

Rooted in Trust, Evolving with Purpose.



2024 ANNUAL REPORT



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Corporate Overview, Mission, and Values



Alberta Teachers' Retirement Fund

Established in 1939, the Alberta Teachers' Retirement Fund (ATRF) is a corporation governed by the Alberta *Teachers' Pension Plans Act*.

From our office in Edmonton, Alberta, we are the trustee, administrator, and custodian of the pension assets of the Teachers' Pension Plan (TPP) as well as the Private School Teachers' Pension Plan (PSTPP). This encompasses Alberta teachers employed in school jurisdictions and charter schools, as well as teachers employed by participating private schools.

Registered under the *Income Tax Act*, the plans are sponsored by the Government of Alberta and the Alberta Teachers' Association (ATA) who are jointly responsible for changes to plan design, benefits, and funding arrangements.

Land Acknowledgment

Alberta Teachers' Retirement Fund is now walking on a path of understanding, truth, and reconciliation alongside Indigenous peoples. As trustees and administrators of teachers' pensions in Alberta, we acknowledge the history between the colonial education system and Indigenous peoples, and we respect the significant role our members hold as teachers working with youth and Indigenous learners on the path to reconciliation. At ATRF, we also have unique opportunities and roles to contribute to meaningful change, with and for Indigenous peoples.

We respectfully acknowledge the traditional lands and ancestral territories in which our work is headquartered as Treaty Six Territory, amiskwacîwâskahikan, Edmonton. We would like to respectfully recognize the living presence of the nêhiyaw (Nay-hee-yow), Dené (Deh-neyh), Anishinaabe (Ah-nish-in-ah-bay), Nakota Isga (Na-koh-tah ee-ska), Niitsitapi (Nit-si-tahp-ee), and all Indigenous peoples who call these lands home. We also acknowledge this as the rich homeland of Métis Regional Council Zone IV (May-tea) and appreciate that these lands are also home to one of the great communities of Inuit south of the border of the Northwest Territories.



Working in partnership to secure your pension income.

Values

In 2023-24, we undertook a comprehensive process to refine our corporate values. These new values, a reflection of our team's collective insights, experiences, and aspirations, play a crucial role in shaping a clear vision for how we operate and serve our members. By embedding these principles into our culture, we are better positioned to meet the evolving needs of our members and stakeholders while fostering a positive and inclusive work environment.



We do the right thing. We act at all times and in everything we do as responsible fiduciaries and stewards of our plans, demonstrating competence, accountability, and trust. We act honestly and in the best interests of ATRF, the plans, and our members.

PURPOSE-DRIVEN

We embrace our purpose and understand the trust members place in us. We recognize the importance of the teachers' pension plans as a critical component of their financial well-being. Everything we do is aligned with that purpose.

COURAGE

We are not afraid to challenge the status quo and have the courage to take thoughtful actions to drive creativity, continuous improvement, excellence, and success.

INCLUSION

When we work together, we produce superior results. We care for and respect each other and our unique perspectives. We celebrate our diversity and recognize that it enables us to offer high-quality and value-added services to our members.



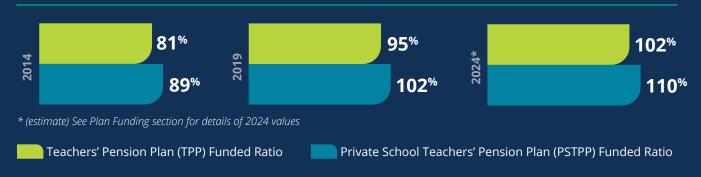
We recognize the importance of the teachers' pension plans as a critical component of their financial well-being.



Highlights 2023-24

Plan Funded Status

We are pleased to report that both plans continue to be fully funded for the second year in a row.

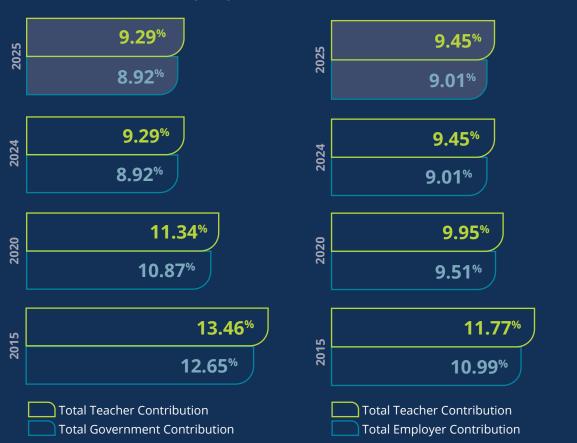


Contribution Rates (% of pensionable salary)

Contribution rates will remain unchanged for the 2025-26 school year, effective September 1, 2025.

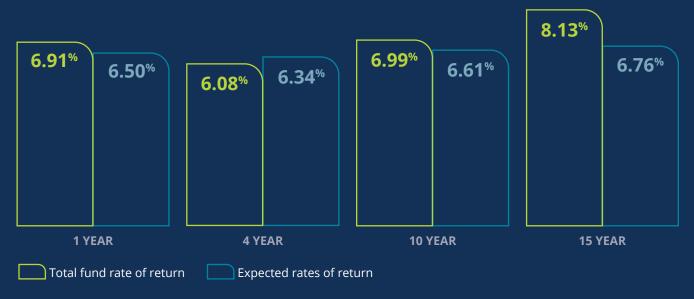
Teachers' Pension Plan (TPP)

Private School Teachers' Pension Plan (PSTPP)



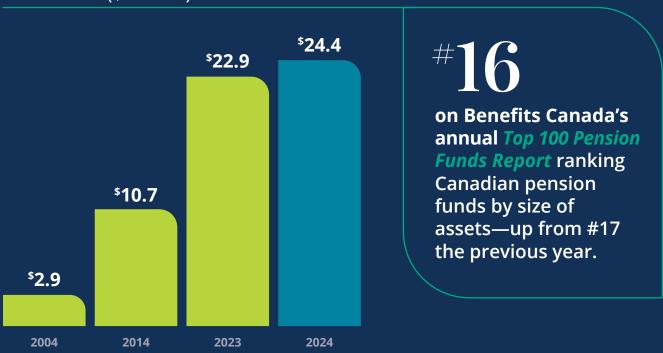
Member contributions are greater than government/employer to fund an additional 10% of the annual cost-of-living adjustments (COLA).

Rates of Return and Long-Term Funding Objectives



Expected rates of return refers to the long-term expected return assumptions ATRF uses for funding purposes.

Net Assets (\$Billions)

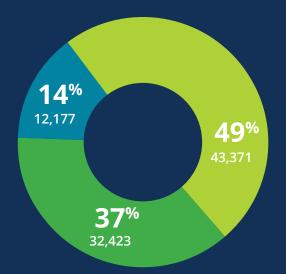


Total Pension Benefits Paid in 2023-24

\$1.33 BILLION*

*Of which \$503 Million was received from the Government of Alberta for benefits paid by ATRF relating to the pre-1992 period.

Average annual pension $\$38,\!361$



87,971

Plan Members as at August 31, 2024

- Active Members
- Retired Members
 - Inactive Members

Membership Over the Years



Member Facts

There are

who started receiving pensions in 2023-24, down slightly from 1,096 the year before

In 2023-24,

received their pensions in Canada

As at August 31, 2024, the oldest pensioner is

and has been receiving their pension for 50 years

are age 95 and older



are **centenarians**

Average retirement age

Average pensionable service at retirement



Sandra JohnstonBoard Chair

It has been an honour to serve you and to work alongside a dedicated team that shares a commitment to our members' pension plans.

Board Chair Message

As the Chair of the ATRF Board, I am pleased to present our annual report, aptly themed "Rooted in Trust, Evolving with Purpose." This theme encapsulates our journey, our accomplishments, and our vision for the future.

ROOTED IN TRUST

Our primary responsibility is to act in the best interest of our plans and the pension funds held in trust for our members. I am proud of how we fulfil this mandate, demonstrated by achievements like the continued fully-funded status of the plans and prudent management strategies. These achievements are a testament to our expertly designed investment strategies, diligent risk management, and the unwavering dedication of our team, ensuring the long-term stability of our members' pension plans—today and in the future.

EVOLVING WITH PURPOSE

In addition to our financial accomplishments, we are continuously improving our approach to member services to meet teachers' unique and evolving needs as teachers' pension experts and a trusted partner in their journey.

In recognition of the potential impact of climate change on our plans and the world at large, I am also very proud that we developed a comprehensive Climate Change Approach in 2024. This plan outlines our commitment to integrating climate considerations into our investment decisions to help mitigate the potential impacts of climate change on the plans and to ensure we are properly positioned to take advantage of the opportunities climate change will present.

LONG-TERM SUSTAINABILITY

I am also pleased to confirm that ATRF contribution rates will not change for the 2025-26 school year after several rate reductions in the past decade. This stability reflects our robust financial health and commitment to providing members with expert pension plan management.

REFLECTION AND GRATITUDE

This year holds a special significance for me as it marks my final year on the ATRF Board. It has been an honour to serve you and to work alongside a dedicated team that shares a commitment to our members' pension plans. I am filled with a sense of accomplishment and gratitude as I reflect on the past 12 years and the progress we have made. I would like to thank everyone who has continued to support ATRF during my time as Chair, and particularly my fellow board members, the amazing team at ATRF, and most importantly, our members.

I am proud to leave ATRF on a solid foundation as we continue to evolve with purpose, remaining rooted in trust, and ensuring the sustainability of our pension plans.

Sandra Johnston

ATRF Board Chair

I am filled with a sense of accomplishment and gratitude as I reflect on the past 12 years and the progress we have made.



Chioma Ufodike, Paul Haggis, Tim Wiles, Greg Francis, Alexandria Matos, Brad Langdale Maria Holowinsky, Sandra Johnston

ATRF Board Members as at August 31, 2024

Sandra Johnston

Board Chair, Investment Committee (Vice-Chair), Human Resources and Compensation Committee

Greg Francis

Board Member, Committee Member: Investment Committee, Governance Committee (Vice-Chair to June 2024), Human Resources and Compensation Committee

Paul Haggis

Board Member, Investment Committee, Audit and Finance Committee (Vice-Chair), Governance Committee (Chair)

Maria Holowinsky

Board Member (*Vice-Chair*), Investment Committee (*Chair*), Audit and Finance Committee, Governance Committee

Brad Langdale

Board Member, Investment Committee, Human Resources and Compensation Committee (Vice-Chair)

Alexandria Matos

Board Member, Investment Committee, Governance Committee (Vice-Chair as of June 2024)

Chioma Ufodike

Board Member, Investment Committee, Audit and Finance Committee

Tim Wiles

Board Member, Investment Committee, Audit and Finance Committee (Chair), Human Resources and Compensation Committee



Rod Matheson Chief Executive Officer

Our commitment to prudently managing ATRF's plans has never been stronger, and I remain confident in our path forward.

CEO Message

As I reflect on the past year, I am proud of the strides we have made to ensure the continued success and sustainability of the teachers' pension plans.

Once again, I am pleased to report the teachers' pension plans remain fully funded, a significant achievement that underscores the strength and resilience of our investment strategy and pension management.

Being fully funded means we are well-positioned to meet our long-term obligations to current and future members and stakeholders, offering them security and peace of mind. This milestone also allows us to be forward-thinking as we continually improve, building on our strong foundation for years to come.

Investment returns are among the most important factors affecting our funded status, and last year's total-fund return of 6.91% exceeded the plans' expected long-term return assumption of 6.50%. As a pension plan, we remain focused on long-term returns – which continue to surpass the expected return assumption used in the funding valuation of the plans. This underscores the importance of ATRF's investment strategy, which emphasizes sustainable growth and resilience to ensure the plans' continued stability.

One of the most important undertakings last year was the continued progress on Project Lantern. This initiative is transforming our organizational infrastructure by modernizing our technological systems, enhancing operational efficiency, and ensuring continued system stability. With these upgrades, we are strengthening ATRF's capacity to serve our members more effectively and ensuring the long-term stability of our organization.

Our commitment to prudently managing ATRF's plans has never been stronger, and I remain confident in our path forward. Thank you to our members and sponsors for your continued trust and support, and thank you to our tireless, dedicated staff as we continue to provide expert services that serve our plans and our members so well.

Rod Matheson

ATRF Chief Executive Officer



ATRF Executive Leadership Team

as at August 31, 2024



Rod Matheson Chief Executive Officer



Alwyn ChristianVice President, Information and Technology Services



Julie Joyal Vice President, Pension Services



Myles Norton Vice President, Finance



Andrew Tambone Vice President, Investments & Funding





ATRF Board and Plan Funding

The ATRF Board has established a funding policy that provides a framework for the sound financial management of the plans. The overall objective is the plans' sustainability—to ensure they will be able to pay the pensions earned by members today and over the long term at a cost and risk acceptable to the plan sponsors.

With the TPP having achieved fully funded status as of 2022-23, and both it and the PSTPP continuing to be fully funded this year, we have reached a significant milestone, reflecting diligent management and the board's strategic decisions over the past decades.

Attaining fully funded status not only marks a pivotal achievement for our plans but also positions us with additional tools to manage future risks and uncertainties. ATRF's sponsors, the Alberta Teachers' Association and the Government of Alberta, agreed to a resolution that provides latitude for ATRF to strategically manage surpluses, further enhancing ATRF's ability to manage funding risks and ensure the long-term sustainability of the plans.

ATRF's board carefully monitors plan funding and continues to take strategic measures to reinforce the plans' long-term sustainability. This is essential to achieving ATRF's funding objectives of intergenerational equity, and benefit security with reasonable and stable contribution rates.

The result of this work is that teachers' pension plans remain in good financial health and on solid footing with adequate risk management levers in place. ATRF's board carefully monitors plan funding and continues to take strategic measures to reinforce the plans' long-term sustainability.





Risk Management

The ATRF Board also plays an essential role in risk management oversight, ensuring the plans remain resilient in the face of potential financial and operational risks. As part of its fiduciary duty, the board ensures that a robust enterprise risk management framework is in place and maintained, aligning with ATRF's strategic objectives.

Investment Strategy

The ATRF Board sets the strategic asset mix, investment policies and goals, and establishes risk tolerances.

ATRF's funding-aware, risk factor-based investing approach includes reviewing our assumptions and available data to ensure they continue to reflect the current environment and ensure the risk tolerance thresholds continue to be aligned with the plans' funded status. It is based on industry best practices and significant research that also calls on ATRF's many years of experience to determine the best way to match the specific needs of our pension plans with the way we invest.

ATRF Board Meeting Attendance and Remuneration

The specific honorarium payments to each board member can be found in the table below.

Board Member	Board Meetings	Committee Meetings	Other (orientation, education, other meetings)	2023-24 Total Remuneration (\$) ²
Sandra Johnston - Board Chair	7	21	2	52,600
Greg Francis - Human Resources & Compensation Committee Chair	7	16	2	43,400
Paul Haggis - Governance Committee Chair	6	13	-	36,200
Maria Holowinsky - Investment Committee Chair	7	12	2	40,200
Brad Langdale¹	7	14	2	-
Alexandria Matos¹	7	10	2	-
Chioma Ufodike	6	8	-	29,400
Tim Wiles - Audit and Finance Committee Chair	7	18	2	44,200
Total	7	21	2	246,000

¹ In accordance with legislation, no cash remuneration is paid to these members as they work for an employer or employer contributor. Employers are reimbursed for time spent by these board members. In 2023-24, the amount reimbursed was \$53,485.43 in total.

² Totals exclude *ex officio* and guest attendance.

Responsible Investing

As promised in last year's annual report, ATRF's board took a proactive role in 2023-24 in developing a comprehensive ATRF Climate Change Approach.

Recognizing the potential impact of environmental changes on plan sustainability, the board is committed to integrating climate risk management into the fund's overall strategy. ATRF's approach outlines a set of commitments and actions to manage the risks and opportunities associated with climate change. It is appropriate for the context within which we operate and designed to minimize risks and maximize benefits for our plans. It recognizes that there are both physical risks, such as damage to infrastructure and disruption to global supply chains, as well as transitional risks, including regulatory shifts and market volatility caused by the global move toward a low-carbon economy.

Through this approach, the board is ensuring the plans remain resilient and forward-looking in the face of an evolving environmental landscape. Full details are available on the ATRF website.



ATRF CLIMATE CHANGE PRINCIPLES

- 1. **We recognize** that climate change presents risks to ecological, societal, and financial stability with implications for the sustainability of our pension plan.
- 2. **We believe** that addressing climate change risks and opportunities in plan governance and investing and doing our part to contribute to climate change mitigation is consistent with our fiduciary duty to the plans and its beneficiaries.
- 3. **We understand** that our approach to addressing climate change should be rooted in current and credible science and data, and supportive of the global goal of an orderly transition to limit global average temperature rise.
- 4. **We value** transparency in our approach to addressing climate change as it is critical to preserving the trust of our members, sponsors, and stakeholders.

OUR COMMITMENTS

The ATRF Climate Change Approach is adaptive and recognizes the complexities of the global transition. It includes three overarching commitments to guide the implementation of our climate change approach:

- ATRF will establish systems and frameworks to better evaluate and manage climate-related risks and opportunities.
- ATRF will engage constructively with our asset manager to support its management of climate-related risks and opportunities in alignment with our goal of achieving net-zero emissions by 2050.
- ATRF will transition its investment portfolio to achieve net-zero greenhouse gas emissions by 2050 or sooner.

Whistleblower Disclosures

In compliance with whistleblower legislation, ATRF has an established policy and program that allows all employees to confidentially report any failure to comply with our Code of Conduct. In 2023-24, no disclosures were received.





Plan Funding Status

PLAN VALUATION

Actuarial funding valuations are required to be filed with the Canada Revenue Agency at least once every three years. The last actuarial funding valuation for the teachers' pension plans was completed and filed with the Canada Revenue Agency as at August 31, 2023. As such, no actuarial funding valuation is required to be completed and filed as at August 31, 2024.

ATRF continuously monitors the financial health of the plans. Actuarial projections and estimated funded ratios provide accurate and sufficient insight into the health of the plans for periods where an actuarial funding valuation is not required. Considering the plans are in robust and stable financial position based on the actuarial projections, a complete actuarial valuation will not be filed as at August 31, 2024. The estimated funded ratios as at August 31, 2024 show that the plans remain healthy and well-funded with the TPP at 102% and PSTPP at 110%.

The estimated funded ratios for the TPP is 102% and the PSTPP is 110%.

Retired members' liabilities represent more than 50% of the total liabilities.

Teachers' Pension Plan Post-1992 Period (\$Millions)

	Aug. 31, 2024 Estimated	Aug. 31, 2023 Valuation
Market Value of Assets	24,256	22,755
Fluctuation Reserve	544	743
Funding Value of Assets	24,800	23,498
Funding Liabilities	24,385	23,237
Funding Surplus (Deficit)	415	261
Funded Ratio	102%	101%

Private School Teachers' Pension Plan (\$Millions)

	Aug. 31, 2024 Estimated	Aug. 31, 2023 Valuation
Market Value of Assets	133.2	122.4
Fluctuation Reserve	3.0	4.0
Funding Value of Assets	136.2	126.4
Funding Liabilities	124.4	115.7
Funding Surplus (Deficit)	11.8	10.7
Funded Ratio	110%	109%

The difference between the market value of assets and the funding value of assets is referred to as the fluctuation reserve.

PLAN STRUCTURE AND FUNDING

The Teachers' Pension Plan and the Private School Teachers' Pension Plan have three unique funding arrangements and liability structures:

Teachers' Pension Plan pre-1992

In 2007, the government and the ATA agreed that government would be responsible for liabilities associated with pensions for the period of service before September 1992.

Teachers' Pension Plan post-1992

The cost of pension benefits earned for service after August 1992 is shared between active plan members and the government. Funding deficiencies under the plan are amortized by additional contributions from active members and the government over a maximum 15-year period.

Private School Teachers' Pension Plan

In 1995, legislation established a separate plan for private school teachers. The funding of this plan mirrors the post-1992 portion of the Teachers' Pension Plan, except the cost is shared between teachers and employers (private schools) instead of the government.





Contribution Rates

With both pension plans fully funded and with strong risk management tools in place, after several contribution rate reductions in recent years, rates will remain unchanged for the 2025-26 school year.

Member contributions are greater than government/employer to fund an additional 10% of the annual cost-of-living adjustments (COLA).

Teachers' Pension Plan

	Sept. 1, 2025	Current Rates
Total Teachers' Contribution (% of pensionable salary)	9.29	9.29
Total Government Contribution	8.92	8.92

Private School Teachers' Pension Plan

	Sept 1, 2025	Current Rates
Total Teachers' Contribution (% of pensionable salary)	9.45	9.45
Total Employer Contribution	9.01	9.01

Detailed contribution rate information is available on the ATRF website.





Vice President, Investments & Funding Report

THE FISCAL YEAR IN BRIEF

In 2023-24, ATRF's investment portfolio earned a return (after all expenses) of 6.91%. Strength in public equities, particularly within the technology sector where advancements in artificial intelligence (AI) fuelled exceptional growth, was the primary driver of the fund's one-year performance. The investment return exceeded 6.50%, the average long-term expected return required to meet the plans' pension obligations over the long term. This was an improvement from the previous fiscal year, where the fund's investment return fell slightly short of this actuarial assumption, influenced by slightly negative to low fixed-income returns and weak performance in the fund's real estate assets.

At the asset class level, public equity was the fund's best-performing asset class, achieving a 19.28% annual return. This was followed by the fund's investments in absolute return strategies and fixed income. Fixed income benefited from the stabilization of bond yields amid expectations for shifting central bank policies.

Private market asset classes, which adjust more gradually to market conditions and valuations, produced mixed performance. Infrastructure and Renewable Resources performed largely in line with market expectations and ahead of ATRF's benchmark, while private equity significantly lagged the exceptional strength in public markets and generated a marginally positive return. Similar to the 2022-23 fiscal year, real estate weakness continued, resulting in a return of -15.59%. This decline detracted from the overall performance of the fund. Economic trends caused required returns on real estate investments to rise, leading to a decrease in asset values, especially in the office sector.

In 2023-24, ATRF achieved investment gains through a backdrop of conflicting signals for much of the year. Inflation's trajectory remained uncertain, and the outlook for central banks' potential pivot away from tightening policies was ambiguous. In the U.S., employment remained robust, defying expectations of a significant slowdown.

2023-24 Key Market Indices' Total Returns

Public Equities

Canadian Equities (S&P/TSX Composite Index)	18.77%
Global Equities (MSCI World Index in Canadian dollars)	23.95%

Fixed Income

Canadian Bonds (FTSE Universe Bond Index)	7.88%
Canadian Long-Term Govt Bonds (FTSE Long-Term Govt Bond Index)	6.71%



Andrew Tambone Vice President, Investments & Funding



Public Equity was the fund's best-performing asset class, achieving a

19.28% annual return.



The size of ATRF's net assets grew to

\$24.4 BILLION

last year, making it the **16th largest** pension fund in Canada.

Equity market breadth was notably narrow, with a large share of the gains concentrated in technology and Al-driven sectors. Geopolitical tensions were heightened, with two significant conflicts adding to the instability. This high level of uncertainty created a challenging and complex environment for investors.

The ATRF total-fund return of 6.91% exceeded the plans' actuarial long-term return assumption, though the fund's performance was below the benchmark return of 12.29%. This underperformance was due to a blend of ATRF real estate and private equity portfolios that transitioned to Alberta Investment Management Corporation (AIMCo), along with AIMCo's own real estate and private equity portfolios.

The underperformance in private equity can be attributed to several factors including the negative effects of higher interest rates on leveraged strategies, a slowdown in deal activity, and a general re-pricing of private assets. Additionally, the exceptional performance of public equity benchmark indices – largely driven by technology and AI - intensified the disparity in performance between this asset class and its benchmark. It is important to note that private equity can deviate significantly from public market benchmarks over short periods. This is because private equity valuations are relatively stable, as they are typically calculated using smoothed and lagged returns reported every quarter. In contrast, public market equity indices are marked to market daily which can lead to considerable fluctuations due to market volatility.

The real estate portfolio's underperformance was mainly driven by the office sector. However, comparing the portfolio's returns to a real estate benchmark presents several challenges. Real estate portfolios are influenced by various location-specific and building-specific factors, such as local market conditions, regulatory environments, property quality, tenant mix, appraisal methods, and operational efficiency. These unique characteristics make it complex to compare our returns to a benchmark that includes a diverse range of assets.

TEN-YEAR RETURN

While short-term results reflect the market dynamics of the past year, as a pension plan with long-term pension liabilities, ATRF remains focused on achieving sustainable results over extended horizons. Short-term returns can vary significantly from year to year and often introduce volatility into the path toward our long-term objectives. Our diversified investment approach is designed to navigate this short-term volatility.

Over the past decade, ATRF's total fund has generated an annualized return of 6.99%. Over the same horizon, the total fund has underperformed its policy benchmark return by 0.2%, net of all costs. This marginal shortfall compared to the benchmark is primarily due to private equity and real estate which have meaningfully lagged their respective benchmarks over the most recent two years, impacted by higher financing costs. Following a period of considerable returns, private equity, a long-term strategy, has seen short-term underperformance, amplified by particularly strong public equity market performance this past year. Real estate has also faced challenges, both from rising interest rates and the shift toward hybrid work models, which have fundamentally affected demand for office properties.

Despite these headwinds, the key focus remains on the long-term sustainability of the fund. The most critical measure of success is achieving the fund's assumed rate of return which has been met over time. This ensures that the fund remains well-positioned to meet its pension obligations.

While we continue to monitor the performance of individual asset classes, our over-arching goal is to maintain a portfolio that delivers sustainable returns and supports the long-term security of the pension plans. At year-end, the plans' financial position continues to be strong.

In 2023-24, ATRF began a thorough review of its investment policy and conducted an asset-liability study to review the fund's strategic asset allocation to determine if adjustments to the asset mix may result in a more optimal portfolio. This work has now been successfully completed and the ATRF Board approved a new strategic asset mix aligned with the fund's long-term objectives, effective January 1, 2024. In collaboration with Alberta Investment Management Corporation (AIMCo), implementation of the new strategic asset mix is underway, though full execution in certain illiquid private assets will require additional time due to their inherent liquidity constraints.

Andrew Tambone

Vice President, Investments & Funding

Over the past decade, ATRF's total fund has generated an annualized return of

Despite these headwinds, the key focus remains on the long-term sustainability of the fund.





Rates of Return

ATRF evaluates investment performance through a dual approach, comparing the fund's overall return to the long-term expected return assumption used in the funding valuation of the plans, and by assessing performance results against a set of board-approved benchmarks.

The total fund benchmark return (12.29% for 2024) is calculated by aggregating the benchmark returns of each individual asset class and weighting them according to the fund's policy benchmark.

Net of fees, as at August 31, 2024

	1 Yea	ır (%)	4 Yea	rs (%)	10 Yea	ars (%)
ASSET CLASS	Net Return	Benchmark	Net Return	Benchmark	Net Return	Benchmark
Growth	12.18	20.48	11.61	12.69	9.80	10.44
Global Equity	19.28	20.55	10.90	11.17	8.31	9.32
Private Equity	0.43	21.73	15.44	17.19	16.59	13.78
Inflation Sensitive	- 4.76	3.47	3.08	7.92	8.21	6.57
Real Estate	- 15.59	0.72	-1.99	6.93	4.91	5.96
Infrastructure	7.12	6.40	8.92	8.78	13.12	7.34
Interest Rate Sensitive	7.24	7.01	-2.56	-2.82	1.84	1.77
Market Neutral	8.94	7.72	6.19	5.06	4.28	5.01
TOTAL PLAN	6.91	12.37	6.08	7.49	6.99	7.23
Expected Rates of Return	6.	50	6.	34	6.	61

Private Credit and Timberland/Farmland are new asset classes that commenced in 2024. As such, they do not yet have one year or greater returns to report. Expected Rates of Return refers to the long-term expected return assumptions ATRF uses for funding purposes.



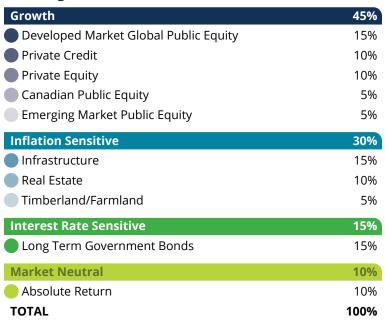
TOTAL FUND RATE OF RETURN AND LONG-TERM FUNDING OBJECTIVES

To remain well-funded and keep contribution rates affordable over the long term, our investment returns must at least equal the long-term expected return assumption used in the funding valuation of the plans. We focus primarily on longer time periods, in part so we can minimize changes to contribution rates based on shorter-term investment results. We also monitor shorter-term results to ensure unexpected results do not negatively impact the plans.



Strategic Asset Allocation

as at Aug 31, 2024



The majority of a pension fund's investment returns are determined by the asset allocation decisions made at the policy level.

10%

45%

15%

30%

Investment Policy and Strategic Asset Allocation

As trustee and administrator for the plans, the ATRF Board, with the support of ATRF staff, is responsible for setting the plans' investment policy and determining its strategic asset allocation. This crucial activity includes deciding how the fund's investments are distributed across various asset classes, known as the strategic asset allocation mix. By carefully considering factors such as the fund's long-term obligations, risk tolerance, investment objectives, and market outlook, the ATRF Board establishes a diversified asset allocation strategy to achieve sustainable returns while managing risk.

The majority of a pension fund's investment returns are determined by the asset allocation decisions made at the policy level. This asset allocation decision is distinct from the active management done by AIMCo as ATRF's legislated investment manager. Active management involves selecting individual securities or making tactical adjustments within asset classes. While active management can add value, particularly in certain markets or asset classes, its contribution to overall returns is generally modest compared to the impact of the overall asset mix. This underscores the importance of a thoughtful and well-executed asset allocation strategy.



INVESTMENT COSTS

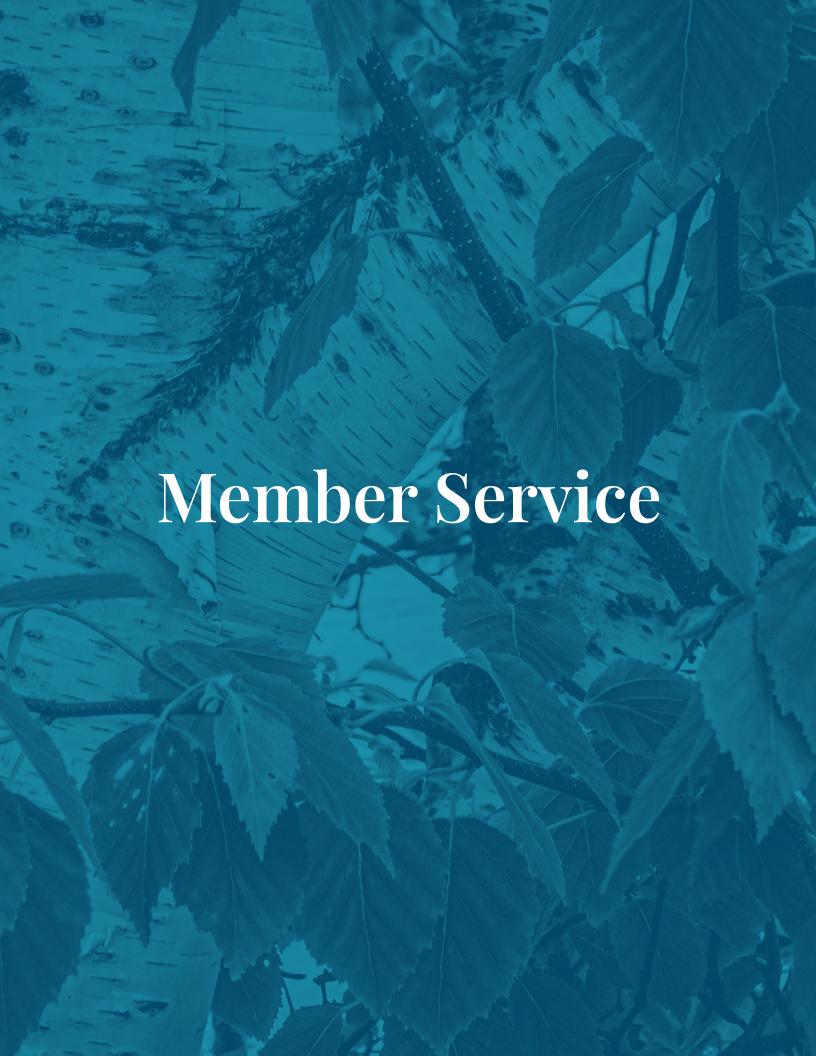
While net investment returns—the returns after costs—drive the financial strength of the plans, effective cost management remains essential. By ensuring costs are aligned with the value delivered, we are committed to maintaining a cost-effective approach that optimizes net returns.

This balance between generating the returns required by the pension plans and managing costs is key to supporting the plans' long-term objectives and securing benefits for members. What matters most in the end are the net rates of investment returns realized at an acceptable level of risk.

ATRF has internal and external investment expenses. Internally, ATRF experts support the board in developing investment strategy, collaborate with our external investment manager to direct the implementation of that strategy, and continuously monitor and measure to confirm the strategy is being properly implemented.

These costs comprise 1.87% of ATRF's total investment expenses, which is 0.02% of the average total assets for the year (2022-23: 0.02%) or 2 basis points (2022-23: 2 basis points).

ATRF's external investment expenses are incurred through its legally mandated investment manager, AIMCo. These costs include investment management fees totalling \$137.21 million, representing 0.59% of the average total assets for the year or 59 basis points (2022-23: 60 basis points), and investment performance costs amounting to \$99.95 million, or 0.43% of the average total assets for the year or 43 basis points (2022-23: 18 basis points). An increase in AIMCo's operating costs was partially offset by a reduction in third-party management fees, which, when combined with asset growth, resulted in minimal year-over-year changes in investment management fees. However, due to the structure of certain fee arrangements, additional performance fees were paid to select investment mandates that exceeded their pre-determined targets.



Vice President, Pension Services Report

At ATRF, we are committed to maintaining the financial security and peace of mind of our members. This year's theme, "Rooted in Trust, Evolving with Purpose", reflects our dedication to providing stable, reliable service while continuously adapting to meet the unique needs of Alberta's teachers.

OUR PURPOSE-DRIVEN SERVICES

Trust is at the heart of everything we do. It is the foundation on which we have built ATRF, and it is the assurance that guides every decision we make. Over the past year, we have maintained stable contribution rates and continued to ensure the fund remains well-positioned for long-term sustainability. Members can be confident that their contributions are safeguarded and working towards a secure future.

While trust anchors us, evolution drives us forward. We have seen tremendous progress in the tools we offer to members and employers, with more members than ever utilizing our online resources. This ongoing development allows us to better serve our members, ensuring the services we provide are accessible and tailored to their needs.

When referring to evolution, I would be remiss if I didn't mention our multi-year modernization initiative, Project Lantern. This year, we've made significant strides, including progress on three active projects: the development of our custom online employer portal, planning for the modernization of our secure member portal, MyPension, and starting the implementation of our new pension administration system. These advancements demonstrate our dedication to streamlining services and creating efficient, member-centric solutions. I'm proud of the progress we've made so far and look forward to sharing more updates as Project Lantern continues to unfold. For more details, please visit our website atrf.com/about-atrf/project-lantern/.

MEMBER SERVICE COSTS

As we look to the future, we remain committed to the principles that have guided us so far: providing exceptional value to our members while evolving with a clear sense of purpose and responsibility.

Providing high-quality service to our members involves careful management of resources. ATRF's focus on governance, plan administration, and strategic initiatives ensures the long-term health of the pension plans. This includes overseeing regulatory compliance, planning for the financial health of the fund, and ensuring the sustainability of our members' benefits. In 2023-24, our administration costs of \$179 per member per year represented less than 2% of the plans' contributions. As we continue modernizing our systems through Project Lantern, we expect cost increases, some temporary and some permanent, with this once-in-a-generation capital investment, but our commitment to delivering value-driven, efficient service remains unchanged.

Thank you for your continued trust in ATRF and we are honored to accompany you with purpose along your pension journey.

Julie Joyal

Vice President, Pension Services



Julie Joyal Vice President, Pension Services

ATRF's focus on governance, plan administration, and strategic initiatives ensures the long-term health of the pension plans.





4,295
total views of refreshed Pension Option Selection Tool in 2023-24.

Engaging With Members

ATRF remains committed to offering a personalized, omni-channel approach in how we connect with members, ensuring flexibility and accessibility. We understand that not everyone connects and interacts the same way, and each person's preferences and needs can vary based on the unique circumstances or type of requests.

Our in-person presence at teachers' conventions across the province continues to provide valuable face-to-face interactions, with 1,897 members visiting our information booth this year, up from 1,481 last year. In addition, we offer personalized, one-on-one appointments with pension counsellors, allowing members to choose the format that works best for them—whether it's in our office, via Zoom, or over the phone.

Our webinars and presentations provide another important way for members to stay informed about their pensions. Topics range from "Your Pension Essentials", designed for early to mid-career teachers, to "Steps to Receiving Your Pension", tailored for those approaching retirement. We also collaborate with organizations like the Alberta Teachers' Association (ATA), Alberta School Employee Benefit Plan (ASEBP), and Alberta Retired Teachers' Association (ARTA) to deliver presentations on timely and relevant topics for teachers. Stay tuned for new topics and formats as we continuously evolve our offerings and outreach, including our new webinar specifically for members already in their retirement years.

Last year, 889 members participated in our 15 online webinars, while our 23 in-person presentations reached an audience of 1,141 members.

ONLINE SERVICES AND TOOLS

At ATRF, we are committed to providing exceptional service that adapts to the diverse needs of our members at every stage of their careers. A key part of this commitment is continuously improving our online services and tools to ensure members can access the information and resources they need.

Whether a member prefers to focus on their pension matters later in the evening or early in the morning, or simply values the convenience of self-service, our tools are designed to fit their lifestyles. From generating pension estimates to exploring retirement options, our enhanced tools make it easy for members to manage their pensions at their own pace. Every year the number of members using these tools increases, especially the secure message and document upload feature in MyPension. These features are not only about providing a convenient way to contact us, but it's also about securing members' confidential information.

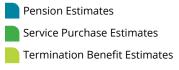
This year, we also updated tools like the Pension Option Selection Tool, and we've added new video content, including tutorials for My*Pension* and resources tailored specifically for new teachers.

Digital Member Communication





MyPension Estimates



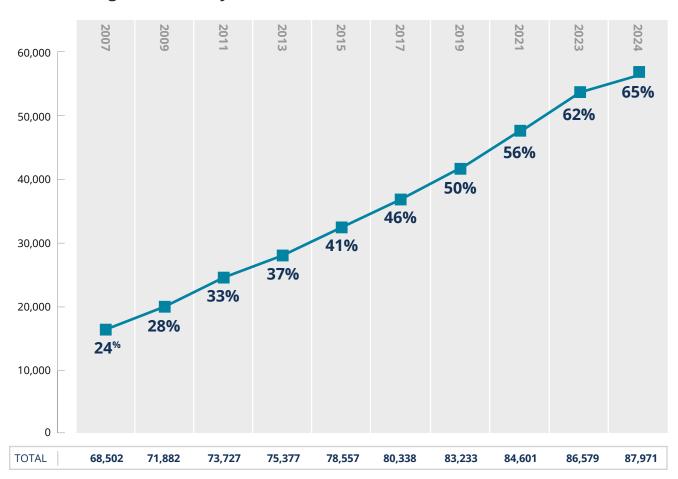


23 in-person
presentations
reached an audience of

1,141
members.



Members Registered for My*Pension*





PARTNERING WITH EMPLOYERS

Last year, we celebrated a significant milestone by reaching 100 employers participating in the pension plans. Effective September 1, 2025, we are happy to welcome four new charter schools and one private school. With the closure of one charter school, we now proudly partner with 104 employers in offering a valuable component of the teachers' total compensation.

We also want to extend our gratitude to the selected employers who participated in our employer portal feedback sessions. Your insights were invaluable in shaping a platform that meets the needs of all employers. We look forward to continued collaboration as we prepare for the rollout of the new employer portal in the coming year.





"I really appreciated and benefited from the help and guidance of ATRF employees. I had a lot of questions, and they were answered thoroughly and courteously. The website and MyPension section are extremely helpful. Thank you!" – NEW RETIRED MEMBER FEEDBACK



The Compensation Discussion & Analysis explains ATRF's approach to compensation, the various elements of our pay programs, and the remuneration paid to our executives.

Human Resources and Compensation Committee

The Human Resources and Compensation Committee (HRCC) assists the board in fulfilling its oversight responsibilities in relation to human resources and compensation matters. With this regular oversight and good governance, the HRCC ensures continued alignment with our peer group and competitive market practices, integration with the business strategy and the plans' best interests, and compliance with applicable compensation regulations.

The HRCC is made up of four board members and the committee met nine times during the 2023-24 fiscal year. In-camera sessions are held at the beginning and end of each meeting, without management present.

In 2023-24 the HRCC's key responsibilities included:

- Recommending performance results of the Chief Executive Officer and executives to the board for approval.
- Reviewing human resource and compensation aspects of the business plan.
- Ensuring that the enterprise risk management framework appropriately considers human resource and compensation risks.
- Ensuring emergency succession plans are in place for the Chief Executive Officer and key executive positions.
- Overseeing ATRF's response to emerging changes to compensation regulations.

ATRF's Total Rewards Philosophy

ATRF's reward programs are designed and delivered to:

- Foster a culture of performance, engagement, and continuous growth.
- Support our diverse workforce and thrive in our changing environment.
- · Align with the market within defined parameters.
- · Support employee well-being.
- Enable transparency and communication.



The Human
Resources and
Compensation
Committee (HRCC)
assists the board in
fulfilling its oversight
responsibilities in
relation to human
resources and
compensation
matters.

Reward executives in a competitive market context to attract and retain high-quality professionals, while ensuring affordability and reasonableness. Within the parameters of applicable compensation regulations and directives, our approach to executive compensation has remained consistent with our long-established program objectives to:

- Reward executives in a competitive market context to attract and retain high-quality professionals, while ensuring affordability and reasonableness.
- Focus the Executive Leadership Team on achieving critical goals in the strategic plan that include both quantitative and qualitative measures of success.
- Align interests of the Executive Leadership Team with the best interests of the plans by encouraging and rewarding performance that preserves and protects beneficiaries' benefits.
- Ensure total compensation reflects the shared efforts of the Executive Leadership Team by rewarding a culture of teamwork and collegiality throughout the organization.

Managing Risk

We consider the implications of risks associated with our compensation policies and practices to ensure they do not incent behaviours that are misaligned with ATRF's risk appetite. Compensation risk is managed by:

- Ensuring HRCC's independence from management and retaining an external compensation advisor.
- Working within an enterprise-wide risk management framework and a robust code of conduct.
- Establishing appropriate performance measures that are challenging, but achievable.
- Setting individual and team accountabilities for achieving objectives.
- Setting threshold levels of performance for the annual incentive plan and paying incentive only when threshold performance is achieved.
- Capping incentive pay.

Comparator Groups Used to Set Incentive Pay

For the roles where compensation is disclosed, compensation is benchmarked against other Canadian pension funds with assets under management below \$60B and a focus on external management where possible, and a blend of public and private sector organizations.



"The ATRF staff I communicated with were wonderfully patient. I would email or phone to ask questions, and then I'd think of something else so I'd email or call again and they were so accommodating. Excellent, personable service." – NEW RETIRED MEMBER FEEDBACK

Compensation Elements

Below is a summary of the type, nature, and purpose of each element of our compensation program.

BASE SALARY

Base salaries are intended to be competitive with the market and are typically reviewed by the HRCC annually at the end of each fiscal year. Salaries are set based on an individual's primary duties and responsibilities, with consideration given to ATRF's market comparators.

ANNUAL INCENTIVE PLAN (AIP)

The AIP is an annual incentive plan designed to attract, retain, and motivate high-quality people, and to provide competitive, performance-based opportunities based on market practices and ATRF's business strategy. Corporate performance measures, targets, and weightings are approved annually by the HRCC. Corporate, team, and individual objectives are established at the beginning of the year, and actual performance is evaluated at the end of the year.

Each participant's incentive payment is calculated based on a percentage of eligible salary. Based on actual performance against pre-approved objectives, payouts could range from zero to 1.5 times the target incentive amount.

PENSION AND BENEFITS

ATRF provides a competitive benefits program that includes pension benefits, health and dental benefits, life insurance, illness and long-term disability coverage, and professional development support and memberships. All ATRF staff participate in the Local Authorities Pension Plan and, where earnings are in excess of the pensionable salary maximum permitted under the federal *Income Tax Act*, an unregistered, unfunded Supplementary Employee Pension Plan (SEPP) provides for a pension equal to the pension formula under the LAPP, with no cap applied to pensionable salary, less the initial pension provided under the LAPP. Participation in the SEPP is limited to the CEO and Vice Presidents.

2023-24 Performance and its Impact on Compensation Levels

For the 2023-24 year incentive was paid based on performance achieved relative to critical corporate strategic and team operational objectives.

The Annual Incentive Plan target compensation is competitive with board-approved peer groups. AIP awards reward the achievement of company, team, and individual performance goals during the fiscal year, from September 1 to August 31.



Salaries are set based on an individual's primary duties and responsibilities, with consideration given to ATRF's market comparators.



The overall ATRF Scorecard results were above target, reflecting a year of solid performance in executing on our mandate and delivering exceptional value to our members, employers, sponsors, and stakeholders.

Compensation of the Chief Executive Officer

ATRF's HRCC worked with the CEO to create a set of goals and key deliverables for the 2023-24 fiscal year. The ATRF Board measured the CEO's performance against those goals and deliverables and assessed his performance as above target.

Ministerial Order No. 13/2024 sets a limit on total compensation for ATRF's CEO that is inclusive of salary, actual incentive payouts, employer contributions to retirement savings and benefits, and the cash value of any perquisites. The ATRF Board has the discretion to determine the appropriate annual incentive payment for the CEO based on performance outcomes within the limit set by the Ministerial Order. The CEO received the following incentive payment related to his performance:

\$ dollars, audited

	2023-24			2-23
Performance Measure	Weight	Payout	Weight	Payout
ATRF Scorecard Objectives	50%	\$20,047	50%	\$14,476
Individual Objectives	50%	\$20,570	50%	14,784
Total Payout		\$40,617		\$29,260

Compensation

\$ dollars, audited

Compensation Element	2023-24 Compensation	2022-23 Compensation
Base Salary	\$354,375	\$350,000
Annual Incentive	40,617	29,260
Total Direct Compensation	\$394,992	\$379,260

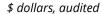


"Retirement can be daunting. The consultant that I spoke with on the phone was exceptional. She went above and beyond to help me complete my retirement documentation at a difficult point in my life."

- NEW RETIRED MEMBER FEEDBACK

Total Compensation Summary

The table below represents disclosure of salary, incentive payments, and all other compensation earned for the years ended August 31, 2024 and 2023 by ATRF's Executive Leadership Team members.





Name and Position	Salary ¹	Annual Incentive Plan (AIP)	All Other Compensation ²	Total Compensation 2024 ⁷	Total Compensation 2023
Rod Matheson Chief Executive Officer	\$ 354,375	\$ 40,617	\$ 96,759	\$ 491,751	\$ 478,512
Tina Antony ³ Vice President, General Counsel & Corporate Secretary	-	-	-	-	398,488
Marcie Chisholm ⁴ Vice President, People & Culture	34,125	-	15,869	49,994	297,318
Alwyn Christian Vice President, Information & Technology Services	202,669	49,998	42,380	295,047	283,742
Julie Joyal Vice President, Pension Services	249,600	78,530	53,130	381,260	356,787
Myles Norton Vice President, Finance	242,050	59,230	72,601	373,881	357,215
Gary Smith⁵ Vice President, Funding & Investments	86,461	-	53,783	140,244	410,780
Andrew Tambone ⁶ Vice President, Investments & Funding	18,833	-	5,728	24,561	-

¹ Salary paid during the fiscal year.

External Consultants

The HRCC is supported by independent, external human resources and compensation consultants who are retained by and report directly to the HRCC. During the 2023-24 fiscal year, Hugessen Consulting was the HRCC's independent advisor.

The HRCC reviews all fees and the terms of consulting services provided by Hugessen and, when making decisions, takes an independent view of all factors taking into consideration more than the information and recommendations provided by its compensation consultant or management.

The table to the right outlines the fees paid to Hugessen for the periods noted:

Executive Compensation-Related Fees

\$ dollars, audited

Advisor	2023-24	2022-23
Hugessen Consulting	\$9,818	\$37,981

² All other compensation consists of ATRF's share of all employee benefits, contributions or payments made on behalf of employees, supplemental pension plan current service accrual, health plan coverage, statutory contributions, vacation payouts including vacation payouts upon termination, and pay in lieu of notice for terminated employees.

³ Position was abolished due to the legislated transfer of asset management to AIMCo.

⁴ Voluntary resignation effective October 31, 2023. Position remained vacant.

⁵ Voluntary resignation effective December 22, 2023. Position remained vacant until the current VP, Investments & Funding was hired.

⁶ Employment commenced August 6, 2024.

⁷ Total compensation for the ATRF CEO is calculated differently for financial disclosure than Ministerial Order No. 13/2024.



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ATRF engages an independent actuary to perform two actuarial valuations or extrapolations of the plans: one for funding purposes, which is performed in compliance with the prescribed actuarial and regulatory standards; the second for accounting purposes, which is performed in compliance with the prescribed accounting standards, and which can be found in the Financial Statements.

Both types of valuations have prescribed uses and are based on the same underlying plan member data, but the valuations differ as follows:

- The funding valuation uses the actuarial value of assets by smoothing market return fluctuations over a five-year period, whereas the accounting valuation uses the market value of assets.
- The funding valuation uses a margin for adverse deviation in the pension obligations and current service cost for increased security and stability, whereas the accounting valuation doesn't include a margin.

Accordingly, the asset and liability amounts in the Financial Statements and related financial status (deficit or surplus) differ from those in the funding valuation.



Management's Responsibility for Financial Reporting

The financial statements of the Alberta Teachers' Retirement Fund Board and all information in the Annual Report are the responsibility of management and have been approved by the Board. The financial statements have been prepared in accordance with Canadian accounting standards for pension plans. Where necessary, management has made informed judgments and estimates of the outcome of events and transactions, with due consideration to materiality. Financial and operating data presented in the Annual Report, where applicable, is consistent with the financial statements.

For the integrity of financial information included in this Annual Report, management relies on the organization's system of internal controls and supporting procedures. This system has been established to ensure within reasonable limits that assets are safeguarded, transactions are executed in accordance with management's authorization, and accounting records are properly maintained. Controls include high-quality standards for hiring and training employees, an organizational structure that provides a well-defined division of responsibilities and accountability for performance, and the communication of policies and guidelines throughout the organization.

Ultimate responsibility for the financial statements rests with the Board, which is assisted in its responsibilities by the staff and the Audit and Finance Committee. The Alberta Teachers' Retirement Fund Board's external auditor, the Auditor General, has conducted an independent examination of the financial statements in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as he considers necessary to express the opinion in his report. The Auditor General has full, unrestricted access to discuss the audit and related findings regarding the integrity of financial reporting, and the adequacy of internal control systems.

[Original Signed by Rod Matheson]

Rod Matheson CPA, CMA, CFA, ICD.D Chief Executive Officer

November 7, 2024

[Original Signed by Myles Norton]

Myles Norton CPA, CMA, CFAVice President, Finance

Internal Controls Over Financial Reporting

ATRF business plans include action plans to enhance governance and management of internal control processes and systems. This is aimed at providing an appropriate level of due diligence and assurance in our internal controls, financial operations, reporting, and information systems.

ATRF is not required by law or regulation to perform this annual evaluation. We have chosen to perform this evaluation and meet these standards as a part of our commitment to strong corporate governance and accountability.

The Chief Executive Officer and the Vice President of Finance are responsible for the design and maintenance of Internal Control over Financial Reporting, to provide reasonable assurance that it is reliable and that the preparation of the financial statements conforms with Canadian Accounting Standards for pension plans. They are also responsible for the design and maintenance of disclosure controls and procedures to provide reasonable assurance that all material information is gathered and reported to management on a timely basis.

We have completed the 2023-24 fiscal year evaluation of the effectiveness of our internal control over financial reporting and disclosure controls and procedures. Based upon the results of the evaluation, the Chief Executive Officer and Vice President, Finance have concluded that internal control over financial reporting and disclosure controls and procedures are properly designed and operated effectively throughout the year.

There were no significant changes made in internal controls over financial reporting during the year ended August 31, 2024, that materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

[Original Signed by Rod Matheson]

Rod Matheson CPA, CMA, CFA, ICD.D Chief Executive Officer

November 7, 2024

[Original Signed by Myles Norton]

Myles Norton CPA, CMA, CFA Vice President, Finance



Independent Auditor's Report

To the Alberta Teachers' Retirement Fund Board

Report on the Financial Statements

Opinion

I have audited the financial statements of Alberta Teachers' Retirement Fund Board, which comprise the statement of financial position as at August 31, 2024, and the statements of changes in net assets available for benefits, and changes in pension obligations for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Alberta Teachers' Retirement Fund Board as at August 31, 2024, and the changes in net assets available for benefits, and changes in its pension obligations for the year then ended in accordance with Canadian accounting standards for pension plans.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of Alberta Teachers' Retirement Fund Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for pension plans, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Alberta Teachers' Retirement Fund Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Alberta Teachers' Retirement Fund Board's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Alberta Teachers' Retirement Fund Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Alberta Teachers' Retirement Fund Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Alberta Teachers' Retirement Fund Board to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D] Auditor General

December 12, 2024 Edmonton, Alberta

Actuaries' Opinion



Aon has been engaged by the Alberta Teachers' Retirement Fund Board ("ATRF") to prepare actuarial extrapolations for the *Teachers' Pension Plan* and the *Private School Teachers' Pension Plan* (the "Plans") as at August 31, 2024 based on the August 31, 2023 valuations. The purpose of these extrapolations is to determine the necessary actuarial information for financial statement reporting for the Plans in accordance with Section 4600 of the CPA Canada Handbook ("Section 4600").

Our valuations and extrapolations have been prepared based on:

- membership data provided by ATRF as at the most recent reported date by the respective employers, projected to August 31, 2023 and adjusted to reflect anticipated new hires as at September 1, 2023;
- asset data provided by ATRF as at August 31, 2024;
- assumptions that we understand have been adopted as ATRF management's best estimates; and
- actuarial cost methods and asset valuation methods that are in accordance Section 4600.

Based on the work we have performed, including conducting reasonability tests on the membership and asset data, we have concluded that, in our opinion:

- the data is sufficient and reliable for the purpose of the valuations and extrapolations;
- the assumptions adopted as best estimate by ATRF's management are appropriate for the purpose of the valuations and extrapolations;
- the actuarial cost methods and the asset valuation methods employed are appropriate for the purpose of the valuations and extrapolations; and
- the valuations and extrapolations conform with the requirements of Section 4600.

While the actuarial assumptions used to estimate the Plans' liabilities represent ATRF management's best estimate of future events and market conditions at August 31, 2024, the Plans' future experience will differ from the actuarial assumptions. Emerging experience differing from the assumptions will result in gains or losses that will be revealed in future valuations and will affect the financial position of the Plans.

Our opinions have been given, and our valuations and extrapolations have been performed, in accordance with accepted actuarial practice in Canada.

[Original signed by Brenda Prysko]

Brenda Prysko
Fellow, Canadian Institute of Actuaries
Fellow, Society of Actuaries

[Original signed by Steve Windsor]

Steve Windsor Fellow, Canadian Institute of Actuaries Fellow, Society of Actuaries

[Original signed by Nathan Conway]

Nathan Conway Fellow, Canadian Institute of Actuaries Fellow, Society of Actuaries

December 12, 2024

Statement of Financial Position

As at August 31 (\$ Thousands)	2024	2023
ASSETS		
Investments (Note 3)	\$ 24,395,058	\$ 22,975,304
Corporate cash	19,418	31,818
Contributions receivable	17,238	18,042
Other assets	7,269	8,089
	24,438,983	23,033,253
LIABILITIES		
Investment related liabilities (Note 3)	25,261	131,947
Accounts payable and accrued liabilities (Note 4)	22,457	22,258
Other liabilities	1,240	1,628
	48,958	155,833
NET ASSETS AVAILABLE FOR BENEFITS (Note 5)	24,390,025	22,877,420
ACCRUED PENSION OBLIGATIONS (Note 5)	19,141,606	18,243,557
ACCOUNTING SURPLUS (Note 5)	\$ 5,248,419	\$ 4,633,863

The accompanying notes are part of these financial statements.

Approved by the ATRF Board

[Original Signed by Sandra Johnston]

[Original Signed by Tim Wiles]

Sandra Johnston, ICD.D

Tim Wiles, FCPA, FCA

Chair

Chair, Audit & Finance Committee

Statement of Changes in Net Assets Available for Benefits

For the Year Ended August 31 (\$ Thousands)	2024	2023
Net assets available for benefits, beginning of year	\$ 22,877,420	\$ 21,943,064
Investments		
Investment income (Note 6)	793,200	632,977
Investment expenses (Note 7)	(241,695)	(182,264)
Change in fair value of investments (Note 6)	1,024,334	509,492
Net investment operations	1,575,839	960,205
Member services Contributions (Note 8)		
Teachers	390,460	376,208
The Province	374,645	357,285
Transfers from other plans	10,360	7,928
Private School Boards	3,249	3,042
	778,714	744,463
Member service expenses (Note 7)	(13,580)	(12,622)
Benefits paid (Note 9)	(828,368)	(757,690)
Net member service operations	(63,234)	(25,849)
Increase in net assets available for benefits	1,512,605	934,356
Net assets available for benefits, end of year	\$ 24,390,025	\$ 22,877,420

The accompanying notes are part of these financial statements.

Statement of Changes in Pension Obligations

For the Year Ended August 31 (\$ Thousands)	2024	2023
Accrued pension obligations, beginning of year	\$ 18,243,557	\$ 17,907,738
Increase (decrease) in accrued pension obligations		
Interest on accrued benefits (Note 5)	1,177,002	1,113,013
Benefits accrued (Note 5)	556,711	558,621
Changes in actuarial assumptions (Note 5)		(689,477)
Experience (gains) losses (Note 5)	(7,296)	111,352
Benefits paid (Notes 5 and 9)	(828,368)	(757,690)
	898,049	335,819
Accrued pension obligations, end of year (Note 5)	\$ 19,141,606	\$ 18,243,557

The accompanying notes are part of these financial statements.



August 31, 2024

NOTE 1 DESCRIPTION OF ATRF AND THE PLANS

a) ATRF - nature of operations

The Alberta Teachers' Retirement Fund Board ("ATRF"), established in 1939, a corporation under the authority of the *Teachers' Pension Plans Act*, Chapter T-1, RSA 2000, is the trustee and administrator of the Teachers' Pension Plan and the Private School Teachers' Pension Plan (the "Plans").

ATRF is responsible for establishing the Plans' funding policy and setting contribution rates, establishing the Statement of Investment Policies & Goals ("SIP&G") for the Plans' assets, providing pension benefit administration services to the Plan members and other stakeholders. The SIP&G describes policies that govern how ATRF's assets are to be invested. It defines the strategic asset allocation including well-defined asset categories, their performance benchmarks and risk profiles, and the long-term target proportion of total assets to be invested in each. The SIP&G also defines ATRF's guidance for both total investment risk and for AIMCo's latitude in implementing these policies.

ATRF is governed by a Board. One-half of the board members are nominated by the Finance Minister of the Government of Alberta and one-half by the Alberta Teachers' Association. All board members are appointed by Order in Council.

An amendment to the *Teacher's Pension Plans Act* came into force on November 22, 2019, requiring ATRF to engage Alberta Investment Management Corporation ("AIMCo") as the exclusive provider of investment management services to ATRF in respect of the Plans' assets. Effective October 1, 2021, ATRF transitioned the responsibility for investment management of the Plans' remaining assets to AIMCo.

b) The Plans - general description

The Plans are contributory defined benefit pension plans for all Alberta teachers employed in school jurisdictions and charter schools, as well as teachers employed by participating private schools. The Plans are sponsored by the Government of Alberta and the Alberta Teachers' Association, as representatives of the plan members. These plan sponsors are responsible for plan design, benefits and funding arrangements, and share in plan gains and losses. Design of the Plans' benefits are established by *The Teachers' and Private School Teachers' Pension Plan Regulation 203/1995, as amended* (the "Regulation").

The following descriptions of the Plans and their key attributes is a summary only. Refer to the Regulation and the Plans' text documents for a complete description of the Plans' benefits and obligations. Unless otherwise stated, all terms not defined in the following have the meaning ascribed to them in the Plans' documents.

August 31, 2024

NOTE 1 DESCRIPTION OF ATRF AND THE PLANS (CONTINUED)

c) Obligations relating to the period before September 1992

The Teachers' Pension Plan's assets and obligations related to pensionable service after August 31, 1992 (the "post-1992 period") have been accounted for separately from the assets and obligations related to pensionable service prior to September 1, 1992 (the "pre-1992 period") and, accordingly, these financial statements and notes include only post-1992 period transactions of the Teachers' Pension Plan and transactions of the Private School Teachers' Pension Plan.

Effective September 1, 2009, the Province of Alberta (the "Province") assumed full responsibility for obligations related to the Teachers' Pension Plan pre-1992 period pensionable service and provides the required amounts to ATRF to pay the obligations on a monthly basis (Note 9).

d) Contributions

The determination of the value of the benefits and the required contributions for the Plans is made on the basis of periodic actuarial valuations.

All teachers under contract with school jurisdictions and charter schools in Alberta are required to contribute to the Teachers' Pension Plan. Current service costs and related deficiencies are funded by equal contributions from the Province and the teachers. A component of the post-1992 contributions includes a cost-of-living adjustment ("COLA"), equating to 70% of the increase to the Alberta Consumer Price Index ("ACPI"). Teachers and the Province equally contribute to fund the COLA of 60% of the ACPI, with the additional COLA of 10% of the ACPI fully funded by the teachers.

Certain other designated organizations in Alberta also participate in the Teachers' Pension Plan under the same funding arrangements, except these organizations make the employer contributions rather than the Province.

Certain private schools participate in the Private School Teachers' Pension Plan. The structure for plan costs and related deficiencies are funded in equal contributions from the employers and the teachers. Similar to the Teachers' Pension Plan above, the teachers and the Province equally contribute to fund the COLA of 60% of the ACPI, with the additional COLA of 10% of the ACPI fully funded by the teachers.

NOTE 1 DESCRIPTION OF ATRF AND THE PLANS (CONTINUED)

The contribution rates for fiscal years ended August 31 are as follows:

	Teachers' Pension Plan			
	2024	2023	2024	2023
Up to YMPE ¹	9.00%	9.00%	8.50%	8.50%
Above YMPE	12.86%	12.86%	12.15%	12.15%
Total Teachers' Contribution	10.32%	10.32%	9.95%	9.95%
Total Government/Employer Contribution	9.89%	9.89%	9.51%	9.51%

¹ YMPE: Year's Maximum Pensionable Earnings used by the Canada Pension Plan (2024: \$68,500, 2023: \$66,600)

e) Retirement pensions

Retirement pensions are based on the number of years of pensionable service and the average salary of the highest five consecutive years. Pensions are payable to teachers who retire after completion of at least five years of pensionable service, with certain restrictions, and who have attained age 65. Unreduced pensions are also payable to teachers who have reached at least age 55 and the sum of their age and service equals at least 85. With certain restrictions, reduced pensions are payable to teachers who retire at or after age 55 with a minimum of five years of pensionable service.

f) Disability benefits

Teachers who are disabled after August 31, 1992 are credited with pensionable service while disabled. Teachers do not contribute to the Plans while disabled.

g) Termination benefits

Refunds or commuted value transfers are available when a teacher ceases employment, subject to certain restrictions. Inactive members with a minimum of five years of pensionable service, subject to certain restrictions, have the option to defer their entitlement in the Plans and receive a pension when they retire.

h) Death benefits

Death benefits are available upon the death of a teacher and may be available upon the death of a retired member, depending on the pension option selected by the retired member at the time of retirement. The benefit may take the form of a lump sum payment or a survivor pension.

i) Service purchases and transfers

Purchase of past service, such as substitute teaching service, employer-approved leaves, and reinstatement of refunded service is allowed on a basis that is cost neutral to the Plans.

August 31, 2024

NOTE 1 DESCRIPTION OF ATRF AND THE PLANS (CONTINUED)

The plans have Reciprocal Transfer Agreements with all other provincial teachers' pension plans, the Alberta public sector pension plans, and the Government of Canada Public Service Pension Plan. These agreements authorize the transfer of pensionable service and related obligations and assets in accordance with the terms of the reciprocal transfer agreement between the participating organizations.

j) COLA

Deferred pensions and pensions payable for the portion of pension earned after 1992 are increased each year by a COLA equal to 70% of the increase in the ACPI.

k) Income taxes

The Plans are registered pension plans as defined in the *Income Tax Act* (registration number 0359125) and are not subject to income taxes in Canada. The Plans may be subject to taxes in other jurisdictions where full tax exemptions are not available.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation

The statements present the aggregate financial position of the Plans. These financial statements are prepared in accordance with Canadian accounting standards for pension plans. Section 4600 – Pension Plans, of the CPA Canada Handbook, prescribes accounting policies specific to investments and pension obligations. For accounting policies which do not relate to either investments or pension obligations, International Financial Reporting Standards ("IFRS") are applied. To the extent that IFRS are inconsistent with Section 4600, Section 4600 takes precedence.

All of the entities that ATRF has an ownership interest in, regardless of whether ATRF can control or exercise significant influence, are considered to be investment assets and are presented on a non-consolidated basis.

b) Valuation of investments

Investments, investment-related receivables and investment-related liabilities are recognized on a trade date basis and are stated at fair value.

Fair value is the price at which an investment asset would be sold or investment liability transferred through an orderly transaction between market participants at the measurement date under current market conditions.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The following methods are used by AIMCo to determine the fair values of investment, as presented in Note 3.

CATEGORY	BASIS OF VALUATION
Money-market securities	Cost plus accrued interest approximates fair value due to the short-term nature of these securities.
Bonds and debentures	Closing quoted market price. Where quoted prices are not available, estimated values are calculated using discounted cash flows based on current market yields for comparable securities.
Public equity and REITS	Closing quoted market price. Where a market price is not available, market value is determined using appropriate valuation methods.
Private equity/ Infrastructure	Managers or general partners estimate the fair value of private equity funds, pools and limited partnerships. Valuation techniques include a combination of the market approach using prices or earnings multiples of comparable investments or companies, the income approach considering discounted or capitalized future cash flows, and the cost approach.
Absolute return	Absolute return strategies include investments in hedge funds, and underlying securities in the funds can include equities, fixed income securities, derivatives, and alternative investments. The fair value of these funds is based on the net asset value reported by the external fund manager or the administrator.
Real estate	The estimated fair value of private real estate investments is reported at the most recent appraised value, net of any liabilities against the real property. Real estate properties are appraised at least annually by qualified external real estate appraisers. Appraisers use a combination of methods to determine a fair value, including replacement cost, direct comparison, direct capitalization of earnings and discounted cash flows.
Renewables	Managers or general partners estimate the fair value of the underlying timberland and agricultural investments. Valuation techniques include a combination of the market approach using public comparables or precedent transaction multiples of comparable investments or companies, the income approach considering discounted or capitalized future cash flows, and the cost approach. Underlying real estate, if any, is valuated using the same methodologies described in the real estate category.
Bond repurchase agreement	Bonds sold under repurchase agreement are recorded at cost plus accrued interest, which approximates fair value.

August 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF VALUATION CATEGORY The carrying value of derivative contracts in a favourable and unfavourable position is Derivatives recorded at fair value and is included in the fair value of pooled investment funds (see Note 10). The estimated fair value of equity and bond index swaps is based on changes in the appropriate market-based index net of accrued floating rate interest. Interest rate swaps and crosscurrency interest rate swaps are valued based on discounted cash flows using current market yields and exchange rates. Credit default swaps are valued based on discounted cash flows using current market yields and calculated default probabilities. Forward foreign exchange contracts are valued based on the difference between contractual foreign exchange rates and foreign exchange forward rates. Future contracts are valued based on quoted market prices. Options to enter into interest rate swap contracts are valued based on discounted cash flows using current market yields and volatility parameters, which measure changes in the underlying swap. Warrants and rights are valued at the year-end closing sale price or the average of the latest bid and ask prices quoted by an independent securities valuation company.

As disclosed in Note 3, the Plans' investments consist of direct ownership in both segregated and pooled investment funds ("the pools"). Participants in the pools are not a party to the contracts and have no control over the management of the pool and the selection of securities in the pool. The Plans' investment manager controls the creation of the pools and the management and administration of the pools, including security selection. The Plans hold units in the pooled investment fund. Accordingly, the Plans do not report the financial instruments of the pools on its statement of financial position, but rather the value of the units.

The fair value of units held by the Plans is derived from the fair value of the underlying financial instruments held by the pools as determined by the investment manager. Investments in units are recorded in the Plans' accounts. The underlying financial instruments are recorded in the accounts of the pools on a trade-date basis. The pools have a market-based unit value that is used to distribute income to the pool participants and to value purchases and sales of the pool units. The pools include various financial instruments such as bonds, equities, real estate, derivatives, investment receivables, and payables.

The Plans become exposed to the financial risks and rewards associated with the underlying financial instruments in a pool when the Plans purchase units issued and lose exposure to those financial risks and rewards when it sells its units. The Plans report its share of the investment risks in Note 10.

All purchases and sales of the pool units are in Canadian dollars.

August 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FAIR VALUE HIERARCHY

All financial instruments measured at fair value are categorized into one of the following three hierarchy levels. Each level reflects the availability of observable inputs which are used to determine fair values, based on financial information significant to the valuation measurement.

- Level 1: Fair value is based on unadjusted quoted prices in active markets for identical
 assets or liabilities. For multi-client pools, securities held in pools with quoted
 price in active markets are classified as level 2 as the pool units themselves are
 not listed in an active market, and therefore, cannot be classified as level 1.
- Level 2: Fair value is based on market data other than quoted prices included in Level 1
 that are observable either directly or indirectly. This level includes units of multiclient pools holding public equity, debt securities, and derivative contracts that
 would otherwise be classified as Level 1.
- Level 3: Fair value is based on inputs other than observable market data. This level
 includes units of multi-client pools holding investments that would not be
 classified as Level 1 and Level 2.

c) Investment income

Income is recognized as follows:

CATEGORY	BASIS OF RECOGNITION
Interest income	Accrual basis
Dividend income	Accrual basis on the ex-dividend date
Income from real estate, private equity, and infrastructure	Income includes distributions recognized as interest income, dividend income or other income, as appropriate
Realized gains and losses on investments	Difference between proceeds on disposal and the average cost
Unrealized gains and losses on investments	Change in the difference between estimated fair value and the average cost

Income distributions from pooled funds are based on the Plans' pro-rata share of total units issued by the pools. Changes in fair value of units, including realized gains and losses on disposal of units and unrealized gains and losses on units are determined on an average cost basis.

August 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Investment expenses

Investment expenses, including those relating to portfolio transaction costs (incremental costs attributable to the acquisition and disposition of investment assets or liabilities), investment personnel and operations, oversight, and governance, are accrued and expensed in the fiscal period as incurred.

In addition, investment expenses are charged by AIMCo on a cost-recovery basis. Amounts charged to the Plan by AIMCo for investment costs include external management fees, external administration costs, employee salaries, and incentive benefits, and overhead costs. Please refer to the AIMCo financial statements for a more detailed breakdown of the types of expenses.

Investment performance fees are earned by AIMCo and other external investment managers for earning returns in excess of pre-determined thresholds. Fees earned by AIMCo and external managers in the fiscal period are expensed.

e) Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing on the year-end date. Income and expenses are translated into Canadian dollars at the exchange rates prevailing on the dates of the transactions. Realized and unrealized gains and losses arising from these translations are included within the change in fair value of investments in investment earnings.

f) Contributions

Contributions from the teachers, the Province and the employers are recorded on an accrual basis. Cash received from teachers for credited service and cash transfers from other pension plans are recorded when received.

g) Benefits

Pension benefits, termination benefits and transfers to other plans are recorded in the period in which they are paid. Any benefit payment accruals not paid are reflected in accrued pension benefits.

h) Accrued pension obligations

The value of accrued pension obligations and changes therein during the year are based on an actuarial valuation prepared by an independent firm of actuaries annually as at August 31. The valuation uses the projected benefit method, pro-rated on service, and includes management's best estimate of various future events, as at the valuation date (Note 5).

The August 31, 2024 results were obtained by extrapolating the August 31, 2023 actuarial valuation.

i) Corporate cash

Corporate cash comprises of cash on hand and demand deposits. Cash is held for the purpose of meeting short-term commitments rather than for investment purposes.

August 31, 2024

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Capital assets

Capital assets are recorded at cost and amortized over their estimated useful lives. Costs net of accumulated amortization are included with 'Other assets' on the Statement of Financial Position.

k) Use of estimates

The preparation of financial statements, in conformity with Canadian accounting standards for pension plans, requires management to make estimates and assumptions in circumstances where the actual values are unknown. Uncertainty in determination of the amount that is reported in the financial statements is known as measurement uncertainty.

Measurement uncertainty exists in the calculation of the Plans' actuarial value of accrued benefits. Uncertainty arises because the Plans' actual experience may differ significantly from assumptions used in the calculation of the Plans' accrued benefits.

The value of financial instruments can be impacted by global events, therefore measurement uncertainty exists in the values of the Plans' assets.

Significant estimates and assumptions are made in measuring the Plans' private investments. The values may differ significantly from the values that would have been used had a ready market existed for these investments.

I) Salaries and benefits

Details of executives' compensation are presented in the Compensation Discussion and Analysis section of the Annual Report.

ATRF participates in the Local Authorities Pension Plan, a defined benefit public sector pension plan, which meets the accounting requirements for treatment as a defined contribution plan. The employer contributions are recorded as an expense.

ATRF provides a Supplementary Employee Pension Plan (SEPP) to executives and certain eligible managers whose earnings exceed the pension benefit limit under the *Income Tax Act* regulations. Benefits are paid to these members as the benefits come due. No assets are earmarked, set aside or placed into trust by ATRF for SEPP benefit payments. The pension benefit is recorded as an expense and as a liability.

m) Accounting surplus

For financial statement reporting purposes, the Plans' surplus or deficiency is based on the difference between the fair value of the Plans' net assets available for benefits and the accrued pension obligation.

August 31, 2024

NOTE 3 INVESTMENTS

The following schedule summarizes the fair value of the Plans' investments before allocating the market exposure related to derivative financial instruments. Investments assets and liabilities are presented within the fair value hierarchy as defined in Note 2 b).

(\$ Thousands)	F	air Value			2024		2023
		Level 1	Level 2	Level 3	Total		Total
Fixed Income							
Investment cash	\$	-	\$ 292,215	\$ -	\$ 292,215	\$	596,301
Money-market securities		-	8,746	-	8,746	·	35,443
Bonds and debentures		-	4,012,592	-	4,012,592		4,200,782
		-	4,313,553	-	4,313,553		4,832,526
Equity							
Public & REITs		12,545	6,759,478	-	6,772,023		6,606,842
Private		-	-	4,714,479	4,714,479		3,792,531
		12,545	6,759,478	4,714,479	11,486,502		10,399,373
Absolute return		-	-	2,301,087	2,301,087		2,376,639
Real estate		-	-	2,291,428	2,291,428		2,846,045
Infrastructure		-	-	3,543,000	3,543,000		2,440,948
Renewables		-	-	435,277	435,277		-
		-	-	6,269,705	6,269,705		5,286,993
Investment related assets							
Due from brokers		-	2,229	-	2,229		18,949
Accrued income		-	636	-	636		1,261
Reverse Repurchase agreements		-	-	-			27,628
Unrealized gains and amounts							
receivable on derivative contracts		-	21,346	-	21,346		31,935
		-	24,211	-	24,211		79,773
INVESTMENT ASSETS		12,545	11,097,242	13,285,271	24,395,058		22,975,304
Investment related liabilities							
Due to brokers		_	12,629	_	12,629		20,290
Repurchase agreements			3,159		3,159		77,230
,		-	3,139	-	3,133		11,230
Unrealized losses and amounts			0.470		0.470		04.407
payable on derivative contracts		-	9,473	-	9,473		34,427
INVESTMENT LIABILITIES		-	25,261	-	25,261		131,947
NET INVESTMENTS	\$	12,545	\$ 11,071,981	\$ 13,285,271	\$ 24,369,797	\$	22,843,357

August 31, 2024

NOTE 3 INVESTMENTS (CONTINUED)

(\$ Thousands)		air Value						2023
	Level 1			Level 2		Level 3	Total	
Fixed Income								
Investment cash		-	\$	596,301	\$	-	\$	596,301
Money-market securities		-		35,443		-		35,443
Bonds and debentures		-		4,200,782		-		4,200,782
		-		4,832,526		-		4,832,526
Equity								
Public & REITs		4,713,590		1,893,252		-		6,606,842
Private		-		-		3,792,531		3,792,531
		4,713,590		1,893,252		3,792,531		10,399,373
Absolute return		-		-		2,376,639		2,376,639
Real estate Infrastructure		-		-		2,846,045		2,846,045
		-	- 2,440,948				2,440,948	
		-		-		5,286,993		5,286,993
Investment related assets								
Due from brokers	-			18,949 -				18,949
Accrued income		- 1,261			-		1,261	
Reverse Repurchase agreements Unrealized gains and amounts		-		27,628		-		27,628
receivable on derivative contracts	-			31,935		-		31,935
		-		79,773		-		79,773
INVESTMENT ASSETS		4,713,590		6,805,551		11,456,163		22,975,304
Investment related liabilities								
Due to brokers	-			20,290		-		20,290
Repurchase agreements		-		77,230		-		77,230
Unrealized losses and amounts								
payable on derivative contracts		-		34,427		-		34,427
INVESTMENT LIABILITIES		-		131,947		-		131,947
NET INVESTMENTS	\$	4,713,590	\$	6,673,604	\$	11,456,163	\$	22,843,357

August 31, 2024

NOTE 3 INVESTMENTS (CONTINUED)

The following table represents a reconciliation of financial instruments included in Level 3 of the fair value hierarchy for the year ended August 31, 2024:

(\$ Thousands)	Fair Value, gust 31, 2023	Purchases	Sales	Re	alized Gain (loss)	Unr	ealized Gain (loss)	Fair Value, gust 31, 2024
Private equity	\$ 3,792,531	\$ 1,418,940	\$ (596,632)	\$	493,944	\$	(394,304)	\$ 4,714,479
Absolute return	2,376,639	6,572	(248,660)		(562,190)		728,726	2,301,087
Real estate	2,846,045	130,446	(265,352)		62,312		(482,023)	2,291,428
Infrastructure	2,440,948	1,082,333	(114,161)		74,688		59,192	3,543,000
Renewables	-	493,845	(128,271)		-		69,703	435,277
	\$ 11,456,163	\$ 3,132,136	\$ (1,353,076)	\$	68,754	\$	(18,706)	\$ 13,285,271

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(\$ Thousands)	2024	2023
Tax withholdings	\$ 16,020	\$ 15,074
Supplementary Employee Pension Plan	4,324	4,209
Accounts payable	1,080	1,090
Incentive plans payable	1,033	1,007
Contributions due to the Province	-	878
	\$ 22,457	\$ 22,258

NOTE 5 ACCRUED PENSION OBLIGATIONS

Pension obligations represent the value of accrued pension benefits payable in the future to members and are based on an actuarial valuation or extrapolation by an independent firm of actuaries.

Separate valuations or extrapolations are performed for accounting purposes and for funding purposes. The accrued pension obligation for funding purposes was determined using the valuation methodology described in Note 5 d).

For accounting purposes, an actuarial extrapolation of the Plans was performed as at August 31, 2024 and is based on the actuarial valuations as at August 31, 2023. The accrued pension obligation reflected in the Statement of Financial Position represents the present value of the accrued pension obligations of \$19,142 million (2023: \$18,244 million), which was determined using the projected accrued benefit actuarial cost method prorated on service.

NOTE 5 ACCRUED PENSION OBLIGATIONS (CONTINUED)

a) Best-estimate valuations and assumptions

The assumptions used in the valuations/extrapolations are based on past experience, as analyzed by the Plans' actuary, and management's best estimate of future events and involve rates of demographic change, such as rates of mortality, termination of membership and retirement, as well as economic parameters, such as rates of inflation, discount rates and salary escalation rates.

The discount rate is equivalent to the long-term expected rate of return on invested assets.

The major long-term economic assumptions used in determining the actuarial value of accrued pension benefits were:

	2024	2023
Rate of return on invested assets (discount rate)	6.50%	6.50%
Rate of inflation	2.00%	2.00%
Real wage increases	0.75%	0.75%

b) Sensitivity of changes in major assumptions on best-estimate valuations

For illustrative purposes, the table below shows the impact of changes in major assumptions, holding all other assumptions constant:

	Teacher Pension F	-	Private School Teachers' Pension Plan			
	0.5% decrease in rate of return on invested assets	0.5% increase in rate of inflation	0.5% decrease in rate of return on invested assets	0.5% increase in rate of inflation		
Increase in current service costs (% of total teacher salaries)	1.7%	1.3%	1.8%	1.4%		
Increase in accrued pension obligations	\$1,452 million	\$1,075 million	\$8 million	\$6 million		

For accounting purposes, and using best-estimate financial statement extrapolation assumptions, as at August 31, 2024, the current service cost (excluding 0.25% for administrative expenses) as a percent of total teacher salaries for the Teachers' Pension Plan is 14.3% and for the Private School Teachers' Pension Plan is 14.8%. The financial statement extrapolation's current service cost may differ from the current service cost calculated using the funding extrapolation assumptions for funding purposes.

NOTE 5 ACCRUED PENSION OBLIGATIONS (CONTINUED)

c) Results based on valuations/ extrapolations

For accounting purposes, the excess of net assets available for benefits against pension obligations results in the Plans having an accounting surplus of \$5,212 million for the post-1992 period of the Teachers' Pension Plan and an accounting surplus of \$36 million for the Private School Teachers' Pension Plan as at August 31, 2024.

(\$ Thousands)		2024		2023					
	Teachers' Pension Plan	Private Teachers' Plan	Total	Teachers' Pension Plan	Private Teachers' Plan	Total			
Net assets at beginning of year	\$ 22,755,061	\$ 122,359 \$	22,877,420	\$ 21,828,657	\$ 114,407 \$	21,943,064			
Contributions	772,233	6,481	778,714	738,318	6,145	744,463			
Benefits	(824,346)	(4,022)	(828,368)	(754,555)	(3,135)	(757,690)			
Investment earnings	1,807,813	9,721	1,817,534	1,136,511	5,958	1,142,469			
Investment and member service expenses	(253,909)	(1,366)	(255,275)	(193,870)	(1,016)	(194,886)			
Net assets at end of year	24,256,852	133,173	24,390,025	22,755,061	122,359	22,877,420			
Accrued pension obligations at beginning of year	18,153,574	89,983	18,243,557	17,821,219	86,519	17,907,738			
Interest on accrued benefits	1,171,124	5,878	1,177,002	1,107,551	5,462	1,113,013			
Benefits accrued	551,788	4,923	556,711	553,755	4,866	558,621			
Changes in actuarial assumptions				(685,852)	(3,625)	(689,477)			
Experience (gains) losses	(7,265)	(31)	(7,296)	111,456	(104)	111,352			
Benefits paid	(824,346	(4,022)	(828,368)	(754,555)	(3,135)	(757,690)			
Actuarial value of accrued pension obligations	19,044,875	96,731	19,141,606	18,153,574	89,983	18,243,557			
Accounting surplus	\$ 5,211,977	\$ 36,442 \$	5,248,419	\$ 4,601,487	\$ 32,376 \$	4,633,863			

The change in pension obligations is comprised of five components:

i) INTEREST ON ACCRUED BENEFITS

Pension obligations increase with interest as the present value of the valuation is evaluated one year later. The interest on accrued benefits is calculated using the rate of return on invested assets.

August 31, 2024

NOTE 5 ACCRUED PENSION OBLIGATIONS (CONTINUED)

ii) BENEFITS ACCRUED

Pension obligations increase with new service credited and additional benefits accumulated by plan members during the fiscal year.

iii) EXPERIENCE LOSSES (GAINS)

Experience gains of \$7 million (2023: Experience losses of \$111 million) on accrued benefits are the result of actual experience from one valuation/extrapolation to the next being different than implied by the assumptions from the previous valuation/extrapolation. As the experience is more favorable than anticipated in the assumptions, this results in an experience gain. Experience gains decrease the pension obligations.

The following table provides details on the net gain on accrued benefits.

(\$ Thousands)	TPP	PSTPP	Total
COLA	\$ (7,265) \$	(31) \$	(7,296)
Experience gains	\$ (7,265) \$	(31) \$	(7,296)

iv) CHANGES IN ACTUARIAL ASSUMPTIONS

Pension obligations can increase or decrease if there are changes in actuarial assumptions used to evaluate the present value of benefits.

There are no assumptions changes from August 31, 2023 to August 31, 2024.

v) BENEFITS PAID

The pension obligations decrease with benefits paid from the Plans during the fiscal year, as the funds are no longer required to be set aside to pay for those benefits.

d) Extrapolation/Valuation methodologies

ATRF engages an independent actuary to perform two different actuarial valuations of the Plans, one for accounting purposes which is performed in compliance with the prescribed accounting standards, and the second for funding purposes, which is performed in compliance with the prescribed professional and regulatory standards.

August 31, 2024

NOTE 5 ACCRUED PENSION OBLIGATIONS (CONTINUED)

The Plans' accounting surplus or deficiency includes the determination of assets on a fair value basis. However, for actuarial funding valuation purposes, asset values are adjusted for fluctuations in fair values to moderate the effect of market volatility on the Plans' funded status. The funding valuation is calculated in accordance with actuarial standards on a going concern basis and is used to determine changes to contribution rates for future service in order to manage the Plans' funding status. Both types of valuations have prescribed uses and are based on the same underlying plan member data, but the funding valuation differs by smoothing market returns over a five-year period and incorporating a margin for adverse deviation in the pension obligations and current service costs.

In accordance with the *Teachers' Pension Plans Act*, an actuarial funding valuation is required to be performed, at a minimum, every three years. The objective is to ensure that the Plans are fully funded over the long term through the management of investments and contribution rates. Investments are based on an asset mix that is designed to enable the Plans to meet their long-term funding requirement within an acceptable level of risk, consistent with the Plans' investment and funding policies, which are approved by the Board. In years when an actuarial valuation is not performed (such as the year ended August 31, 2024), the Plans' obligations are determined by extrapolating the Plans' obligations from the previous actuarial valuation as per the accepted extrapolation methodologies under the prescribed professional standards. For further information, refer to the funding section of the Annual Report.

August 31, 2024

NOTE 6 INVESTMENT EARNINGS

The following is a summary of investment earnings by asset class:

(\$ Thousands)		2024		2023				·																									
	vestment ncome	Change in air Value¹	Total	I	nvestment Income	Change in Fair Value²		J		•		J		•		•		•		•		J		J		J		J		•			Total
Fixed income																																	
Investment Cash & money-market securities	\$ 23,268	\$ 2,324	\$ 25,592	\$	15,454	\$	(52)	\$	15,402																								
Bonds and debentures	149,660	179,620	329,280		119,940		(114,355)		5,585																								
Equity																																	
Public & REITs	487,125	786,835	1,273,960		171,314		700,416		871,730																								
Private	9,162	99,640	108,802		8,788		288,177		296,965																								
Absolute return	18,587	166,536	185,123		29,562		148,977		178,539																								
Real estate	19,238	(419,711)	(400,473)		111,762		(393,581)		(281,819)																								
Infrastructure	87,357	133,880	221,237		176,157		106,792		282,949																								
Renewables	(1,197)	69,703	68,506		-		-		-																								
Derivatives	-	5,507	5,507		-		(226,882)		(226,882)																								
	\$ 793,200	\$ 1,024,334	\$ 1,817,534	\$	632,977	\$	509,492	\$	1,142,469																								

¹ 2024 change in fair value includes a realized net gain of \$277,836 and an unrealized net gain of \$746,498.

² 2023 change in fair value includes a realized net gain of \$2,579,142 and an unrealized net loss of \$(2,069,650).

August 31, 2024

NOTE 7 INVESTMENT AND MEMBER SERVICE EXPENSES

a) Investment expenses

(\$ Thousands)	2024	2023		
ATRF				
Investment management and oversight	\$ 4,531	\$	4,771	
AIMCo ¹				
Investment Management Fees	137,213		136,243	
Investment Performance Fees	99,951		41,250	
Total AlMCo fees	237,164		177,493	
Total investment expenses	\$ 241,695	\$	182,264	

¹ AIMCo charges investment expenses to ATRF on a cost-recovery basis. Amounts recovered include external administration costs, employee salaries, incentive and performance-related benefits, and overhead costs.

b) Member service expenses

(\$ Thousands)	2024	2023
ATRF internal benefit administration and oversight	\$ 13,580	\$ 12,622

Member service expenses include ATRF's direct costs for pension services such as salaries and benefits of pension team members, plan administration, actuarial services, and shared services such as technology, governance, and oversight costs. It also includes indirect costs for operations such as premises and other corporate operations.

c) ATRF operating expenses

(\$ Thousands)	2024			2023
Salaries and benefits	\$	11,549	\$	11,107
Premises and operations		3,869		3,775
Profesional services		2,226		2,054
Board and committees		467		457
Total ATRF operating expenses	\$	18,111	\$	17,393

August 31, 2024

NOTE 8 CONTRIBUTIONS

(\$ Thousands)	2024	2023
Teachers		
Current service	\$ 346,655	\$ 335,206
Current service additional 10% of COLA	14,597	14,115
Past service	4,750	3,234
Deficiency	24,458	23,653
	390,460	376,208
The Province		
Current service	349,337	333,466
Past service	1,944	1,516
Deficiency	23,364	22,303
	374,645	357,285
Private School Boards		
Current service	3,244	3,037
Deficiency	5	5
	3,249	3,042
Transfers from other plans	10,360	7,928
	\$ 778,714	\$ 744,463

NOTE 9 BENEFITS PAID

(\$ Thousands)	2024	2023
Pension benefits	\$ 721,486	\$ 663,988
Termination benefits	88,770	77,852
Transfers to other plans	18,112	15,850
	\$ 828,368	\$ 757,690

During the year \$503 million (2023: \$497 million) was received from the Province and was distributed as benefits paid relating to the pre-1992 period.

August 31, 2024

NOTE 10 INVESTMENT RISK MANAGEMENT

The Plans' actuarial liabilities are primarily affected by the long-term real rate of return expected to be earned on investments. To earn the best possible return at an acceptable level of risk, the SIP&G contains an asset mix with policy ranges designed to deliver the expected long-term rate of return. The Board reviews and approves the SIP&G at least once every fiscal year.

The Plans are exposed to financial risks associated with the underlying securities held in the pools created and managed by AIMCo. These financial risks include market risk, credit risk and liquidity risk. Market risk comprises currency risk, interest rate risk and price risk. Credit risk is a probable risk of loss resulting from the borrower failing to repay a loan or meet contractual obligations. Liquidity risk is the risk the Plan will not be able to meet its obligations as they fall due. Another type of liquidity risk affecting the Plans' fund is the risk that, for a certain period of time, a given financial asset cannot be traded quickly enough without impacting its market price.

a) Market risk

Market risk is the risk that the fair value or future cash flows of an investment asset or investment liability will fluctuate because of changes in market factors such as foreign exchange rates, interest rates, equity and commodity prices. Market risk is mitigated through diversification of investments across asset types, geography and time horizons. Market risk is comprised of the following:

i) CURRENCY RISK

Currency risk is the risk that the value of foreign investments will be affected by changes in foreign currency exchange rates for Canadian dollars. The Plans are exposed to currency risk through holdings of investment assets or liabilities in foreign currencies. The relative Canadian value or future cash flows of investments denominated in foreign currencies will change with a change in the price of the Canadian dollar against other currencies.

Foreign investments in absolute return, real estate and infrastructure are hedged with the aim of minimizing foreign currency exposure. ATRF permits AIMCo to hedge foreign currency holdings to limit the Plans' foreign currency exposure.

August 31, 2024

NOTE 10 INVESTMENT RISK MANAGEMENT (CONTINUED)

The Plans' foreign currency exposure is as follows:

(\$ Thousands)		2024			2023				
Currency	Foreign Currency Exposure	Currency Derivatives	Currency		Foreign Currency Exposure	Currency Derivatives	Net Foreign Currency Exposure	% of Total	
United States Dollar	\$ 11,204,264	\$ (5,535,009)	\$ 5,669,255	65 %	\$ 9,685,102	\$ (4,754,082)	\$ 4,931,020	60 %	
Euro	2,553,149	(1,235,105)	1,318,044	15	2,086,100	(834,604)	1,251,496	15	
Hong Kong Dollar	270,231	(1,688)	268,543	3	337,476	(115)	337,361	4	
Japanese Yen	228,201	14,828	243,029	3	168,760	43,086	211,846	3	
British Pound Sterling	526,034	(332,085)	193,949	2	570,013	(206,810)	363,203	4	
Taiwan Dollar	174,781		174,781	2	193,018	-	193,018	2	
Other	1,268,848	(404,308)	864,540	10	1,113,827	(155,060)	958,767	12	
	\$ 16,225,508	\$ (7,493,367)	\$ 8,732,141	100 %	\$ 14,154,296	\$ (5,907,585)	\$ 8,246,711	100 %	

The net foreign currency exposure of its underlying investments represents 36% (2023: 36%) of the Plans' net investments.

After considering the effect of currency hedges, a 5% increase/decrease in the value of the Canadian dollar against all currencies, with all other variables held constant, would result in an approximate decrease/increase in the value of net foreign investments of \$437 million as at August 31, 2024 (2023: \$412 million).

ii) INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of an investment will fluctuate as a result of changes in market interest rates. The Plans are exposed to interest rate risk through fixed-rate and floating-rate securities. There are also certain alternative investments which may have interest rate components exposing them to interest rate risk. Changes in interest rates affect fair values of fixed-rate securities and the cash flows of floating-rate securities. Increases in interest rates will generally decrease the fair value of fixed-rate securities and increase cash flow from floating-rate notes.

Interest rate risk sensitivity

The interest rate sensitive assets represent 20% (2023: 21%) of the Plans' net investments.

NOTE 10 INVESTMENT RISK MANAGEMENT (CONTINUED)

The following table presents the approximate increase/decrease in market value for the Plans' interest rate sensitive investments, assuming a parallel 1% decrease/increase in interest rates, with all other variables held constant:

(\$ Thousands)			24		2023					
Term to Maturity	Ма	Market Value		hange in rket Value	Market Value %	M	Market Value		Change in arket Value	Market Value %
Less than 1 year	\$	485,545	\$	1,260	10 %	\$	150,445	\$	595	3 %
1-3 years		314,034		4,919	6		776,736		12,888	16
3-5 years		149,944		3,007	3		467,041		16,051	10
5-10 years		172,794		7,695	4		709,863		39,784	15
Greater than 10 years		3,840,447		511,309	77		2,667,579		360,305	56
	\$	4,962,764	\$	528,190	100 %	\$	4,771,664	\$	429,623	100 %

iii) EQUITY PRICE RISK

Equity price risk is the risk that the fair value of an investment will fluctuate as a result of changes in equity market prices (other than those arising from interest-rate risk or currency risk), whether those changes are caused by factors specific to the individual investment or factors affecting all securities traded in the market.

Equity price risk is mitigated through the use of geographic, sector and entity specific analyses, and strategies such as diversification and derivative instruments to mitigate the overall impact of price risk.

A 10% increase/decrease in the value of the overall public equity market, with all other variables held constant, would result in an approximate increase/decrease in the value of public-market exposure of \$673 million (2023: \$639 million).

b) Credit risk

Credit risk is the potential of loss should a counterparty fail to meet its contractual obligations, or a reduction in the value of assets due to deteriorated credit quality of the counterparty, guarantor or the collateral supporting the credit exposure. The Plans are exposed to credit risk through investment in fixed income investments, securities lending, and balances receivable from sponsors and counterparties.

To mitigate this risk, AIMCo has set investment restrictions to limit the credit exposure to security issuers. Short-term investments require a rating of "R-1" or equivalent. Credit exposure to any single counterparty is limited to maximum amounts and minimum ratings as specified in the relevant product descriptions.

NOTE 10 INVESTMENT RISK MANAGEMENT (CONTINUED)

As at August 31, 2024, fixed-income investments exposed to credit risk, by credit rating, are as follows:

		2024		2023			
(\$ Thousands)	M	arket Value	% of Total	М	arket Value	% of Total	
Investment grade (AAA to BBB-)	\$	4,297,364	87 %	\$	4,676,357	98 %	
Speculative grade (BB+ or lower)		98,807	2		25,002	1	
Unrated ¹		566,593	11		70,305	11	
	\$	4,962,764	100 %	\$	4,771,664	100 %	

¹Includes private debt investments and holdings for which credit rating is not assigned.

As at August 31, 2024, the Plans have significant concentration of credit risk within fixed-income investments with the following issuers:

		2024 2023				
(\$ Thousands)	Ma	arket Value	% of Total	Ма	rket Value	% of Total
Province of Ontario	\$	1,084,400	22 %	\$	842,301	18 %
Province of Quebec		862,264	17		628,314	13
Government of Canada		731,535	15		807,018	17

The Plans are also exposed to risk through over-the-counter ("OTC") derivative transactions, arising from a default or insolvency of a counterparty.

The Plans have exposure to OTC derivatives as follows:

(\$ Thousands)	2024	2023
Forwards	\$ 21,256	\$ 30,774
Options	90	1,161
	\$ 21,346	\$ 31,935

c) Liquidity risk

Liquidity risk is the risk of the Plans being unable to generate sufficient cash in a timely and cost-effective manner to meet commitments and expenses as they become due. Consideration is given to the Plans' financial liabilities, which include investment-related liabilities (Note 3), accrued pension obligations (Note 5), and contracts that give rise to commitments for future payments (Note 11).

Liquidity requirements of the Plans are met through income generated from investments, employee and employer contributions, and by holding publicly traded liquid assets in active markets that are easily sold and converted to cash. ATRF also maintains cash holdings with major Canadian Financial Institutions to manage short-term corporate liquidity needs.

August 31, 2024

NOTE 10 INVESTMENT RISK MANAGEMENT (CONTINUED)

The investment-related liabilities are due within one year as follows:

(\$ Thousands)	2024	2023
Due to brokers	\$ 12,629	\$ 20,290
Derivative instruments	9,473	34,427
Bonds repurchase agreements	3,159	77,230
	\$ 25,261	\$ 131,947

The following table presents the liquid investment assets at the year ended August 31:

(\$ Thousands)	2024	2023
Investment cash	\$ 292,215	\$ 596,301
Money-market securities	8,746	35,443
Investment related assets	24,211	79,773
Bonds and debentures	4,012,592	4,200,782
Public equity & REITs	6,772,023	6,606,842
	\$ 11,109,787	\$ 11,519,141

ATRF aims to ensure sufficient liquidity to meet the Plans' obligations while maintaining the agility for suitable investment opportunities and/or rebalancing the investment portfolios to target levels.

NOTE 11 COMMITMENTS

The Plans have committed to fund certain private investments over the next several years. These commitments are generally payable on demand based on the funding needs of the investment subject to the terms and conditions of each commitment. As at August 31, 2024, the sum of these commitments equalled \$855 million (2023: \$1,090 million).

August 31, 2024

NOTE 12 NET INVESTMENT RETURNS, RELATED BENCHMARK RETURNS AND THE DISCOUNT RATE

Net investment returns, related benchmark returns and the discount rate for the Plans for the years ended August 31 are as follows:

	2024	2023
Net Investment Return	6.9%	4.4%
Benchmark Return	12.3%	8.5%
Discount Rate	6.5%	6.5%

Investment return has been calculated using a time-weighted rate of return methodology in accordance with industry standard methods. Net investment return is net of investment costs and excludes plan member service costs of \$13.6 million or 0.06% (2023: \$12.6 million or 0.06%).

The Plans' benchmark return is a composite benchmark produced by aggregating returns from each policy asset class benchmark, using the Plans' asset mix policy weights.

The discount rate is the long term expected rate of return on invested assets needed to achieve the Plans fully funded status.

NOTE 13 RECLASSIFICATION

Certain prior year figures have been reclassified for current year's presentation.

NOTE 14 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the ATRF Board on Thursday, December 12, 2024.

10-year Financial and Statistical Review

(UNAUDITED)

Financial Position as at August 31	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
(\$ millions)										
Investments										
Fixed Income	4,314	4,832	4,545	4,409	4,790	4,701	4,277	3,640	3,040	3,249
Public equity	6,772	6,607	6,573	8,463	6,805	6,358	6,140	5,609	5,350	4,873
Private equity	4,715	3,792	3,456	2,733	2,100	1,883	1,538	1,398	1,196	1,146
Absolute Return	2,301	2,377	2,246	2,150	1,873	1,672	1,511	1,340	1,280	1,298
Real Estate	2,291	2,846	3,028	2,709	2,665	2,737	2,389	1,940	1,518	1,090
Infrastructure	3,543	2,441	2,108	1,872	1,545	1,260	1,076	952	947	544
Renewables	435	-	-	-	-	-	-	-	-	-
Other Investment Assets/(Liabilities)	(1)	(52)	(55)	25	(467)	(467)	(368)	(114)	30	(119)
Net Investments	24,370	22,843	21,901	22,361	19,311	18,144	16,563	14,765	13,361	12,081
Contributions Receivable	17	18	18	16	17	26	20	26	26	19
Other Assets and Liabilities	3	16	24	(35)	(30)	(34)	(32)	(23)	(30)	(31)
Net Assets Available for Benefits	24,390	22,877	21,943	22,342	19,298	18,136	16,551	14,768	13,357	12,069
Actuarial Value of Accrued	, in the second	·	,	,	,	,	,	,	,	•
Pension Obligations*	19,142	18,243	17,908	17,022	16,216	14,688	13,854	12,863	12,118	11,281
Surplus / (Deficiency)	5,248	4,634	4,035	5,320	3,082	3,448	2,697	1,905	1,239	788
Activity during year ended August 31										
(\$ millions)										
Benefit and Investment Operations										
Investment earnings	1,817	1,143	(185)	3,208	1,146	1,471	1,569	1,154	920	969
Net contributions	779	744	799	799	829	844	871	849	882	843
Benefits paid	(828)	(758)	(769)	(747)	(658)	(558)	(509)	(459)	(421)	(378)
Investment & member service expenses	(255)	(195)	(244)	(217)	(155)	(172)	(147)	(134)	(94)	(81)
Increase in Net Assets	1,513	934	(399)	3,043	1,162	1,585	1,784	1,410	1,287	1,353
Increase in Accrued Pension Obligations	898	336	885	806	1,528	834	992	744	837	1,091
Increase (Decrease) in Surplus	615	598	(1,284)	2,237	(366)	751	792	666	450	262
Funding:										
Discount Rate										
Post-1992 TPP**	4.90%	4.90%	4.80%	4.90%	5.15%	5.15%	5.20%	5.40%	6.00%	6.00%
Private School TPP**	4.95%	4.95%	4.90%	4.90%	5.00%	5.10%	5.30%	5.40%	6.00%	6.00%
Funding Shortfall/(Surplus) (\$ millions)										
Post-1992 TPP**	(415)	(216)	215	322	711	863	1,186	1,516	1,950	2,364
Private School TPP**	(12)	(11)	(8)	(7)	(2)	(2)	(2)	1	4	6
	(427)	(227)	207	315	709	861	1,184	1,517	1,954	2,370
Plan Members										
Active	43,371	42,617	42,053	42,186	41,701	42,278	41,746	40,716	41,015	39,997
Inactive	12,177	12,123	12,075	11,833	12,116	11,847	11,758	11,997	12,102	12,252
Retired Members	32,423	31,839	31,233	30,582	29,851	29,108	28,241	27,625	27,015	26,308
Number of New Pensions	1,049	1,096	1,129	1,105	1,147	1,180	1,089	1,171	1,074	1,080
Member Service Costs (per member)	\$179	\$170	\$128	\$114	\$118	\$120	\$111	\$97	\$90	\$87
Post 1992 TPP** - year ended August 31										
Net Investment Returns	6.9%	4.4%	-1.8%	15.6%	5.5%	7.8%	9.6%	7.7%	6.7%	8.3%
	12.3%		-1.8% -4.1%	13.8%	7.3%	6.4%	9.6% 8.5%	7.7%	6.6%	6.5% 6.5%
Benchmark	12.3%	8.5%	-4.1%	13.5%	1.3%	0.4%	ō.5%	7.0%	0.0%	0.5%

Note: Amounts relate to transactions of post-1992 Teachers' Pension Plan and of the Private School Teachers' Pension Plan.

^{* 2024} Values were based on extrapolation

^{**} Teachers' Pension Plan (TPP)



We Value Your Feedback

Thank you for taking the time to read the 2024 Annual Report. We hope you found it informative and insightful. Your feedback is important and will help us continually improve and serve you better in the future.

Please take a moment to participate in a short survey about this report.

Thank you for your valuable feedback!





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