

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

Annual Report and Financial Statements

For the Year Ended December 31, 2025

**THE UNIVERSITY OF WINNIPEG
TRUSTEED PENSION PLAN
ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended December 31, 2025**

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BOARD OF TRUSTEES

For the Association of Employees Supporting Education Services (AESES):

Tessa Pearen is a Coordinator with Student Central

Lorne Hilton is the Labour Relations Officer for AESES and has extensive experience and training in both Pension and Benefits Administration

For the International Union of Operating Engineers (IUOE):

Trevor Day is a Lead HVAC Technician

For the University:

Navinder Basra is the Vice-President, Finance & Administration

Colin Morrison is the General Counsel

Carrie Homeniuk is the Associate Vice-President, Human Resources

For the University of Winnipeg Excluded Employees:

Bryan Ward is the Director, HR Operations

For the University of Winnipeg Faculty Association (UWFA & UWFA-Collegiate):

Andrew Bendor-Samuel is the Director, Math & Science Tutoring Centre

Debbie Mortimer is an Instructor in Business & Administration

Jie Zhou is an Associate Professor in Economics

For the University of Winnipeg Retirees Association (UWRA):

Mary Anne Walls is a retired Manager of Campus Health and Wellness

Jeff Babb is a retired Mathematics Associate Professor

External Trustees:

Henry Hudek, MBA, CFA, is a retired Vice-President, Business Development with Cardinal Investment where he worked directly with the Cardinal advisor network, supporting referring advisors and their clients within Manitoba and across Western Canada

Sheila Wilson-Kowal, CFA, Portfolio Manager, Director of Equity Research with Cardinal Capital Investment.

Ron Youngson is a retired Director of Group Retirement for Onyx Financial Group, responsible for all phases of new case establishment, including plan design, investment menu selection, member communication and education.

BOARD EXECUTIVE AND BOARD COMMITTEES

Board Executive:

- Lorne Hilton (Chair)
- Colin Morrison (Vice-Chair)
- Navinder Basra (Treasurer)
- Andrew Bendor-Samuel (Secretary)

Defined Contribution Committee:

- Andrew Bendor-Samuel (Chair)
- Bryan Ward
- Debbie Mortimer
- Ron Youngson
- Colin Morrison
- Tessa Pearen
- Jeff Babb
- Trevor Day
- Lorne Hilton
- Jie Zhou

Operations Committee:

- Bryan Ward (Chair)
- Mary Anne Walls
- Lorne Hilton
- Andrew Bendor-Samuel
- Navinder Basra
- Carrie Homeniuk

Defined Benefit Committee:

- Navinder Basra (Chair)
- Lorne Hilton
- Colin Morrison
- Ron Youngson
- Sheila Wilson-Kowal
- Jeff Babb
- Andrew Bendor-Samuel
- Henry Hudek

Board of Trustees Code of Conduct

1. *Act in good faith and in the best interest of Plan beneficiaries*
2. *Act with prudence and reasonable care*
3. *Act with skill, competence and diligence*
4. *Maintain independence and objectivity and avoid conflict of interest*
5. *Abide by all applicable laws, rules and regulations including the terms of the Plan*
6. *Deal fairly, objectively and impartially with all beneficiaries*
7. *Take actions that are consistent with the established mission of the Plan*
8. *Review on a regular basis the efficiency and effectiveness of the Plan's success in meeting its goals*
9. *Maintain confidentiality of Plan and beneficiary information*
10. *Communicate with beneficiaries and supervisory authorities in a timely, accurate and transparent manner*
11. *Maintain clarity and respect in the relationship between the stakeholders and the Trustees*

REPORT OF THE CHAIR

Another hectic year has gone by, and the financial and political environment have become even more uncertain. Continued unrest in the world with the war and the Tariffs in the United States are influencing the financial markets in ways that are unpredictable and unprecedented.

Although our pension funds have survived this turmoil, it is clear that too much uncertainty will eventually impact our investments performance.

I would also like to make a special thank you for the important service of outgoing trustee Colin Morrison who has decided to retire after 14 years with the University. Colin has been a great source of expertise for the pension committee during his time providing a commitment to high standards which has helped to lead the plan successfully during his time. In addition, his large appetite for financial research and knowledge has been something to aspire to for myself and other committee members, and he will be dearly missed. All the best in your retirement!

The Defined Benefit portion of the plan had a strong year, and our fund earned 9.18% annual return for the year 2025. The latest actuarial valuation from Eckler stated that the overall assets of the plan stood at \$135,634,000 as of December 31, 2025. With the improved funding status of the plan, the next valuation must be completed no later than December 31, 2027.

The Defined Benefit plan has 48 active members remaining in the plan as of December 31, 2025. Navinder Basra continued as Chair of the Defined Benefits committee and navigated communication with our investment partners, actuarial representatives (Eckler) & financial advisors (AON) throughout the past year. Currently the committee is reviewing underperformance of a fund manager.

The Defined Contribution funds held by Desjardins continued to grow and currently there are 913 members in the fund and assets of approximately \$179,835,671 as of December 31, 2025. Andrew Bendor-Samuel, Chair of the DC Committee, continues to lead our committee applying his experience as needed for administering the relationship with Desjardins. Onyx Financial continued to carry out member education and financial advice as needed for the plan members.

Operations Committee Chair, Bryan Ward continues to refine and improve the deliverables of the committees work to ensure that all of their responsibilities are met and the annual budgets continue to be appropriate while ensuring member services are not impacted.

Finally, I would also like to thank both Claire Hince and Bryan Ward for the exceptional services they provide daily to plan members while also supporting our committees to ensure that the plan is administered efficiently and carefully throughout the year.

Lorne Hilton (Chair)

OPERATIONS COMMITTEE REPORT

The Operations Committee of the Board of Trustees serves the Board in three main areas:

- it acts as an annual audit committee,
- it acts as the Governance Committee for the Board of Trustees,
- and it is responsible for Trustee education.

The Committee reviews the services provided to the Pension Plan on a regular basis to ensure they are of a high quality and reasonable cost. Where indicated, the Committee undertakes the work necessary to improve the governance of the Plan.

Audit

The Committee reviewed the annual audit report with the auditors and recommended the report to the Board. The Committee also reviewed the budget for the administration of the Plan before recommending it to the Board for approval. The Committee regularly reviews the financial statements of the Plan and monitors budgetary expenditures quarterly.

Governance

The Committee is responsible for ensuring that the governance practices of the Plan are regularly evaluated against industry best practice guidelines as outlined by the Canadian Association of Pension Supervisory Authorities (CAPSA). The Committee maintains a Calendar of Deliverables, outlining responsibilities for each of the DB, DC, and Operations Committees, which is reviewed quarterly to ensure compliance. The committee completed its initial review of the new CAPSA guidelines in 2025, but work continues to ensure we are complying.

Education

The Operations Committee encourages and promotes Trustee education. Since 2016, the Committee has dedicated time at each Board meeting for Trustees who attend workshops and conferences to present on the prominent issues and developments in pensions and trust law.

Conclusion

Finally, on behalf of the members of the Operations Committee, we thank the following Trustees who left the Board and the various Board Committees:

- Joan Duesterdiek, representing AESES; and
- James Townsend, representing the UWFA-Collegiate; and
- Murray Wiegand, representing the UWRA.

The Committee welcomed the following Trustees to the Board in 2025:

- Tessa Pearen, representing AESES; and
- Jie Zhou, representing the UWFA-Collegiate; and
- Jeff Babb, representing the UWRA.

Bryan Ward (Chair)

DEFINED BENEFIT COMMITTEE REPORT

In 2025, the global financial markets remained resilient with broad gains across major asset classes, despite early volatility due to uncertain global economic conditions and intensifying geopolitical tensions.

Due to growth in the market, net assets of the Plan as at December 31, 2025 increased by \$3.2m to \$134.9m, up from \$131.7m as at December 31, 2024. The market gains caused the net assets available for benefits to exceed the actuarially calculated obligations, resulting in a net pension surplus of \$4m.

The DB Committee continuously monitors the performance of our investment managers with the assistance of our external consultant, AON, from whom we receive quarterly statistical data on market performance and performance of our managers. Additional analysis was requested for the Canadian Equities market to support the performance review, portfolio and investment approach of Beutel Canadian equity, including meeting with Beutel team

Benchmarks are established for each component of the fund, along with the total fund, to allow assessment of managers' performances. The Total Fund tracked its benchmark, value was added through an overweight position in Global Equity, though was offset by the underperformance CSSB Real Estate. Total Fund results relative to long term (four-year) objectives.

1. Improve the DB Plan's funded status on a going-concern basis –**Achieved**
2. Meet or exceed Total Fund Benchmark, net of fees–**Not Achieved**.
3. Achieve value added objectives in each active mandate –**Partially Achieved**.

The cash in the portfolio as at December 31, was \$1,139 million, in-line with the reserve target of \$1.0million.

The Board approved the new Statement of Investment Policies and Procedures (SIPP) with an effective date of December 1, 2025. The approved SIP included a repositioning of the asset mix which required a rebalancing of assets between mandates.

The CAPSA Self- Assessment Questionnaire, which is a pension industry best-practices governance tool for use by Boards of Trustees was completed in February 2025

On a solvency and wind-up basis, the Plan is now fully funded, with the solvency ratio increasing from 89.3% to 105.4%, as the ratio of the plan is more than 85%, the annual actuarial valuations are no longer required. The Plan continues to operate under a solvency

funding exemption but is still required to report its solvency position. The next actuarial valuation is now required no later than December 31, 2027

The DB committee and with AON have had ongoing discussions, on the various implications of changing demographics of the plan. These include the potential consequences of alternative de-risking strategies of the plan and the implications to the future granting of Cost-of-Living Adjustments (COLAs) to pensions in the future.

The actuary, Eckler advised the four-year geometric average rate of return, net of investment and administrative expenses, on the market value of the fund for the period ending December 31, 2025, is 6.47%. Since this rate is in excess of the minimum required 6.0% return for the automatic granting of a COLA, there is a supplementary increase to be provided to pensioners effective July 1, 2026.

Navinder Basra,
(Chair)

DEFINED CONTRIBUTION COMMITTEE REPORT

The Defined Contribution Committee continued our regular reviews of all activities within the Defined Contribution (DC) portion of the Pension Plan. We have quarterly meetings with our Service Provider, Desjardins Financial Group, and our Educational Consultant, ONYX Financial Group. Our DC Consultant, Eckler, provides an annual, external review of Desjardins services and is also contacted for extra support when required.

In 2022 we introduced RRSP and TFSA accounts for DC Plan Members' spouses. I mention these options because I have had conversation with multiple faculty and staff members that were unaware of these additional supports. I thought it might be a good idea to remind DC Plan Members about these new opportunities. The TFSA and RRSP spousal accounts provide an opportunity for DC Plan Members spouses to contribute to their own TFSA and RRSP savings accounts through Desjardins. This allows partners to access the same funds as DC Pension Plan Members, with the same low fees. Reduced fees help to increase total assets at retirement. A Spousal RRSP was also added. This allows Plan Members to contribute an RRSP account in their spouse or common-law partner's name, where the partner receives the retirement income, but the Member gets the tax credit. This can be done to reduce the tax burden for the larger income earner.

In a similar vein, I thought Members might have missed last year's roll-out of a decumulation option for DC Members retiring from the Plan. Decumulation allows retiring DC Plan Members to keep their assets within the University's DC Plan. The size of Plan allowed the Board of Trustees to maintain the same low fees for retirees as while saving for retirement. The Plan's fees are often significantly lower than those offered by the larger banks and credit unions. These savings can have a noticeable impact on how long your assets will last.

Finally, a reminder that ONYX Financial has been hired to provide educational support to DC Plan Members and their spouses. Chris at ONYX can help you with a range financial advice, from your fund selection to retirement planning. This can include options like deciding whether a TFSA or an RRSP is better for you, if you have some extra funds you would like to invest.

As I did last year, I would like to thank the DC Committee, with a special shout-out to Bryan Ward and Claire Hince for all their effort.

Andrew Bendor-Samuel
(Chair)

REPORT OF THE TREASURER

Overview

This report provides a summary of the financial performance of the University of Winnipeg (the “University”) Trusteed Pension Plan (the “Plan”) for the year ended December 31, 2025.

The Plan

The Plan has two distinct segments: the defined benefit (“DB”) segment, which is closed to new members, and the defined contribution (“DC”) segment, established January 1, 2001, which all new employees join on their date of employment.

The DB segment is intended to provide members with a monthly pension upon retirement. The annual pension payable to a member is calculated using a prescribed formula that considers:

- Years of credited service
- Annual average pensionable salary (less a percentage of the member’s Canada Pension Plan average earnings)

According to current Plan provisions, the pension formula is subject to a Plan benefit maximum of \$1,722.22 per year of credited service. Retirement options include a choice of monthly pension from a variety of payment options, or a transfer of the commuted value to a LIRA (locked-in retirement account) or a LIF (life income fund). The DB segment is funded by member and University contributions and investment earnings.

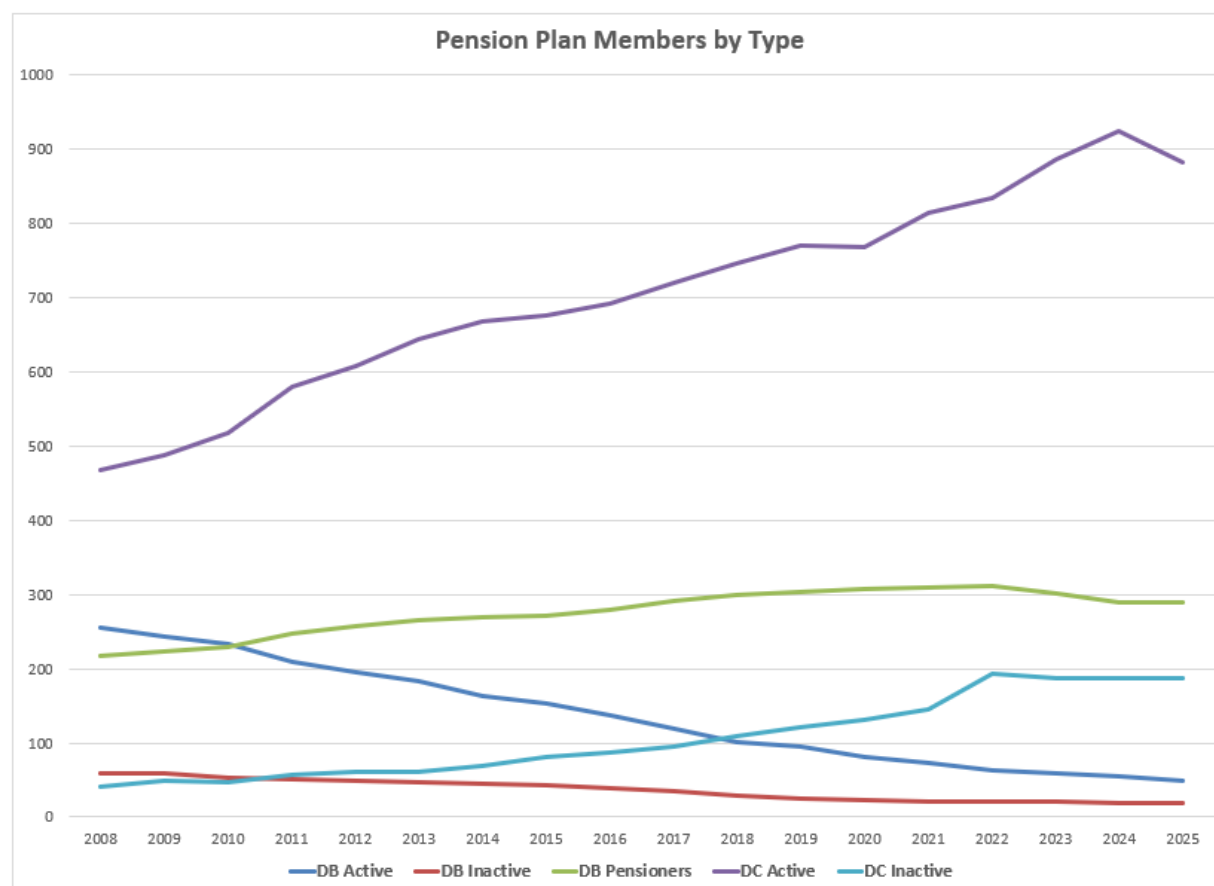
The DC segment is intended to provide members with a pension benefit upon retirement that is based on contributions made by the member and the University into a range of investment choices provided through Desjardins Insurance (“Desjardins”). The combination of the contributions and investment earnings provide members with a lump sum value that can be transferred into another registered retirement investment vehicle or invested through Desjardins to provide a monthly pension.

For additional information relating to the Plan please visit the following website:
<http://www.uwinnipeg.ca/hr/benefits/pension.html>.

Membership

A modest decline in DC membership was noted in 2025, reflecting normal employee turnover, including retirements and departures not fully offset by new hires. Membership in the DB segment continues its gradual decline, as expected, given that the plan is closed to new entrants. The accompanying graph illustrates changes in membership over time by member

type, including active and inactive members, where inactive members represent individuals who are no longer employed by the University but have not yet settled their pension benefits. Overall, these trends are consistent with the Plan's structure and the ongoing transition toward a primarily DC based membership.



Financial Results

The 2025 financial statements were prepared in accordance with Canadian accounting standards for pension plans for the accounting policies related to the investment portfolio and the pension obligations.

Fixed Income

The Fund's fixed income investments saw a modest increase in fair value in 2025, increasing from \$41.8 million in 2024 to \$43.9 million at year-end. During the year, the Fund undertook a \$4.4 million rebalancing, shifting assets from international equities into fixed income in order to more closely align with the target asset allocation outlined in the Statement of

Investment Policies and Procedures (“SIPP”). While this rebalancing increased exposure to fixed income at a time when valuations remained below cost, it reflects a disciplined, long-term approach to portfolio management rather than a response to short-term market conditions. The fixed income portfolio continues to play a critical role in providing stability, income generation, and diversification within the overall Fund.

The Fund’s fixed income portfolio continued to reflect fair values below cost at December 31, 2025, consistent with the prior year. This position is primarily the result of the interest rate environment over the past several years. Bond prices move inversely to interest rates and following the significant increases in rates experienced in 2022 and 2023, yields remained elevated through 2024 and into 2025. Although interest rates began to stabilize during 2025, they did not decline sufficiently to restore bond prices to levels above their original purchase cost. As a result, fixed income securities acquired in lower-rate environments continue to carry unrealized losses.

This impact is more pronounced given the structure of the Fund’s fixed income investments, with approximately 30% allocated to the Beutel Goodman Long Term Bond Fund and 70% to the Beutel Goodman Income Fund. The Long-Term Bond Fund, with an average term ranging from 9 to 25 years, is inherently more sensitive to changes in interest rates due to its longer duration profile. Similarly, while the Income Fund is more diversified across maturities, it maintains a significant allocation to medium- and longer-term bonds. Both mandates demonstrate meaningful sensitivity to even small changes in interest rates, reinforcing that valuation fluctuations are largely driven by market conditions rather than underlying credit risk.

Importantly, the credit quality of the fixed income portfolio remains strong, with the majority of holdings rated A or higher and significant exposure to federal and provincial government bonds. This indicates that the decline in fair value is not related to credit deterioration but rather reflects broader market adjustments to higher interest rates. These unrealized losses are expected to reverse over time as bonds approach maturity and are redeemed at par, or in the event that interest rates decline.

Canadian Equities

The Fund’s Canadian equity investments performed well in 2025, with fair value increasing from \$23.9 million in 2024 to \$25.9 million at year-end. These investments continue to show strong gains compared to their original cost. Performance was supported by stable conditions in the Canadian market, particularly in sectors such as energy, materials, and financials. Canadian equities remain an important part of the Fund’s portfolio, providing both growth and dividend income while contributing to overall diversification.

U.S. Equities

The Fund's U.S. equity investments saw a modest decrease in fair value in 2025, declining from \$40.6 million in 2024 to \$39.3 million at year-end, while continuing to reflect strong gains relative to cost. During the year, the cost base decreased as a result of the \$4.4 million rebalancing into fixed income to better align with target asset allocation. As a result, although fair value declined slightly in dollar terms, the value of these investments remains strong relative to their reduced cost base, indicating continued unrealized gains. Performance reflects broader market conditions, where U.S. equities delivered positive but more moderate returns compared to other regions. These investments are held through the BlackRock CDN World Index Fund and remain a key source of long-term growth in the portfolio.

International Equities

The Fund's international equity investments performed well in 2025, with fair value increasing from \$12.7 million in 2024 to \$13.7 million at year-end. The cost base decreased during the year due to the \$4.4 million rebalancing into fixed income, and the higher fair value compared to the prior year indicates that these investments have increased further relative to cost. This reflects continued unrealized gains within the portfolio. Performance was supported by improving conditions in developed markets outside of North America. These investments are held through the BlackRock CDN World Index Fund and continue to enhance diversification and contribute to overall portfolio growth.

Real Estate

The Fund's real estate investments continued to perform well in 2025, with fair value remaining stable at approximately \$11.1 million, consistent with the prior year, while continuing to reflect significant gains relative to cost. These investments, held through the ADMS Keystone Real Estate Fund managed through the Civil Service Superannuation Board (CSSB), maintain a substantial unrealized gain position, with fair value, well in excess of the original investment. Performance in 2025 reflects stable underlying property values and ongoing income generation, despite a higher interest rate environment. Real estate continues to provide diversification within the portfolio and serves as a steady, income-producing asset class that complements the Fund's broader investment strategy.

Summary

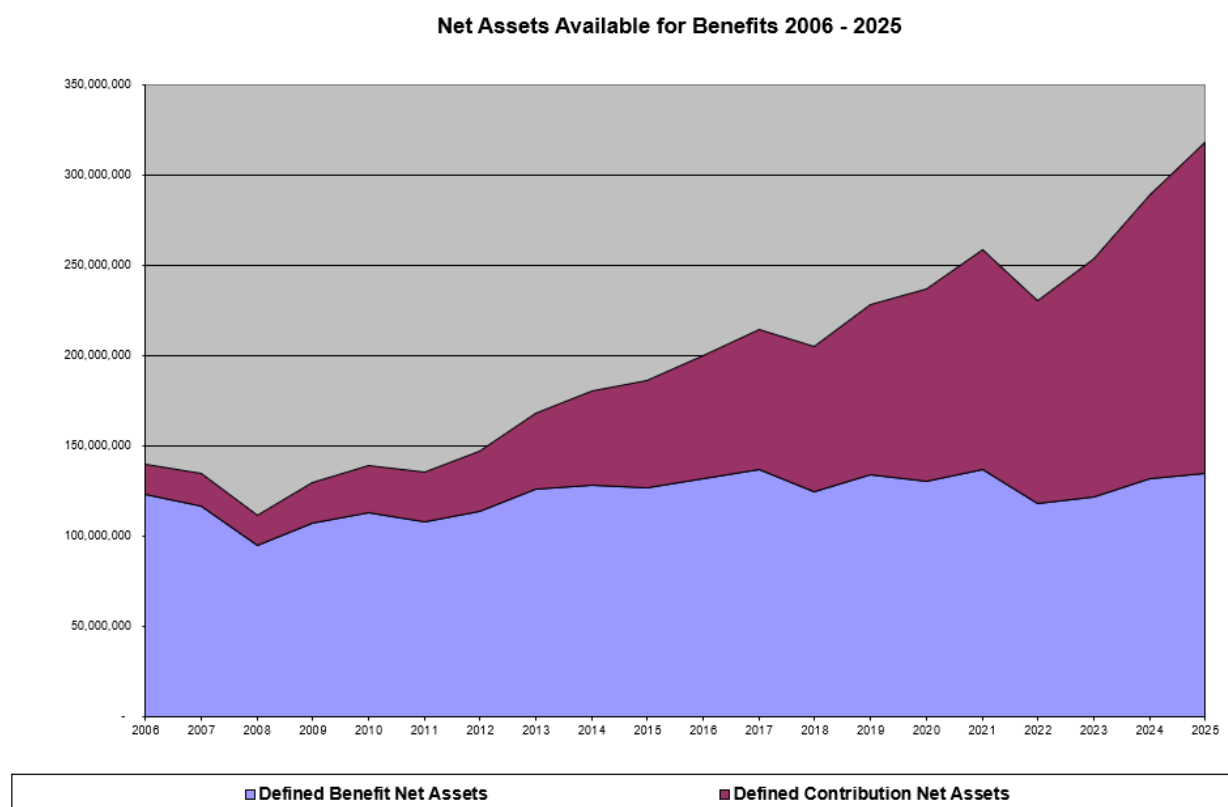
Due to the growth in the market, net assets of the Plan as at December 31, 2025 increased by \$29.3 million to \$318.3 million, up from \$289.0 million as at December 31, 2024. In the DB segment of the Plan, the net pension surplus was \$4.0 million up from \$0.4 million as at December 31, 2024. This is due to a decrease in the obligation for pension benefits combined with the increase in net assets available for benefits. In the DC segment of the Plan, net assets

available for benefits increased by \$26.1 million primarily due to net return on investments as contributions into the plan were offset by termination benefit payments.

The net return on investments for the year ended December 31, 2025, on the DB segment of the Plan, based on market value and net of expenses, was 9.18%. According to the smoothing calculation, which is a geometric average of returns over a four-year period ended December 31, 2025, the average return on the fund was 6.47%. This smoothing method of calculating the return on the DB segment of the Plan is used to determine whether a cost-of-living increase is payable to pensioners. For a cost of living increase to be payable, the smoothed rate of return earned by the DB fund must be greater than 6.0%. Since the smoothed rate for 2025 was in excess of 6.0%, a pension increase of 0.47% in respect of 2025 will be provided to pensioners effective July 1, 2026.

Overall, the net return on investments for 2025 on the DC segment of the Plan was positive however the return by member will vary depending on the investment funds selected.

The following graph provides an overview of the change in the Plan's net assets.



Valuation

In accordance with the Pension Benefits Act of Manitoba, an actuarial valuation of the DB segment is required at least every three years, with more frequent valuations required if funding levels fall below prescribed thresholds. While the next valuation was originally scheduled for December 31, 2025, an updated valuation was completed early as at December 31, 2024, to reflect favourable market conditions. The results show a significant improvement in the Plan's financial position, driven primarily by strong investment returns in 2023 and 2024. The going-concern deficit decreased from \$16.3 million at December 31, 2022, to \$2.2 million at December 31, 2024, with the funded ratio increasing from 87.9% to 98.4%.

On a solvency and wind-up basis, the Plan is now fully funded, with the solvency ratio improving from 89.3% to 105.4%. As a result, no solvency special payments are required. The Plan continues to operate under a solvency funding exemption but is still required to report its solvency position. The next actuarial valuation is now required no later than December 31, 2027.

The improved funding position has also reduced required contributions. Annual special payments have decreased significantly from \$1.5 million to approximately \$0.2 million, lowering total required contributions from approximately \$2.6 million to \$1.2 million. While a small going-concern deficit remains, it continues to be amortized over time and does not impact the benefits being accrued or paid to members. Overall, the valuation reflects a materially strengthened financial position for the Plan.

Additional information on the valuation is available on the Trustees website under Documents & Forms at: <http://www.uwinnipeg.ca/hr/benefits/pension-trustees.html>

Contributions, Benefit Payments and Plan Expenses

Active members and the University continue to make regular contributions to both the DB and DC segments in accordance with the Plan's established contribution formulas. In addition, the University made supplementary contributions to the DB segment in 2025, including approximately \$0.2 million in special payments related to the going-concern deficiency identified in the most recent valuation, and \$0.4 million to fund current service shortfalls and plan expenses. These additional contributions are expected to continue, at reduced levels, until the remaining deficiency is fully addressed.

The accompanying financial statements are intended to assist Plan members and other users in understanding the financial position and activities of the Plan for the year. These statements do not reflect the Plan's funding requirements, which are determined through the actuarial valuation of the DB segment.

The Plan's 2025 financial statements received an unqualified audit opinion from KPMG, the independent auditors appointed by the Board of Trustees.

The following table summarizes the non-investment related transactions of the Plan.

	2021	2022	2023	2024	2025
<u>Contributions</u>					
DB Member	\$ 381,217	\$ 348,346	\$ 309,928	\$ 292,479	\$ 275,945
DB University	3,433,873	1,859,853	2,296,645	2,253,881	968,083
DC Member	3,768,539	4,122,909	4,187,496	4,653,957	4,755,256
DC University	3,835,981	4,196,292	4,313,657	4,809,096	4,912,766
Total Contributions	<u>\$11,419,610</u>	<u>\$10,527,400</u>	<u>\$11,107,726</u>	<u>\$12,009,413</u>	<u>\$10,912,050</u>
<u>Distributions</u>					
DB Pensioners	\$10,100,498	\$10,236,051	\$10,150,636	\$ 9,885,898	\$ 9,725,136
DB Refunds & Transfers	1,135,309	1,500,870	321,169	27,333	-
DC Refunds & Transfers	5,561,668	4,625,363	4,000,458	7,794,354	10,424,666
DB Investment Manager Fees	240,778	212,085	163,894	172,854	181,598
DB Actuarial Fees	55,207	38,115	61,530	19,910	53,609
DB Administration Fees	35,279	31,434	25,938	30,545	36,751
DB Custodial Fees	64,656	64,034	56,696	57,918	58,374
DB Other Expenses	73,786	52,319	78,694	85,425	72,420
Total Distributions	<u>\$17,267,181</u>	<u>\$16,760,271</u>	<u>\$14,859,015</u>	<u>\$18,074,237</u>	<u>\$20,552,554</u>

Contribution and distribution activity in 2025 reflects the ongoing transition of the Plan. DB member contributions continued to decline, consistent with the reduction in active DB membership as the plan remains closed and members retire. DB University contributions were lower in 2025, reflecting reduced special funding requirements following the improved funded position identified in the most recent valuation. In the DC segment, member and University contributions increased modestly year-over-year, despite a decline in active membership. This increase is primarily attributable to higher salary levels, which offset the impact of fewer contributing members.

The decline in DC active membership in 2025 reflects increased retirements and employee departures, combined with lower new enrolments during the year due to hiring constraints. This trend is also evident in distributions, where DC refunds and transfers increased significantly, driven by a higher number of retirements and employee departures, particularly among long-

serving employees with larger account balances. DB pension payments remained relatively stable, while DB refunds and transfers decreased year-over-year due to fewer members transferring out of the Plan.

Membership trends within the DB segment remain consistent with expectations for a closed plan. Active membership continues to decline, while the number of pensioners remains relatively stable, as new retirements are largely offset by normal mortality and survivor benefit adjustments. Plan expenses were generally consistent with prior years, with the exception of actuarial fees, which increased in 2025 due to the actuarial valuation performed during the year. Overall, these trends are consistent with a maturing DB segment and continued activity within the DC segment of the Plan.

DC Fund Asset Mix

The DC segment of the Plan is a member directed investment plan administered through Desjardins.

The following table summarizes the percentage of assets invested in each fund offered by the DC segment of the Plan as at December 31, 2025.

Fund Name	% of Fair Value
BG American Equity	0.4%
Daily Interest Savings	0.3%
Desjardins Sustainable Equity	0.6%
Desjardins Sustainable Fixed Income	0.1%
DFS BlackRock Cnd Equity Index	1.3%
DFS BlackRock MSCI EAFE Equity Index	0.7%
DFS BlackRock Univ Bond Index	0.4%
DFS BlackRock US Equity Index (Reg)	3.8%
DGAM Money Market	1.6%
Fidelity ClearPath Inst. 2020	2.0%
Fidelity ClearPath Inst. 2025	10.3%
Fidelity ClearPath Inst. 2030	13.4%
Fidelity ClearPath Inst. 2035	18.6%
Fidelity ClearPath Inst. 2040	17.6%
Fidelity ClearPath Inst. 2045	13.6%
Fidelity ClearPath Inst. 2050	8.1%
Fidelity ClearPath Inst. 2055	3.5%
Fidelity ClearPath Inst. 2060	1.3%
Fidelity ClearPath Inst. 2065	0.1%
Fidelity ClearPath Inst. Income	0.3%
Jarislowsky Fraser Cnd Equity	0.9%
Mawer International Equity	0.7%
PH&N Core Plus Bond Fund	0.4%
Total	100.0%

Navinder Basra, BA, CPFA, CPA, CMA
Treasurer, University of Winnipeg Trusteed Pension Plan

April 14, 2026

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

Management's Responsibility for Financial Reporting

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

Management is responsible for maintaining appropriate systems of internal control designed to provide reasonable assurance that the Plan's assets are safeguarded, transactions are properly authorized and recorded, and reliable financial information is available on a timely basis.

The Board of Trustees is responsible for overseeing management's performance of its financial reporting responsibilities and for reviewing and approving the financial statements.

(Original signed by Navinder Basra)

Navinder Basra, BA, CPFA, CPA, CMA
Vice-President Finance & Administration

(Original signed by Natalie Van Rosmalen)

Natalie Van Rosmalen, CPA, CMA
Comptroller

June 15, 2026

Andrew Kulyk, FSA, FCIA

Actuary's Opinion

Eckler Ltd. had been retained by The Board of Trustees of the University of Winnipeg Trusteed Pension Plan Trust to perform an actuarial valuation of the assets and the going-concern liabilities of the defined benefit part of the University of Winnipeg Pension Plan (the "Plan") as at December 31, 2024 and adapted that valuation for inclusion in the Plan's financial statements. Eckler Ltd. has prepared an extrapolation of the results of that valuation to December 31, 2025 for inclusion in the Plan's financial statements.

In my opinion, for the purposes of the valuation,

- (a) the membership data on which the valuation is based are sufficient and reliable,
- (b) the assumptions are appropriate, and
- (c) the methods employed in the valuation are appropriate.

This report has been prepared and my opinion given in accordance with accepted actuarial practice in Canada.

June 15, 2026

Date

(Original signed by Andrew Kulyk)

Andrew Kulyk

Fellow, Canadian Institute of Actuaries



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1900 – 360 Main Street
Winnipeg, MB R3C 3Z3
Canada
Tel 204 957 1770
Fax 204 957 0808

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of The University of Winnipeg Trusteed Pension Plan

Opinion

We have audited the financial statements of The University of Winnipeg Trusteed Pension Plan (the Plan), which comprise:

- the statement of financial position as at December 31, 2025
- the statements of changes in net assets available for benefits for the year then ended
- the statements of changes in obligations for pension benefits the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as at December 31, 2025, and its changes in net assets available for benefits and its changes in pension obligations for the year then ended in accordance with Canadian accounting standards for pension plans.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor’s Responsibilities for the Audit of the Financial Statements***” section of our auditor’s report.

We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor’s report thereon, included in the “Annual Report”.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



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

In connection with our audit of the financial statements, our 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 our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for pension plans, and for such internal control as management determines is necessary to enable the preparation of 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 Plan'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 management either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Plan's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our 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 the financial statements.

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



We 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 our 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 the Plan'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 the Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Plan 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.
- 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 we identify during our audit.

Signed "**KPMG LLP**"

Chartered Professional Accountants

Winnipeg, Canada

June 15, 2026

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

STATEMENT OF FINANCIAL POSITION

(see Schedule B)

	December 31, 2025	December 31, 2024
Assets		
Cash and cash equivalents	\$ 1,178,795	\$ 1,347,690
Accounts receivable	24,652	22,553
Contributions receivable:		
Members	20,461	21,797
University	24,613	167,609
Due from The University of Winnipeg	507	82
Investment income receivable	43,632	33,746
Investments (Schedule A)	317,802,621	287,503,423
	<u>319,095,281</u>	<u>289,096,900</u>
Liabilities		
Accounts payable and accrued liabilities	123,742	124,324
Contributions overpayment:		
University	629,977	-
Due to The University of Winnipeg	3,637	3,503
	<u>757,356</u>	<u>127,827</u>
Net assets available for benefits	318,337,925	288,969,073
Obligation for pension benefits	<u>314,296,381</u>	<u>288,551,979</u>
Net pension surplus	<u>\$ 4,041,544</u>	<u>\$ 417,094</u>

Continuity of operations [Note 2(a)(ii)]

On behalf of the Board of Trustees:

(Original signed by Lorne Hilton) Chair(Original signed by Colin Morrison) Vice-Chair

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

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

(see Schedule C)

	Year Ended December 31, 2025	Year Ended December 31, 2024
Increase in net assets		
Contributions (Note 6)		
Members' required	\$ 5,031,201	\$ 4,946,436
University's current service	5,677,849	5,514,977
University's special payments	203,000	1,548,000
Transfers from other plans	631,425	1,038,254
	<u>11,543,475</u>	<u>13,047,667</u>
Net return on investments		
Investment income	7,243,068	6,587,341
Change in fair value of investments:		
Net change in unrealized gain on investments	17,796,683	24,304,246
Net realized gain on investments	13,338,180	9,765,028
	<u>38,377,931</u>	<u>40,656,615</u>
Payments to or on behalf of members		
Retirement benefit payments	(9,725,136)	(9,885,898)
Termination benefit payments	(10,424,666)	(7,821,687)
	<u>(20,149,802)</u>	<u>(17,707,585)</u>
Administrative expenses		
Investment management fees	(181,598)	(172,854)
Actuarial fees	(53,609)	(19,910)
Administrative fees	(36,751)	(30,545)
Custodial fees	(58,374)	(57,918)
Audit fees	(26,578)	(30,837)
Other expenses	(45,842)	(54,588)
	<u>(402,752)</u>	<u>(366,652)</u>
Net increase in net assets	29,368,852	35,630,045
Net assets available for benefits, beginning of year	<u>288,969,073</u>	<u>253,339,028</u>
Net assets available for benefits, end of year	<u>\$ 318,337,925</u>	<u>\$ 288,969,073</u>

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

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

STATEMENT OF CHANGES IN OBLIGATIONS FOR PENSION BENEFITS

	Year Ended December 31, 2025			Year Ended December 31, 2024		
	Defined Benefit Segment	Defined Contribution Segment	Total	Defined Benefit Segment	Defined Contribution Segment	Total
Obligations for pension benefits, beginning of year	\$ 131,302,000	\$ 157,249,979	\$ 288,551,979	\$ 131,540,000	\$ 131,772,016	\$ 263,312,016
Interest accrued on benefits	6,152,000	-	6,152,000	6,414,000	-	6,414,000
Net investment return	-	26,266,621	26,266,621	-	22,771,010	22,771,010
Experience (gain) loss	(1,440,000)	-	(1,440,000)	141,000	-	141,000
Contributions and transfers in	-	10,299,447	10,299,447	-	10,501,307	10,501,307
Benefits accrued	822,000	-	822,000	844,000	-	844,000
Benefits paid, refunds and transfers	(9,725,000)	(10,424,666)	(20,149,666)	(9,913,000)	(7,794,354)	(17,707,354)
Actuarial loss	<u>3,794,000</u>	<u>-</u>	<u>3,794,000</u>	<u>2,276,000</u>	<u>-</u>	<u>2,276,000</u>
Obligations for pension benefits, end of year	<u>\$ 130,905,000</u>	<u>\$ 183,391,381</u>	<u>\$ 314,296,381</u>	<u>\$ 131,302,000</u>	<u>\$ 157,249,979</u>	<u>\$ 288,551,979</u>

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

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

SUMMARY OF INVESTMENTS

	December 31, 2025			December 31, 2024		
	Fair Value	Cost	% of Fair Value	Fair Value	Cost	% of Fair Value
Defined benefit:						
Fixed income	\$ 43,922,296	\$ 44,965,272	32.7	\$ 41,797,878	\$ 41,926,505	32.0
Canadian equities	25,885,253	19,740,848	19.3	23,859,573	19,708,502	18.3
U.S. equities	39,311,609	25,382,455	29.2	40,621,718	28,927,154	31.2
International equities	13,689,109	8,838,691	10.2	12,705,278	9,047,562	9.8
Real estate	11,056,607	5,711,059	8.2	10,922,010	5,711,059	8.4
Short-term	<u>546,873</u>	<u>546,873</u>	<u>0.4</u>	<u>347,069</u>	<u>347,069</u>	<u>0.3</u>
	134,411,747	105,185,198	100.0	130,253,526	105,667,851	100.0
Defined contribution	<u>183,390,874</u>	<u>166,807,609</u>		<u>157,249,897</u>	<u>153,822,623</u>	
Total investments	<u>\$ 317,802,621</u>	<u>\$ 271,992,807</u>		<u>\$ 287,503,423</u>	<u>\$ 259,490,474</u>	

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

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

STATEMENT OF FINANCIAL POSITION BY SEGMENT

As at December 31, 2025

	Defined Benefit Segment	Defined Contribution Segment	Total
Assets			
Cash and cash equivalents	\$ 1,178,795	\$ -	\$ 1,178,795
Accounts receivable	24,652	-	24,652
Contributions receivable:			
Members	20,461	-	20,461
University	24,613	-	24,613
Due from The University of Winnipeg	-	507	507
Investment income receivable	43,632	-	43,632
Investments (Schedule A)	134,411,747	183,390,874	317,802,621
	<u>135,703,900</u>	<u>183,391,381</u>	<u>319,095,281</u>
Liabilities			
Accounts payable and accrued liabilities	123,742	-	123,742
Contributions overpayment:			
University	629,977	-	629,977
Due to The University of Winnipeg	3,637	-	3,637
	<u>757,356</u>	<u>-</u>	<u>757,356</u>
Net assets available for benefits	134,946,544	183,391,381	318,337,925
Obligations for pension benefits	<u>130,905,000</u>	<u>183,391,381</u>	<u>314,296,381</u>
Net pension surplus	<u>\$ 4,041,544</u>	<u>\$ -</u>	<u>\$ 4,041,544</u>

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

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS BY SEGMENT

For the year ended December 31, 2025

	Defined Benefit Segment	Defined Contribution Segment	Total
Increase in net assets			
Contributions (Note 6)			
Members' required	\$ 275,945	\$ 4,755,256	\$ 5,031,201
University's current service	765,083	4,912,766	5,677,849
University's special payments	203,000	-	203,000
Transfers from other plans	-	631,425	631,425
	<u>1,244,028</u>	<u>10,299,447</u>	<u>11,543,475</u>
Net return on investments			
Investment income	3,302,356	3,940,712	7,243,068
Change in fair value of investments:			
Net change in unrealized gain on investments	4,640,866	13,155,817	17,796,683
Net realized gain on investments	<u>4,168,088</u>	<u>9,170,092</u>	<u>13,338,180</u>
	<u>12,111,310</u>	<u>26,266,621</u>	<u>38,377,931</u>
Payments to or on behalf of members			
Retirement benefit payments	(9,725,136)	-	(9,725,136)
Termination benefit payments	-	(10,424,666)	(10,424,666)
	<u>(9,725,136)</u>	<u>(10,424,666)</u>	<u>(20,149,802)</u>
Administrative expenses			
Investment management fees	(181,598)	-	(181,598)
Actuarial fees	(53,609)	-	(53,609)
Administrative fees	(36,751)	-	(36,751)
Custodial fees	(58,374)	-	(58,374)
Audit fees	(26,578)	-	(26,578)
Other expenses	(45,842)	-	(45,842)
	<u>(402,752)</u>	<u>-</u>	<u>(402,752)</u>
Net increase in net assets	3,227,450	26,141,402	29,368,852
Net assets available for benefits, beginning of year	<u>131,719,094</u>	<u>157,249,979</u>	<u>288,969,073</u>
Net assets available for benefits, end of year	<u>\$ 134,946,544</u>	<u>\$ 183,391,381</u>	<u>\$ 318,337,925</u>

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

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

1. Description of the trustee pension plan

The following description of the University of Winnipeg Trusteered Pension Plan (the "Plan") is a summary only. For more complete information, reference should be made to the Plan Agreement, Trust Agreement and Transition Agreement.

The Plan was established as a contributory defined benefit pension plan on September 1, 1972, at which time the funds were invested with an insurance company. In 1977, the funds were transferred to a trust fund and professional investment counselors were retained. Eligible Plan members at December 31, 2000, were given the option to remain in the defined benefit segment of the Plan or convert their accrued benefits to the newly formed defined contribution segment of the Plan. All new employees hired after that date are required to become members of the defined contribution segment of the Plan. The Plan is registered under the Income Tax Act and the Manitoba Pension Benefits Act (Registration #309914).

On July 7, 2008 responsibility for plan administration was transferred to a Board of Trustees. The Board which includes representatives from stakeholder groups is responsible for all decisions related to the plan, except plan amendments which would cause an increase in cost to any stakeholder.

Prior to the transfer of responsibilities, a pension committee oversaw the administration of the Plan, monitored the investments with the assistance and advice of the investment committee, and made policy recommendations to the Board of Regents of the University of Winnipeg (the "University").

The Plan covers all eligible employees of the University, except those who are members of the United Church of Canada Pension Plan and those who are members of the Teachers' Retirement Allowances Fund. All employees join the Plan on their date of employment. Under the Plan, contributions are made by plan members and by the University (see Note 6 for funding policy).

The annual pension payable to a defined benefit member on retirement is based on the member's highest five year average earnings of their last 15 years of employment and years of credited service, subject to the Plan's maximum.

2. Significant accounting policies

(a) (i) Basis of presentation

The Plan follows Canadian accounting standards for pension plans for accounting policies related to its investment portfolio and pension obligations. In selecting or changing accounting policies that do not relate to its investment portfolio or pension obligations, the Plan complies on a consistent basis with Canadian accounting standards for private enterprises.

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

2. Significant accounting policies (continued):

These financial statements are prepared on the going concern basis and present the aggregate financial position of the Plan as a separate financial reporting entity. Only the net assets of the Plan and obligations to the members eligible to participate in the Plan have been included in these financial statements. These financial statements do not portray the funding requirements of the Plan or the security of benefits of individual Plan members.

(ii) Continuity of operations

In accordance with the Pension Benefits Act, an actuarial valuation of the defined benefit segment of the Plan is required at least every three years. An actuarial valuation of the defined benefit segment of the Plan as at December 31, 2024 was completed in 2025. This valuation established a going concern unfunded liability of \$2,199,000, which is being funded over a 15-year period ending December 31, 2039. The annual special payment required was \$203,000 in 2025. The next actuarial valuation of the defined benefit segment of the Plan is required no later than December 31, 2027 and would be completed during 2028.

The actuarial valuation at December 31, 2024 also reported that the defined benefit segment of the Plan had a solvency deficiency of \$7,606,000 at that date. The Plan is subject to the funding requirements of the Pension Benefits Act of Manitoba. It is required that any solvency deficiency to be funded over a five-year period. The University would normally be required under the Pension Benefits Act to make additional contributions to amortize the solvency deficiency over a five year period. However, the Provincial Government has provided universities in Manitoba with an opportunity to be permanently exempted from the usual solvency funding requirements while the Plan continues on a going concern basis. The University Pension Plans Exemption Regulation (Regulation 141/2007) was registered October 15, 2007. In February 2008, the Manitoba Pension Commission provided the University with confirmation of a permanent exemption from meeting the solvency funding requirements. There are no solvency special payments required over the period beginning on the valuation date and ending on December 31, 2029.

(b) Investments

Investments are stated at fair value. In determining fair values, adjustments have not been made for transaction costs as they are not considered to be significant. The change in the difference between the fair value and cost of investments at the beginning and end of each year is recorded in the Statement of Changes in Net Assets Available for Benefits in the line item entitled "Net change in unrealized gain on investments".

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

2. Significant accounting policies (continued):

Fair value of investments are determined as follows:

Bonds and equities are valued at year end quoted market prices where available. Where quoted prices are not available, estimated fair values are determined using comparable securities.

Real estate investments are valued at the most recent appraisals or external manager's valuations of the underlying properties.

Short-term notes, treasury bills and term deposits maturing within a year are stated at cost, which together with accrued interest income approximates fair value given the short-term nature of these investments.

(c) Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

The Plan has categorized its assets and liabilities that are carried at fair value on a recurring basis, based on priority of the inputs to the valuation techniques used to measure fair value, into a three level fair value hierarchy. Financial assets and liabilities measured at fair value are categorized as follows:

- | | |
|----------|---|
| Level 1: | Fair value is determined using unadjusted quoted prices in active markets for identical unrestricted assets or liabilities. |
| Level 2: | Fair value is based on quoted prices for similar assets and liabilities in active markets or on significant observable inputs. These inputs may be derived from market data through correlation with other observable means. |
| Level 3: | Fair value is based on valuation techniques that require one or more significant unobservable inputs. These unobservable inputs reflect the Plan's assumptions about what the market participants would use when pricing assets or liabilities. |

(d) Net realized gain on investments

The net realized gain on investments is the difference between proceeds received and the average cost of investments sold.

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

2. Significant accounting policies (continued)

(e) Investment income

Investment income, which is recorded on the accrual basis, includes interest, dividends and pooled fund distributions.

(f) Foreign currency translation

The fair values of foreign currency denominated investments recorded in the Statement of Financial Position are translated into Canadian dollars at the year end rates of exchange. Gains and losses arising from translations are recorded in the Statement of Changes in Net Assets Available for Benefits in the line entitled "Net change in unrealized gain on investments".

Foreign currency denominated transactions, as well as cost amounts included in Schedule A Summary of Investments, are translated into Canadian dollars at the rates of exchange in effect on the dates of the related transactions.

(g) Transaction costs

Transaction costs are incremental costs directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Actual transaction costs incurred are expensed and recorded in the Statement of Changes in Net Assts Available for Benefits in the line item entitled 'Net realized gain on investments'.

(h) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

(i) Fair value of other financial assets and financial liabilities

The carrying values of all other financial assets and liabilities approximate their fair market values due to the short term nature of these amounts.

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

3. Summary of investments

Schedule A Summary of Investments represents the total investments of the defined benefit segment and defined contribution segment of the Plan held by the custodians. In respect to the defined benefit segment of the Plan, external investment managers invest the Plan assets pursuant to the approved investment policy. The members of the defined contribution segment of the Plan select their own investments and have the right to allocate their pension assets to investment funds that are offered by the custodian.

4. Risk management

The Plan's investment activities are exposed to market risk, credit risk and liquidity risk. Market risk is comprised of interest rate risk, foreign currency risk and other price risk.

Defined Benefit Segment

(a) Market risk

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair value of financial instruments. Interest rate risk arises when the Plan invests in interest-bearing financial assets. The Plan is exposed to the risk that the value of such financial assets will fluctuate due to changes in the prevailing levels of market interest rates.

The Plan's exposure to interest rate risk is concentrated in its investments in bonds, debentures, short-term notes and deposits. To manage the Plan's interest rate risk, appropriate guidelines on the weighting and duration for fixed income investments are set and monitored by the Board of Trustees. As at December 31, 2025, if the prevailing interest rates increased or decreased by 100 basis points, with all other variables held constant, the Plan's net assets would have decreased or increased by approximately \$4,161,991 (\$3,766,603 as at December 31, 2024). The Plan's interest rate sensitivity was determined based on portfolio weighted duration.

(ii) Foreign currency risk

Foreign currency exposure arises from the Plan holding investments denominated in currencies other than the Canadian dollar. Fluctuations in the relative value of the Canadian dollar against these foreign currencies can result in a positive or a negative effect on the fair value of investments.

The Plan and its investment managers have the ability to utilize derivative instruments to mitigate foreign currency risk, subject to the approval of the Board of Trustees.

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

4. Risk management (continued)

The Plan's exposure to foreign currencies as a percentage of total defined benefit investments:

As at December 31, 2025	Actual Currency Exposure	% of Investments
Canadian dollar	\$ 78,245,523	58.2
U.S. dollar	42,477,117	31.6
Euro	4,685,571	3.5
Japanese yen	2,979,233	2.2
British pound sterling	2,008,102	1.5
Swiss franc	1,300,328	1.0
Other currencies	2,715,873	2.0
	\$ 134,411,747	100.0

As at December 31, 2024	Actual Currency Exposure	% of Investments
Canadian dollar	\$ 74,237,531	56.9
U.S. dollar	43,310,718	33.3
Euro	4,198,457	3.2
Japanese yen	2,945,514	2.3
British pound sterling	1,884,909	1.4
Swiss franc	1,395,822	1.1
Other currencies	2,280,575	1.8
	\$ 130,253,526	100.0

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

4. Risk management (continued)

As at December 31, 2025, if the Canadian dollar had strengthened or weakened by 10% in relationship to all foreign currencies, with all other variables held constant, the Plan's net assets would have decreased or increased by approximately \$5,616,622 (\$5,601,600 as at December 31, 2024).

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

To manage the Plan's other price risk, appropriate guidelines on asset diversification to address specific security, geographic, sector and investment manager risks are set and monitored by the Board of Trustees. As at December 31, 2025, if equity prices had increased or decreased by 10%, with all other variables held constant, the Plan's net assets would have increased or decreased by approximately \$7,888,597 (\$7,718,657 as at December 31, 2024).

(b) Credit risk

The Plan is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due.

All transactions in listed securities are settled upon delivery using approved investment managers. The risk of default is considered minimal, as delivery of securities sold is only made once the investment manager has received payment. Payment is made on a purchase once the securities have been received by the investment manager. The trade will fail if either party fails to meet its obligation. The breakdown of the Plan's fixed income portfolio (at fair value) by credit ratings from various rating agencies is presented below:

Credit Rating	December 31, 2025	December 31, 2024
AAA	\$ 9,369,847	\$ 10,449,753
AA	19,198,021	16,871,637
A	8,042,501	8,819,304
BBB	7,311,927	5,657,184
Total	\$ 43,922,296	\$ 41,797,878

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

4. Risk management (continued)

(c) Liquidity risk

Liquidity risk is the possibility that investments in the Plan cannot be readily converted into cash when required. The Plan may be subject to liquidity constraints because of insufficient volume in the markets for the securities of the Plan or the securities may be subject to legal or contractual restrictions on their resale.

Liquidity risk is managed by investing the majority of the Plan's assets in investments that are traded in an active market and can be readily disposed.

The table below summarizes the fair value by the earliest contractual maturity of the Plan's fixed income investments:

Maturity Date	December 31, 2025	December 31, 2024
Less than 1 year	\$ 1,400,071	\$ 538,368
1 - 5 years	10,577,323	10,053,260
Greater than 5 years	31,944,902	31,206,250
Total	\$ 43,922,296	\$ 41,797,878

Defined Contribution Segment

Investment allocation for the defined contribution segment of the Plan is directed by individual plan members to a series of investment funds. The funds may be exposed to a variety of financial risks. Each of the fund's exposures to financial risks is concentrated in its investment holdings and is managed by the respective fund managers. The risk management process for each fund manager includes the monitoring of compliance to the fund's investment policies and objectives. It is the responsibility of each fund manager to manage the potential effects of these financial risks on the fund's performance by regularly monitoring the fund's positions, market events and making adjustments to the fund as necessary to diversify investment portfolios within the constraints of the investment guidelines. The following is a list of the potential risks individual funds may be exposed to:

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

4. Risk management (continued)

Fund Name	Fair Value 2025	Fair Value 2024	Interest Rate Risk	Foreign Currency Risk	Other Price Risk	Credit Risk	Liquidity Risk
BG American Equity	\$ 741,376	\$ 804,478		X	X		
Daily Interest Savings	589,261	-	X			X	
Desjardins Sustainable Equity	1,189,480	1,091,742		X	X		
Desjardins Sustainable Fixed Income	146,837	183,593	X	X	X	X	X
DFS BlackRock Cdn Equity Index	2,311,797	1,433,440		X	X		X
DFS BlackRock MSCI EAFE Equity Index	1,340,058	1,219,163		X	X		X
DFS BlackRock Univ Bond Index	762,718	617,793	X	X	X	X	X
DFS BlackRock US Equity Index	-	1,336,313		X	X		X
DFS BlackRock US Equity Index (Reg)	6,933,022	4,683,189		X	X		X
DGAM Money Market	2,970,942	2,917,221	X			X	
Fidelity ClearPath Inst. 2020	3,693,570	6,184,294	X	X	X	X	X
Fidelity ClearPath Inst. 2025	18,875,778	19,439,277	X	X	X	X	X
Fidelity ClearPath Inst. 2030	24,350,850	21,584,947	X	X	X	X	X
Fidelity ClearPath Inst. 2035	34,192,724	29,481,883	X	X	X	X	X
Fidelity ClearPath Inst. 2040	32,247,219	25,996,661	X	X	X	X	X
Fidelity ClearPath Inst. 2045	24,899,951	19,345,685	X	X	X	X	X
Fidelity ClearPath Inst. 2050	14,842,013	11,055,408	X	X	X	X	X
Fidelity ClearPath Inst. 2055	6,351,423	4,603,455	X	X	X	X	X
Fidelity ClearPath Inst. 2060	2,396,823	1,594,844	X	X	X	X	X
Fidelity ClearPath Inst. 2065	250,715	-	X	X	X	X	X
Fidelity ClearPath Inst. Income	619,033	498,398	X	X	X	X	X
Jarislowsky Fraser Cdn Equity	1,674,015	1,476,163			X		
Mawer International Equity	1,253,311	1,133,670		X	X		X
PH&N Core Plus Bond Fund	757,958	568,280	X	X	X	X	X
	\$ 183,390,874	\$ 157,249,897					

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

5. Obligation for pension benefits

(a) Defined benefit obligation

The actuarial present value of accrued pension benefits under the defined benefit segment was determined using the projected unit credit actuarial method and using assumptions recommended by the actuary and approved by the Board of Trustees. An actuarial valuation of the Plan was prepared, effective December 31, 2024 by Eckler Ltd., a firm of consulting actuaries. The results were extrapolated by Eckler Ltd. to December 31, 2025. The extrapolation of the actuarial present value of the pension benefits as at December 31, 2024 and the principal components of changes in actuarial present values during the year are provided in the Statement of Changes in Obligations for Pension Benefits. The actuarial gain in 2025 was measured as the impact of changes in membership between the previous actuarial valuation as at December 31, 2022 and the actuarial valuation as at December 31, 2024.

The Plan provides that a pension increase in respect of a year is effective July 1 of the following year and is equal to the excess of the four year geometric average rate of return of the fund, in excess of 6%, subject to a maximum of the increase in the Consumer Price Index ("CPI") in that year. The four-year geometric average rate of return for the period ending December 31, 2025 was in excess of 6%. Therefore, a pension increase of 0.47% in respect of 2025 will be provided to retirees effective July 1, 2026, which is not capped by the maximum increase of CPI in 2025 of 2.36%. A pension increase of 0.78% in respect of 2024 was provided effective July 1, 2025.

The value of net assets available for benefits was:

	December 31, 2025	December 31, 2024
Fair value of net assets	\$ 134,946,544	\$ 131,719,094

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

5. Obligation for pension benefits (continued)

The economic assumptions used in determining the actuarial value of accrued benefits were changed for the extrapolation to December 31, 2025 and were developed by reference to expected long-term market conditions. Significant actuarial assumptions used in the valuation were:

	December 31, 2025	December 31, 2024
Rate of return on investments	4.65%	4.85%
Post-retirement pension increases	0.65%	0.65%
Rate of salary increase *	3.0% per year, plus merit, if applicable	3.0% per year, plus merit, if applicable

* Salaries are assumed to increase in accordance with general wage increases in Canada at the rate of 3.00% per year for all members. Salaries for academic plan members are assumed to increase by an additional merit and promotion component in accordance with the following table:

Age	Average Annual Increase Over Next 5 Years	Average Annual Increase to Age 65
40	2.3%	1.9%
45	2.1%	1.8%
50	1.9%	1.7%
55	1.7%	1.7%
60	1.6%	1.6%

(b) Defined contribution obligation

The obligation for pension benefits under the defined contribution segment will always be equal to the net assets in the members' account. Therefore, no surplus or deficiency arises from fluctuations in the investment market.

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

6. Funding policy

The University's regular contribution to the defined benefit segment is 9.0% of contributory earnings less an adjustment for the Canada Pension Plan. The University's contribution to the defined contribution segment is 6.2% of contributory earnings. The Plan defines maximum contributory earnings for both defined benefit and defined contribution members. For members receiving long-term disability benefits, the University pays the member's regular contributions as well as its own contributions. In addition, the University is responsible for any additional contributions required under the Pension Benefits Act of Manitoba.

7. Fair value disclosure

The Plan's investments have been categorized based upon a fair value hierarchy as described in Note 2(c). The following table presents the classification of the Plan's investments measured at fair value. There have been no transfers between levels during 2025 and 2024.

As at December 31, 2025	Level 1	Level 2	Level 3	Total
Fixed income	\$ -	\$ 43,922,296	\$ -	\$ 43,922,296
Canadian equities	25,885,253	-	-	25,885,253
U.S. equities	39,311,609	-	-	39,311,609
International equities	13,689,109	-	-	13,689,109
Real estate	-	-	11,056,607	11,056,607
Short-term	-	546,873	-	546,873
Defined contribution	-	183,390,874	-	183,390,874
	\$ 78,885,971	\$ 227,860,043	\$ 11,056,607	\$ 317,802,621

As at December 31, 2024	Level 1	Level 2	Level 3	Total
Fixed income	\$ -	\$ 41,797,878	\$ -	\$ 41,797,878
Canadian equities	23,859,573	-	-	23,859,573
U.S. equities	40,621,718	-	-	40,621,718
International equities	12,705,278	-	-	12,705,278
Real estate	-	-	10,922,010	10,922,010
Short-term	-	347,069	-	347,069
Defined contribution	-	157,249,897	-	157,249,897
	\$ 77,186,569	\$ 199,394,844	\$ 10,922,010	\$ 287,503,423

THE UNIVERSITY OF WINNIPEG TRUSTEED PENSION PLAN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

7. Fair value disclosure (continued)

The following table summarizes the changes in fair value of the Plan's real estate investments classified as Level 3:

	2025	2024
Balance as at January 1	\$ 10,922,010	\$ 10,642,331
Change in unrealized gain	134,597	279,679
Balance as at December 31	\$ 11,056,607	\$ 10,922,010

8. Capital disclosures

The Plan's objective in managing capital is to preserve the net assets available for pension benefits for its membership. The Board of Trustees is responsible for all aspects of the operation and administration of the Plan. Managing capital takes into account capital requirements provided in the terms of the respective components of the Plan and applicable legislation within the Manitoba Pension Benefits Act and the Income Tax Act.

The Plan's capital is comprised of the net assets available for benefits. The Plan's risks are defined in Note 4 as well as the Board of Trustees risk management strategies. A trust company holds the assets under a Trust Agreement and provides daily administration of the Plan. Professional investment managers administer the portfolio. In regards to the defined contribution component of the Plan, all members make their own investment decisions.

The Statement of Changes in Net Assets Available for Benefits sets out the net asset balances at the beginning and the end of the year.