Beliefs

- Documents the investment beliefs of the Board
 - Provides the framework for establishing appropriate policies and strategies for an investment program
 - Articulates views on various investment topics such as return versus risk, role of diversification within portfolio, roles of different asset classes, active versus passive strategies, etc
 - Ensures common understanding among key stakeholders
- Provides continuity between departing and new Trustees
 - Helps new Trustees understand why assets are invested as they are

While investment beliefs typically do not change frequently, a Statement of Investment Beliefs is a live document that evolves as the program's needs evolve and is reviewed on a regular basis

Purpose of Statement of Investment Policies & Procedures

- Statement of Investment Policies & Procedures (“SIPP”) outlines and documents how the Board’s investment strategy will be implemented and managed
- Translates investment beliefs into a sound, customized, and comprehensive guideline
- Provide guidance on
 - Fund objectives
 - Roles and responsibilities of various parties involved in the implementation and management of the investment program
 - Asset allocation guidelines
 - Investment restrictions and selection
 - Investment manager retention and mandate evaluation
- Ensure SIPP adheres to legal and regulatory requirements

The SIPP is the foundation of the investment program and is reviewed and amended where appropriate on at least an annual basis

SIPP – Fund Objectives

Section 3 Investment Objectives of the Fund

The investment policy is directed toward long term growth of the Fund in order to meet the pension promise to Plan Members.

- The primary Fund investment objective is to invest assets to earn a rate of return which equals, or exceeds, the rate of return set in the most recent actuarial valuation plus a premium to cover plan expenses and any funding deficiencies that may exist.
- The secondary investment objective is to add value over the return that could have been earned from a portfolio of passive investments. This will be measured over moving four year periods

Asset Allocation

- Specifies the target exposure, as a percentage of the investment program, to different asset classes (such as cash, bonds, stocks, mortgages, infrastructure, etc) and the allowable range they are expected to operate within
- The Plan's current target asset mix was adopted in 2013 but is reviewed regularly for alignment with Fund objectives and to ensure the targets remain optimal from a risk/return perspective

Current Plan target allocation is diversified across various asset classes including public and private fixed income, mortgages, public and private equities, and real assets

Current Asset Mix

Asset Class	Target	Actual *
Fixed Income		
Short Term	0.0%	5.0%
Domestic Bonds	10.0%	11.7%
Mortgages	10.0%	9.2%
Private Debt	25.0%	17.6%
Total Fixed Income	45.0%	43.6%
Equities		
Canadian Equity	10.0%	12.3%
Global Equity	10.0%	10.8%
Private Equity	10.0%	8.1%
Total Equities	30.0%	31.2%
Real Assets		
Real Estate	12.5%	12.6%
Infrastructure	12.5%	12.6%
Total Real Assets	25.0%	25.2%
Total Plan	100%	100%

* As of June 30, 2025. Deviation from target reflects market movement, commitment to private asset classes not yet called, and as the Board continues to assess new investment opportunities for capital deployment.

Manager Monitoring & Selection

- An ongoing process that extends beyond simply reviewing investment returns
 - Includes assessment how much risk is being taken to achieve the returns, as well as other qualitative factors, such as, changes in the investment manager's organization, changes in investment teams, and adherence to investment strategies
 - In the event of significant changes, it may be appropriate to replace a manager even in the absence of underperformance
 - Changing Plan circumstances can also lead to changes in the investment line-up
- Where new allocations or changes are required, the Board (with the assistance of their investment consultant and legal counsel) will evaluate the potential candidates, interview finalists and perform legal review prior to engagement

Investment strategies within the Plan are constantly monitored and assessed for appropriateness and suitability

Performance Monitoring & Reporting

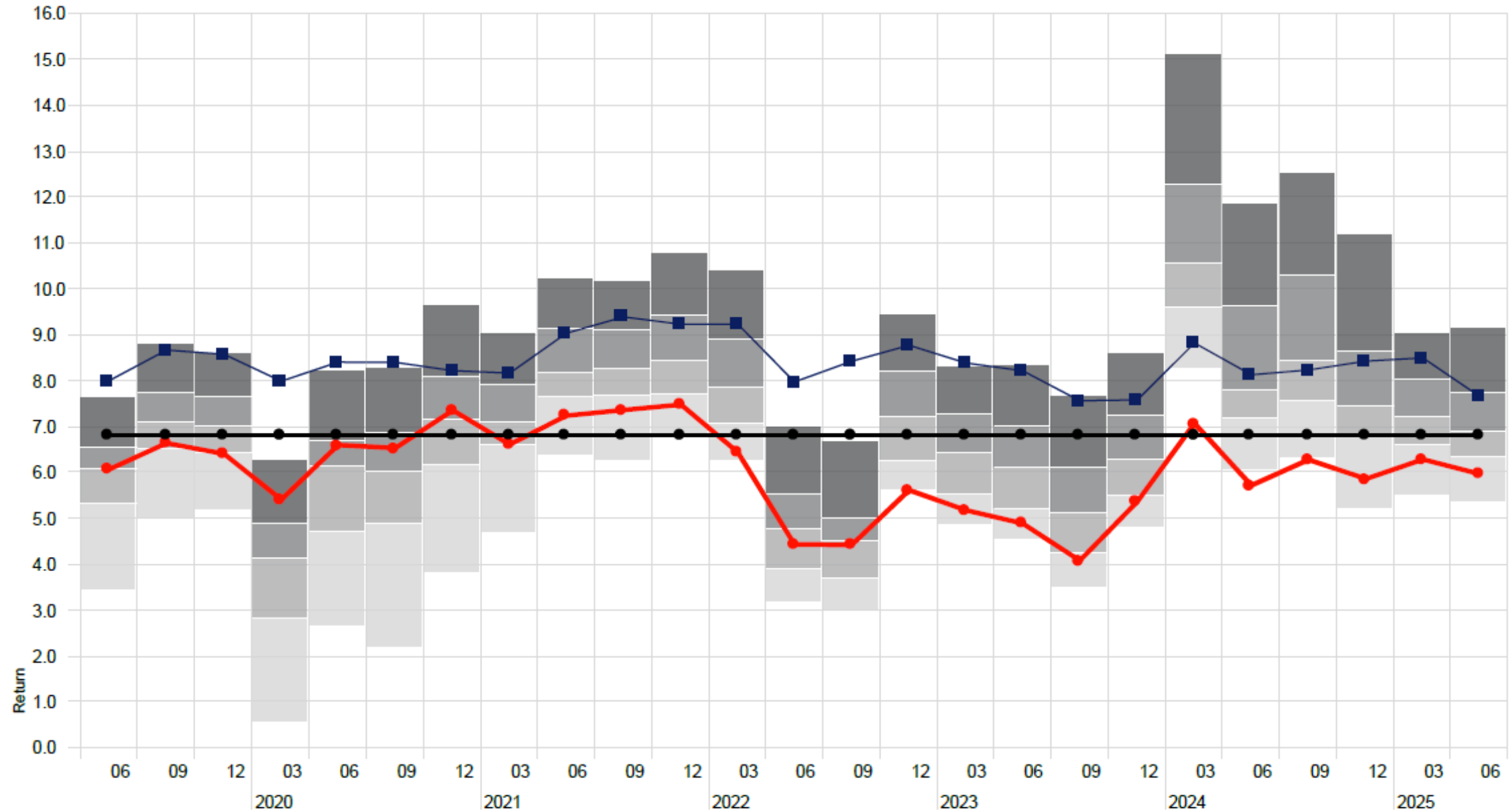
- The Plan obtains quarterly performance monitoring and reporting that aims to achieve the following:
 - Monitor the Plan performance against its primary objectives as defined in the SIPP over the long-term
 - Compare the Plan performance against other balanced funds
 - Evaluate if the realized risk is in line with expectations and assess how has the Plan performed in adverse market conditions
 - Review if the asset mix in line with the target policy and ranges
 - Assess if allocations to various asset classes have helped deliver the expected risk and return characteristics
 - Assess the Plan's investment managers performance versus their respective benchmarks and peer groups and provide detailed analysis of risk metrics.

Performance

Four Year Rolling Returns

Rolling Returns

Rolling Window: 4 Years 3 Months shift



■ Total Fund

● Actuarial Assumption + 1%

● Custom Benchmark

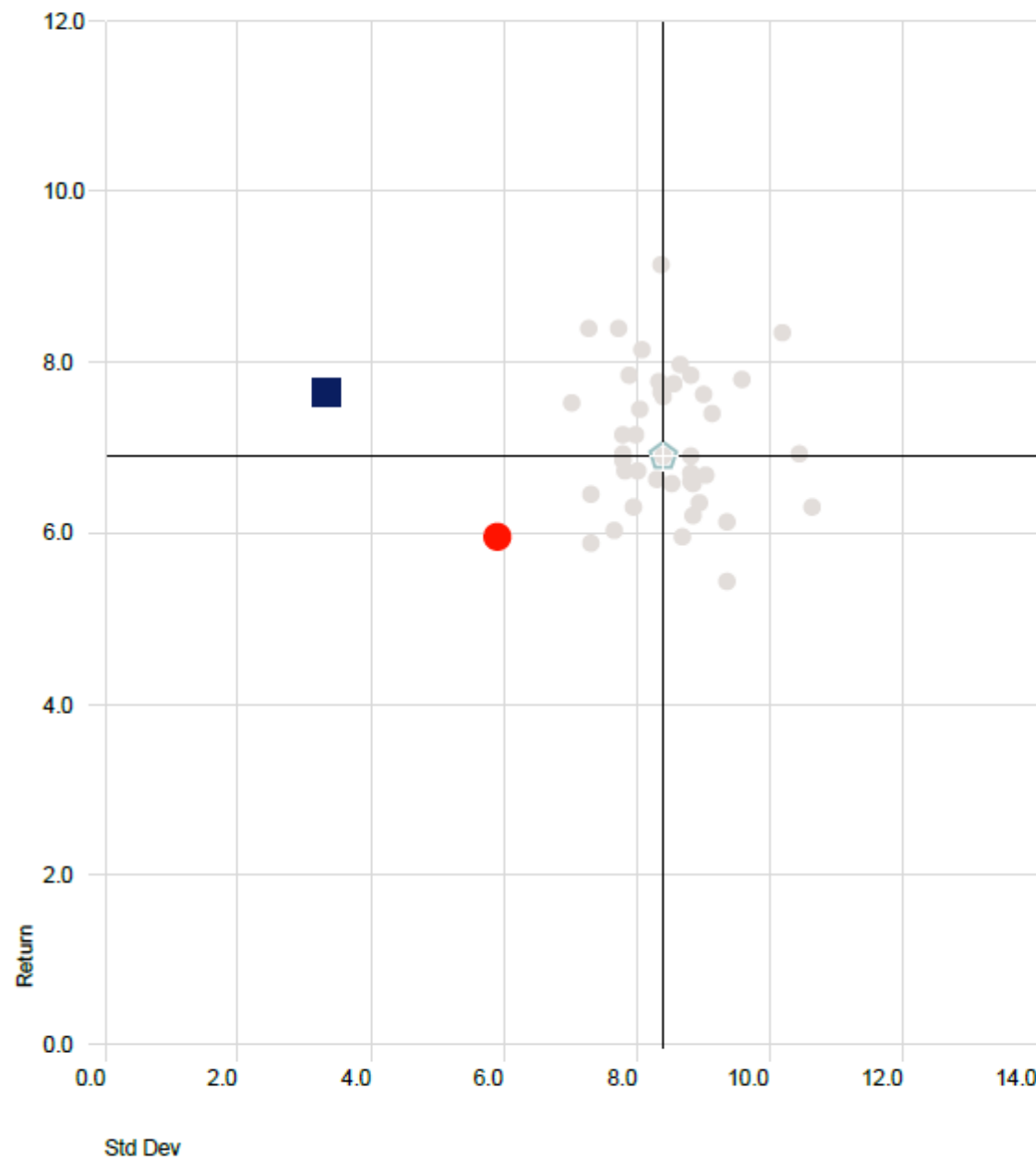
* As of June 30, 2025

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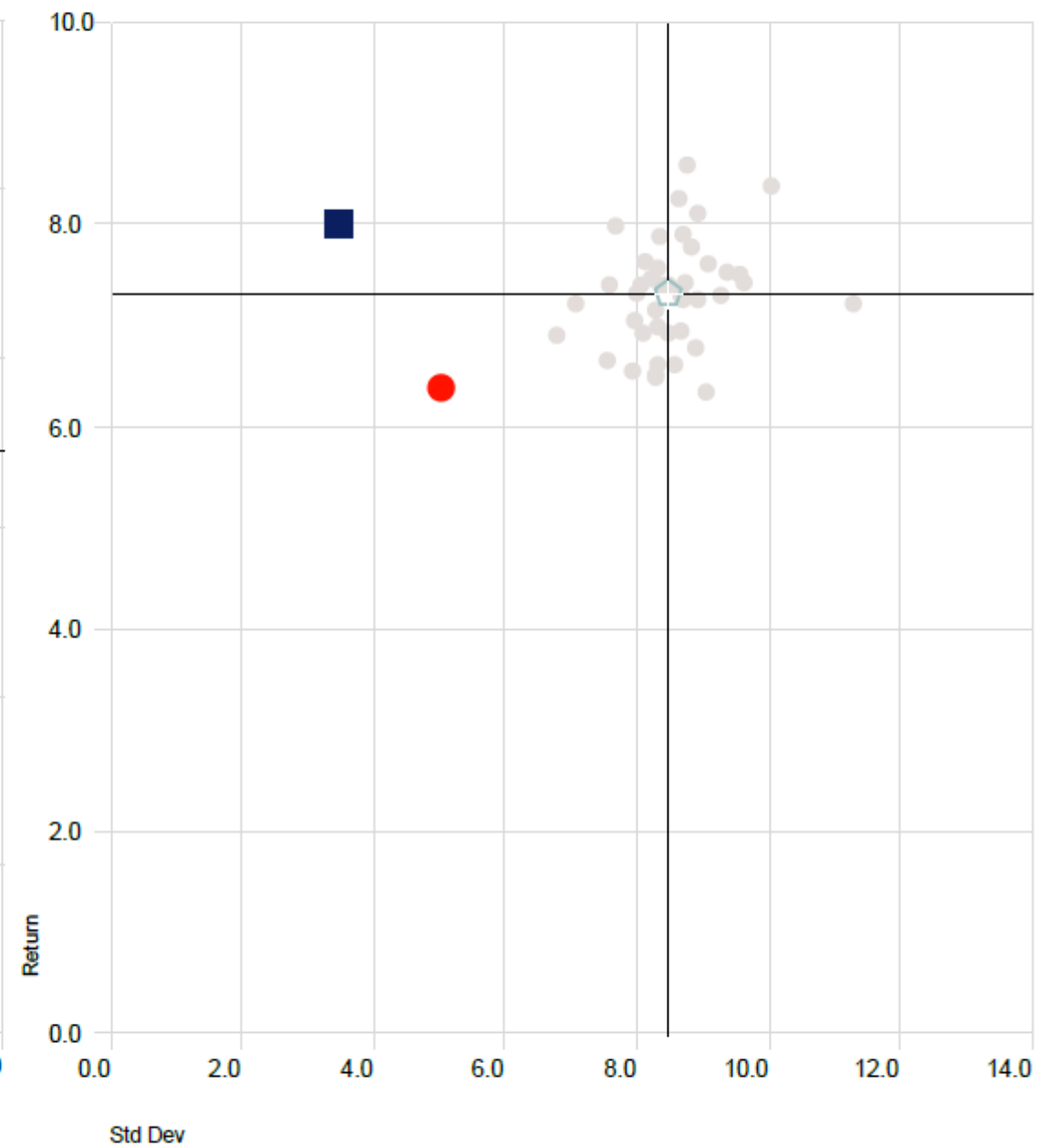
Risk and Return

Risk vs Reward

Risk-Reward 4-Year



Risk-Reward 10-Year



■ Total Fund

● Custom Benchmark

* As of June 30, 2025

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