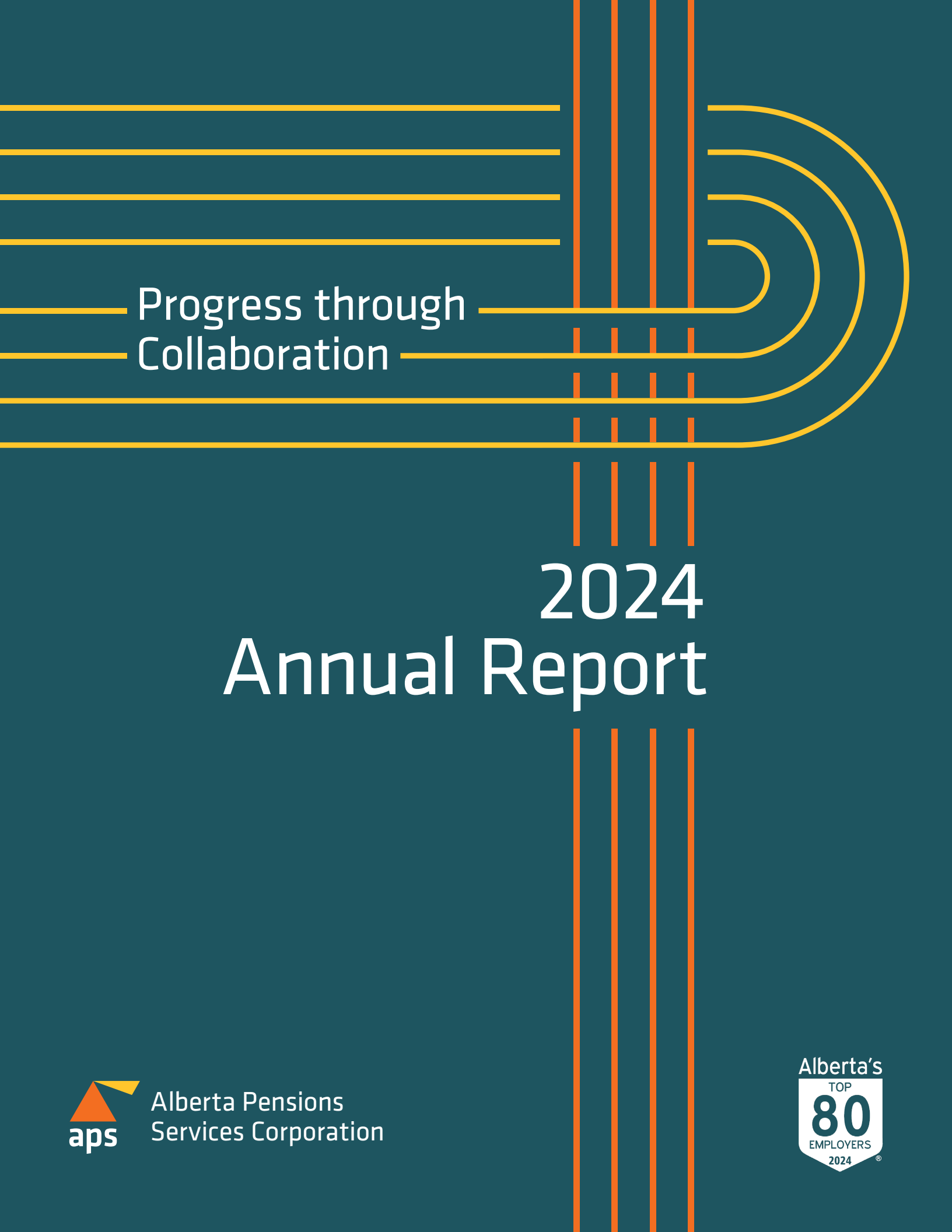




Progress through
Collaboration

2024 Annual Report



Alberta Pensions
Services Corporation



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Progress through Collaboration

We are proud to collaborate with our clients toward success.

Over the years, we have worked closely with our clients to serve Albertans, and as our clients grow, their needs have evolved. To address this growth, we have created a new Client Relations and Strategy division to better serve our clients. This restructuring has allowed us to guide the pension experience in a consultative role. Through collaborative efforts and forward-thinking solutions, we drive progress and create lasting value for our clients and their members, employers, and retirees.

We have continued to collaborate with our clients and colleagues to find innovative ways to maintain our status as a high-service organization. Through strategic planning, reporting, and operations, we are tailoring our services to provide a more supportive pension experience for all stakeholders.

Treaty Land Acknowledgement

APS is situated in the heart of Treaty Six territory. We respect the histories, languages and cultures of First Nations, Métis, Inuit and all First Peoples throughout Alberta and across Canada, whose presence continues to enrich our community.

MISSION, VISION, AND VALUES

Mission

Our purpose.

As a pension administrator serving Albertans, we are knowledgeable, caring professionals committed to guiding the pension experience, delivering the highest standard of accurate, cost-effective service.

Vision

What we strive to achieve.

Relentlessly pursuing excellence in pension benefits administration, to serve those who serve Albertans.

Values

Drive us to do the right thing.

Service: We make every interaction count.

Quality: What we do, we do well.

Accountability: We take responsibility.

Who We Are

APS is dedicated to providing an exceptional pension experience to members, retirees, and employers. In collaboration with our clients and the Government of Alberta, we deliver services on behalf of seven public sector pension plans and two supplementary retirement plans:

- Local Authorities Pension Plan (LAPP)
- Public Service Pension Plan (PSPP)
- Management Employees Pension Plan (MEPP)
- Special Forces Pension Plan (SFPP)
- Public Service Management (Closed Membership) Pension Plan (PSM[CM]PP)
- Members of the Legislative Assembly Pension Plan (MLAPP)
- Supplementary Retirement Plan for Public Service Managers (SRP)
- Provincial Judges and Applications Judges Registered and Unregistered Pension Plans (JPP)
 - Judges Registered Pension Plan (JRPP)
 - Judges Unregistered Pension Plan (JUPP)

What We Do

APS provides valuable pension benefits administration services to over 500 participating employers across Alberta. We also provide trusted pension-related services to over 430,000 members and retirees around the world, administering pension plan funds annually through receipts and disbursements in excess of seven billion dollars. Some of our reliable pension services include:

- Contributions management
- Member, retiree, and employer information management
- Data analytics and reporting
- Member, retiree, and employer communications
- Benefit calculations
- Disbursements to and from employers, members, retirees, and other pension plans
- Policy development and implementation
- Compliance, regulatory, and plan financial reporting



Lapp



**Special Forces
Pension Plan**

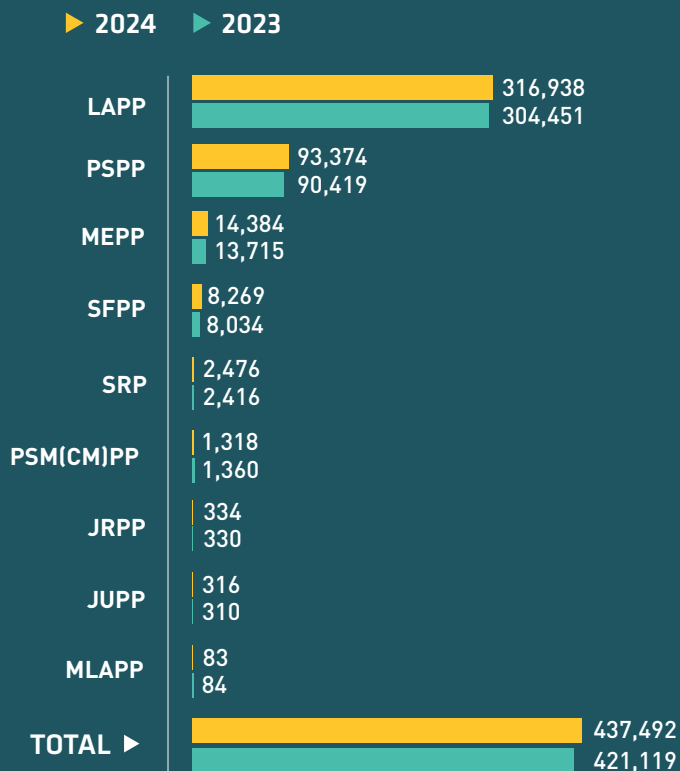
MEPP
management employees pension plan

PSPP

WHO WE SERVE

The number of members, retirees, and employers we serve continues to grow.

Total Members and Retirees by Plan



As one of the smaller pension plans, MEPP benefits from a close relationship with APS. The Plan Board Secretariat provides the MEPP Board with significant administrative and board-level support that if we were to try and replicate it externally, would be more costly. In addition, this integrated approach to servicing members fosters close communication and a collaborative environment.

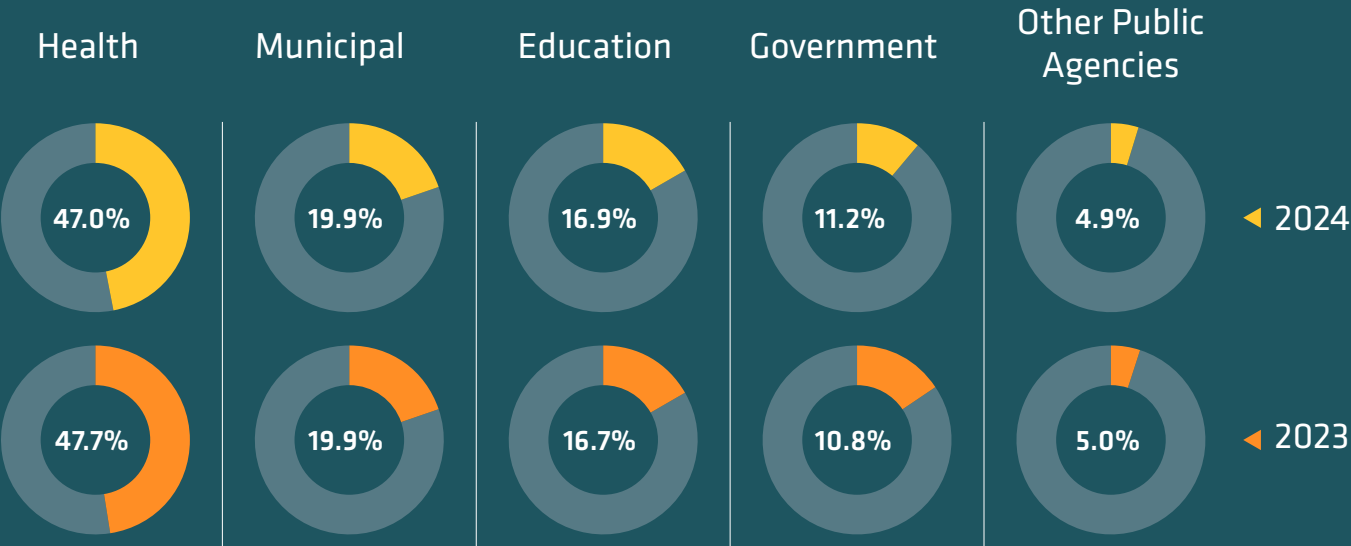
- MEPP Board Chair

Total Memberships

Active Deferred Retired

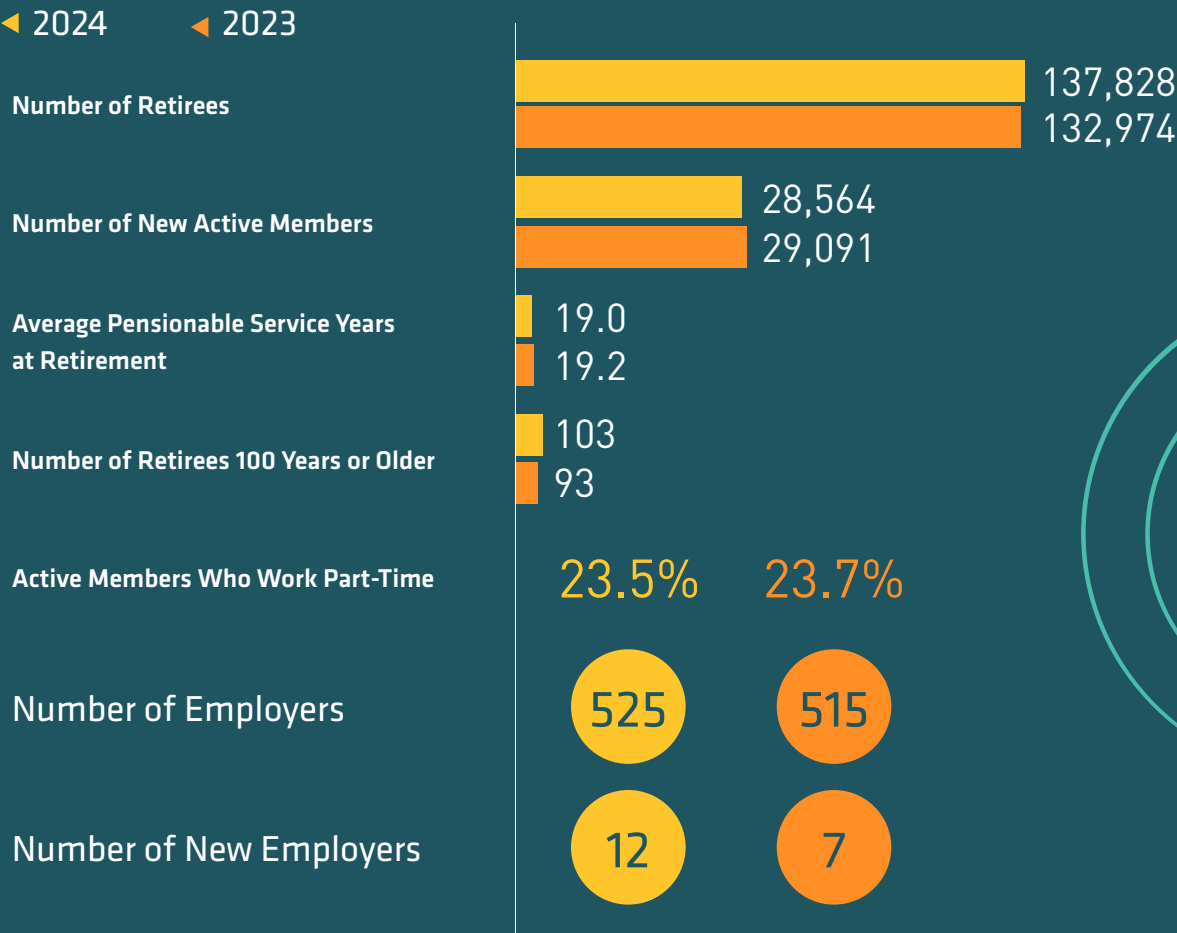
► 234,212 ► 65,452 ► 137,828

Plan Members by Sector (All Plans)



The numbers above have been rounded to the nearest decimal.

Members and Retirees



WHO WE ARE

MESSAGE FROM THE BOARD CHAIR



COLIN P. MACDONALD

By working collaboratively, we are not just meeting today's challenges but also paving the way for a brighter, more innovative future.



The theme for the 2024 Annual Report focuses on Alberta Pensions Services Corporation's (APS) commitment to progress through collaboration. Over the past year, we have worked closely with our clients to align our strategic direction and priorities. Additionally, we have provided guidance to the APS leadership team throughout the year to ensure the organization remains focused on serving the needs of our clients and stakeholders. The spirit of collaboration drives APS. This report aims to showcase our success stories and illustrate how we work with our clients to innovate and enhance the pension experience for Albertans.

Board Meetings in 2024

Throughout the year, the Board met with clients, pension experts, and our shareholder to share insights and perspectives and collaborate toward common goals.

The Board actively oversaw strategy, budget, scorecards, risks, compliance, and various plans that APS carries out annually and had a productive year working with the APS management team.

Early in the year, the Board was engaged in the executive search for a new CEO, which resulted in Doug Woloshyn's appointment as President and CEO of APS in May 2024.

In April, the Board met with consultancy firm Deloitte for a workshop on the Enterprise Risk Management Program. During the April meeting, the Board reviewed and approved the corporation's audited financial statements and Annual Report.

In June, the Board of Directors conducted a thorough review of APS' cybersecurity program maturity, which was assessed by a third-party independent consultant company.

In September, the Board reviewed the Mandate and Roles document submitted to the Minister of Treasury Board and Finance. This document, signed in early 2025, is now available on the APS corporate website. The Board also reviewed and approved the Board Code of Conduct Policy. The Board received a very positive report from CEM Benchmarking Inc. and met with their representatives to discuss trends in the pension industry.

Throughout the year, the Board also reviewed and provided input into revising the Pension Services Agreements (PSAs). Work is ongoing, and APS is on track to finalize the PSAs with our clients in 2025. As part of the regular review cycle, the Board also reviewed and updated the Risk Management Program Charter, Compliance Management Program Charter, and Internal Audit Charter.

We started analyzing the positive advantages of using AI in 2024 and adopted an AI Governance Policy. We will continue to explore artificial intelligence in 2025 as we look for new ways to enhance Albertans' pension experience.

Looking Ahead

APS will continue to innovate pension administration services. We will look for new tools and practices that meet our clients' needs to create better experiences for their members and employers.

Acknowledgments

In addition to the change in the President and CEO role at APS, there have been other significant role transitions this past year, and the Board would like to thank those employees who have stepped up in an acting capacity and ensured that APS continued to provide excellent service and leadership.

We look forward to working with Doug and the excellent team of individuals he has chosen on the APS leadership team.

Progress through collaboration

The Board of Directors' overarching goal is to ensure APS is a top-tier service provider aligned with the clients' needs and expectations. I am pleased that APS had an exceptional year working collaboratively with our clients and their respective boards.

On behalf of the Board, I express appreciation to the APS staff. Your hard work, dedication, and innovation are the driving forces behind APS' success, and your efforts show that APS is committed to ongoing progress through collaboration.

Sincerely,

Colin P. MacDonald, K.C., ICD.D

Chair, APS Board of Directors

MESSAGE FROM THE CEO

In 2024, APS focused on evaluating and enhancing our organizational design to better serve our clients. One of my key priorities was to identify opportunities to strengthen our focus on client relations and align our organizational structure with our strategic plan.

Our strategic plan outlines five key objectives, and we dedicated significant time and effort to one of these: strengthening alignment with our clients as strategic business partners. To achieve this, we created a new division led by the Vice President of Client Relations and Chief Strategy Officer.

Collaboration with our clients is essential. To serve them effectively, we need to understand their priorities, motivations, and goals. The VP Client Relations and Chief Strategy Officer, along with the Client Relations and Strategy division, position our entire corporation to work more closely with clients, integrating their needs into our plans for resourcing and adaptability.

Our focus on collaboration extends to our client engagement model, which the Client Relations and Strategy executive role will help refine. Our goal is to enhance alignment between our clients and our organization, ensuring they receive the value and service they expect. We held and participated in various sessions with the leaders of our client corporations to align our Pension Services Agreements and established a CEO Council for organizational leaders to discuss common issues and strengthen alignment.

In 2024, APS also worked on the Shared Roadmap initiative, a series of meetings with our clients to create a document outlining the agreed-upon priorities for our clients and APS, ensuring alignment in terms of goals, outcomes, resources, and expectations.

As an organization, we interact closely with our clients' members and employers and gather insights and best practices from our peers across Canada. This knowledge enhances our understanding and helps us provide the valued services our clients seek.

The past year has been positive. Supported by APS staff, the Board, our clients, and our shareholder, APS has seen significant success across the organization. Projects that enhanced and upgraded our ability to provide better services made a substantial impact on our clients' members and on our internal teams.

Our collaborative efforts in 2024 led to record-high engagement survey results and our third consecutive Alberta Top Employer award. Simultaneously, we achieved some of the highest operational metrics in our history. We never lost sight of the big picture. As an organization, we can take pride not only in what we've accomplished but in how we accomplished it—together.

Doug Woloshyn

President & Chief Executive Officer



NEW DIVISION – CLIENT RELATIONS AND STRATEGY

APS strives to form trusted relationships with our clients, demonstrating an unwavering commitment to their success by providing valued pension services.

As our relationships evolve, so does our approach. Our new Client Relations and Strategy division will help strengthen our relationships with our clients; by understanding their business drivers and strategic priorities, we can ensure that our services and initiatives are aligned with their goals. We aim to deliver solutions that support the success of our clients' public sector pension plans in Alberta. This division encompasses several critical functions:

- ▶ Client relations
- ▶ Communications
(corporate and external for client support)
- ▶ Strategy development
- ▶ Innovation and business transformation
- ▶ Work intake and prioritization
- ▶ Business planning
- ▶ Project management
- ▶ Reporting

The Client Relations and Strategy division supports key processes such as Shared Roadmap discussions and service delivery plans, ensuring these priorities are reflected in our strategy and business plans.

The Vice President of Client Relations and Chief Strategy Officer is tasked with developing a robust client relationship model, reinforcing our dedication to our clients' success.

A FOCUS ON EMPLOYEE ENGAGEMENT

Engaged employees are motivated and committed to providing excellent customer service and improving business outcomes. Each year, APS conducts an employee engagement survey to measure job satisfaction and identify opportunities and challenges. The survey gives employees a voice, improves workplace culture, and fosters communication and trust.

With an overwhelming response rate of 86%, we feel comfortable knowing that the feedback represents the majority of our employee population.

We're proud to announce our overall engagement at APS came in at 82%—up from 80% in 2023. This tells us we're moving in the right direction. In fact, 95% of employees believe that APS' hybrid work model is a great advantage of working at APS.

Other factors that improved since the previous survey included trust and safety, team and collaboration, job satisfaction, and recognition and rewards.

Employee Engagement Score

▶ 2024

82%

ALL TIME HIGH

▶ 2023

80%

STAFF RECOGNITION

APS has an internal program that promotes recognizing staff who embody our corporate values of service, quality, and accountability in their daily interactions. Employee recognition promotes a culture that aligns with our values, encourages a customer-first mindset, helps create a positive work environment, and boosts morale.

The program allows for all kinds of recognition, from employee-to-employee recognition and manager-to-employee recognition to long-service awards. Through the program, all APS employees can give unlimited praise to their coworkers privately or for all staff to see and congratulate staff for getting recognized.

Throughout 2024, close to 7,000 recognitions were given, and virtually every staff member participated in the program either by giving or receiving recognition. The recognition program is a source of pride and has already been well-embedded within the corporate culture in its second year.

In 2024:

► 366

UNIQUE GIVERS

► 392

UNIQUE RECEIVERS

► 7,000

TOTAL RECOGNITIONS



A TOP EMPLOYER IN ALBERTA

APS is proud to announce that we have been recognized as one of Alberta's Top Employers in 2024. This special designation, awarded by Mediacorp Canada Inc., highlights Alberta employers who provide exceptional workplaces.

Employers are evaluated on the following criteria:

- ▶ Physical workspace
- ▶ Community involvement
- ▶ Work and social atmosphere
- ▶ Health, financial and family benefits
- ▶ Vacation and time off
- ▶ Employee communications
- ▶ Performance management
- ▶ Training and skills development

In recent years, APS has gained recognition as a top employer by offering career advancement opportunities, educational support, a flexible work environment, generous vacation and personal days, and a defined benefit pension plan. Additionally, we are dedicated to fostering a positive work environment and enhancing our corporate culture through year-round engagement activities.

This achievement fills us with immense pride and reflects every APS employee's dedication and hard work. While celebrating this success, we can keep pushing the boundaries of excellence together and make APS an even more outstanding workplace!

INVESTING IN OUR PEOPLE

One of the priorities outlined in our 2024-2026 Business Plan was to invest in and prepare our people and culture for the future. In service of that, APS developed a high-level leadership development plan to share with managers. The plan is aligned to our APS leadership competencies:

- Inspiring and inclusive people leadership
- Strategic leadership planning and execution
- Managing through change and uncertainty
- Problem-solving, decision-making and systems thinking
- Organizational awareness
- Risk management

In 2024, we emphasized enhancing skills in performance management, change management, emotional intelligence, and team dynamics.

Emotional Intelligence and Leadership Effectiveness

This new program was developed and delivered in September 2024. The intent of this training is to help leaders adapt positively to pressure, setbacks, and challenges. By achieving and sustaining higher levels of emotional competencies, we can develop our leadership capabilities and take APS to the next level. All participants have completed a personal assessment and received a one-on-one leadership coaching debrief.

Change Management Resources and Training

We are excited to have launched the Organizational Change Management Centre of Excellence in October 2024. This comprehensive online portal is designed to provide information about best practices, support, and training, ensuring a consistent approach to change throughout our organization. Our change management training includes Understanding Change, Leading Change, Change Sponsorship, and Executing Change.

Evolving the Onboarding Program

To enhance the new hire experience, we introduced our first semi-annual in-person welcome session to staff who had joined the organization in the preceding months. This event allowed employees to connect, receive training on APS values, and meet the executive team. Additionally, we developed a new eLearning module on corporate policies and procedures, created a quick reference guide for payroll information, and produced videos on navigating the intranet and Microsoft Teams. We also launched a 90-day new hire survey to better measure and enhance the experience of new staff.

MODERNIZING THE APS BUILDING

Environmental Consciousness

In 2024, APS embarked on a journey to modernize our workspace with a strong emphasis on environmental consciousness. This initiative was driven by staff feedback, the success of our hybrid work environment, and our commitment to sustainability.

Space Optimization and Design

Our modernization efforts focused on creating flexible, collaborative, and multi-purpose spaces. We transitioned from “me” spaces to “we” spaces, fostering a sense of community and teamwork. The redesign included:

- **Flexible Office Layouts:** Standard offices were reimagined to support collaboration and versatility. Communal areas now serve multiple purposes, from casual gatherings to training sessions.
- **Hotel Stations and Offices:** To accommodate hybrid work schedules, we introduced hotel stations and offices. These spaces support private meetings and team collaborations.
- **Ergonomic Workstations:** All workstations, whether permanent or hybrid, are equipped with ergonomic tools to ensure user comfort.

Environmental Initiatives

Reducing our environmental footprint was a key focus. Our efforts included:

- **Reusing and Repurposing:** We successfully reused or repurposed furniture and furnishings. Gently used items were sold or donated, keeping them out of landfills.
- **Water Conservation:** Our filtered water system has helped reduce plastic waste and energy consumption by eliminating the need for standalone water coolers.
- **Energy Efficiency:** We incorporated energy-efficient lighting and controls throughout the workspace.

Inclusive and Supportive Environment

APS is dedicated to maintaining an inclusive culture and a respectful workplace. Our new facilities include:

- **Gender-Neutral Bathroom:** Designed to ensure inclusivity and comfort for all staff.
- **Reflection Room:** A space for relaxation, personal well-being, and private prayer.

Future Plans

Looking ahead, we plan to open a large collaborative space for team gatherings in 2025. This space will further support our hybrid work environment and enhance our ability to deliver on our commitments.

Our modernization efforts have created a flexible, efficient, and collaborative workspace. These improvements not only support our services but also align with our environmental and inclusivity goals. We look forward to continuing to improve our workspace to support our hybrid work environment.



EMPLOYEE WELLNESS

While our Employee and Family Assistance Program with Homewood Health provides mental health support for our employees, stress related to financial matters requires a different approach. Knowing this, APS has partnered with Enriched Academy to ensure that our employees have the necessary resources to maintain strong financial health.

Employees are provided with information about the program at their first orientation, and regularly throughout the year information about virtual sessions, Enriched Academy's financial contests, and program information is shared.

The following provides a high-level overview of the resources available to employees:

- Online, self-guided tutorials and articles with tools, calculators and resources for building financial wellness
- Live and recorded virtual training sessions with Q&A
- 1:1 financial coaching with unbiased Accredited Financial Coaches or Certified Financial Planners
- In-person training sessions

Resources and training cover financial topics such as wills, expense and budgeting, investing, saving, insurance basics, and retirement planning.

► **214**
HOURS OF VIRTUAL
FINANCIAL EDUCATION

► **28**
CONTEST
PARTICIPATIONS

► **10**
COMPLETED
WILLS



THE POWER OF CONNECTION: TEAM APS COMES TOGETHER

Fostering connections is a priority for APS, and our two annual events are cherished occasions for gathering throughout the year. Not only do they provide opportunities for staff to engage in new ways, but they also help establish a sense of belonging and connect staff to our values as an organization, driving our commitment to providing excellent service.

Organized by our Values, People, Culture Committee, these events are hosted to show appreciation to APS staff, celebrate professional achievements, and connect in a lively environment.

On June 14, 2024, APS gathered at The Creative Hive for the Summer Staff Appreciation Event, where staff enjoyed connecting with colleagues and hearing from Doug Woloshyn, who shared excitement about his first all-staff event as APS' President and CEO.

To wrap the year up with a denim bow, staff gathered at the Grand Imperial Banquet and Conference Centre on Nov. 29, for the Winter Luncheon—this year's theme was "Canadian Tuxedo." Staff enjoyed a short program with long-service award announcements for staff members who hit milestones of 3, 5, 10, 15, 20, 25 and 40 years of service at APS, celebratory recognition and thanks for teams' work on achievements in 2024, and an interactive Q&A panel with the executive team.

APS annual events encourage staff to support a local charity through our Charity of Choice Committee. Both the Summer Staff Appreciation and Winter Luncheon events included a raffle draw with proceeds going to the Edmonton Food Bank—over \$4,800 was raised between both events!



COMMUNITY INVOLVEMENT

How We Gave in 2024

APS employees have chosen Edmonton's Food Bank as our Charity of Choice and organize monetary donations through donation drives and charitable payroll deductions all year. Since 2015, we have also made 704 donations while participating in Canadian Blood Services' Partner for Life program—that's 2,112 people helped when one donation can save up to three lives!

Donated in 2024:

▶ **\$9,055** TO EDMONTON'S
FOOD BANK

▶ **67** UNITS OF BLOOD
DONATED
(29 whole blood, 8 plasma, 30 platelets)



Santa's Anonymous

The Information Services & Technology division once again asked its teams to support less fortunate children at Christmas, and as usual, they responded generously. During a one-day campaign in conjunction with the team's December town hall, the division's staff brought in 41 toys that were delivered later in the day to Santa's Anonymous.

Employer Services also participated in the 2024 Santa's Anonymous Drive by donating over 40 amazing gifts to families across Edmonton. This has been an annual tradition for Employer Services for the past three years. The team went above and beyond, choosing items that fit the needs of Santa's Anonymous for their various age groups.

Santa's Anonymous has had the simple mission for over sixty years of making sure that each child in Edmonton receives a new toy at Christmas. Both APS teams were proud to add to the 20,000 toys delivered annually by this great organization.



2024 Holiday Hamper

The Buybacks team got together and spent a Saturday in December purchasing food and gifts for some families in need as part of the Holiday Hamper program. They bonded as a team while shopping at the grocery store, collecting the turkey and vegetables at the Expo Center, and then delivering everything to the families! They wanted to spread some Christmas cheer to those who could use some help.

Corporate Challenge

Once again, APS participated in the annual Edmonton Corporate Challenge from May 15 to June 9. Corporate Challenge represents a unique opportunity for APS staff to connect with coworkers they may never have had a chance to talk to in any other capacity, while fostering staff engagement and corporate pride.

APS' enthusiasm shone through in several ways, from the number of staff who put their name forward to join a team and took the time out of their busy evenings and weekends to show up for their event, to a willingness to fill last-minute vacancies to support a team in need. We participated in more than 25 activities or volunteer roles, as well as the CEO Challenge, and placed fourth in the Yellow division!

WHAT WE DO

BY THE NUMBERS

Number of New Active Members in 2024

► **28,564**

Decreased by 1.8% from 29,091 in 2023

Average Annual Pension Amount in 2024

► **\$25,866**

Increased by 3.7% from \$24,942 in 2023

Number of New Retirees in 2024

► **7,724**

Increased by 2.5% from 7,535 in 2023

Average Annual Pension Amount for New Pensions in 2024

► **\$51,545**

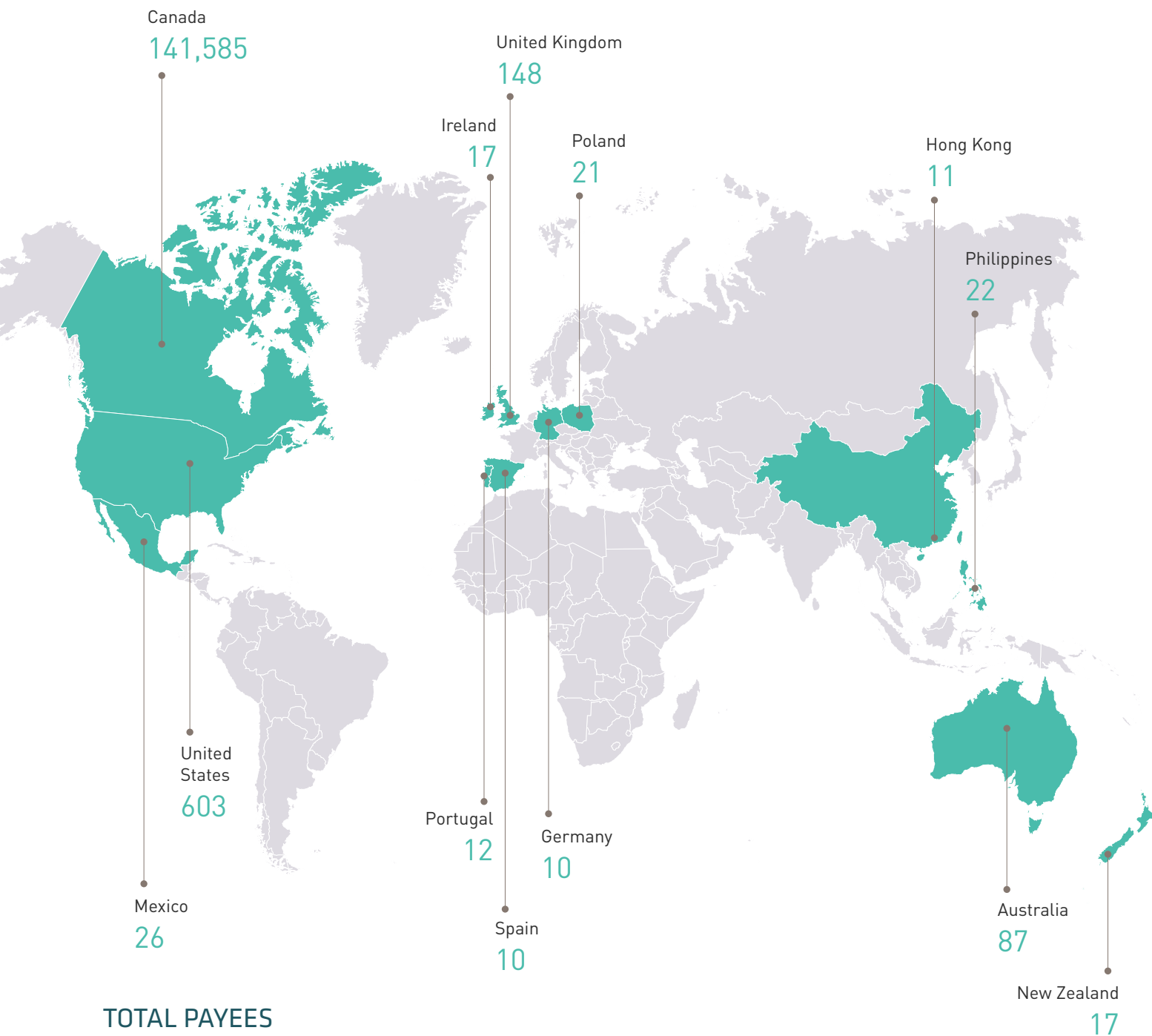
Decrease by 1.8% from \$52,479 in 2023



As Alberta's largest pension plan, the Local Authorities Pension Plan (LAPP) collaborates closely with APS to provide pension administration services to over 315,000 members and 450 employers across the province. Our members and employers depend on these essential services and the support of APS staff as they navigate their retirement journey. LAPP is pleased with APS' commitment to delivering excellent services and their ongoing collaboration with us.

-President and CEO, LAPP Corporation

PAYEES AROUND THE WORLD



TOTAL PAYEES
► **142,750**

*The numbers above include all pensioners, beneficiaries, and termination payments.

OTHER COUNTRIES
► **192 PAYEES**
(less than 10 payees each)

FUNDS ADMINISTERED

2024

► \$7.1B

437,492

MEMBERS AND RETIREES

In 2024, APS was responsible for administering over \$7.1 billion of funds across the nine pension plans we serve. This amount includes receipts and disbursements to and from employers, members, retirees and other pension plans.

2012

► \$4.7B

TO 323,916 MEMBERS
AND RETIREES

2016

► \$6.0B

TO 359,656 MEMBERS
AND RETIREES

SHOWING VALUE: CEM SCORES

Demonstrating value to plan members, retirees, and employers drives our work at APS. Over the past few years, we've enhanced the member and retiree experience and achieved some of our best service outcomes to date. Since 2017, APS' administration costs per member have trended significantly lower than those of our Canadian public sector peers who participate in the Cost Effectiveness Measurement (CEM) survey, and our total service score has consistently met or exceeded the scores of those peers.

APS' operating costs, membership numbers, and transactional information are submitted annually to CEM Benchmarking Inc.; this helps us understand our position in relation to the cost-effectiveness and service levels of the other participating peer organizations in Canada. APS is positioned as offering higher value and lower costs than those industry peers.

The results of 2023's survey were released in 2024 and showed that APS once again had a high total service score of 83 out of 100 and a lower-than-peer average cost per member of \$160. The cost-per-member measure includes retirees.

High-Service/
Low-Cost

APS (83 / \$160)

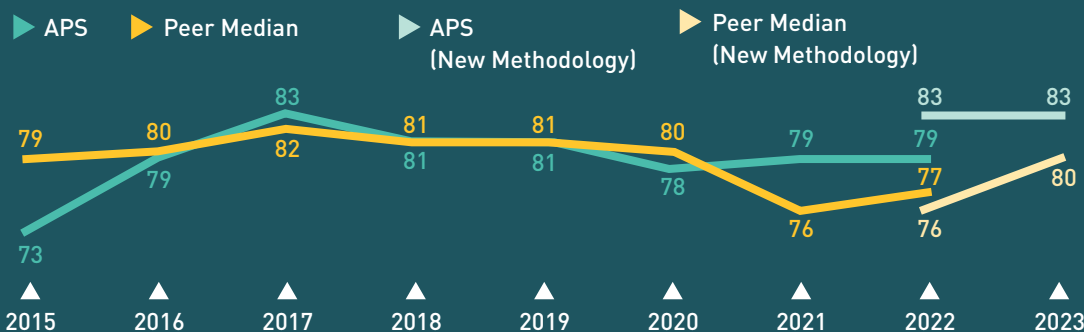


High-Service/
High-Cost

Low-Service/
Low-Cost

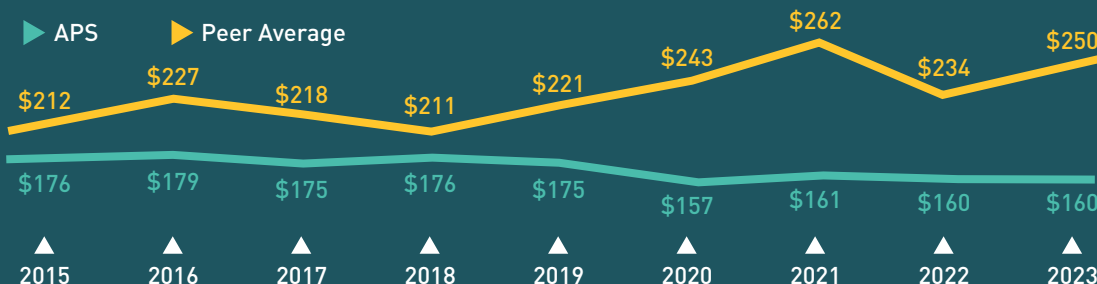
Low-Service/
High-Cost

CEM Total Service Score



In 2023, the service score methodology was updated. The new methodology takes a more member-centric view of service based on member journeys and reflects new technologies.

CEM Cost per Member



In 2023, we were a low-cost, high-service provider of pension administration services when benchmarked against our peers.

THE MEMBER AND RETIREE EXPERIENCE



The representative was above and beyond helpful! She volunteered extra help, was very knowledgeable, and didn't make me feel rushed. It truly was one of the best experiences in customer service ever!

- Christine, LAPP Member, 64



Every time I call, I reach someone wonderful, very helpful, knowledgeable and personable. When I spoke to the representative, he was so kind and informative and answered all my questions with so much knowledge.

- Alex, MEPP Member, 39



Helpful, swift, and forthright. Couldn't ask for better.

- SFPP Member, 34



The representative was very knowledgeable, provided excellent customer service and recommendations and ensured that she had answered all my questions. Very much appreciate her assistance. Thank-you.

- Brent, LAPP Member, 60



The gentleman on the phone was caring and knowledgeable. He took the time to read my file in order to answer my questions. He got the answers for me and fully explained them to me. He was patient and I felt that he had time for me.

- SFPP Member, 60



You wonderful people are hands down the gold standard for how to treat a customer/member. Thank you all for helping this 65-year-old transition into retirement with the peace of mind knowing I am in good hands.

- Tony, LAPP Retiree, 65



The person I spoke to was professional and answered my questions with kind explanations.

- SFPP Retiree, 51



The representative helped answer questions about a letter I received and also helped me navigate the MEPP website. She was friendly, professional and most helpful.

- Rodney, MEPP Retiree, 59



The representative was very quick at getting to the source of the problem. The representative could not have been more helpful. Very efficient in resolving my issue and an assurance the withheld deposits would be made quickly.

- Donald, MEPP Retiree, 98



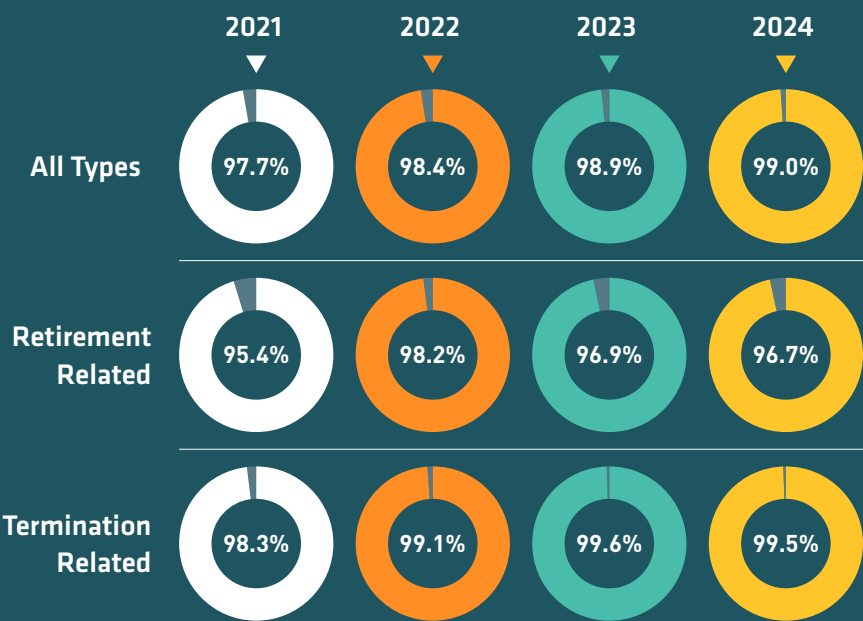
Great service, clear communication, and good knowledge of my question topics.

- SFPP Retiree, 62

THE MEMBER AND RETIREE EXPERIENCE

As part of our collaborative progress, we have developed services and systems that simplify the pension experience. The following improvements to our services in 2024 have helped us achieve this goal.

Transactions Completed on Target



Document Centre Launch

In mid-2024, we launched Document Centre for plan members and retirees. This digital tool facilitates the exchange of incoming and outgoing documents, enhancing the user’s ability to interact with APS online. By accepting electronic documents and increasing automation for document processing, we significantly reduced turnaround time compared to traditional mail delivery. Document Centre allows users to view, print, download, and upload plan documents in Your Pension Profile (YPP), including recent documents (annual statements, tax slips, and pension-related documents). Now, managing key member and retiree documents is more efficient and convenient than ever. This was proven during a postal strike in 2024, which disrupted the distribution of physical mail. Document Centre mitigated any further disruption as members and retirees were able to submit, receive, and access their plan-related documents online.

Document Centre – By The Numbers

- **89,686**
documents **accessed**
by members and retirees
- **14,180**
documents **uploaded** by
members and retirees
- **99,590**
documents **sent** to
members and retirees

Online Buyback Payments

In 2024, we enhanced the member experience by introducing an online payment feature that accepts pre-authorized debit payments for buyback purchases. This modern method allows members to conveniently submit a one-time pre-authorized debit payment when purchasing service, eliminating the need for personal cheques or bank drafts. The streamlined transaction process ensures both convenience and efficiency for valued members. Using the online tool, members can submit their buyback election and make arrangements for a preauthorized debit payment in the same session.

Online Buyback Payments – By The Numbers

- **59%**
of members who made a
buyback election opted to do
so online
- **60%**
of those members who made
a buyback election online
also made a payment online
- **38%**
reduction in the number of
paper cheques received

SERVICE SUCCESSIONS

At APS, we always strive to improve systems and processes to provide a better member and retiree experience, and 2024 was no different. In 2024 we saw a major technology upgrade improve our service. And, in 2024, the Member Services Centre (MSC) met all service level targets while we navigated significant change linked to the adoption of the new technology.

Contact Centre Upgrade

In mid-2024, we implemented a new cloud-based contact centre phone system for our MSC and Employer Services which was a significant innovation milestone for our organization. This cloud-based system replaced the existing phone system and streamlines internal processes which in turn allows our representatives to provide a better member, retiree, and employer experience. Using this system has lowered our call abandon rate and increased our average speed of answer, as well as streamlined many internal processes.



No excessive wait time. Representative was very pleasant, helpful, knowledgeable, and answered all questions. They ensured all of my questions were addressed before ending the call and let me know I could call back anytime if anything further I needed to discuss. Excellent Customer Service.

- Stephanie, LAPP Retiree, 67



The representative I dealt with was courteous, pleasant, competent and efficient in handling my requests. A refreshing change from many other service request experiences I've had.

- Russell, MEPP Retiree, 79



Fantastic support, guidance, and the responses were fast too!

- SFPP Member, 48

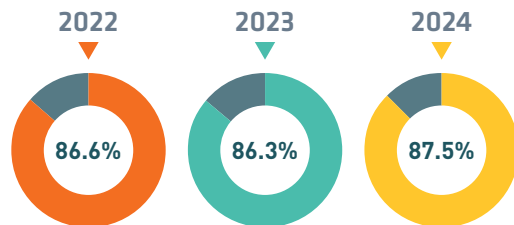
Service Success Stories

Elevating the Experience

Part of demonstrating value to plan members and retirees is using benchmarking and surveying tools to understand and elevate their experience. Some of the tools we use are member satisfaction surveys, average speed of answer, and call abandon rate. **In 2024, we achieved our best scores to date.**

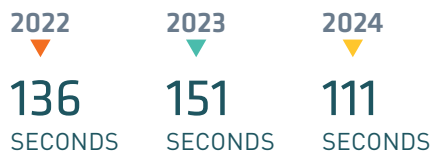
Service Successes – By the Numbers

Member Satisfaction Survey:



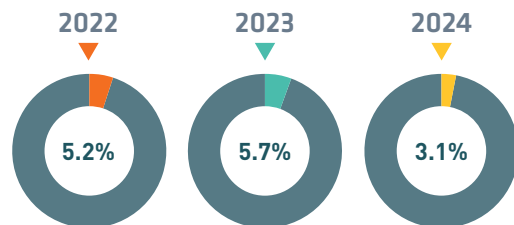
The member satisfaction survey is sent out to members and retirees who contact the MSC. In 2024, we received over 15,000 responses to our member satisfaction survey.

Average speed of answer:



This is the fastest average speed of answer in over five years.

Call abandon rate:



A call abandon rate of below 5% was achieved for the first time in 2024.



MEMBER EDUCATION

It is important to meet members where they are at. Some members value the convenience of our online tools, while others value one-on-one meetings to have their questions answered. APS is here to help. In a session, members meet with a dedicated representative and can discuss their retirement application, understand their options and the process, and ask general questions.

One-on-One In-Person Information Sessions in 2024

► 723

Total Sessions

► 9.45/10

Participant Satisfaction Score

One-on-One Virtual Information Sessions in 2024

► 960

Total Sessions

► 9.39/10

Participant Satisfaction Score

Members also have the opportunity to learn about their pension through group member information sessions which are offered online and in person. These sessions focus on retirement, buying back service, and termination-related pension events.

Online Group Member Information Sessions in 2024

► 130

Total Sessions

► 9.20/10

Participant Satisfaction Score

► 5,830

Total Participants

In-Person Group Member Information Sessions in 2024

► 61

Total Sessions

► 9.20/10

Participant Satisfaction Score

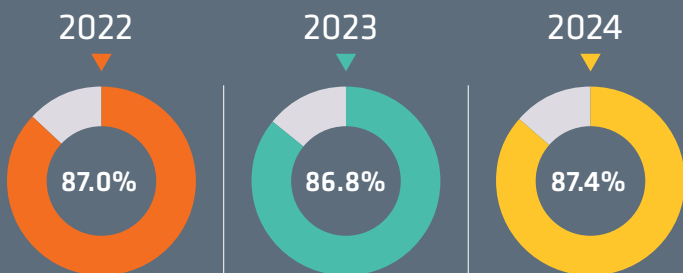
► 2,020

Total Participants

EMPLOYER EXPERIENCE

Employer satisfaction surveys demonstrate value to employers by offering a venue for feedback, and in 2024, we achieved our highest score to date.

Employer Satisfaction Survey



Contact Centre Upgrade

The cloud-based contact centre upgrade was also implemented for our Employer Services team. In addition to implementing call centre functionality with related benefits, employer emails were added to the solution. The majority of employer contacts occur via email, and our new solution enables service-level reporting, including email turnaround times, improved coverage, and more visibility of the content and data related to email interactions.

Having access to data and insights from the new contact centre solution will help APS and our clients to better understand related education and communication opportunities for employers and our team, leading to an improved experience for all.

Online Buyback Payment Option

This new tool also has benefits for employers. Members now have access to a convenient self-service online payment option that can be accessed regardless of the time of day or location. This benefits employers by reducing the need to assist members with payment arrangements, especially in situations where members are rushing to meet payment deadlines.

Year-End Employer Webinars

Employer education made significant improvements to the registration process and presentation content for the year-end webinars in 2024. With the use of webinar software, we were able to streamline administrative processes and improve accessibility to webinars. The redevelopment of presentation materials helped to drive great results in our external education surveys. The year-end webinar series included the following topics:

- ▶ Testing your data is easy
- ▶ Reconciling contributory leaves
- ▶ Understanding validations
- ▶ Reports and reconciliation

In 2024, Employer Education facilitated a total of 34 webinars and educated 492 participants.

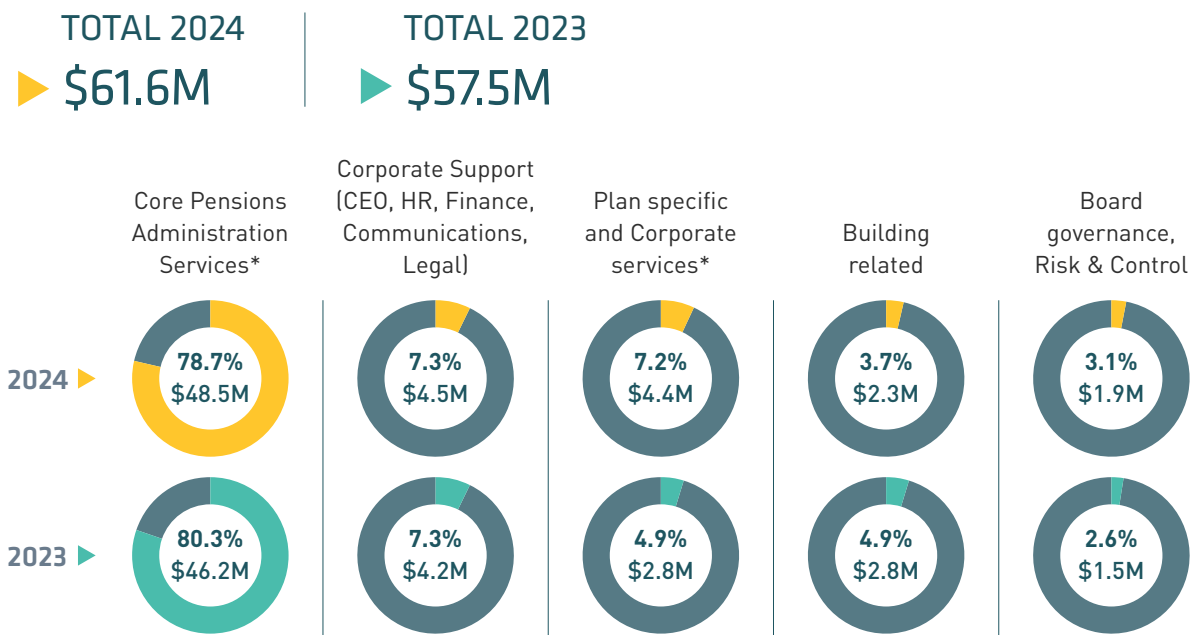
MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW

Management's Discussion and Analysis (MD&A) details the outcomes and financial condition of APS for the year ended December 31, 2024. These findings present APS through the eyes of management, who carefully assessed material trends and any ambiguities that affected the overall results. As a service business operating on a cost-recovery basis, our top priority is delivering a high standard of service at a reasonable cost. By focusing on effective resource management, APS can remain vigilant in establishing measurable objectives that help us remain accountable to our shareholder and clients.

The MD&A contains prospective statements about anticipated future events and financial operations that may not be proven accurate and are subject to risks and uncertainties. Please review the MD&A in conjunction with the financial statements and accompanying notes. The accounting standards used in the preparation of APS' financial statements are the Canadian Public Sector Accounting Standards (PSAS), with all amounts presented in Canadian dollars.

OPERATING EXPENSES



*86% of operating expenses are directly related to providing pension administration services to the clients we support and their members and employers we serve.

CAPITAL INVESTMENTS



APS cost per member has increased by approximately 3% from the prior year (and 5% over the past five years), reflecting annual inflation, lower vacant staff positions, approximately 4% plan membership growth, and higher plan-specific initiatives including several Plan Text changes and increased data analysis. The increase from the prior year is partially offset by cost savings realized from a lower office footprint in 2024.

APS invested \$3.6 million in capital in 2024 (2023: \$2.2 million) primarily to upgrade APS core pension administration software, enhance online services, transition to cloud solutions, and increase automation. Investments in technology solutions will continue into the coming year with the expectation of improved services and operational efficiencies.

In addition, \$0.6 million in capital leasehold improvements were completed in 2024 to create more collaborative and multi-purpose work areas. These costs are recovered through a tenant allowance in the lease agreement.

STRATEGY AND PLANNING

At APS, we believe that progress is achieved through collaboration. By working closely with our clients, we proactively address their needs while maintaining accountability. We are committed to continually improving our core pension administration services to build trust and ensure we meet the evolving demands of our clients in a cost-effective manner.

Client Corporation & Trustee Plan Five-Year Shared Roadmap

2024 saw the adoption of the renewed 2025-2029 Client Corporation and Trustee Plan Five-Year Shared Roadmap (formally known as the Strategic Roadmap). The Shared Roadmap outlines our vision for future services, service levels, functionality, and capacity. It provides a clear direction for our goals, the path to achieving them, and how we leverage APS' expertise to enhance our clients' member and employer experiences.

The Roadmap focuses on three main areas that prioritize initiatives within our business pillars:

- The member experience
- The employer experience
- Administrative optimization

Strategic Plan

Informed by the Shared Roadmap, our five-year Strategic Plan (2023-2027) was developed through extensive stakeholder engagement. This plan acknowledges the dynamic nature of our environment and emphasizes the need for continuous transformation in our operations. Our goal is to be a leader in pension administration services and a trusted partner to our clients, focusing on excellence, innovation, and value-add services.

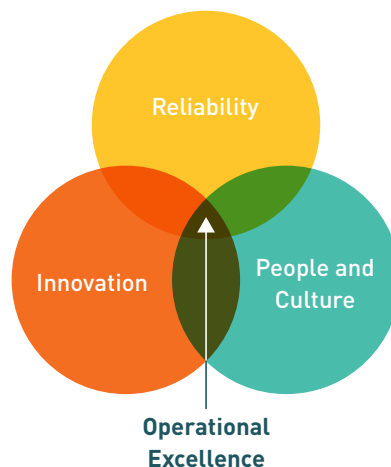
Strategic Objectives

- Strengthen alignment with our clients as strategic partners
- Elevate the member journey through collaborative efforts
- Enhance the employer journey in partnership with our clients
- Deliver value through sustainable, innovative, and efficient operations
- Invest in and prepare our people and culture for future success

Each strategic objective is designed to foster collaboration and drive progress.

Business Plan

Guided by our Strategic Plan and Shared Roadmap, we have developed a refreshed three-year business plan (2025-2027) that outlines key priorities and initiatives. The themes of reliability, innovation, and people and culture will lead APS towards operational excellence. We will continue collaborating with all stakeholders to ensure alignment and maintain their confidence in us as a trusted partner in guiding the pension experience.



DRIVING INNOVATION

The Innovation program at APS is dedicated to fostering collaboration both within our organization and with our clients, driving us to achieve new heights in delivery and service excellence.

Ideas implemented



As mentioned in our Member and Retiree Experience section, the following key projects, delivered jointly with our clients, have given us game-changing capabilities to innovate the member and retiree experience.

Online preauthorized debit payments allow members to make their first buyback installment payment or a lump-sum payment via preauthorized debit. A buyback provides members the opportunity to purchase additional eligible pensionable service for things like leaves without salary and prior non-contributory or contributory Canadian service. As of Dec. 31, 2024, 3,000 preauthorized debit buyback payments were received. We have received positive feedback from members, including those who live outside of the Edmonton area who found it challenging to submit a cheque before the payment deadline.

The Document Centre project enhanced our secure member portal by introducing document upload functionality. This allows members and retirees to easily upload and access both incoming and outgoing documents from a single, secure location, significantly improving their overall experience. As of Dec. 31, 2024, members and retirees have uploaded 14,180 documents and have accessed or downloaded over 89,686 documents. Document Centre is an online tool that members and retirees are clearly embracing.

The year-over-year comparison of innovation improvements shows that APS was again successfully focused on enhancing the member, retiree, and client experience.

INFORMATION SERVICES AND TECHNOLOGY

Artificial Intelligence

Artificial Intelligence (AI) is a rapidly evolving technology, and APS is dedicated to responsibly navigating this dynamic landscape while upholding our fiduciary responsibilities.

In 2024, we began cautiously exploring AI, focusing on policy development, education, and readiness assessments. This groundwork will support strategy development, governance, and initial implementation in 2025, starting with internal processes and exploring broader applications. We are committed to maintaining transparency with clients, members, retirees, and employees throughout this journey.

APS is excited to embrace AI, prioritize ethical use, uphold our values, and build trust with our stakeholders. We look forward to the opportunities AI will bring to enhance our services.

Cybersecurity and Business Resilience

In 2024, organizations worldwide faced persistent cybersecurity and business resilience challenges. These included ransomware attacks, zero-day vulnerability exploits, and data breaches. APS maintained resilience through our robust programs and strong partnerships, effectively protecting against, detecting, and mitigating these risks. Notably, APS coordinated a timely and effective response to a high-impact global technology disruption mid-year. We also swiftly averted a potential cyber attack with a rapid security update.

To maintain the security posture of key applications, APS employs rigorous security assessments, change and release management for upgrades and new implementations. APS' processes and controls underwent thorough evaluation by way of a cybersecurity audit as well as a security strategy maturity assessment.

In 2024, APS transitioned from legacy services to cloud-based solutions for service management and member contact centre services. These changes will strengthen the resilience and continuity of core business operations, while enhancing features and functionality.

Modernization of Our Pension System

APS successfully delivered a major upgrade to our core pension administration system. This comprehensive upgrade included important updates to system technology, reinforcing security, performance, and stability. The release also incorporates the latest features and fixes from our software vendor. This upgrade is a clear demonstration of our commitment to excellence in service.

Data Management

Client Support

We developed analytics to identify the primary topics and volume trends from calls and emails received at the call centre for our largest client, LAPP. Key findings included identifying the most frequent contact topics and significant volume trends by topic. We also analyzed the various channels through which members and retirees engage with APS regarding their Plan. This analysis, which will be completed in 2025, aims to understand how different kinds of members and retirees use communication channels, helping us improve services.

We provided data for surveys to understand and categorize members and retirees into segments. In 2025, we will integrate segmentation into our systems.

We created analytics to enable our two largest plans to track member and retiree actions on Plan websites, including page visits, downloads, engagement, and searches.

APS Business Support

Additional data on our self-service platform enabled APS to analyze workflows and monitor task performance. We investigated high-impact data quality issues to identify prevention and remediation strategies. We published a corporate business glossary to ensure consistent terminology usage. We updated our data self-serve platform to accommodate two major system changes: our Compass Pension Administration System and our contact centre system moving to the cloud.



RISK MANAGEMENT AND COMPLIANCE

APS remains steadfast in our commitment to effectively monitor and manage our corporate risks while prioritizing resource allocation, ensuring compliance, and supporting corporate objectives to demonstrate value through innovative, cost-effective methods.

The enterprise risk management program supports this commitment and informs decision-making processes and culture at APS. Throughout 2024, we continuously monitored and assessed key corporate risks, adapting to the ever-changing risk landscape. Regular risk management workshops and quarterly reviews of current and emerging risks, supported by performance metrics, enabled us to make informed decisions. Our focus on risk-prioritized projects and initiatives was integral to our business planning processes.

Our collaborative efforts extend to all stakeholders, ensuring alignment and trust in our risk management and compliance practices. By working together, we can navigate the complexities of our environment and achieve our goals.

Compliance

Our compliance management program supports APS' overall risk management strategy. APS is committed to preserving its reputation and integrity by complying with applicable laws, regulations and other corporate obligations. The program provides a structured approach to managing APS' compliance risk.

Throughout 2024, as the pension and workplace landscapes evolved, APS maintained high compliance management standards. Key compliance activities were prioritized to ensure ongoing adherence to obligations and mitigation of compliance risks. A foundational aspect of our program is educating and supporting employees in understanding their compliance roles and responsibilities, fostering a culture of accountability and collaboration.

LOOKING AHEAD

Our unwavering commitment to providing our clients with high-quality, accurate, and valued services through consultative and strategic planning has laid a robust foundation for our journey into 2025 and beyond.

As partners through collaboration, we continue to work closely with our stakeholders, Board, clients, and experts on our Five-Year Shared Roadmap, Five-Year Strategic Plan, and Three-Year Business Plan. These plans empower us to adapt to the terrain and align our goals with our clients.

Looking ahead, our strategic objectives are designed to deliver even greater value. By strengthening alignment and working collaboratively with our clients, we aim to enhance the member, retiree, and employer journeys, achieving higher levels of excellence in service, quality, and accountability. Investing in our people and culture in ways that promote sustainability and innovation will help us maintain this excellence.

We envision a future where APS remains a high-service, low-cost provider within the pension administration industry. Through our collective efforts, we will not only continue to innovate and improve our services but also anticipate and meet the emerging needs of our clients and their members and retirees. Our commitment to service, quality, and accountability will drive us to explore new opportunities and embrace the challenges of the future.

We are prepared to meet the changing expectations of plan members, retirees, and employers. As one of Alberta's Top Employers, we are well-positioned to attract and retain top talent in a dynamic and evolving workforce. Our focus on reliability, innovation, and people and culture will guide APS toward achieving our ultimate goal of operational excellence.

We prioritize and measure the performance of our resource investments, creating value for our clients, and their members, retirees, and employers. We are proud to collaborate closely with our clients, ensuring the exceptional member, retiree, and employer experience they have come to expect. With member and retiree demographics becoming increasingly diverse and new generations entering the workforce, APS remains agile and ready to adapt to evolving needs.

Together, we will continue to grow our partnerships through collaboration, leveraging our strengths and building on our successes to achieve new heights of excellence and impact in 2025 and beyond. Our new Client Relations and Strategy division, along with our consultative approach, will guide us in creating lasting value for our clients and their members and retirees. Through collaborative efforts and forward-thinking solutions, we will continue to drive progress and support a more inclusive and innovative pension experience for all stakeholders. We look forward to collaborating with our clients and are committed to achieving this success.

Reliability

Strengthening a solid and dependable foundation is crucial. We are committed to delivering our core pension benefits administration services in a cost-effective, efficient, and high-quality manner. By ensuring reliability, we build trust and confidence with our clients and their members and retirees.

Innovation

Exploring new ideas, methods, and capabilities is essential for continuous improvement. We aim to implement solutions that deliver efficient and effective service, targeting programs and projects that provide value, environmental stewardship, and positive results for the people we serve and support, as well as our employees.

People and Culture

Elevating a culture of service with a highly engaged workforce is a priority. We strive to foster an environment where collaboration and service come naturally because our people are inspired, empowered, and values-driven. Our culture is foundational to our future success, and we remain dedicated to fostering a culture focused on our core values and a shared purpose.

CORPORATE GOVERNANCE

As a corporation under the Alberta Business Corporations Act, APS is governed by a Board of Directors (Board). The directors on the Board are appointed by the Government of Alberta as APS' sole shareholder, in accordance with a Unanimous Shareholder Agreement (USA) made by the sole shareholder. The Board is responsible for managing and overseeing the business of the corporation, subject to certain restrictions set out in the USA. The Board delegates operating authority to the CEO and other officers of APS.

Committees of the Board

In 2024, the Board had four standing committees:

- Audit Committee
- Governance Committee
- Human Resources Committee
- Technology and Innovation Committee

In 2024, the Technology and Innovation Committee and Audit Committee each met four times. The Governance Committee and Human Resources Committee each met five times.

Board Compensation

Per the USA, Directors' compensation is set by resolution of the Shareholder. In 2024, compensation (rounded to the nearest thousand) paid to the Board Chair was \$54,000 (2023 - \$43,000), and aggregate compensation paid to the other directors totaled \$146,000 (2023 - \$137,000). In addition, Directors' expenses are eligible for reimbursement in accordance with APS' corporate policy and posted on the APS website.

Governance Framework

APS has a comprehensive governance and compliance framework in place, including a Board Code of Conduct; additional documentation is available at apsc.ca under "About APS."



Colin P. MacDonald



Denise Hamilton



Richard Hannah



Dr. Janice MacKinnon



Brenda McInnes



Claudia Roszell



Meryl Whittaker

DIRECTORS

In accordance with the USA, the Board consists of seven members appointed by the shareholder.

Name	Term of Service ¹	Board/Committee Membership ²
Colin P. MacDonald	June 2017 – August 2018 August 2018 – October 2021 October 2024 – until close of 3 rd AMS*	Board Chair
Brenda McInnes	August 2018 – October 2021 October 2021 – October 2024 October 2024 – until close of 3 rd AMS	- Board Vice-Chair - Technology and Innovation Committee Chair
Claudia Roszell	June 2017 – September 2020 October 2023 – until close of 3 rd AMS	- Governance Committee Chair - Audit Committee Vice-Chair
Meryl Whittaker	January 2020 – September 2022 September 2022 until close of 3 rd AMS	- Human Resources Committee Chair - Governance Committee Vice-Chair
Denise Hamilton	October 2021 – February 2023 October 2023 – until close of 3 rd AMS	Audit Committee Chair
Dr. Janice MacKinnon	October 2021 – October 2024 October 2024– until close of 3 rd AMS	Human Resources Committee Vice-Chair
Richard Hannah	February 2023 – until close of 3 rd AMS after September 30, 2022	Technology and Innovation Committee Vice-Chair

¹ Directors are appointed by the shareholder, normally for a three-year term. The Alberta Public Agencies Governance Act establishes a maximum term of 10 consecutive years.

² Each Director is a member of all standing Board Committees. Committee meetings are normally held in conjunction with the Board meeting. The above-stated memberships are for the 2024 fiscal year.

* AMS – Annual Meeting of Shareholder

COMPENSATION DISCUSSION & ANALYSIS

Our People

APS acknowledges the value of attracting and retaining a qualified workforce and strives to reward employees equitably. Our total rewards program encompasses employee direct and indirect compensation, employee benefits, APS value proposition and rewards. APS bases its compensation design and practices on four key principles:

Internal Consistency

Compensation at APS is based upon each employee's expected contribution to the overall achievement of our business objectives, and it is determined by a job evaluation system that is fair, valid and logical.

Market Competitiveness

APS aligns its market strategy with the private and public sectors, with a weighting of 50 per cent between each market and a target of the 50th percentile for compensation and above the 55th percentile for employee benefits.

APS was subject to the Salary Restraint Regulation announced April 1, 2018, which prohibited base pay increases for exempt and management employees. The Salary Restraint Regulation expired March 31, 2022, and directions for modest interim increases were provided with a long-term compensation framework to be introduced in the future by the Provincial Bargaining Coordination Office. APS' market competitiveness continues to be impacted.

Goal Achievement

Through its performance management program, APS endeavours to create an environment that fosters two-way dialogue between managers and employees for the purpose of ensuring alignment to APS' strategic plan, continuous improvement and linking performance to rewards. We remain committed to achieving excellence, engaging in collaborative and respectful relationships with employees, employers and other stakeholders and maintaining the highest ethical standards.

Simplicity

APS promotes and rewards desired behaviours and results by designing, implementing and communicating compensation policies and practices that are aligned, consistent and understandable.

Human Resources Committee

The Board's Human Resources Committee (HRC) ensures all human resources policies and practices support the achievement of APS' corporate objectives. The HRC performs its responsibilities to assist the Board in fulfilling its oversight responsibilities for:

- HR strategies that align to APS' strategic plan, business plan and values-based culture
- Compensation and benefits, employment conditions and related risks, and workforce capacity
- Counsel for the appointment, compensation and performance evaluation of the President and CEO
- Succession planning related to the President and CEO and Executive positions

Executive Compensation

The HRC provides direction to the compensation structure for the President and CEO* and performs the following duties on an annual basis:

- Reviews the compensation structure for the President and CEO within the framework of the Reform of Agencies, Boards and Commissions Compensation Act (RABCCA)**
- Evaluates the performance of the President and CEO against set objectives
- Provides compensation recommendations for the President and CEO to the Board

APS Executives participate in MEPP and SRP. Combined, these plans provide pension benefits equal to two per cent of each Executive's best five-year average pensionable salary for each year of service. MEPP provides a pension in respect of the base salary up to a maximum pensionable salary limit set by the MEPP plan rules, which in turn is set to ensure that the benefit payable does not exceed the defined benefit limit in the Income Tax Act (ITA). SRP provides a pension in respect of the base salary in excess of the maximum pensionable salary limit set in the MEPP plan rules.

*APS President and CEO and APS Executives were subject to the Reform of Agencies, Boards and Commissions Compensation Regulation.

**The RABCCA was repealed in December 2023. The Public Sector Employers Amendment Act (PSEA) was proclaimed the same day, which provides for the establishment of a compensation framework similar to what was found in RABCCA. While a new compensation framework under PSEA is being developed, agencies such as APS that were previously subject to RABCCA must continue to adhere to the limits and conditions set out in Ministerial Order 49-2023.

Summary Compensation Table

(in thousands)

The table below provides complete disclosure of salary, other cash benefits and other non-cash benefits approved for payment during the years ended December 31, 2024 and 2023 to the President and Chief Executive Officer and Vice Presidents.

Position	Base Salary ¹	Other Cash Benefits ²	Other Non-Cash Benefits ³	2024 Total	2023 Total
President and Chief Executive Officer ⁴	\$ 311	\$ 16	\$ 80	\$ 407	\$ 402
Vice President, Human Resources and Organizational Development	257	8	64	329	321
Vice President, Information Services and Technology & Chief Information Officer ⁵	217	23	48	288	281
Vice President, Finance and Chief Financial Officer ⁶	180	10	39	229	324
Vice President, Governance and General Counsel ⁷	122	65	35	222	306
Vice President, Pensions Services ⁸	164	18	36	218	154
Vice President, Client Relations and Chief Strategy Officer ⁹	60	10	15	85	-

¹ Base salary includes regular base pay.

² Other cash benefits include automobile allowance, vacation payouts, personal leave payouts, and severance, as applicable. There were no bonuses paid in 2024 and 2023.

³ Other non-cash benefits include employer's share of all employee benefits and contributions or payments made on behalf of employees. This includes pension, health care, dental coverage, group life insurance, short and long-term disability plans, WCB premiums, professional memberships, tuition fees, and parking, as applicable.

⁴ The position was occupied by two individuals during the year. The former President and CEO left the Corporation on January 31, 2024 and the incumbent commenced this position in an interim role on January 15, 2024. On May 1, 2024, the incumbent was appointed as the new President and CEO of the Corporation.

⁵ The position was occupied by two individuals during the year. The position was vacated on September 22, 2024 and the incumbent commenced this position in an interim role on September 1, 2024 until the end of the year.

⁶ The position was occupied by two individuals during the year. The position was vacated on January 14, 2024 and the incumbent commenced this position in an interim role on January 15, 2024. On November 12, 2024, the incumbent was appointed to the position.

⁷ The former VP, Governance and General Counsel, left the Corporation on July 8, 2024 receiving a severance of \$41 and the position ended.

⁸ The former VP, Pensions Services left the Corporation on May 31, 2023 and the incumbent commenced this position in an interim role from January 2, 2024 until the end of the year. Multiple individuals occupied the role on a rotational basis during the interim period from June 1 to December 31, 2023.

⁹ Position created September 23, 2024.



FINANCIAL STATEMENTS

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and information in the 2024 Annual Report are the responsibility of Alberta Pensions Services Corporation (APS) and have been approved by management and the APS Board of Directors (the Board).

The financial statements have been prepared in conformity with Canadian Public Sector Accounting Standards and, of necessity, include some amounts that are based on estimates and judgments. Financial information presented in the 2024 Annual Report that relates to the operations and financial position of APS is consistent with that in the financial statements.

To discharge its responsibility for the integrity and objectivity of financial reporting, APS maintains a system of internal accounting controls comprised of written policies, standards and procedures, and a formal authorization structure. These systems are designed to provide management with reasonable assurance that transactions are properly authorized, that reliable financial records are maintained and that assets are adequately accounted for and safeguarded.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board carries out this responsibility principally through its Audit Committee. As part of this responsibility, the committee reviews the financial statements, the Management's Discussion and Analysis, and the Compensation Discussion and Analysis in the Annual Report, and once satisfied, recommends them to the Board for approval. The committee also meets with management and the external auditor to discuss internal controls, auditing matters and financial reporting issues.

The Auditor General of Alberta, APS' external auditor, provides an independent audit opinion on the financial statements.

[Original signed by Doug Woloshyn
President and Chief Executive Officer]

[Original signed by Amrita Kharbanda
Vice President, Finance and Chief Financial Officer]

Independent Auditor's Report

To the Shareholder of Alberta Pensions Services Corporation

Report on the Financial Statements

Opinion

I have audited the financial statements of Alberta Pensions Services Corporation, which comprise the statement of financial position as at December 31, 2024, and the statements of operations, change in net debt, and cash flows 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 Pensions Services Corporation as at December 31, 2024, and the results of its operations, its changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 Pensions Services Corporation 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 *Alberta Pensions Services Corporation 2024 Annual Report*, but does not include the financial statements and my auditor's report thereon.

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 have performed on this other information, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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 public sector accounting standards, 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 the Alberta Pensions Services Corporation'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 the Alberta Pensions Services Corporation'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 Pensions Services Corporation'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 Pensions Services Corporation'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 Pensions Services Corporation 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

April 30, 2025
Edmonton, Alberta

STATEMENT OF OPERATIONS

Year ended December 31, 2024

(in thousands)

	2024		2023
	Budget	Actual	Actual
Expenses			
Salaries and benefits	\$ 40,832	\$ 37,856	\$ 35,730
Contract services	2,750	2,607	2,653
Software licensing and support	5,356	5,717	5,409
Office related expenses	4,213	4,592	4,740
Amortization (Note 8)	6,500	6,400	6,069
Total before other services	59,651	57,172	54,601
Plan specific and corporate services (Note 5)	4,712	4,364	2,804
Employer specific services (Note 6)	47	49	47
Total operating expenses	64,410	61,585	57,452
Recovery of costs (Note 7)	64,410	61,585	57,452
Annual surplus (deficit)	-	-	-
Net assets at beginning of year	-	-	-
Net assets at end of year	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

Approved by the Board:

[Original signed by Colin P. MacDonald
K.C., ICD.D Chair, Board of Directors]

[Original signed by Denise Hamilton
CPA, CMA, ICD.D Chair, Audit Committee]

STATEMENT OF FINANCIAL POSITION

As at December 31, 2024

(in thousands)

	2024	2023
Financial assets		
Cash	\$ 1,921	\$ 1,634
Accounts receivable	39	23
Due from pension plans and plan corporations (Note 7)	1,811	266
	3,771	1,923
Liabilities		
Accounts payable and other accrued liabilities	3,720	2,290
Accrued salaries and benefits	585	242
Accrued vacation pay	837	881
	5,142	3,413
Net Debt	(1,371)	(1,490)
Non-financial assets		
Tangible capital assets (Note 8)	22,796	24,991
Prepaid expenses	1,371	1,490
	24,167	26,481
Net assets before spent deferred capital contributions	22,796	24,991
Spent deferred capital contributions (Note 8)	22,796	24,991
Net assets	\$ -	\$ -

Contractual rights (Note 12)**Contractual obligations** (Note 13)**Contingent liabilities** (Note 14)

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGE IN NET DEBT

Year ended December 31, 2024

(in thousands)

	2024		2023
	Budget	Actual	Actual
Annual surplus (deficit)	\$ -	\$ -	\$ -
Acquisition of tangible capital assets (Note 8)	(3,700)	(4,205)	(2,238)
Amortization of tangible capital assets (Note 8)	6,500	6,400	6,069
Disposal of tangible capital assets (Note 8)	-	(2,121)	(2,037)
Change in spent deferred capital contributions	(2,800)	(74)	(1,794)
Change in prepaid expenses	-	119	252
Decrease in net debt	-	119	252
Net debt at beginning of year	(1,742)	(1,490)	(1,742)
Net debt at end of year	\$ (1,742)	\$ (1,371)	\$ (1,490)

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

Year ended December 31, 2024

(in thousands)

	2024	2023
Operating transactions		
Annual surplus (deficit)	\$ -	\$ -
Non-cash items included in annual surplus (deficit):		
Amortization of tangible capital assets (Note 8)	6,400	6,069
Disposal of tangible capital assets (Note 8)	(2,121)	(2,037)
Disposal of spent deferred capital contributions (Note 8)	2,121	2,037
Decrease in deferred lease inducement	-	(415)
Amortization of spent deferred capital contributions (Note 8)	(6,400)	(6,069)
	-	(415)
(Increase) decrease in accounts receivable	(16)	23
Decrease in prepaid expenses	119	252
(Increase) decrease in due from pension plans and plan corporations	(1,545)	1,338
Increase (decrease) in accounts payable and other accrued liabilities	1,430	(1,333)
Increase in accrued salaries and benefits	343	19
(Decrease) increase in accrued vacation pay	(44)	13
Cash provided by (applied to) operating transactions	287	(103)
Capital transactions		
Acquisition of tangible capital assets (Note 8)	(4,205)	(2,238)
Cash applied to capital transactions	(4,205)	(2,238)
Financing transactions		
Increase in spent deferred capital contributions (Note 8)	4,205	2,238
Cash provided by financing transactions	4,205	2,238
Increase (decrease) in cash	287	(103)
Cash at beginning of year	1,634	1,737
Cash at end of year	\$ 1,921	\$ 1,634

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended December 31, 2024

1. Authority

Alberta Pensions Services Corporation (APS) is incorporated under the *Business Corporations Act* (Alberta). APS is a “Provincial corporation” under the *Financial Administration Act* (Alberta) and a “public agency” under the *Alberta Public Agencies Governance Act*. The issued share of the Corporation is owned by the Government of Alberta and accordingly, the Corporation is exempt from income taxes under the *Income Tax Act*. APS is referred to as “the Corporation” throughout the Notes to the Financial Statements.

2. Nature of Operations

The Corporation provides a comprehensive suite of pension administration services in respect of nine registered and unregistered pension plans. These services are provided pursuant to a “Pension Services Agreement” with each of LAPP Corporation, PSPP Corporation and SFPP Corporation and a “Pension Administration Services Agreement” with the Government of Alberta.

The services provided to LAPP Corporation, PSPP Corporation and SFPP Corporation are respectively in relation to the Local Authorities Pension Plan (LAPP), the Public Service Pension Plan (PSPP) and the Special Forces Pension Plan (SFPP). These services are provided pursuant to the *Joint Governance of Public Sector Pension Plans Act* (Alberta) and in accordance with the *Employment Pension Plans Act* (Alberta).

The services provided to the Government of Alberta pertain to the following registered and unregistered pension plans:

- Management Employees Pension Plan (MEPP) and Public Service Management (Closed Membership) Pension Plan (PSM(CM)PP), each established and governed by the *Public Sector Pension Plans Act* (Alberta);
- Supplementary Retirement Plan (SRP) for Public Service Managers (established by Treasury Board Directive);
- Provincial Judges and Applications Judges (Registered) Pension Plan and Provincial Judges and Applications Judges (Unregistered) Pension Plan (JPP), each established and governed by Alberta Regulation 196/2001;
- Members of the Legislative Assembly (Registered) Pension Plan (MLAPP), established and governed by the *Members of the Legislative Assembly Pension Plan Act* (Alberta).

3. Summary of Significant Accounting Policies

Basis of Presentation

These financial statements are prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS).

Recovery of Costs

All recoveries of costs are reported on the accrual basis of accounting. Accruals for the recovery of costs are recognized as the related expenses are incurred.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

Valuation of Financial Assets and Liabilities

The Corporation's financial assets and liabilities are generally measured as follows:

Financial statement component	Measurement
Cash and cash equivalents	Cost
Accounts receivable and due from pension plans and plan corporations	Lower of cost or net recoverable value
Accounts payable and other accrued liabilities, accrued salaries and benefits, and accrued vacation pay	Cost

Financial Assets

Financial assets are the Corporation's financial claims on external organizations and individuals.

Cash and cash equivalents

Cash is comprised of cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

Accounts receivable

Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain.

Liabilities

Liabilities are present obligations of the Corporation to external organizations and individuals arising from past transactions or events occurring before the year end, the settlement of which is expected to result in future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Non-financial Assets

Non-financial assets are limited to tangible capital assets and prepaid expenses.

Tangible capital assets

Tangible capital assets are recognized at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets and overhead directly attributable to construction and development.

3. Summary of Significant Accounting Policies (Continued)

Tangible capital assets (Continued)

Assets under construction are not amortized until after a project is substantially complete and the asset is put into service.

Leases of tangible capital assets which transfer substantially all the benefits and risks of ownership are accounted for as leased tangible capital assets. Capital lease liabilities are recognized at the present value of the minimum lease payments excluding executory costs (e.g. insurance, maintenance costs). The discount rate used to determine the present value of the lease payments is the lower of the Corporation's rate for incremental borrowing or the interest rate implicit in the lease.

The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Leasehold improvements	Term of lease
Pension Administration System (Compass)	12 years
Furniture and equipment	5 years
Computer hardware and software	3 years

The costs of improvements or betterments of the Compass System are amortized on a straight-line basis over the remaining useful life of the Compass System.

The threshold for capitalizing software is \$100,000 and \$5,000 for all other items, where these items have a useful life in excess of one year.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Corporation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value.

Prepaid expenses

Prepaid expenses are recognized at cost and amortized based on the terms of the agreement.

Financial Instruments

Financial instruments of the Corporation consist of cash, accounts receivable, due from pension plans and plan corporations, accounts payable and other accrued liabilities, accrued salaries and benefits, and accrued vacation pay. Due to their short-term nature, the carrying value of these instruments approximates their fair value.

As the Corporation does not have any transactions involving financial instruments that are classified in the fair value category, there are no remeasurement gains and losses and therefore, a statement of remeasurement gains and losses has not been presented.

Use of Estimates

The preparation of financial statements in conformity with Canadian PSAS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, as well as, the disclosure of contingent assets and liabilities in the financial statements. Actual results could differ from these estimates, and the impact of any such differences will be recognized in future periods. The significant area requiring the use of management estimates relates to the estimated useful lives of tangible capital assets.

4. Future Accounting Standards

Effective April 1, 2026, the Corporation will adopt the following new conceptual framework and accounting standard approved by the Public Sector Accounting Board:

- **Conceptual Framework for Financial Reporting in the Public Sector**

The Conceptual Framework is the foundation for public sector financial reporting standard setting. It replaces the conceptual aspects of Section PS 1000 Financial Statement Concepts and Section PS 1100 Financial Statement Objectives. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.

- **PS 1202 Financial Statement Presentation**

Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.

Management is currently assessing the impact of these standards on the financial statements.

5. Plan Specific and Corporate Services

(in thousands)

The Corporation provides certain tailored services to plan corporations and public sector pension plans and their respective boards and committees. These services may include amending system specifications for plan rule changes, client requests, optional services and other costs not attributed to all of the plans served by the Corporation.

Entity	2024	2023
LAPP	\$ 1,988	\$ 995
PSPP	749	383
MEPP	624	547
SFPP	508	289
LAPP Corporation	132	139
SRP	127	101
JPP (Registered)	73	85
JPP (Unregistered)	62	56
SFPP Corporation	54	96
PSM(CM)PP	43	24
MLAPP	9	8
PSPP Corporation	(5)	81
	\$ 4,364	\$ 2,804

6. Employer Specific Services

(in thousands)

In 2008, the Minister approved the Corporation administering post-retirement benefits for certain employers who participate in the public sector pension plans. The Corporation also entered into an agreement to provide certain administration services on a cost-recovery basis to Alberta Investment Management Corporation (AIMCo), a related Crown Corporation, in respect of an AIMCo supplementary retirement plan. All costs associated with administering these benefits are recovered directly from the specific employers as follows:

	2024	2023
Participating Employers ¹	\$ 5	\$ 5
Alberta Investment Management Corporation	44	42
	\$ 49	\$ 47

¹ Participating employers include: City of Edmonton, Alberta Health Services, EPCOR and Government of Alberta.

7. Recovery of Costs

(in thousands)

The Corporation charges each public sector pension plan and plan corporation with its proportionate share of the Corporation's operating costs based on the cost recovery methodology approved by the Board of Directors. Prior year's cost recovery methodology was described in each of their formal agreements.

At December 31, 2024, \$1,811 [2023 – \$266] is receivable from the plans and plan corporations. The receivable at year end is directly related to the timing of the receipt and disbursement of funds.

Entity	2024	2023
LAPP	\$ 43,547	\$ 40,567
PSPP	11,791	10,986
MEPP	2,605	2,450
SFPP	1,824	1,546
SRP	618	596
PSM(CM)PP	298	283
JPP (Registered)	193	203
JPP (Unregistered)	179	173
LAPP Corporation	132	139
MLAPP	95	90
SFPP Corporation	54	96
PSPP Corporation	(5)	81
	61,331	57,210
Interest and other cost recoveries	205	195
Employer specific services (Note 6)	49	47
	\$ 61,585	\$ 57,452

8. Tangible Capital Assets

	2024					2023
	Compass system	Computer hardware & software	Leasehold improvements	Furniture & equipment	Total	Total
Estimated useful life	12 years	3 years	Lease term	5 years		
Historical Cost¹						
Beginning of year	\$ 58,297	\$ 10,985	\$ 4,394	\$ 1,488	\$ 75,164	\$ 74,963
Additions	1,523	2,101	581	–	4,205	2,238
Disposals, including write-downs	–	(1,716)	–	(405)	(2,121)	(2,037)
	59,820	11,370	4,975	1,083	77,248	75,164
Accumulated Amortization						
Beginning of year	34,833	9,497	4,394	1,449	50,173	46,141
Amortization expense	5,490	899	–	11	6,400	6,069
Effect of disposals, including write-downs	–	(1,716)	–	(405)	(2,121)	(2,037)
	40,323	8,680	4,394	1,055	54,452	50,173
Net Book Value at December 31, 2024	\$ 19,497	\$ 2,690	\$ 581	\$ 28	\$ 22,796	
Net Book Value at December 31, 2023	\$ 23,464	\$ 1,488	\$ –	\$ 39		\$ 24,991

Financing obtained from the public sector pension plans to acquire tangible capital assets is recognized as spent deferred capital contributions. The recovery of costs is recognized on the same basis as the tangible capital assets are amortized.

¹ Historical cost includes assets under construction at December 31, 2024 totalling \$882 (2023 – \$1,156) comprised of Leasehold Improvements \$284 (2023 – \$nil) and Computer hardware and software \$598 (2023 – \$250).

9. Share Capital

	2024	2023
Issued:		
1 common share	\$ 1	\$ 1

An unlimited number of common and preferred shares are authorized with a single common share issued (Note 1).

10. Employee Future Benefits
(in thousands)

The Corporation participates in three multi-employer defined benefit public sector pension plans: PSPP, MEPP and SRP. Multi-employer plans are accounted for as defined contribution plans. Accordingly, the Corporation does not recognize its share of any plan surplus or deficit. The expense for these pension plans is equivalent to the annual contributions of \$3,130 for the year ended December 31, 2024 (2023 – \$2,916). This amount is included in salaries and benefits.

An actuarial valuation is performed to assess the financial position of the plan and adequacy of the plan funding. At December 31, 2023, PSPP reported a surplus of \$4,542,500 (2022 – surplus of \$4,258,721), MEPP reported a surplus of \$1,316,313 (2022 – surplus of \$924,735) and SRP had a deficiency of \$21,343 (2022 – deficiency of \$25,117).

11. Related Party Transactions
(in thousands)

Related parties are those entities consolidated using either line by line or modified equity basis in the Government of Alberta’s Consolidated Financial Statements. Related parties also include key management personnel and close family members of those individuals in the Corporation. The Corporation and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Corporation had the following transactions with related parties reported in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	2024	2023
Expenses		
Printing and postage	\$ 828	\$ 949
Software licences	524	520
Risk management and insurance	232	213
	\$ 1,584	\$ 1,682
Payable to Government of Alberta	\$ 478	\$ 653

The Corporation also provided services to the plan corporations and public sector pension plans and their respective boards and committees as disclosed in Notes 5 and 7. These transactions are in the normal course of operations.

12. Contractual Rights

(in thousands)

The Corporation's agreement for office space includes a tenant allowance available to the Corporation in the future when the terms of the agreement are met. The tenant allowance is a contribution towards the cost of fixturing and installation of leasehold improvements in the office space.

As at December 31, 2024, APS spent \$638 on leasehold improvements that will be recovered in 2025 from the tenant allowance. The tenant allowance totals \$1,390, of which, \$310 expires in February, 2025. The remaining \$1,080 is available until November 2025, which if not used in entirety, up to \$540 can be used as a reduction in rent expense.

13. Contractual Obligations

(in thousands)

The Corporation has entered into some multi-year agreements whereby the Corporation will be obligated to make future payments when the goods or services are received. Significant non-cancellable contractual obligations that can be reasonably estimated are summarized as follows:

Year	Operating ¹	Capital	Total
2025	\$ 4,088	\$ 42	\$ 4,130
2026	1,974	–	1,974
2027	1,746	–	1,746
2028	1,784	–	1,784
2029	1,831	–	1,831
Thereafter	9,890	–	9,890
	\$ 21,313	\$ 42	\$ 21,355

¹ Operating obligations include non-cancellable purchase and contract commitments for contracted services, software licenses and office space.

On December 1, 2023, the Corporation entered into an amended and restated office lease agreement reflecting an 11-year term ending November 30, 2034 (Note 12).

The corporation has a multi-year commitment with an external vendor to maintain and support APS' Pension Administration (Compass) system. APS can terminate the contract with 12 months notice. Future years' costs will be indexed on each anniversary date of the agreement. The operating obligations include \$1,898 in 2025 to provide non-cancellable operating maintenance and support.

14. Contingent Liabilities

(in thousands, except number of claims)

The Corporation is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

Accruals have been made in specific instances where it is likely that losses will be incurred based on a reasonable estimate. As at December 31, 2024, accruals totalling \$nil (2023 – \$76) have been recognized as a liability.

APS has been named in three (2023 - five) claims, in which two outcomes are likely and one is not determinable. Of the likely claims, two (2023 - two) have specified amounts totalling \$1,000 (2023 - \$1,000). The one (2023 - two) indeterminate claim does not have a specified amount (2023 - \$1,900). Management estimates that any potential liability relating to these claims would be to the pension plan(s) named for any benefit related costs and any potential damages would be covered by the insurance provided by the Alberta Risk Management Fund.

The resolution of claims may result in a liability, if any, that may be significantly lower than the claimed amount.

15. Salaries and Benefits Disclosure

Details of Executive and Board member remuneration are presented in the Compensation Discussion and Analysis section of the Corporation's 2024 Annual Report.

16. Financial Instruments

Liquidity risk is the risk of not being able to meet the Corporation's cash requirements in a timely and cost-effective manner. The Corporation's only source of liquidity is amounts charged to pension plans and plan corporations (Note 7).

It is management's opinion that the Corporation is not exposed to any risk arising from this financial instrument.

17. 2024 Budget

The Corporation's 2024 budget was approved by the Board of Directors on November 29, 2023.

18. Approval of Financial Statements

The Board approved the financial statements of the Corporation.

19. Reclassification of Comparative Figures

Information included within comparative figures has been reclassified to conform to the current year's presentation.

PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT

Supplementary Information Required by Legislation

For the year ended December 31, 2024 (Unaudited)

Section 32 of the *Public Interest Disclosure (Whistleblower Protection) Act* (the “Act”) requires the

- a) the number of disclosures received by or referred to the designated officer of the Corporation, the number of disclosures acted on and the number of disclosures not acted on by the designated officer;
- b) the number of investigations commenced by the designated officer as a result of the disclosures; and
- c) in the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations made or corrective measures taken in relation to the wrongdoing, or the reasons why no corrective measure was taken.

In 2024, the Corporation’s designated officer did not receive or were referred any disclosures of wrongdoing.

CORPORATE INFORMATION

Corporate Directory

(as at March 31, 2025)



Doug Woloshyn

President &
Chief Executive Officer



Steven French

Vice President, Client Relations
& Chief Strategy Officer



Yolanda Van Wachem

General Counsel &
Corporate Secretary



Javier Lozano

Vice President, Information
Services and Technology &
Chief Information Officer



Amrita Kharbanda

Vice President, Finance &
Chief Financial Officer



Tamara Janzen

Vice President, Human
Resources & Organizational
Development



Vladimir Ahmad

Vice President,
Pensions Services

The APS executive team experienced significant transitions in 2024. After CEO Darwin Bozek's departure in January 2024, the Vice President of Finance & CFO Doug Woloshyn was announced as Interim President & CEO where he later took the official role in May 2024.

Amrita Kharbanda took on the role of Acting Vice President, Finance & CFO when Doug Woloshyn took the role as Interim CEO. In November 2024, she took the official role of Vice President, Finance & CFO.

Tony Kurian, Vice President, Governance & General Counsel, left the role in July 2024. Yolanda Van Wachem joined the executive team as General Counsel & Corporate Secretary.

In August 2024, a new business area was announced, and Steven French left his role as Vice President, Information Services and Technology & Chief Information Officer to fill the new role of Vice President, Client Relations and Chief Strategy Officer, effective September. Dave Morgan served as the Interim Vice President of Information Services and Technology & Chief Information Officer until Javier Lozano joined APS in the official role in February 2025.

In January 2025, Vlad Ahmad accepted the role of Vice President, Pensions Services succeeding Kathryn Miller who held the interim role from January 2024.



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