



INVESTOR PRESENTATION WINTER 2023

Saskatchewan 

Disclaimer Statement

This presentation was compiled by the Treasury Management Branch of the Saskatchewan Ministry of Finance. The information in this presentation is for general information purposes only and does not constitute an offer to sell or a solicitation of offers to purchase securities. Certain forward-looking information or forward-looking statements have been included in this presentation for such general information purposes. These statements are based on the Province of Saskatchewan's current estimates or projections which the Province believes are reasonable. Such statements are not guarantees of future performance, and accordingly, you should not place reliance on them. Forward-looking information or statements involve known and unknown risks, uncertainties and other factors which could cause the state of the Province's economy to differ materially from the forecasts and economic outlook expressed or implied by any forward-looking information or statements. Forward-looking information or statements speak only as of the date they are made. Saskatchewan undertakes no obligation to update any forward-looking information or statements to reflect new information, future events or otherwise, except as may be required under applicable law. While the information in this presentation, when posted or released, was believed to be reasonably accurate as of its date, no warranty is made as to the accuracy or completeness of this document or the information it contains.

Saskatchewan and Selected Provinces



Saskatchewan

651,036 km²
1,209,107 people
\$67,010 GDP/capita



Alberta

661,848 km²
4,695,290 people
\$73,020 GDP/capita



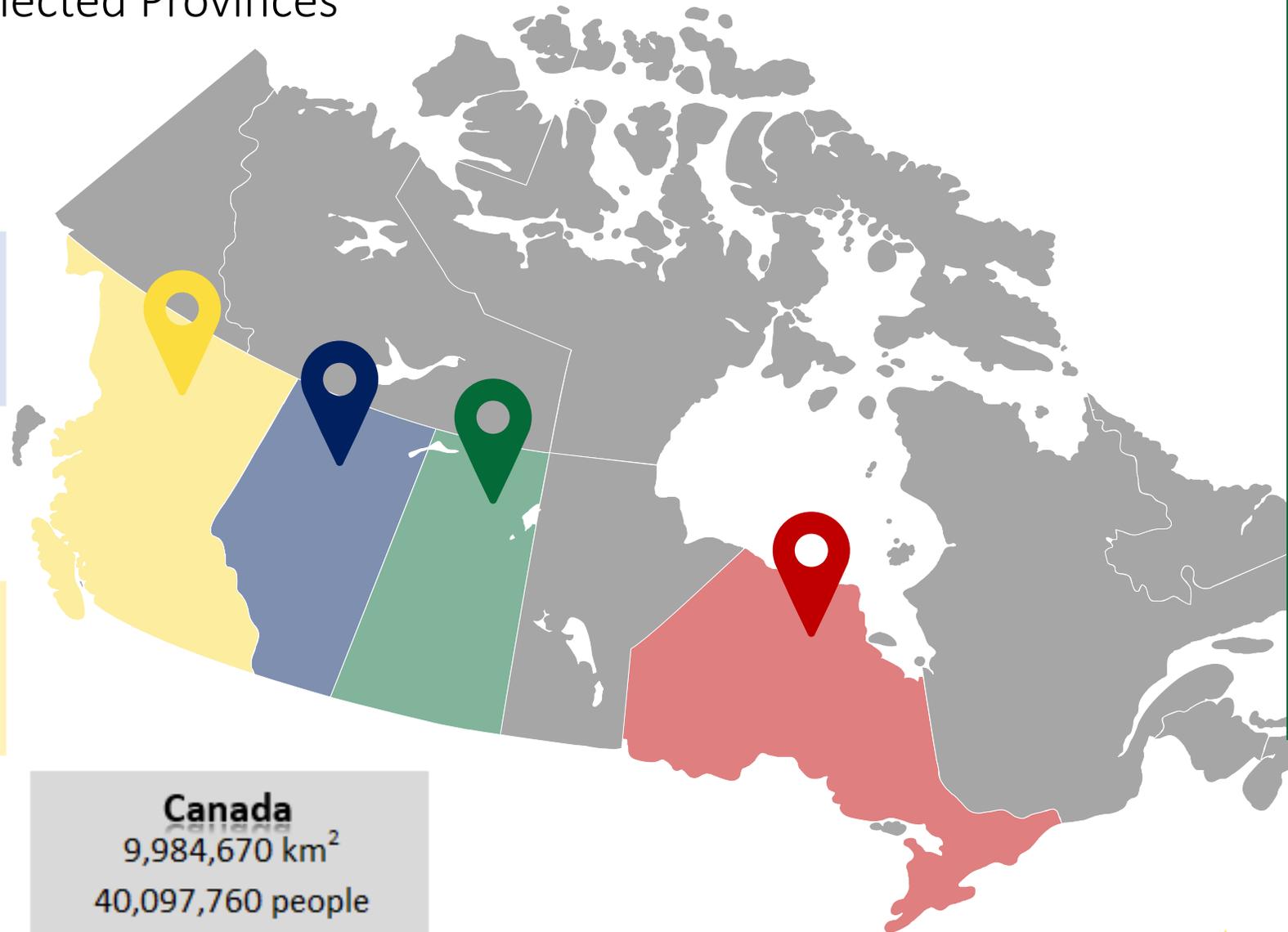
Ontario

1,076,395 km²
15,608,369 people
\$58,650 GDP/capita



British Columbia

944,735 km²
5,519,013 people
\$59,370 GDP/capita



Canada

9,984,670 km²
40,097,760 people
\$58,370 GDP/capita

The Saskatchewan Difference

Economic Stability

- Diversified economy balances cyclicalities of non-renewable resources and agriculture
- Growing population
- Canada's most affordable provincial jurisdiction when combining low tax, housing and utility costs
- Majority government – next election in 2024

Fiscal Responsibility

- Budget balance and low debt are Saskatchewan's fiscal anchors – among lowest net debt/GDP of provinces
- Long history of managing variable revenue leads to fiscal forecast conservatism
- Competitive business tax combined with attractive manufacturing and value-added processing incentives

Financial Flexibility

- Strong credit ratings
- Low reliance on federal transfer payments
- Access to \$8B in liquidity (\$4B short-debt capacity, \$2.5B sinking fund, \$1.5B cash reserves)

Credit Ratings

Agency	Long-Term Date of Last Action	Short-Term	Trend	ESG Scoring
Moody's	Aa1 May 21, 2021	Not Rated	Stable	CIS-2 Neutral
Standard & Poor's	AA June 21, 2017	A-1+	Stable	-
DBRS Morningstar	AA (low) June 18, 2020	R-1 (middle)	Stable	ESG Assessment Relevant/Not significant
Fitch	AA December 13, 2013	F1+	Stable	ESG Relevance Level 3 Neutral/Minimal

Forest

Covers northern portion of the province —

34 million hectares

(84 million acres)



Farmland

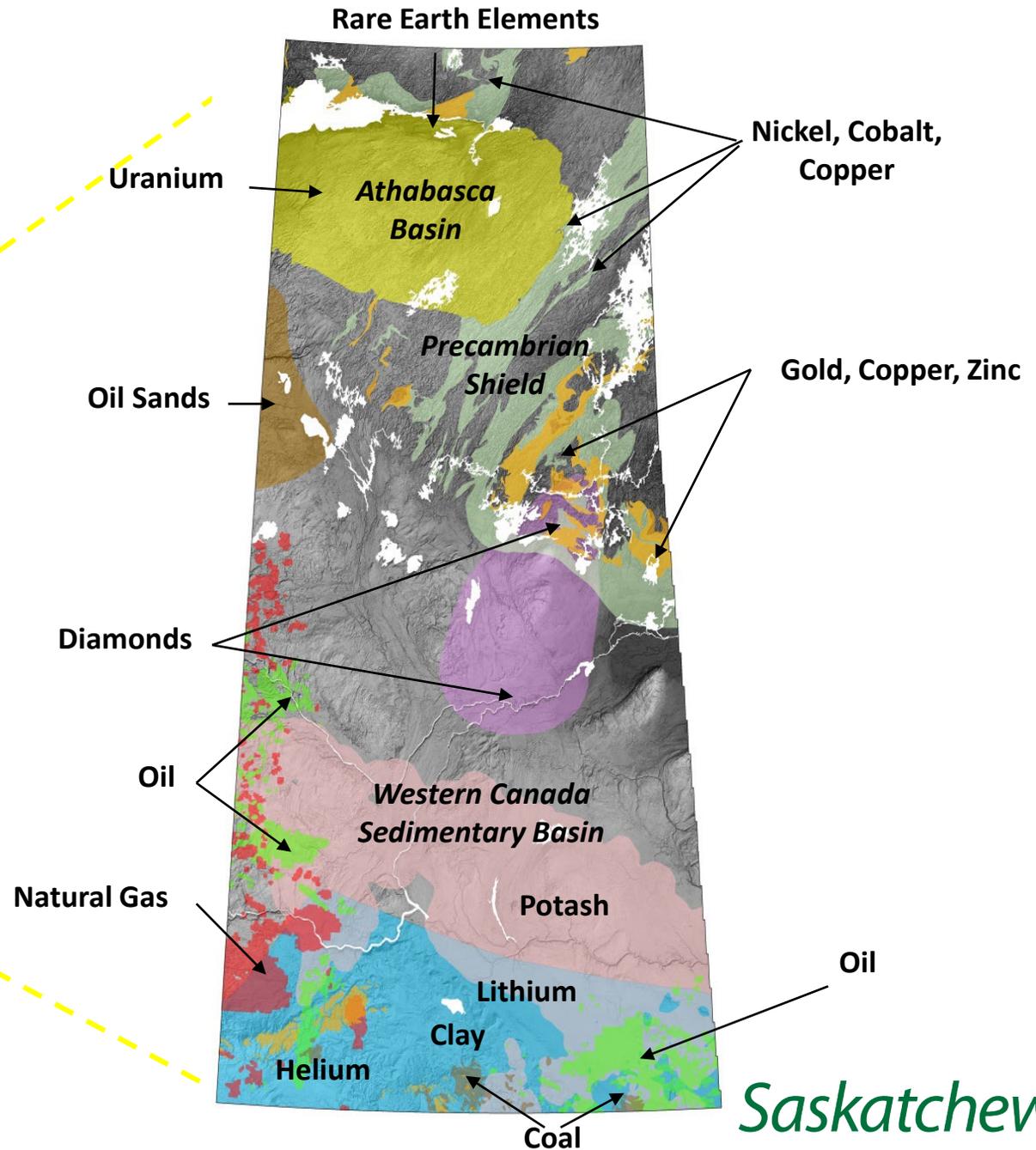
Covers most of the remaining area —

24 million hectares

(60 million acres)



Subsurface Minerals



Crown Sector



Insurance

Saskatchewan Government Insurance (SGI CANADA)¹



Investment & Economic Growth

CIC Asset Management Inc. (CIC AMI)



Entertainment

Saskatchewan Gaming Corporation (SGC)²



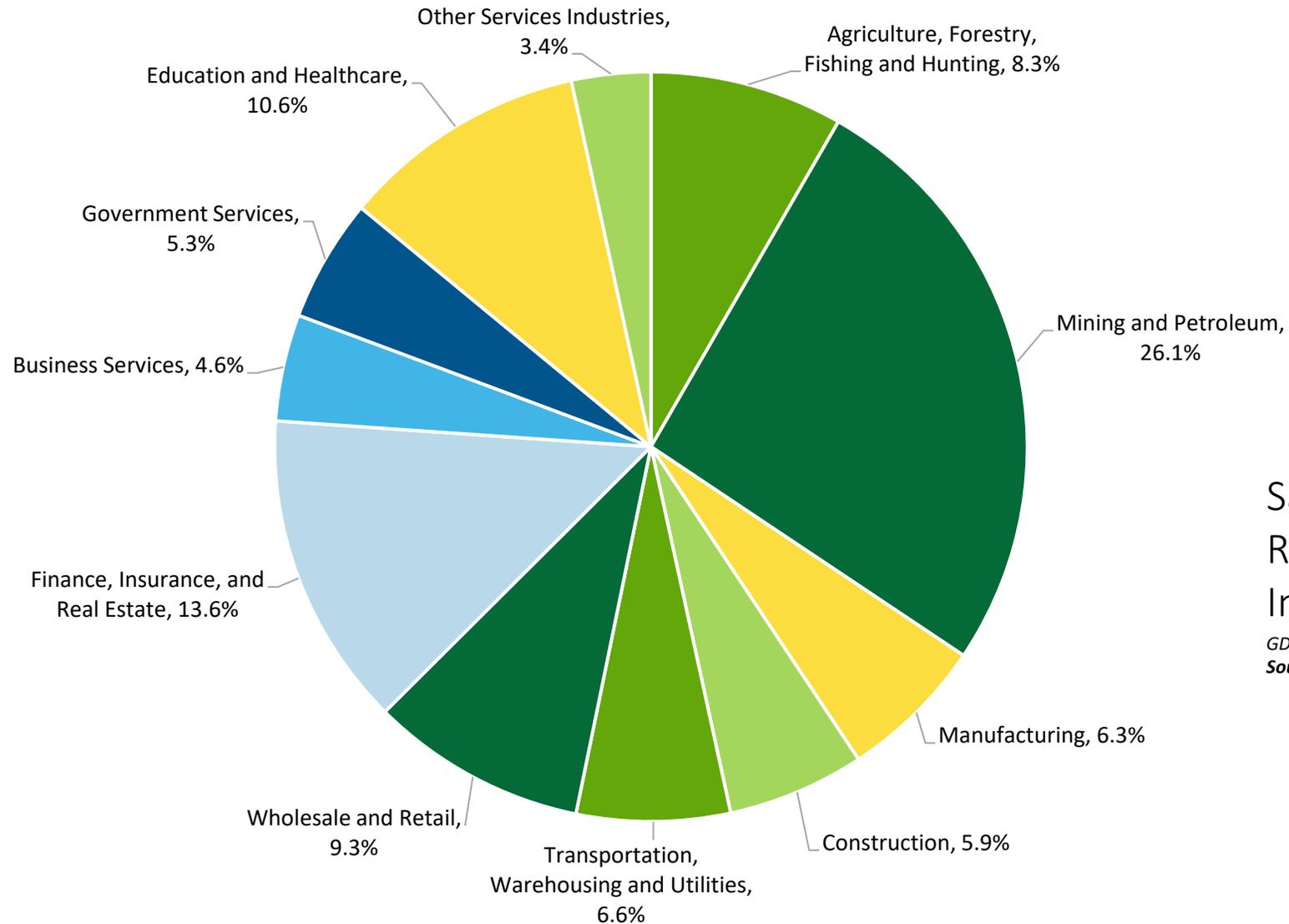
Utilities

Saskatchewan Power Corporation (SaskPower)
Saskatchewan Telecommunications (SaskTel)
SaskEnergy Inc. (SaskEnergy)
Saskatchewan Water Corporation (SaskWater)

¹ SGI CANADA administers the Saskatchewan Auto Fund, which is not a subsidiary Crown corporation; however, summarized operating results are provided in CIC's Consolidated Management Discussion & Analysis.

² On April 1, 2023, the Government of Saskatchewan created Lotteries and Gaming Saskatchewan (LGS), a new subsidiary Crown corporation reporting to CIC. The Saskatchewan Gaming Corporation became a wholly-owned subsidiary of the new LGS.

Diversified Economy

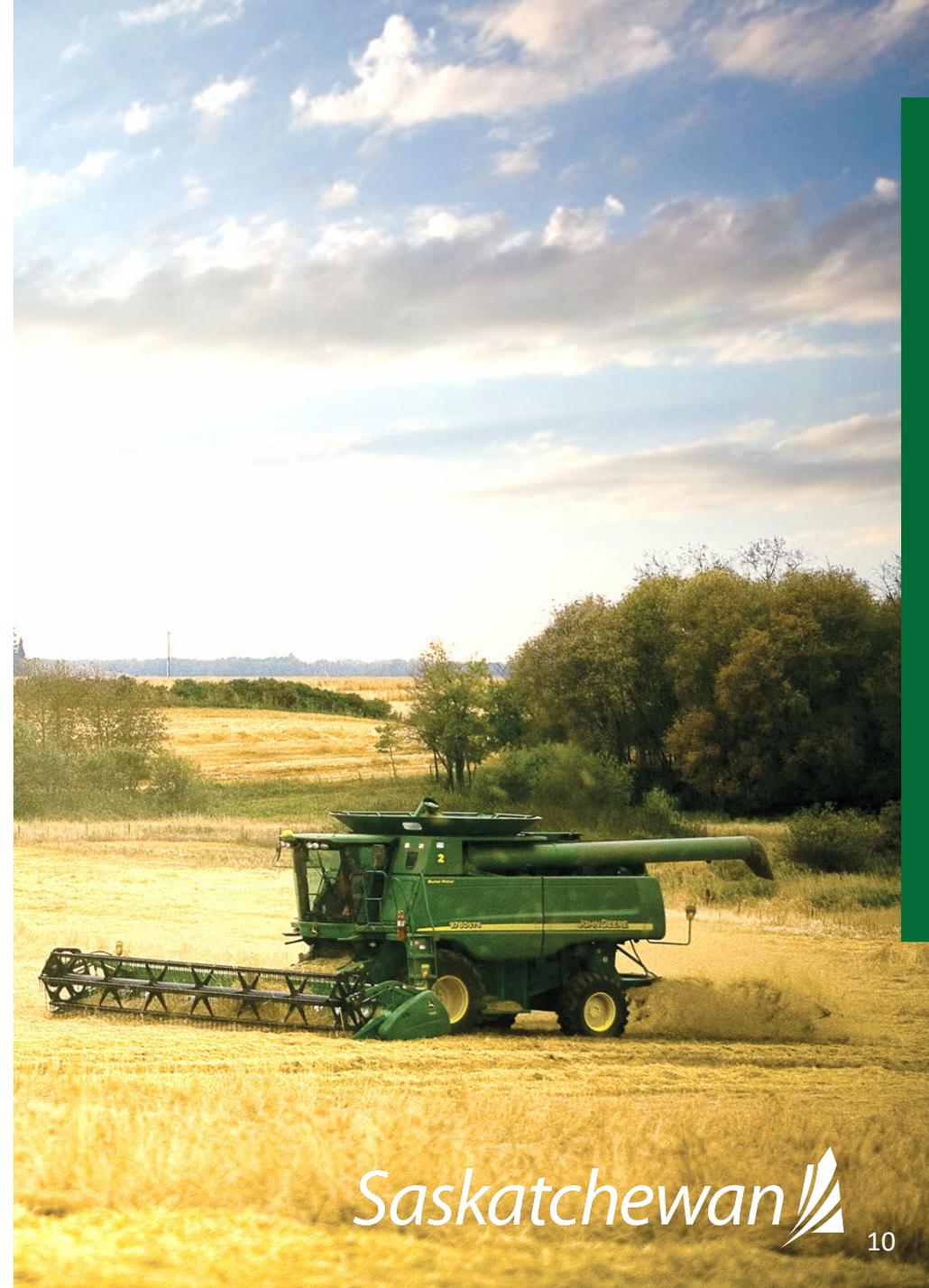


Saskatchewan Real GDP and Share by Industry, 2022

GDP at Basic Prices by Industry, Chained (2017) dollars
Source: Statistics Canada, table 36-10-0402-01, accessed November 2023

Agriculture

- 40% of Canada's total farm area
- Agri-food exports reached \$18.5 billion in 2022
- In 2022, Saskatchewan accounted for:
 - 56% of the world's canary seed exports
 - 45% of the world's lentil exports
 - 37% of the world's dry pea exports
 - 33% of the world's durum wheat exports



Sustainable Agricultural Practices

- Agriculture industry is among the most innovative and sustainable in the world
- Leader in zero-till farming, storing more carbon in farmland than any other province
- Crop production carbon footprint much lower than global competitors and lower than Canadian averages
- Major producer of plant protein crops like lentils and dried peas
- Agriscience cluster in Saskatoon



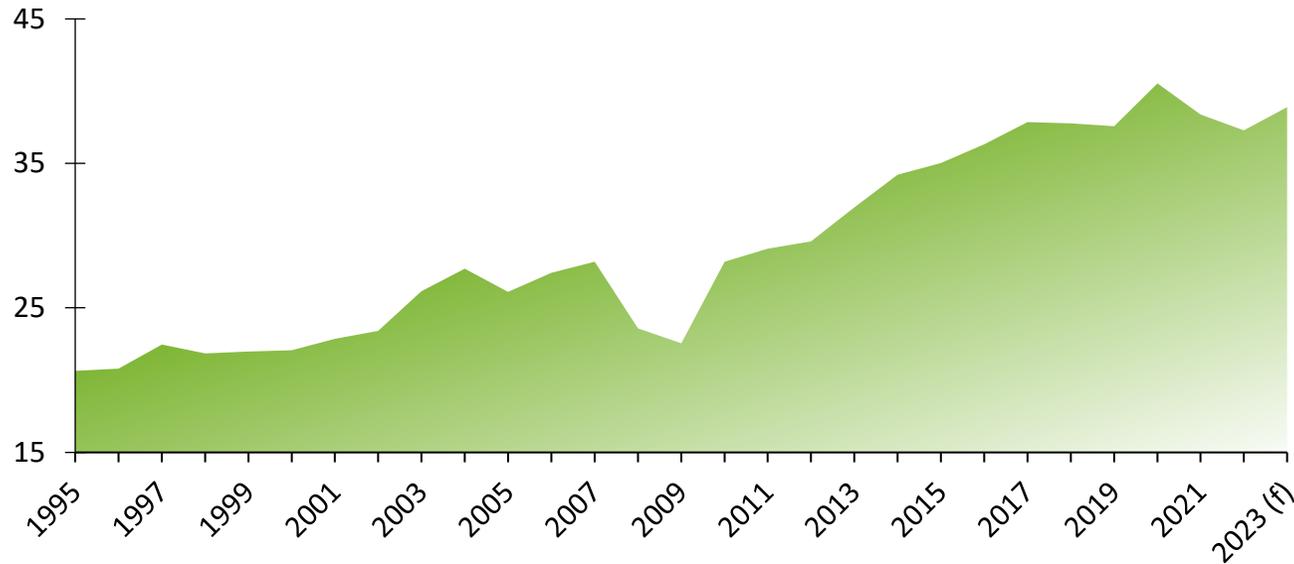
Sustainable Mining

- Saskatchewan produces potash with 50% fewer emissions than competing jurisdictions
- Province's high-grade uranium deposits are an important global source of zero-carbon energy
- Occurrences of 23 of the 31 critical minerals including: cobalt, copper, graphite, helium, lithium, nickel, platinum group metals and rare earth elements



Potash Consumption

World Potash Consumption
(millions of metric tonnes)

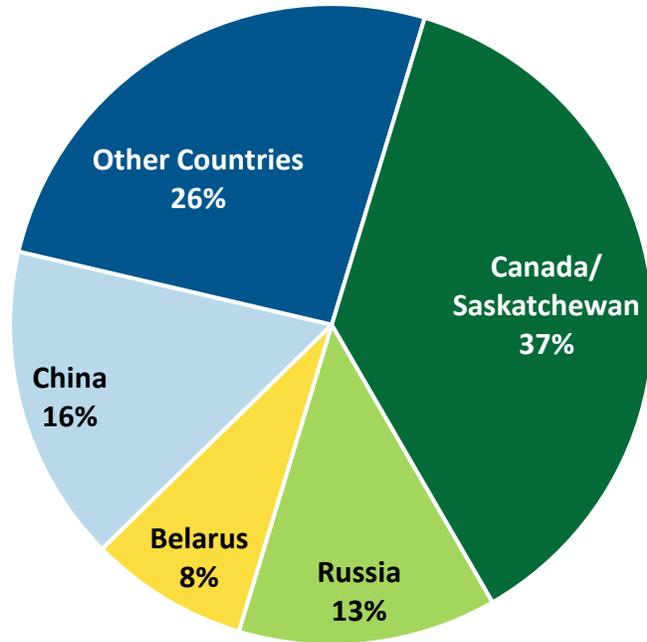


- Potash is used as a major nutrient in crop production and Saskatchewan is the largest producer with extensive reserves.

Source: <https://www.ifastat.org/databases/plant-nutrition>, accessed November 2023



Potash Production Zones



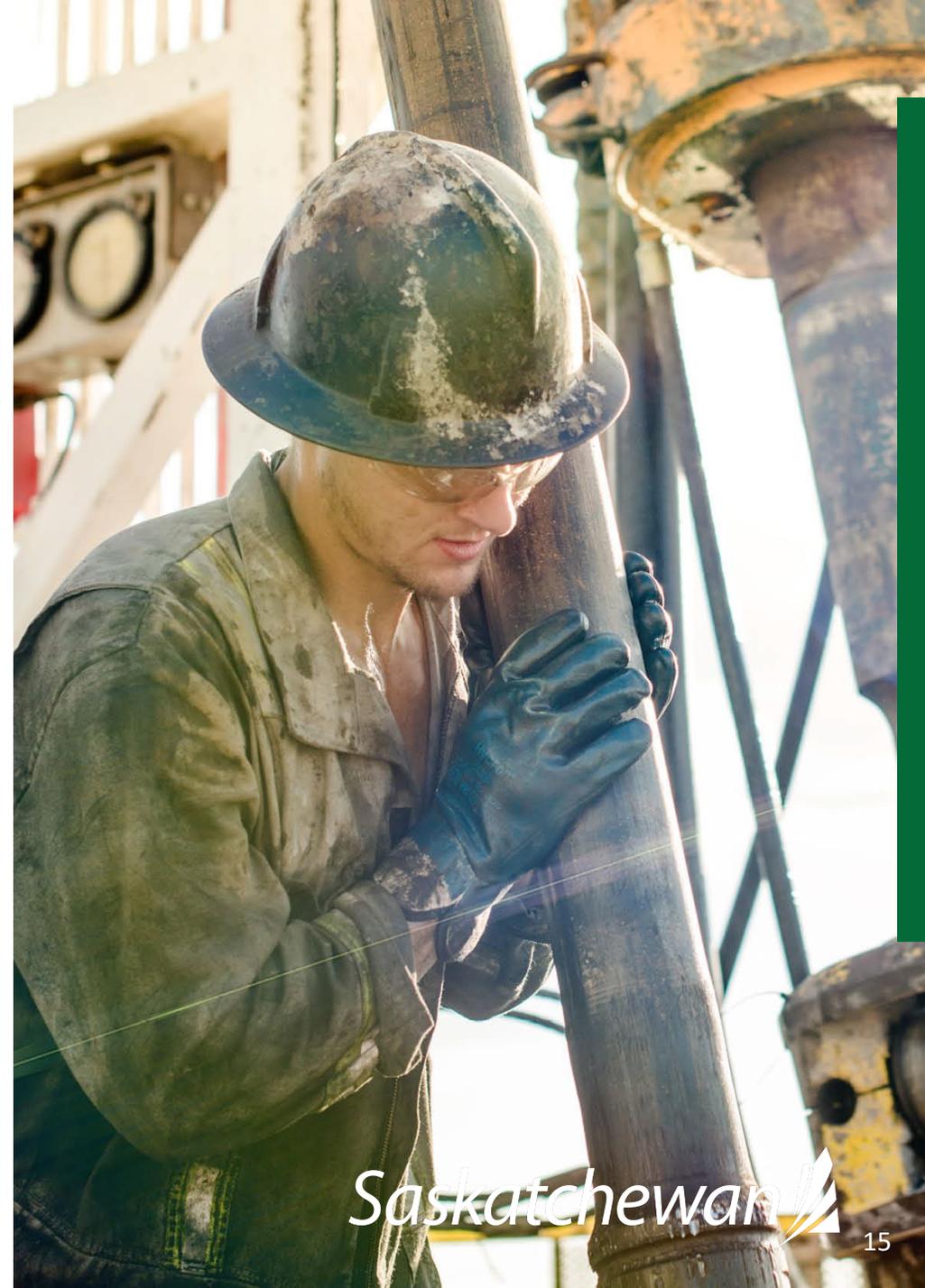
- In 2022, Saskatchewan accounted for 37% of global potash production (typically one-third)
- Sanctioned production in Belarus and Russia is making its way to market, normalizing prices

Source: USGS, Mineral Commodity Summary, January 2023



Energy

- Saskatchewan is Canada's 2nd largest producer of oil and 3rd largest producer of natural gas in Canada
- Saskatchewan oil production is conventional light, medium and heavy grades
- Home to the world's largest high-grade uranium deposits



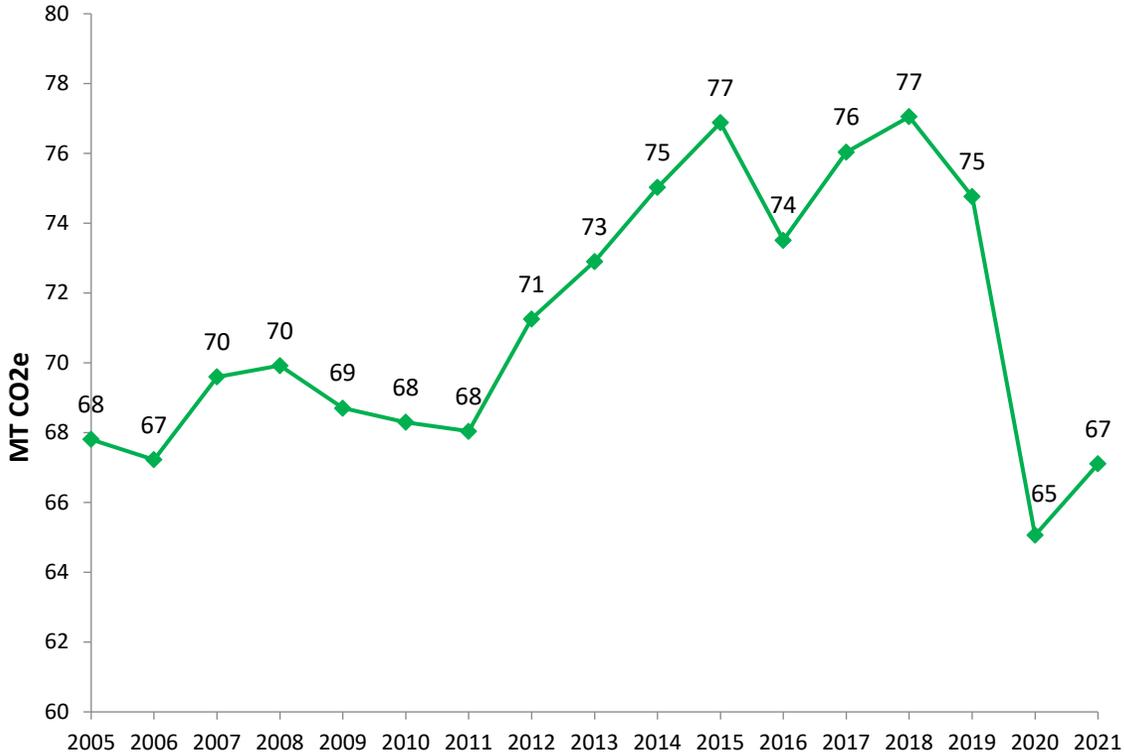
Clean Energy and Environmental Strategy

- Targeting 50% renewable power sources by 2030
- Transition to net zero to include small modular reactors
- Methane emission reduction targets for oil and gas
- World's largest commercial carbon capture facility

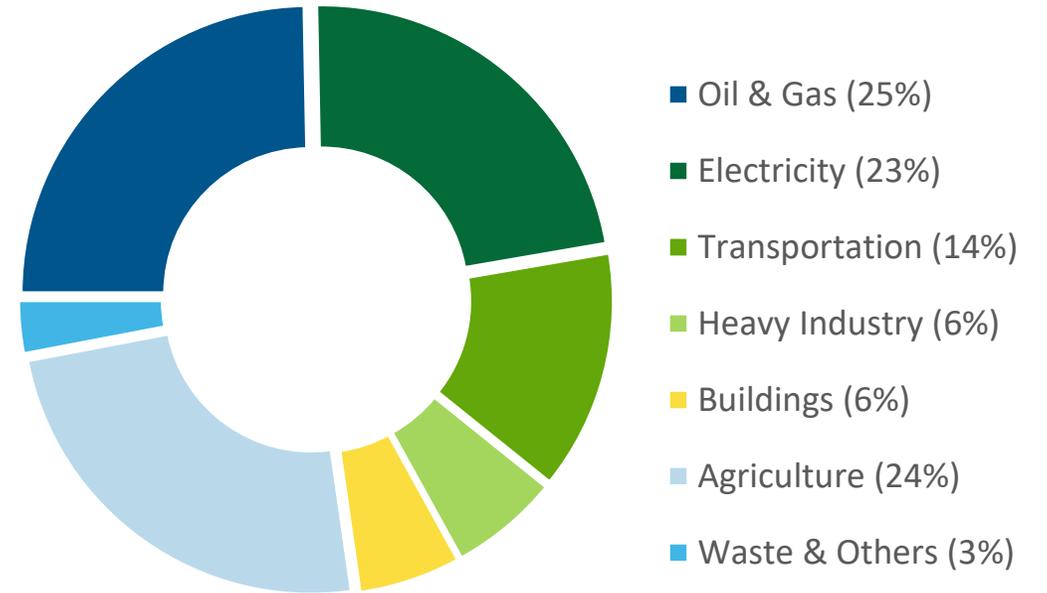


GHG Emissions Profile

Saskatchewan's GHG Emissions, 2005-2021



Saskatchewan's GHG Emissions by Economic Sector, 2021

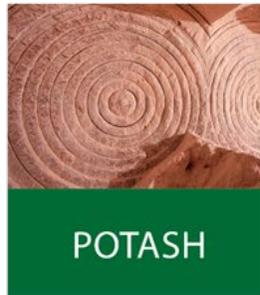


Capital Investment

- Private sector capital investment is expected to grow by 27.0%, from \$10.4 billion in 2022 to \$13.2 billion in 2023
- Mining and oil and gas investment is expected to increase by 41.5%, from \$5.5 billion in 2022 to \$7.8 billion in 2023
- Major private sector capital projects with an aggregate estimated value of \$42.6 billion expected to be completed over the next 5 to 10 years



Top International Export Products



POTASH

\$16.3B



OIL

\$13.2B



WHEAT

\$4.7B



CANOLA OIL

\$3.5B



CANOLA SEED

\$2.7B



LENTILS

\$2.0B



PEAS

\$1.1B



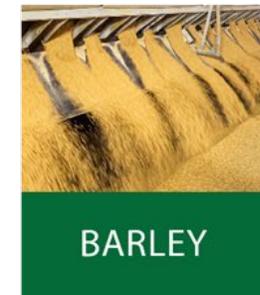
CANOLA MEAL

\$913M



AGRICULTURAL
MACHINERY

\$697M



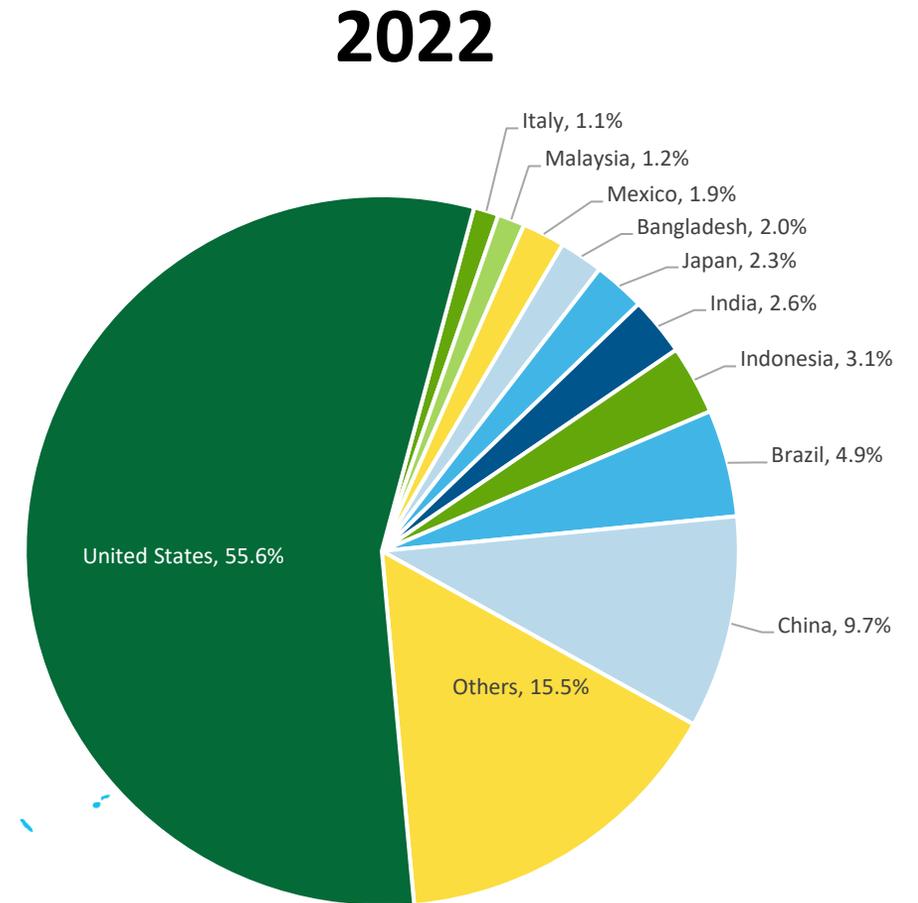
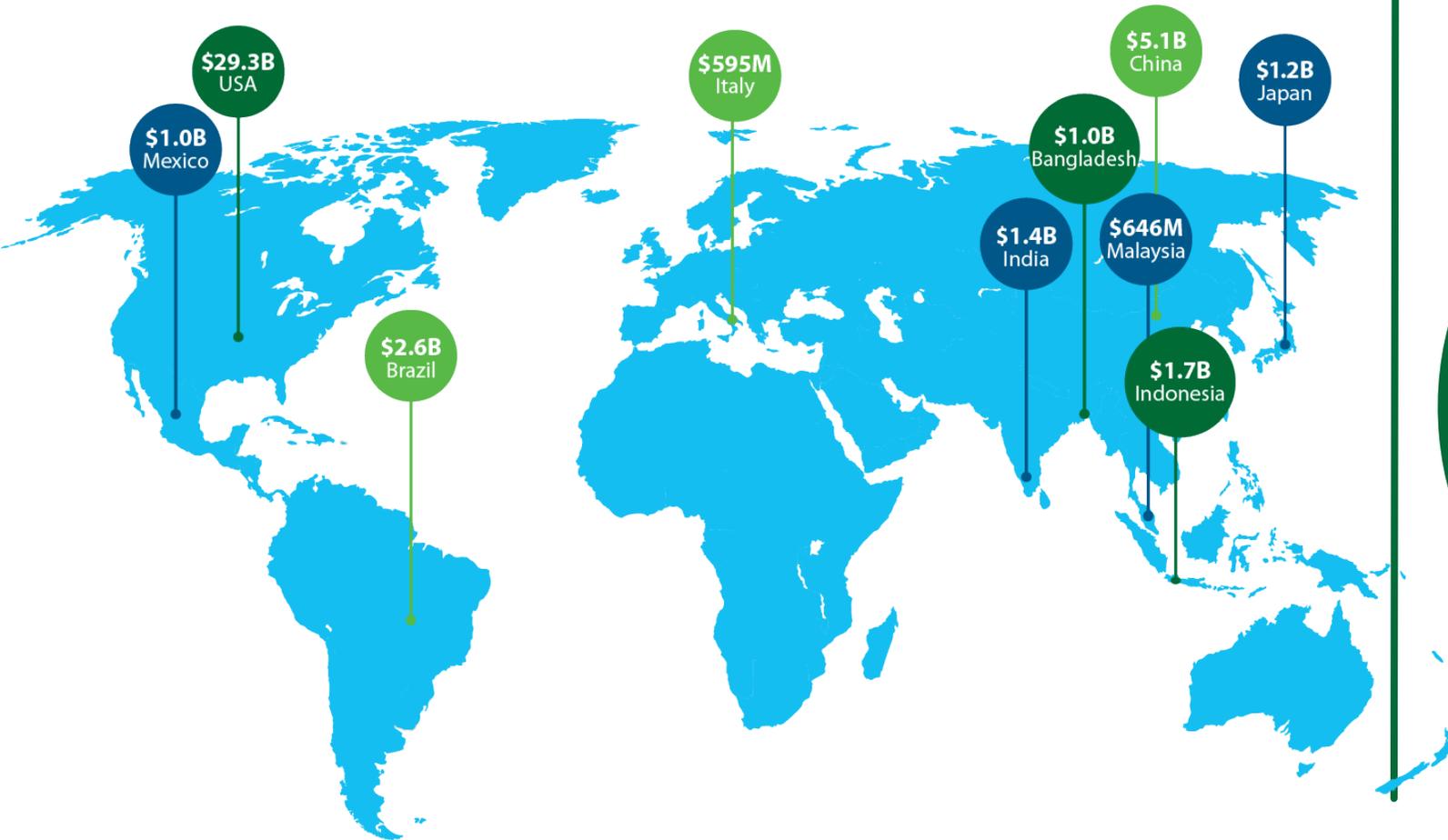
BARLEY

\$551M

Source: Canada Trade Data Online, accessed August 2023
Data may not total 100% due to rounding
Dollar figures are in \$CAN.

TOTAL EXPORTS FOR 2022 = \$52.6B

Top Export Markets



Source: Canada Trade Data Online, accessed August 2023
Data may not total 100% due to rounding
Dollar figures are in \$CAN.

Mid-year Fiscal Update

(millions of dollars)	2023-24			Change from	
	Budget	First Quarter	Mid-Year	Budget	First Quarter
Revenue	19,677.7	19,554.0	19,712.9	35.2	159.0
Expense	18,660.2	19,068.5	19,963.5	1,303.2	895.0
Surplus/(Deficit)	1,017.5	485.5	(250.5)	(1,268.0)	(736.1)
Key Metrics					
Gross Debt (\$M)	30,855	30,917	31,565	709.5	648.3
Net Debt (\$M)	14,128	14,348	15,046	918.2	698.2
Net Debt as % of GDP	12.9	13.3	13.3	0.4	-

\$1.3B fiscal deterioration from budget

- Revenue remains flat, increases in all revenue categories almost entirely offset by decrease in non-renewable resources primarily due to lower potash prices.
- Expenses up \$1.3 billion due primarily to crop insurance and inflation-indexed pension adjustments.

Economic Indicators at Mid-Year

Private Sector Economic Forecast

(per cent change unless otherwise noted)

	Actual	2023-24 Budget		2023-24 Mid-Year	
	2022	2023	2024	2023	2024
Real GDP	6.0	1.5	1.5	1.6	1.3
Nominal GDP	29.2	1.7	1.4	-1.2	2.2
CPI	6.6	3.5	2.1	4.0	2.5
Employment growth, 000s	19.8	4.7	4.1	7.9	5.3
Unemployment rate, %	4.7	5.0	5.4	5.0	5.4

Sources: Statistics Canada, Chartered Banks, Conference Board of Canada and IHS Markit

Resource Assumptions and Sensitivities

Key Resource Assumptions

	2022-23		2023-24		Change from	
	Actual	Budget	First Quarter	Mid-Year	Budget	First Quarter
WTI Oil Price (US\$/barrel)	89.59	79.50	74.47	80.22	0.72	5.75
Light-Heavy Differential (% of WTI)	18.9	23.8	13.9	14.1	(9.7)	0.2
Well-head Oil Price (C\$/barrel) ¹	91.26	78.07	77.97	85.14	7.07	7.17
Oil Production (million barrels)	166.7	170.5	167.2	166.8	(3.7)	(0.4)
Potash Price (netback, US\$/KCl tonne) ²	562	369	338	263	(106)	(75)
Potash Price (netback, C\$/K ₂ O tonnes) ²	1,205	814	744	663	(150)	(81)
Potash Sales (million KCl tonnes) ²	22.8	25.0	24.5	23.5	(1.5)	(1.0)
Potash Sales (million K ₂ O tonnes) ²	13.9	15.3	14.9	14.4	(0.9)	(0.6)
Canadian Dollar (US cents)	75.64	74.35	74.64	74.83	0.48	0.19

¹ The average price per barrel of Saskatchewan light, medium, and heavy oil

² Ministry of Finance calculations derived from calendar-year forecasts, KCl figures are estimated from K₂O statistics at 0.61 conversion rate

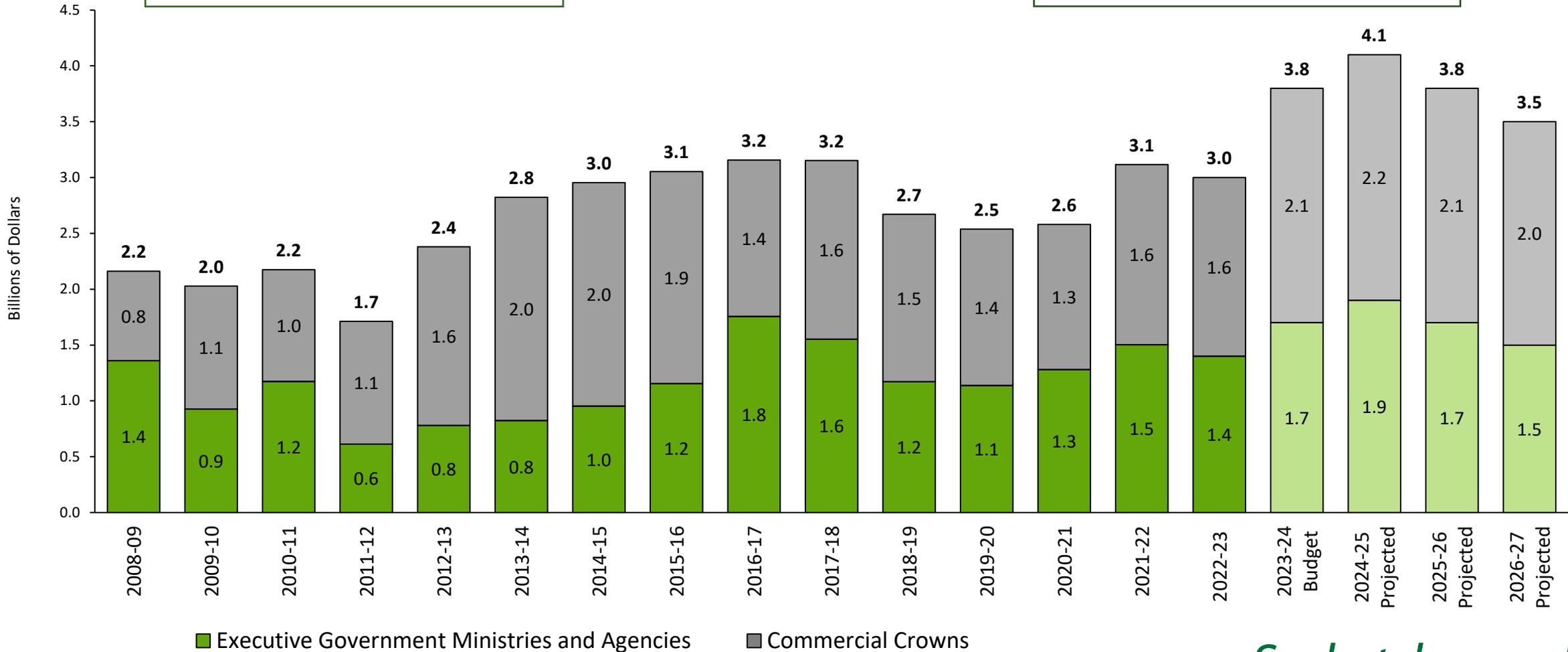
Key Sensitivities

- **WTI Oil Prices**
 - \$16M for each US\$1/barrel
- **Exchange Rate**
 - \$48M for each U.S. cent
- **Potash Prices**
 - \$66M for each US\$10/KCl tonne

Government Capital Expenditures

\$39.7B of capital investments since 2008-09

\$15.2B of capital investments over next 4 years



Low Debt Burden

Gross Debt

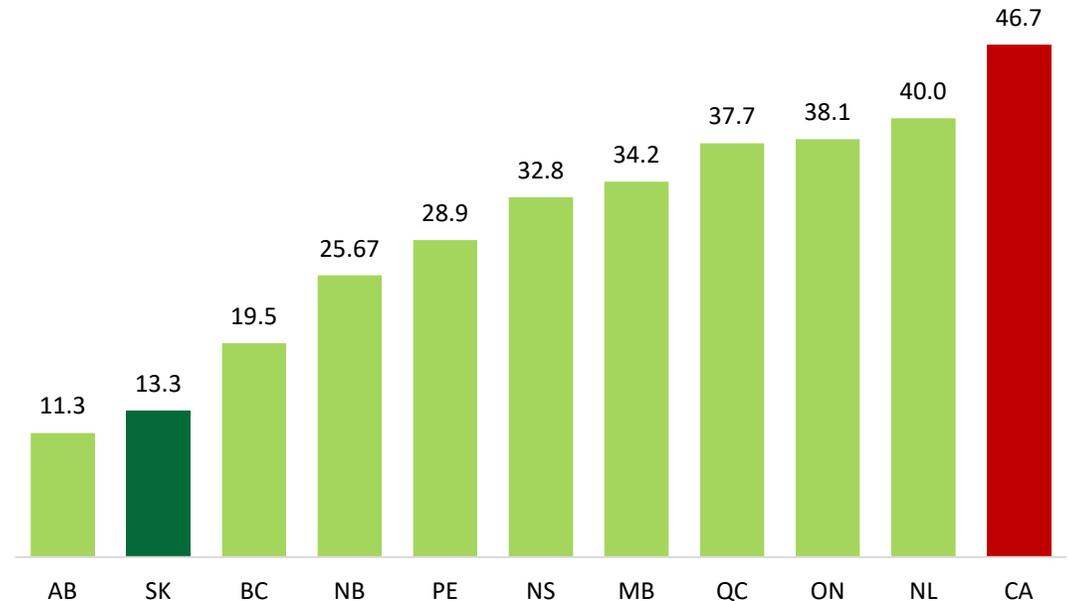
As at March 31

(millions of dollars)	2023-24		
	<i>Budget</i>	First Quarter	Mid-Year
General Revenue Fund			
- Operating	7,463.9	7,463.9	7,463.9
- Saskatchewan Capital Plan	10,371.1	10,371.1	11,171.1
Other Government Service Organizations	248.8	250.5	249.5
Taxpayer-Supported Debt	18,083.8	18,085.5	18,884.5
Government Business Enterprises			
	12,771.5	12,831.0	12,680.3
Self-Supporting Debt	12,771.5	12,831.0	12,680.3
Total	30,855.3	30,916.5	31,564.8

- Additional \$800M in Capital Plan debt due to change in current year fiscal forecast.
- Plan to retire \$988 million in operating debt unchanged.

Net Debt as a % of GDP Forecast

2023-24 Fiscal Yearend Projection



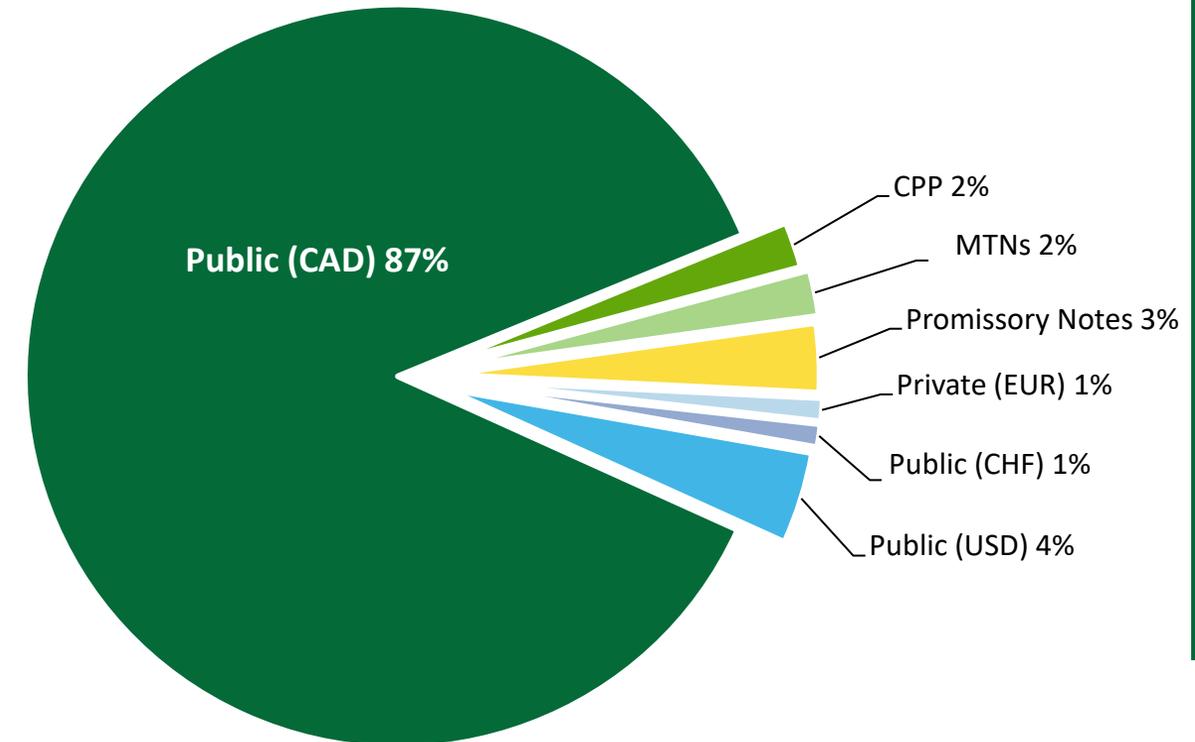
Sources: Net Debt: Jurisdictions most recent data (as of November 21, 2023).

GDP: SK-Average Private Sector forecast, Canada and other provinces-CBOC (Data Released in August, 2023)

Debt and Liquidity

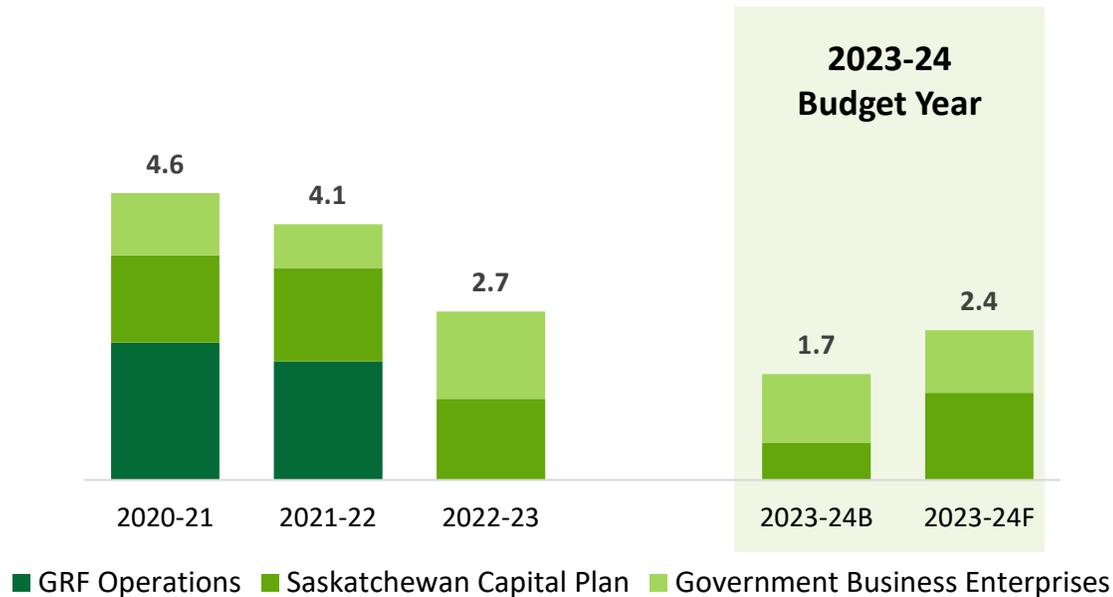
- CAD benchmarks
 - Global SEC USD shelf
 - Reinstating EMTN program
 - Opportunistic offshore issuance
 - Longer term debt maturity profile (~15 years)
-
- Sinking fund (~CAD \$2.5B)
 - \$4.0B short debt capacity (\$1.5B drawn)
 - \$1.25B – \$1.75B liquid reserves

Composition of Gross Debt Outstanding



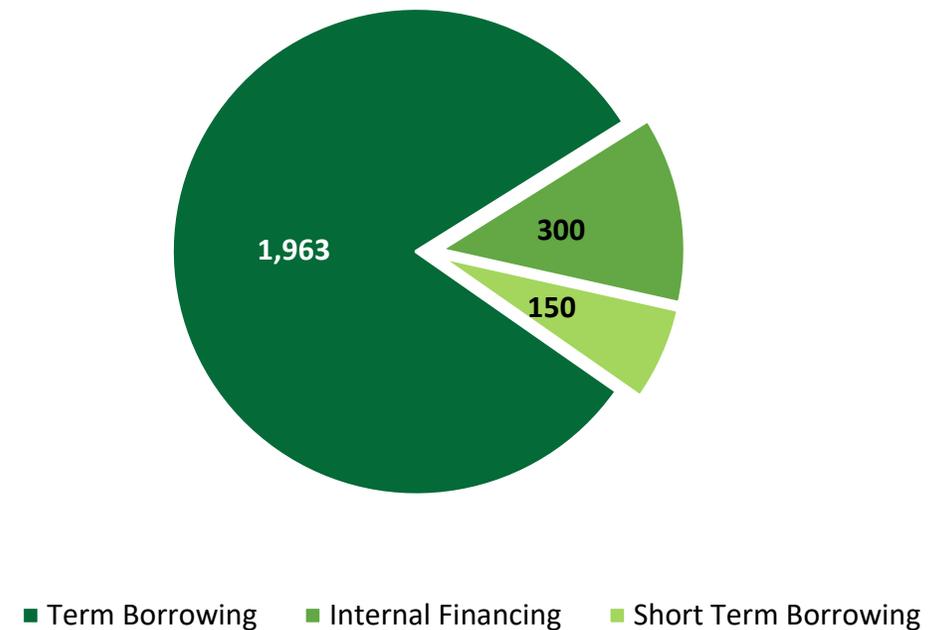
Borrowing Requirements

Annual Borrowing Requirements
(billions of dollars)



- No operating borrowing for fiscal 2022-23 and 2023-24
- All new borrowing for capital investment

2023-24 Term and Short-Term Borrowing
(millions of dollars)



- \$300M of term GBE borrowing was financed internally



Appendix

Economic Indicators at Mid-Year

	2023 YTD Levels	5-Year YTD Average ³	2022-2023 YTD Change (%) ⁴		2023 Period
			SK	Canada	
Population ('000s)	1,209.1	1,166.8	2.6%	3.0%	At July 1
Employment ('000s) ¹	590.7	566.5	1.5%	2.5%	Jan.-Oct.
Unemployment Rate (%) ¹	4.8	6.4	4.8	5.5	Jan.-Oct.
Employment Rate (%) ¹	64.1	63.9	64.1	62.2	Jan.-Oct.
Consumer Price Index (2002=100) ¹	159.8	142.9	4.5%	4.1%	Jan.-Sep.
Average Weekly Earnings (\$) ¹	1,162.3	1,074.8	2.4%	3.2%	Jan.-Aug.
Retail Sales (\$B) ²	16.6	14.3	0.6%	2.2%	Jan.-Aug.
Wholesale Trade (\$B) ²	48.9	n.a. ⁵	n.a. ⁵	n.a. ⁵	Jan.-Sep.
New Motor Vehicle Sales (# of Units) ²	27,738	30,447	-0.2%	9.7%	Jan.-Aug.
Food Services & Drinking Places Sales (\$M) ²	1,590.1	1,252.9	12.8%	15.5%	Jan.-Aug.
Manufacturing Sales (\$B) ²	16.8	12.9	-2.0%	1.5%	Jan.-Aug.
International Goods Exports (\$B) ²	36.6	26.2	-3.2%	-3.0%	Jan.-Sep.
Building Permits (\$B) ²	1.9	1.3	7.6%	-3.3%	Jan.-Sep.
Housing Starts (# of Units) ²	3,268	2,642	0.3%	-8.6%	Q1 - Q3
Investment in Building Construction (\$B) ²	2.7	2.5	-6.0%	-7.8%	Jan.-Aug.
Residential (\$B) ²	1.8	1.7	-11.4%	-14.1%	Jan.-Aug.
Non-residential (\$B) ²	0.9	0.8	7.7%	9.5%	Jan.-Aug.

Source: Statistics Canada, November 2023

¹Year to date average

²Year to date total

³Year to date average from 2018 to 2022

⁴Unemployment rate and employment rate are reported as year-to-date percentage levels, not percentage changes

⁵As a result of Statistic Canada methodology changes, comparison to prior years is not applicable

Mid-year Revenue Update

(millions of dollars)	2022-23	2023-24		Mid-Year	Mid-Year Change from	
	Actuals	Budget	First Quarter		Budget	First Quarter
Taxation	9,811.8	9,633.8	9,783.5	10,048.5	414.7	265.0
Non-renewable resources	4,603.1	3,344.6	2,815.7	2,626.8	(717.8)	(188.9)
Net income from government business enterprises	250.2	529.1	648.8	733.5	204.4	84.7
Other own-source revenue	2,572.9	2,615.6	2,726.4	2,738.7	123.1	12.3
Transfers from the federal government	3,356.6	3,554.6	3,579.6	3,565.5	10.9	(14.1)
Total Revenue	20,594.6	19,677.7	19,554.0	19,712.9	35.2	159.0

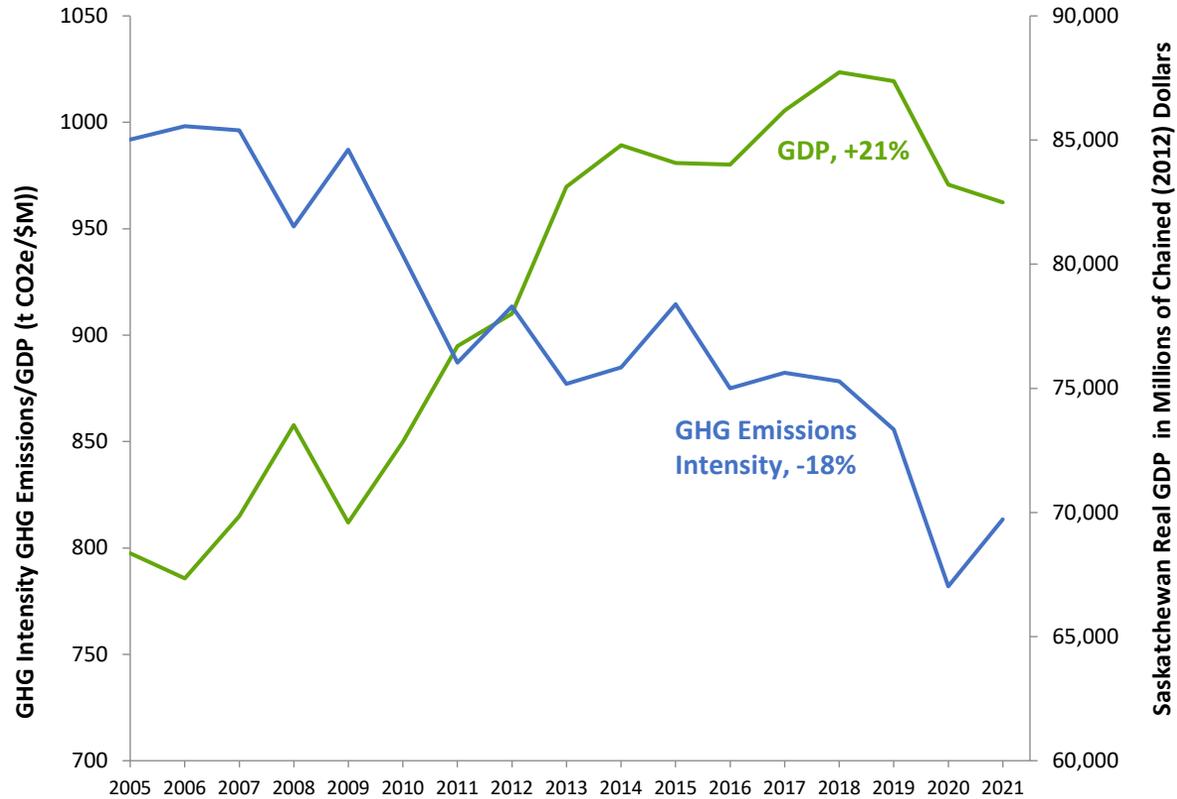
Revenue remains flat, with increases in all categories except non-renewable resources almost entirely offset by the decrease in non-renewable resources driven by lower potash prices and volumes.

Mid-year Expense Update

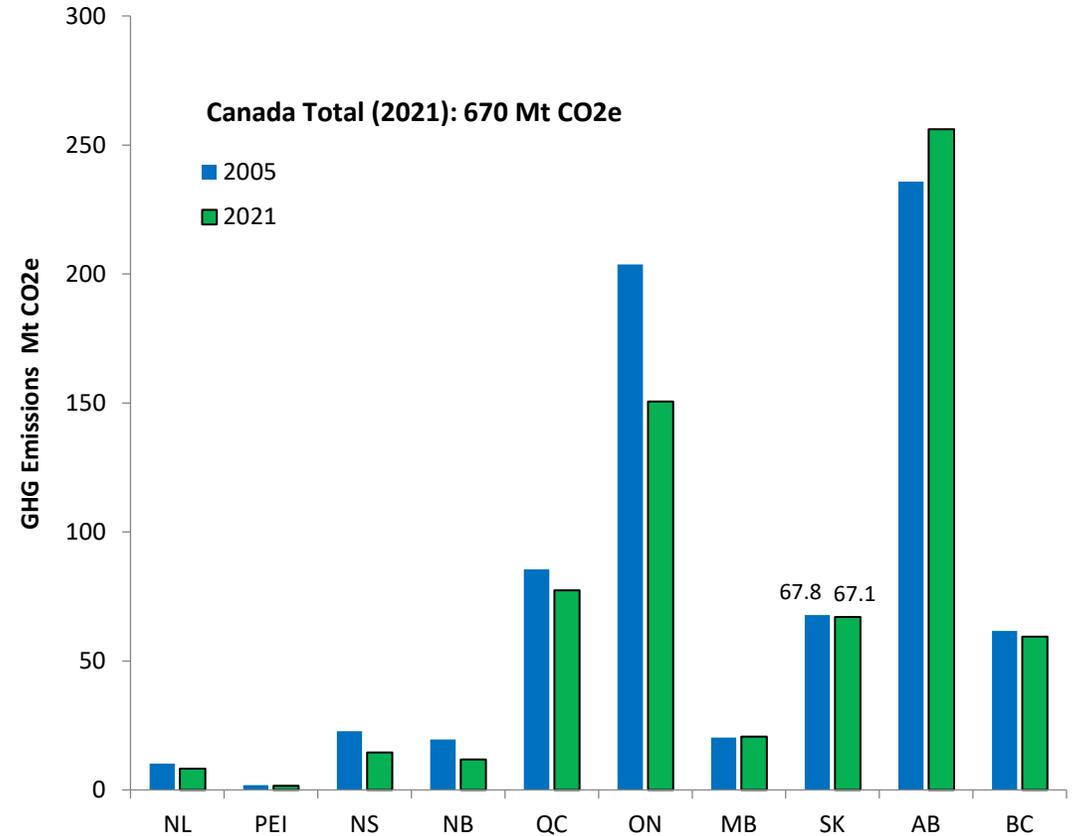
(millions of dollars)	2022-23	2023-24		Mid-Year	Mid-Year Change from	
	Actuals	Budget	First Quarter		Budget	First Quarter
Agriculture	1,835.0	1,449.8	1,449.8	2,302.9	853.0	853.0
Community development	758.2	866.0	866.0	877.3	11.2	11.2
Economic development	733.9	367.4	367.4	393.6	26.2	26.2
Education	3,792.2	4,035.7	4,304.2	4,306.4	270.7	2.2
Environment and natural resources	353.0	254.4	256.3	208.4	(46.0)	(47.9)
Financing charges	816.3	812.2	816.6	822.7	10.5	6.1
Health	512.0	7,056.3	7,056.3	7,056.3	-	-
General Government	7,010.1	540.1	584.4	585.4	45.3	0.9
Protection of persons and property	988.6	968.5	1,057.6	1,079.9	111.3	22.3
Social services and assistance	1,587.3	1,665.2	1,665.2	1,686.2	21.0	21.0
Transportation	627.3	644.6	644.6	644.6	-	-
Total Expense	19,013.9	18,660.2	19,068.5	19,963.5	1,303.2	895.0

GHG Emissions

GHG Emission Intensity to GDP, 2005-2021



Interprovincial Comparison of GHG Emissions, 2005-2021



Contact Information

Rod Balkwill

Executive Director
Treasury Management Branch
1 (306) 787-9473
rod.balkwill@gov.sk.ca

Tammi Keith

Director, Capital Markets
Treasury Management Branch
1 (306) 787-6605
tammi.keith@gov.sk.ca