2025 ANNUAL REPORT

WCEBP

WINNIPEG CIVIC EMPLOYEES' BENEFITS PROGRAM

The *Winnipeg Civic Employees' Benefits Program* office is located in Winnipeg in Treaty One Territory, the home and traditional lands of the Anishinaabe (Ojibwe), Ininew (Cree), and Dakota peoples, and in the National Homeland of the Red River Métis. Our drinking water comes from Shoal Lake 40 First Nation, in Treaty Three Territory.

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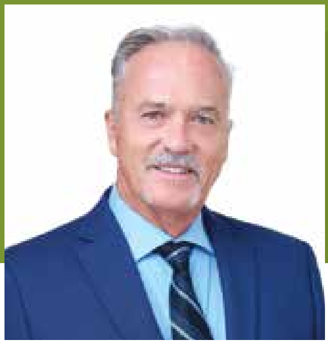


MESSAGE FROM THE BOARD OF TRUSTEES

2025 brought with it many achievements and opportunities for change, all of which speak to the strength and collaborative nature of our staff, CEO, and *Board of Trustees*. Working with such a committed group of individuals the past two years has made it possible to achieve many goals, some of which were more than 10 years in the making.

At the top of that list of achievements are the amendments we made to the *Pension Plan's Trust Agreement*. It was a long and thoughtful process that began with a thorough review of how surpluses and deficits are managed. We are proud to report that the *Board* and staff not only rose to that challenge but also worked as a united team with the actuary to bring forward a consensus of recommendations to ensure the *Pension Plan's* long-term sustainability. CEO Cheldon Angus then began the process of getting approvals from all signatory parties, before successfully implementing the amendments to the *Trust Agreement*—all without any additional costs to Members. The *Board* is incredibly proud of the team effort and support of the stakeholders, unions, and employers that made this achievement possible.

2025 also shone a bright spotlight on the strategic work that the *Board* began 15 years ago. Thanks to their foresight and stewardship, their investment strategy continues to prove itself. We are happy to report that in 2025, *The Winnipeg Civic Employees' Benefits Program* achieved a one-year return rate of 8.92%, a four-year return rate of 7.08%, and a ten-year return rate of 8.60%, placing the *Plan* in the top quartile for all except for the first year. This, in addition to again maintaining a Cost-of-Living Adjustment (COLA) of 80%, speaks volumes to both the resilience of the *Plan* and the dedication with which we proudly serve Members and their families.

As we look ahead and set the course for 2026, we are incredibly aware of what an honour it is to be entrusted with your plans to not only retire, but retire with dignity. To our *Board* and staff, that means ensuring that Members should not have to worry if their pensions will be there when they need it, or if they will have to work beyond their capabilities to maintain their quality of life. Dignity in retirement is a future we want for all the Members we serve. We have a fiduciary responsibility, and it is why we work with care and diligence, invest with prudent investment oversight, and plan for your future the way we would plan for our own.

On behalf of the entire *Board of Trustees*, we thank you for that honour.

Sincerely,
Robert Labossiere (Chair) and **Chris Carroll** (Vice-Chair)

MESSAGE FROM THE CEO, CHELDON ANGUS

Stewardship was a central focus for us in 2025. While the responsible management of the *Pension* and *Disability Plans* entrusted to us is always top of mind, this past year we took a more deliberate approach that began with asking ourselves three questions: how does stewardship show up in our values, what has it meant in the past, and how we can continue honouring it as we move forward?

The answers to the first two questions were clear: the *WCEBP* was built on stewardship, reflected in transparent reporting, prudent investment oversight, a focus on stability, and personalized service. These are not only practices but also actions grounded in our core values of Trust, Equity, and Service, carried out with Integrity and Respect.

The third question, how we can carry stewardship forward, shaped the work highlighted throughout this report. In 2025, this included a deliberate focus on our people. We advanced several key initiatives, including engagement surveying, the introduction of flexible work schedules, and the rollout of a new Employee Training and Development Policy. These efforts reflect a simple principle: strong organizations are built on strong people.

Investing in employee development and engagement strengthens our ability to deliver effective governance, high-quality administration, and consistent service to our Members. In that sense, these initiatives are not separate from stewardship, but rather are a direct expression of it.

I am also happy to report that in 2025, we were able to finalize our Organizational Review, bringing greater clarity to roles, structure, and accountability across the *Program*. This work strengthens how we operate and positions us to effectively support our strategic priorities moving forward. In addition, the *Plan* delivered a +8.92% return on a market value basis, reflecting our continued focus on prudent investment oversight and long-term sustainability.

Looking ahead, we are finalizing a six-year strategic plan that will establish a clear path forward for the organization. This work reflects a shared commitment across the *Board* and Administration to position *WCEBP* for long-term success, with our Members at the forefront of every decision.

On a personal note, it has been incredibly rewarding to see the progress made over the past year. We have a dedicated team and a highly engaged *Board of Trustees*, all of whom approach their responsibilities with a clear focus on the well-being and financial security of our Members.

To me, that is what stewardship ultimately represents: ensuring every decision we make contributes to the long-term sustainability of the *Plans*, for today's Members and for future generations. It is a responsibility we take seriously and an honour to carry forward.

Sincerely,
Cheldon Angus
Chief Executive Officer

PROGRAM HISTORY

Employees of the City of Winnipeg have enjoyed a long and proud history of participation in employee pension and benefit plans in one form or another, with the current *Program's* origins dating back to 1921. Following the unification of the former municipalities into the current City of Winnipeg in 1972, the Employee Benefits Program was created. Then, in 1989, all of the prior pension plans that had existed separately for the former municipalities and the Metropolitan Corporation of Greater Winnipeg were amalgamated into the Employee Benefits Program.

The most recent major fundamental change took effect on January 1, 2003, upon commencement of the restructured *Winnipeg Civic Employees' Benefits Program* (the "*Program*") under joint trusteeship. This fundamental change took a number of years to accomplish, with the underpinnings of change dating back to December 1999, when City Council and the unions representing City of Winnipeg employees, with the exception of police officers (who have a separate pension plan), approved the restructuring of the former Employee Benefits Program. The restructuring required legislative amendment to *The City of Winnipeg Act* in 2001, Manitoba Court of Queen's Bench approval (now the Manitoba Court of King's Bench), and approval of regulatory authorities. Approvals were received in 2002.

The *Program* was further amended in September 2011 to address its long-term sustainability (given the cost of benefits accruing under the *Program* each year significantly exceeded the amount of employee and employer annual contributions). The changes—effective September 1, 2011—included both benefit changes and contribution rate increases.

Most recently, in 2025, the City of Winnipeg and a double majority of the signatory unions agreed to several changes to the Pension Trust Agreement. These changes are designed to support the *Pension Plan's* continued strength and long-term sustainability. These changes include the creation of a Future Contribution Reserve and an increase in the *Program's* ability to reserve surplus funds from 5% to 10% of liabilities.

Program Composition

The *Program* is comprised of:

- ***The Winnipeg Civic Employees' Pension Plan*, a registered pension plan under Manitoba's *Pension Benefits Act* and Canada's *Income Tax Act***
- ***The Winnipeg Civic Employees' Long Term Disability Plan***
- **The Winnipeg Civic Employees' Early Retirement Benefits Arrangement**

Nine employers participate in the *Program*:

- **City of Winnipeg**
- **Riverview Health Centre**
- **Manitoba Hydro** (former Winnipeg Hydro employees only)
- **Assiniboine Park Conservancy**
- **Winnipeg Convention Centre**
- **St. Boniface Museum**
- **Transcona Historical Museum**
- **Canlan Ice Sports Corp.** (former Highlander employees only; excluding Disability Plan)
- **The Board of Trustees of *The Winnipeg Civic Employees' Benefits Program***

BOARD COMMITTEES

The *Board* has established various committees to assist in its decisions.

Investment Committee—The Investment Committee is responsible for determining the asset mix of the *Program* (within the parameters of the *Program's Statement of Investment Policies and Procedures*), for recommending the selection or termination of various investment managers, and for monitoring the performance of these investment managers.

The Committee is comprised of three members appointed by Employer Trustees and three members appointed by Member Trustees.

Audit Committee—The Audit Committee oversees the *Program's* financial reporting, and accounting policies and procedures, and makes recommendations to the Board in this regard.

Governance Committee—The Governance Committee is charged with making recommendations to the *Board* on governance policies, guidelines, and procedures; assessing the effectiveness of the *Board's* governance policies; and with responsibility for the orientation of new Trustees.

ADMINISTRATION

The day-to-day administration of the *Program* is carried out under the direction of its Chief Executive Officer.

Governance Structure

The *Program* operates under a jointly trusteed governance structure according to the terms and conditions of the *Pension Trust Agreement* and the *Disability Plan Trust Agreement* entered into by the City of Winnipeg and 10 Signatory Unions.

The *Program* is governed by two boards:

- *The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Pension Fund)* for *The Winnipeg Civic Employees' Pension Plan and The Winnipeg Civic Employees' Early Retirement Benefits Arrangement*
- *The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Disability Fund)* for *The Winnipeg Civic Employees' Long Term Disability Plan*

The City of Winnipeg and the *Program* Members have equal representation on these joint *Boards*, with the Trustees being appointed equally by the City of Winnipeg and the 10 Signatory Unions. The same individuals sit on both *Boards*, with the exception of one Employer Trustee and the Member Trustee on behalf of pensioners and deferred members who do not sit on the *Disability Plan Board*.

Role of the Board of Trustees

The *Board of Trustees* is responsible for the overall operation of the *Program*, which includes the following:

- Ensuring the *Program* is administered in accordance with the *Trust Agreement*, Program Text, and applicable legislation
- Adopting and reviewing the investment policy
- Monitoring investment performance
- Adopting and reviewing funding policy

The *Board* is also responsible for ensuring adequate financial records are maintained and for reporting annually on the operations of the *Program* to Participating Employers, unions, and *Program* Members. To discharge its responsibility, the *Board* performs in an oversight capacity with respect to all significant aspects of the management of the *Program's* operations.

Surplus- and Risk-Sharing

Benefits are financed entirely by the assets (including investment earnings) of the *Program* and the contributions of the Participating Employers and the active Members.

Participating Employers and Members share in the surpluses and the risks associated with the *Program*.

Program benefits are not guaranteed by the City of Winnipeg or the other Participating Employers.

An actuarial valuation of the benefit obligations of the *Program* is carried out each year. Actuarial surpluses and funding deficiencies are dealt with in accordance with the terms of the *Pension Trust Agreement*.

A reduction in benefits and/or an increase in contributions (contribution increases are subject to agreement by the City of Winnipeg and Signatory Unions) will be required if the assets of the *Program* are not sufficient to meet the *Program's* liabilities on an ongoing basis.

The Members' share of any actuarial surpluses may be used to fund improvements in benefits or to reduce member contributions. The Participating Employers' share of any actuarial surpluses may finance (through transfers from the City Account within the *Program*) a reduction in the Participating Employers' contributions from the amounts needed to match the *Program* Members' required contributions.

PROGRAM GOVERNANCE

The *Board of Trustees* continues to operate in accordance with the *Pension Trust Agreement* and the principles and responsibilities of governance articulated in its Governance Manual. The *Board's* vision, mission, and values continue to be a guide for the *Program Administration* in delivering upon its mandate (e.g., in communication material, reviewing work processes, and delivery of services to Members).

Vision, Mission, Values

The Board of Trustees' Vision, Mission, and Values for the Winnipeg Civic Employees' Pension Plan.

VISION: **To be considered by *Plan* Members and industry peers as one of the best-managed pension plan organizations in Canada.**

MISSION: **To deliver the promised benefits (subject to the terms of the *Pension Trust Agreement* and the *Plan* text) to the *Plan's* Members and beneficiaries.**

The *Board*:

- Maintains an effective and transparent governance structure and process, encouraging a culture of excellence
- Preserves the level of benefits agreed to by all parties to the extent possible, given financial and any other constraints, and subject to the requirements of the *Pension Trust Agreement* and applicable law
- Promotes financial management responsibility by weighing risks and returns for each decision
- Provides high-quality administration services with a focus on Members, beneficiaries, and employers
- Complies with all laws, rules, regulations, *Plan* provisions, and applicable policies and guidelines
- Provides leadership and communication to *Plan* Members and other stakeholders on behalf of the *Plan*
- Recognizes the *Plan* is jointly governed between Participating Employers and Members, and this joint governance arrangement entails sharing responsibility for costs and unfunded liabilities and sharing the benefit of any actuarial surpluses

VALUES: **Trust • Integrity • Equity • Respect • Service**

FINANCIAL HIGHLIGHTS

105.0% FUNDED RATIO

$8.2B
NET ASSETS
(for the *Plan*)

$678M
NET INVESTMENT INCOME
(for the *Plan*)

2025 Rate of Return
8.9%

4-Year Annualized Rate of Return
7.1%

10-Year Annualized Rate of Return
8.6%

MEMBER SERVICES

Our Member Services unit is responsible for the day-to-day administration of *The Winnipeg Civic Employees' Pension Plan*. Its role is to help Members understand and access their pension benefits. Over decades of interactions, our staff has built a legacy of high service levels and trust with our Members. As Members ourselves, we recognize the value of this legacy, and we are committed to building on this trust by further refining, improving, and expanding our pension administration services.

In 2025, that included operational improvements that enhanced our capacity. The sections that follow highlight the steps taken in 2025 to uphold our commitment to continue to deliver Member services with integrity and accountability.

Team Development and Operational Improvements

Like many organizations, our Member Services unit experienced elevated employee turnover as a result of the COVID-19 pandemic, reflecting changes in workforce expectations and the labour market. Although this presented a challenge, our team remained focussed on delivering for our Members. We successfully maintained operational performance with minimal delays—a credit to the resilience of our team.

Member Services has since made important progress rebuilding and continuing to develop the team. In 2025, this included the addition of a Manager of Member Services and an increase in our complement of intermediate-level pension administrators. These staff additions aim to help us stay on top of day-to-day service levels and find time to make improvements to pension administration processes and Member experience.

The following operational improvements were completed in 2025:

Automation of certain administrative tasks

Delivery of customer service training for staff

Resolution of backlogs from the period of staff turnover

Also of note, the Member Services team finalized a *Reciprocal Transfer Agreement* with the *Healthcare Employees' Pension Plan – Manitoba*, which was signed off by each *Plan's* Board in December of 2025 and came into effect January 1, 2026. The *Agreement* allows for the transfer of pensionable service between the *Healthcare Employees Pension Plan* and *The Winnipeg Civic Employees' Pension Plan*, thereby supporting the movement of Members between the *Plans*. The *Agreement* facilitates workforce mobility and ensures *Plan* Members retain pension continuity when changing employers.

MEMBERSHIP HIGHLIGHTS

As at December 31, 2025

8,871 PENSIONERS

810 INACTIVE MEMBERS

9,889 CONTRIBUTING MEMBERS

1,257 NEW MEMBERS

61.0 YEARS Average Age at Retirement in 2025

73.0 YEARS Average Age of Pensioners

43.0 YEARS Average Age of Contributing Members

10.0 YEARS Average Credited Service of Contributing Members

- **294** New Retirees
- **101** New Survivor Beneficiaries
- **70** Additional Deferred Pensions
- **720** Commuted Values Paid
- **16** Pensioners/Survivors More than 100 Years Old

1 in 41 Employed Winnipeg Residents are Program Members

NEW RETIREES BY AGE

50–54	8 Members
55–59	102 Members
60–64	114 Members
65+	70 Members

$1,680.32

AVERAGE BIWEEKLY NEW PENSION

1,807

Members are Eligible to Retire in the Next 10 Years

Transition of Group Life Insurance Plan Administration to City of Winnipeg

On June 30, 2025, the day-to-day administration of the City of Winnipeg Civic and Police Group Life Insurance Plans was transitioned from *The Winnipeg Civic Employees' Benefits Program* to the City of Winnipeg.

Within a tight timeline, Member Services facilitated the transition by:

- Preparing and delivering a communication about the transition to Members
- Preparing and delivering process documents, education sessions, and templates to the new City of Winnipeg administrator
- Redesigning pension administration workflow to remove group life insurance administration processes
- Executing the smooth transition of responsibilities at the transition date

Removing these tasks from our portfolio allows us to focus on our core responsibility—administration of your pension. In 2026, we look forward to having more time to prioritize pension service levels and efficient pension processing.

New Communications Strategy

A major responsibility of the Member Services unit is providing information to Members. The Communications role within the unit supports the effective delivery of that information. In 2025, the *Board of Trustees*, with the support of Communications, defined the following Member communications strategies for 2025 through 2027:

Improve *Pension Plan* literacy

Build on existing strengths and position for the future

Measure for success

Implementation of the strategies within the Member Services unit began in 2025 with a view to enhancing existing communications, including the following preliminary work:

Updating the *Pension Plan* summary issued to new Members

Creating a new Pension Seminar Program for Members thinking about retirement

With a growing team and a renewed communications direction, we are looking forward to continuing to refine, enhance, and expand pension administration services for you into 2026 and beyond.

FUNDED STATUS

Measured on the **going-concern basis**, the *Program* is fully funded with respect to benefits accrued for all service up to December 31, 2025. At year-end, a going-concern valuation disclosed the *Program's* actuarial assets (at "smoothed" value) exceeded actuarial liabilities by $331,604,000, for a funded ratio of 105.0%. Note that an actuarial valuation performed on a going-concern basis assumes the *Program* will continue to operate indefinitely.

Financial statements, prepared in accordance with Canadian accounting standards for pension plans, disclosed the *Program's* assets at "fair" value (an approximation of market value) exceeded its actuarial liabilities by $1,054,595,000, for a funded ratio of 116.0%.

The difference between the going-concern valuation results and the financial statements occurs because a "smoothing" technique is used to value the assets for actuarial valuation purposes. This technique, used by the *Program* for many years, serves to smooth out (over a five-year period) fluctuations in the market value of assets due to investment gains and losses.

The "smoothing" difference at year-end 2025 represents higher than anticipated investment earnings in 2023, 2024 and 2025 that have not yet been recognized for actuarial valuation purposes. If future investment earnings expectations are met, the "smoothing" difference will be recognized for actuarial purposes over the next five years. Such an outcome would be beneficial to the financial position of the *Program*.

Solvency Valuation

An actuarial valuation performed on a **solvency basis** assumes the *Pension Plan* is terminated and wound up as of the valuation date. The most recent solvency valuation of the *Program* at December 31, 2025, revealed a solvency ratio of 165.2%. This indicates that, on a plan termination basis, the *Program's* assets would have been sufficient to cover all the liabilities accrued for benefits under the *Program* as at December 31, 2025. No action is required to be taken on the basis of this solvency valuation as the *Board of Trustees* has elected, under the *Solvency Exemption for Public Sector Pension Plans Regulation*, that *The Winnipeg Civic Employees' Pension Plan* be exempt from the solvency and transfer deficiency provisions of Manitoba's *Pension Benefits Act* and *Regulations*.

FINANCIAL POSITION

As at December 31, 2025 (in thousands)

		Fair Value		Actuarial Value
Net assets available for benefits				
Main Account - General Component	$	7,632,421	$	6,909,430
Main Account - Future Contribution Reserve		553,809		553,809
Plan Members' Account		-		-
City Account		-		-
		8,186,230		7,463,239
Program obligations	$	6,577,826	$	6,577,826
Funded ratio (excluding Main Account - Future Contribution Reserve)		116.0%		105.0%

See Notes to the Financial Statements, note 1.c) Financial Structure, for descriptions of the three accounts.

Note: for actuarial purpose, the funded ratio does not include the FCR, but for financial statement purpose it does.

GOING-CONCERN FINANCIAL STATUS

December 31, 2025 (in thousands)

			2025
1.	Actuarial value of assets		
	Main Account - General Component	**$**	**6,909,430**
	Main Account - Future Contribution Reserve		**553,809**
	Plan Members' Account		**0**
	City Account		**0**
		$	**7,463,239**
2.	Actuarial liabilities		
	Pension Plan	**$**	**6,546,962**
	Long Term Disability Plan		**26,378**
	Early Retirement Benefits Arrangement		**4,486**
		$	**6,577,826**
3.	Excess of actuarial value of *Program* assets over actuarial liabilities	**$**	**885,413**
4.	Amounts previously allocated		
	Main Account - Future Contribution Reserve	**$**	**553,809**
	Plan Members' Account		**0**
	City Account		**0**
		$	**553,809**
5.	Financial position (3. *minus* 4.)	**$**	**331,604**
6.	Actuarial surplus (1. *minus* 4. *minus* (105% x 2.), or zero; whichever is greater)		**0**
7.	Funded ratio (1. *divided* by 2.)		
	Including Main Account - Future Contribution Reserve		**113.5%**
	Excluding Main Account - Future Contribution Reserve		**105.0%**

Cost-of-Living Adjustments

The *Pension Plan* provides for annual Cost-of-Living Adjustments (COLA) to both pensions in payment and deferred pensions. The level of COLA that can be granted in a particular year is tied to the funded status of the *Program*.

In measuring the *Program's* obligations at year-end 2025, it was assumed that pensions are indexed at the current rate of 80% of the annual percentage change in Canada's Consumer Price Index (CPI) measured at March 31 each year.

The level of funding within the *Program* that supports COLA is expected to vary over time, and will be affected by both future *Program* experience (especially investment experience) and the portion of future contributions allocated to finance COLA.

It is important to note, since September 1, 2011 (when the *Program* was restructured) the portion of contributions allocated to fund future COLAs is expected to be sufficient to finance COLAs for pensions for service on or after September 1, 2011 at a rate equal to 50% of the annual percentage change in CPI. Accordingly, in the absence of an emerging surplus or other positive *Program* experience, the level of COLA can be expected to gradually decline in future years to 50% of the annual percentage change in CPI. However, should the *Program's* investments perform better than expected, as has been the case in recent years, a portion of the resulting actuarial gains may be used to maintain COLAs at a rate higher than 50% of the annual percentage change in CPI.

Although the *Program* has been able to maintain COLA funding to support 80% of the annual percentage change in CPI to date, this level of funding is not expected to be sustainable over the long term.

Current Service Cost

The normal actuarial cost of benefits expected to be earned under the *Program* for service in 2026 is 26.79% of contributory earnings. This assumes future cost-of-living adjustments at the rate of 50% of changes in CPI, in accordance with the *Pension Trust Agreement*.

The average contribution rate to the *Program* is 10.0% of pensionable earnings for both employees and employers—9.5% on employee earnings up to the Year's Maximum Pensionable Earnings (YMPE) under the Canada Pension Plan (CPP) and 11.8% on earnings above the YMPE.

The remaining amount to be paid for current service cost will be drawn from the funding excess.

The sources of financing for the current service cost (2026) are shown in the table below.

Addressing Surpluses and Deficiencies

Actuarial surpluses and funding deficiencies are dealt with in accordance with the *Pension Trust Agreement*. The prescribed steps to resolve a funding deficiency generally include revising the actuarial assumptions, reducing the anticipated level of future cost-of-living adjustment, increasing contributions (if agreed upon by the City of Winnipeg and the Signatory Unions), drawing upon any available reserves, and if necessary, reducing benefits.

COST OF BENEFITS FOR SERVICE IN 2026

	Employee Contributions	Employer Contributions	Allocation from Surplus	Total Cost
As a percentage of contributory earnings				
September 1, 2011 benefits level	10.00%	10.00%	6.79%	26.79%

KEY ACTUARIAL ASSUMPTIONS

One of the key assumptions that underlies the determination of actuarial liabilities is the rate the *Program* expects its investments to grow over the long term. The interest rate selected for this purpose is known as the actuarial valuation interest rate assumption. The actuarial interest rate assumed was carefully and prudently developed, taking into account the long-term asset mix expected to be utilized by the *Program* and after assuming an equity premium that was considered relatively normal by historical standards.

The valuation interest rate assumed in the 2025 actuarial valuation was 4.95% per year (4.40% rate used in the 2024 actuarial valuation) and was developed with reference to expected long-term economic and investment conditions.

The net effect of changes in actuarial assumptions on pension obligations is shown in the Five-Year Financial Summary on page 20 (*Changes in Pension Obligations* table).

Although the economic and demographic assumptions were considered appropriate both for funding and accounting purposes in 2025, there nonetheless is measurement uncertainty associated with these estimates versus actual future investment returns, salary escalation, and demographics, which will affect the future financial position of the *Program*, possibly in a material way.

OTHER ECONOMIC ASSUMPTIONS

	Funding Assumption	
Item	**2025**	**2024**
Future Inflation	**2.25**	2.25
Real rate of investment return	**2.70**	2.15
Future general pay increases	**3.25**	3.25
YMPE increases*	**3.25**	3.25

**The Year's Maximum Pensionable Earnings (YMPE) is the maximum pensionable earnings under the Canada Pension Plan (CPP).*

Changing Economic and Demographic Conditions and Related Risks

The *Program* is always mindful of changing economic and demographic conditions, and the related risks. A key economic risk to be addressed in managing the *Program* is the risk that future investment earnings will be less than expected.

A low interest rate environment and corresponding lower investment rate of return expectation scenario has been part of the economic climate for some time. Until the past couple of years, when inflationary pressures have driven interest rates up on a temporary basis, there has been no indication that the interest rates will not return to lower levels once again.

4.95%

2025 VALUATION INTEREST RATE

In this regard, the *Program* has adjusted its asset mix over time, pursuant to Asset-Liability studies concluded in 2011, 2015 and 2023, so that more of the fund is now invested in bonds and private assets (especially real estate, infrastructure and private debt) and less is invested in equities. This shift is expected to optimize the expected rate of return while taking an acceptable amount of investment risk. In recognition of lower investment return expectations, the *Program* has responded by reducing the actuarial valuation interest rate assumption over time.

The 2016 valuation interest rate assumption was reduced from 5.65% to 5.50%, increasing benefit obligations by $92,543,000. The valuation interest rate assumption was further reduced for 2017 (from 5.50% to 5.25%), 2018 (from 5.25% to 5.20%), 2019 (from 5.20% to 4.90%), 2020 (from 4.90% to 4.70%), 2023 (from 4.70% to 4.60%) and 2024 (from 4.60% to 4.40%) thus increasing benefit obligations by $160,831,000, $34,765,000, $224,488,000, $176,201,000, $92,743,000 and $207,678,000 respectively. And, as earlier noted, the 2025 valuation interest rate assumption was increased from 4.40% to 4.95%, decreasing benefit obligations by $544,190,000.

Higher inflation is another economic condition the *Program* is currently facing. In the past, inflation levels have been historically lower and the *Program's* inflation rate assumption has been 2.0% since 2008. In 2021, the actual inflation was 4.8% and the Bank of Canada was forecasting even higher inflation rates for 2022. The *Program* adjusted its inflation assumption to be 3.5% for the next two years (2022 and 2023) and 2.0% thereafter, increasing the obligations for pension benefits by $82,089,000. Then in 2022, the actual inflation rate was 6.7% and the Bank of Canada was forecasting only slightly lower inflation rates for 2023. The *Program* adjusted its inflation assumption again to be 3.5% for the next year (2023) and 2.25% thereafter, thus increasing the obligations for pension benefits by $139,732,000. The actual inflation rate was 2.9% in 2024, 2.3% in 2025 and is forecasted to remain around 2% in 2026.

Demographic conditions and experience have also been changing. Key risks to the *Program* include longevity risk (*Program* Members living longer and therefore collecting more benefits), as well as Members retiring earlier than expected.

Our Members, along with the general population, are generally living longer, in part due to healthier living, medical advances, and safety standards and developments. Longer lives mean larger obligations.

The *Program* has considered its mortality assumptions and studied its mortality experience. In 2017, the demographic assumptions for annual rates of mortality improvements were revised to utilize the Mortality Improvement 2017 Scale, further increasing obligations for pension benefits by $33,069,000. Again, in 2025, the demographic assumptions for annual rates of mortality improvements were revised to utilize the Mortality Improvement 2024 Scale, further increasing obligations for pension benefits by $171,314,000.

In 2018, the *Program* revised the demographic assumptions for annual rates of retirement, based on a study performed by our Actuary, increasing *Program* obligations by $34,318,000.

While there were no changes to the demographic assumptions for annual rates of mortality improvements or for annual rates of retirement since 2017 and 2018 respectively, the *Program* did update the demographic assumptions for annual rates of termination of employment. In 2019 and 2020, the changes to the annual rates of termination of employment resulted in increasing *Program* obligations by $7,203,000 and $10,459,000 respectively.

The *Program* has carefully reviewed and revised its actuarial assumptions over time to ensure that *Program* obligations and the related funded status are reasonably measured. Despite changing economic and demographic conditions, the *Program* continues to be fully funded.

As the *Program* is presently constituted, it is the achievement of sufficient future investment returns and future mortality experience that will have the most significant bearing on the ultimate sustainability of current benefits and contribution levels.

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN
FIVE-YEAR FINANCIAL SUMMARY

(in thousands)

	2025	2024	2023	2022	2021
FINANCIAL POSITION					
Investments at fair value:					
Bonds, debentures, and mortgages	**$ 1,970,035**	$ 2,001,687	$ 1,609,015	$ 1,088,251	$ 1,262,186
Canadian equities	**1,186,568**	1,057,364	996,820	1,147,950	1,246,804
Foreign equities	**1,558,766**	1,430,928	1,392,109	1,638,119	2,086,036
Cash and short-term deposits	**212,676**	244,575	240,030	142,917	147,548
Private equities	**4,030**	22,997	22,529	21,056	18,646
Real estate	**807,943**	837,935	817,808	833,628	687,401
Infrastructure	**1,165,834**	1,041,939	948,038	849,579	653,201
Private debt	**1,302,047**	1,066,970	931,759	859,382	821,936
Other liabilities	**(21,669)**	(20,380)	(17,292)	(15,992)	(12,600)
Net assets available for benefits	**8,186,230**	7,684,015	6,940,816	6,564,890	6,911,158
Pension obligations	**6,577,826**	6,745,238	6,357,018	6,142,563	5,865,859
Surplus	**$ 1,608,404**	$ 938,777	$ 583,798	$ 422,327	$ 1,045,299
Surplus comprised of:					
Main Account	**$ 1,054,595**	$ 904,798	$ 553,852	$ 394,721	$ 1,016,931
Main Account - Future Contribution Reserve	**553,809**	-	-	-	-
Plan Members' Account	**-**	33,979	29,946	27,606	28,368
City Account	**-**	-	-	-	-
	$ 1,608,404	$ 938,777	$ 583,798	$ 422,327	$ 1,045,299
CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS					
Contributions:					
Employees	**$ 70,406**	$ 66,892	$ 63,803	$ 60,158	$ 59,657
City of Winnipeg and Participating Employers	**63,782**	59,615	55,496	52,165	50,573
Reciprocal transfers	**235**	949	1,163	652	1,643
Net investment income (loss)	**678,250**	922,561	549,305	(183,529)	876,408
	812,673	1,050,017	669,767	(70,554)	988,281
Pension payments	**278,479**	272,203	262,203	248,617	236,094
Lump sum benefits	**25,832**	29,208	26,994	22,523	22,783
Administration	**6,147**	5,407	4,644	4,574	4,814
	310,458	306,818	293,841	275,714	263,691
Increase (decrease) in net assets available for benefits	**$ 502,215**	$ 743,199	$ 375,926	$ (346,268)	$ 724,590
Annual rates of return	**8.9%**	13.9%	8.6%	-2.4%	14.5%

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN
FIVE-YEAR FINANCIAL SUMMARY *(continued)*

(in thousands)

	2025	2024	2023	2022	2021
CHANGES IN PENSION OBLIGATIONS					
Accrued pension benefits, beginning of year	**$ 6,745,238**	$ 6,357,018	$ 6,142,563	$ 5,865,859	$ 5,558,121
Increase in accrued pension benefits:					
Interest on accrued pension benefits	**304,049**	289,923	286,085	273,135	258,959
Benefits accrued	**198,870**	205,331	192,190	175,957	176,152
Change in actuarial assumptions	**199,586**	195,490	84,372	140,319	82,398
Experience gains and losses and other factors	**-**	11,506	-	-	63,082
	702,505	702,250	562,647	589,411	580,591
Decrease in accrued pension benefits:					
Benefits paid	**309,718**	307,357	296,259	278,102	266,361
Experience gains and losses and other factors	**9,574**	-	44,716	27,816	-
Change in actuarial estimate	**544,190**	-	-	-	-
Administration expenses	**6,435**	6,673	7,217	6,789	6,492
	869,917	314,030	348,192	312,707	272,853
Net (decrease) increase in accrued pension benefits for the year	**(167,412)**	388,220	214,455	276,704	307,738
Accrued pension benefits, end of year	**$ 6,577,826**	$ 6,745,238	$ 6,357,018	$ 6,142,563	$ 5,865,859
CHANGES IN SURPLUS					
Surplus, beginning of year	**$ 938,777**	$ 583,798	$ 422,327	$ 1,045,299	$ 628,447
Increase (decrease) in net assets available for benefits	**502,215**	743,199	375,926	(346,268)	724,590
Net decrease (increase) in accrued pension benefits for the year	**167,412**	(388,220)	(214,455)	(276,704)	(307,738)
Surplus, end of year	**$ 1,608,404**	$ 938,777	$ 583,798	$ 422,327	$ 1,045,299
Surplus comprised of:					
Main Account	**$ 1,054,595**	$ 904,798	$ 553,852	$ 394,721	$ 1,016,931
Main Account - Future Contribution Reserve	**553,809**	-	-	-	-
Plan Members' Account	**-**	33,979	29,946	27,606	28,368
City Account	**-**	-	-	-	-
	$ 1,608,404	$ 938,777	$ 583,798	$ 422,327	$ 1,045,299

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN
FIVE-YEAR FINANCIAL SUMMARY *(continued)*

(in thousands)

	2025	2024	2023	2022	2021
RECONCILIATION OF SURPLUS FOR FINANCIAL STATEMENT REPORTING PURPOSES TO ACTUARIAL VALUATION POSITION					
Surplus for financial statement reporting purposes—Main Account	**$ 1,054,595**	$ 904,798	$ 553,852	$ 394,721	$ 1,016,931
Fair value change not reflected in actuarial value of assets	**(722,990)**	(651,595)	(265,850)	(210,457)	(821,821)
Surplus for actuarial valuation purposes—Main Account	**331,650**	253,203	288,002	184,264	195,110
Add special purpose accounts:					
Main Account - Future Contribution Reserve	**553,809**	-	-	-	-
Plan Members' Account	**-**	33,979	29,946	27,606	28,368
City Account	**-**	-	-	-	-
Surplus for actuarial valuation purposes—including special purpose accounts	**$ 885,414**	$ 287,182	$ 317,948	$ 211,870	$ 223,478

INVESTMENTS

2025 Investments Overview

The 2025 investment landscape marks the third consecutive year of robust equity returns despite persistent geopolitical uncertainties. Canadian equities stole the spotlight from their US counterparts as the S&P/TSX Capped Composite Index rose 31.7%, led by a strong gold rally and Canadian small-cap stocks. Emerging and international equities also delivered strong returns of 27.3% and 26.2% respectively. In contrast, US equities lagged with the S&P 500 returning just 12.4% for Canadian investors (17.9% in USD terms), dampened by a weaker US dollar that saw the Canadian dollar rebound strongly in 2025. The market dynamics shifted beyond the famous Magnificent Seven tech giants—Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, and Tesla—as a wider array of stocks contributed to returns, though these companies still maintained significant influence with Nvidia being a key growth driver.

Fixed income markets faced another challenging year, with traditional bonds struggling alongside higher bond yields despite the Bank of Canada cutting short rates to 2.25% by year-end. Emerging market debt and US high yield stood out as top performers in public fixed income, while Canadian universe bonds posted modest 2.6% gains and Canadian long bonds declined 0.8%.

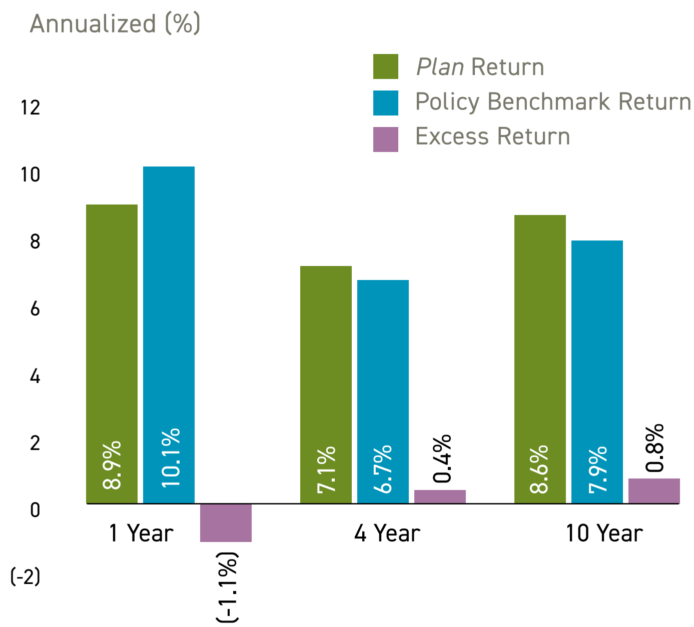
After several years of notable gains, alternative investments lagged elevated global equities but remain vital tools for building resilience in the portfolio. For the year, private markets revealed a mixed but encouraging landscape, with private credit and infrastructure delivering solid returns and commercial real estate showing steady improvement. By incorporating alternatives into asset allocation, we can better prepare for the inevitable volatility and uncertainty that characterizes financial markets from time to time.

2025 Investment Performance

Based on investment return and risk considerations, the *Board of Trustees* has established a target asset mix (the "long-term policy asset mix"), which is identified in the *Program's* Statement of Investment Policies and Procedures. Based on the capital market conditions as of December 31, 2025, the expected long-term real rate of return on this target mix is 4.0% per annum.

The *Plan* measures its success against its target asset mix objectives and against key benchmarks (for example, stock and bond market indices). The *Plan's* investment portfolio posted a one-year rate of return of 8.92%, trailing the *Plan's* policy benchmark by 1.13% (the benchmark's return was 10.05% as measured by RBC Investor Services, an independent measurement service). The *Plan's* long-term investment rate of returns remains steady with a four-year annualized rate of return of 7.08% (topping our 4-yr objective by 0.41% per year), and a ten-year annualized rate of return of 8.60% (exceeding our 10-yr objective by 0.75% per year), both measured as at December 31, 2025.

2025 PLAN RETURNS



The *Plan's* healthy portfolio return lagged its benchmark portfolio in 2025, primarily due to lower relative returns in equities and real estate. In the meantime, the private capital and infrastructure asset classes outpaced their benchmarks, while posting mid-single digit returns and fixed income kept pace with its benchmark.

TOTAL RETURNS 2025

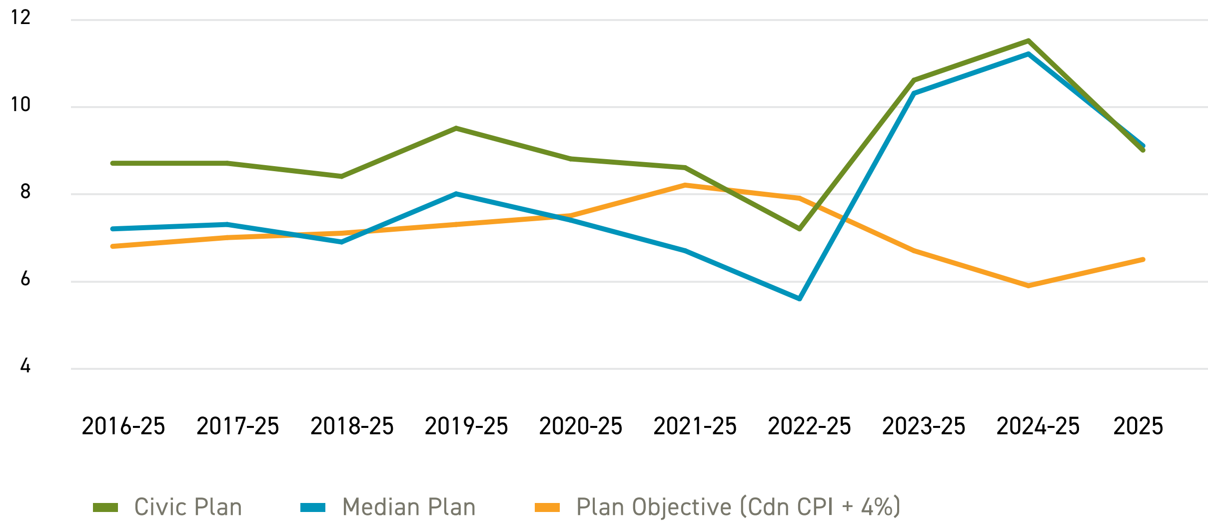
	One Year	Four Years	Ten Years
Total Fund	**8.9 %**	**7.1 %**	**8.6 %**
Bonds and debentures	2.6 %	1.0 %	2.9 %
Canadian equities	29.9 %	14.4 %	11.4 %
Foreign equities	17.9 %	10.5 %	12.9 %
Private capital	3.1 %	10.6 %	N/A
Real estate	-2.8 %	3.1 %	6.5 %
Infrastructure	7.4 %	9.4 %	9.7 %
Benchmarks			
Plan Benchmark*	10.1 %	6.7 %	7.9 %
FTSE Canada Universe Index	2.6 %	0.2 %	1.9 %
S&P / TSX Composite Index	31.7 %	13.9 %	12.7 %
S&P 500 (CAD$)	12.4 %	13.4 %	14.7 %
MSCI ACWI Ex-US Index	26.2 %	10.2 %	8.3 %
Private Placements Benchmark	2.7 %	6.6 %	N/A
Real Estate Benchmark	-0.3 %	0.9 %	3.8 %
Infrastructure Benchmark	6.4 %	8.1 %	7.8 %
Consumer Price Index (CPI)	2.4 %	3.5 %	2.7 %

**Plan Benchmark is comprised of indices considered appropriate for each applicable asset class, each weighted in proportion to the Program's assets.*

The *Plan* also considers the performance of other pension plans of a similar size (reported as the "median plan" performance). In 2025, the *Plan's* rate of return on investments of 8.92% trailed the median Canadian pension fund return of 8.95% (as reported by RBC Investment Services - Plans Over $1Bn Universe). This ranked the *Program* in the 53rd percentile among larger pension plans in Canada. For the four and ten-year returns ended December 31, 2025, the *Plan's* investments ranked in the 24th and 6th percentiles, respectively.

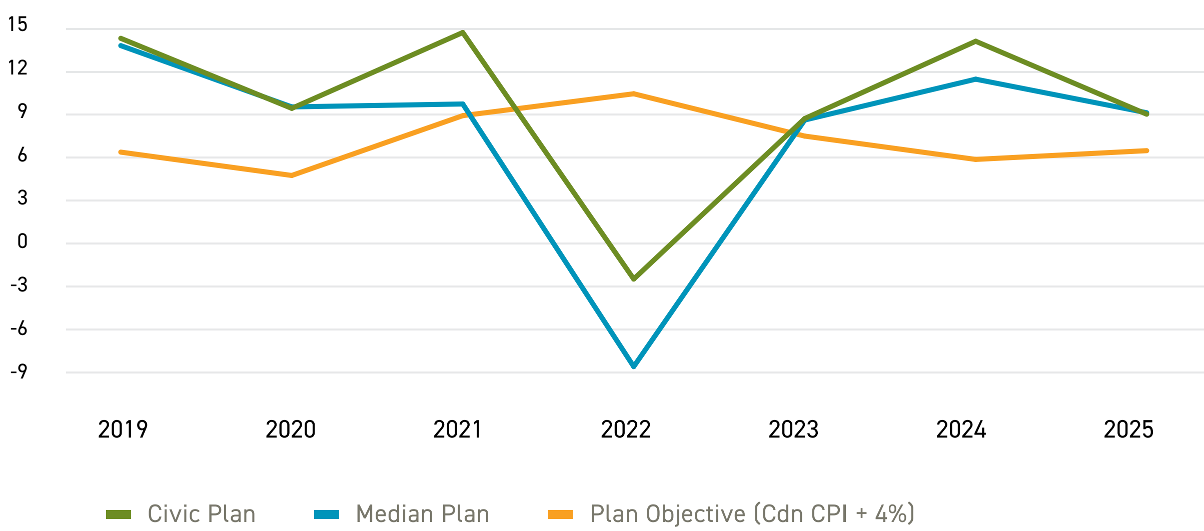
ANNUALIZED RATES OF RETURN

(%)

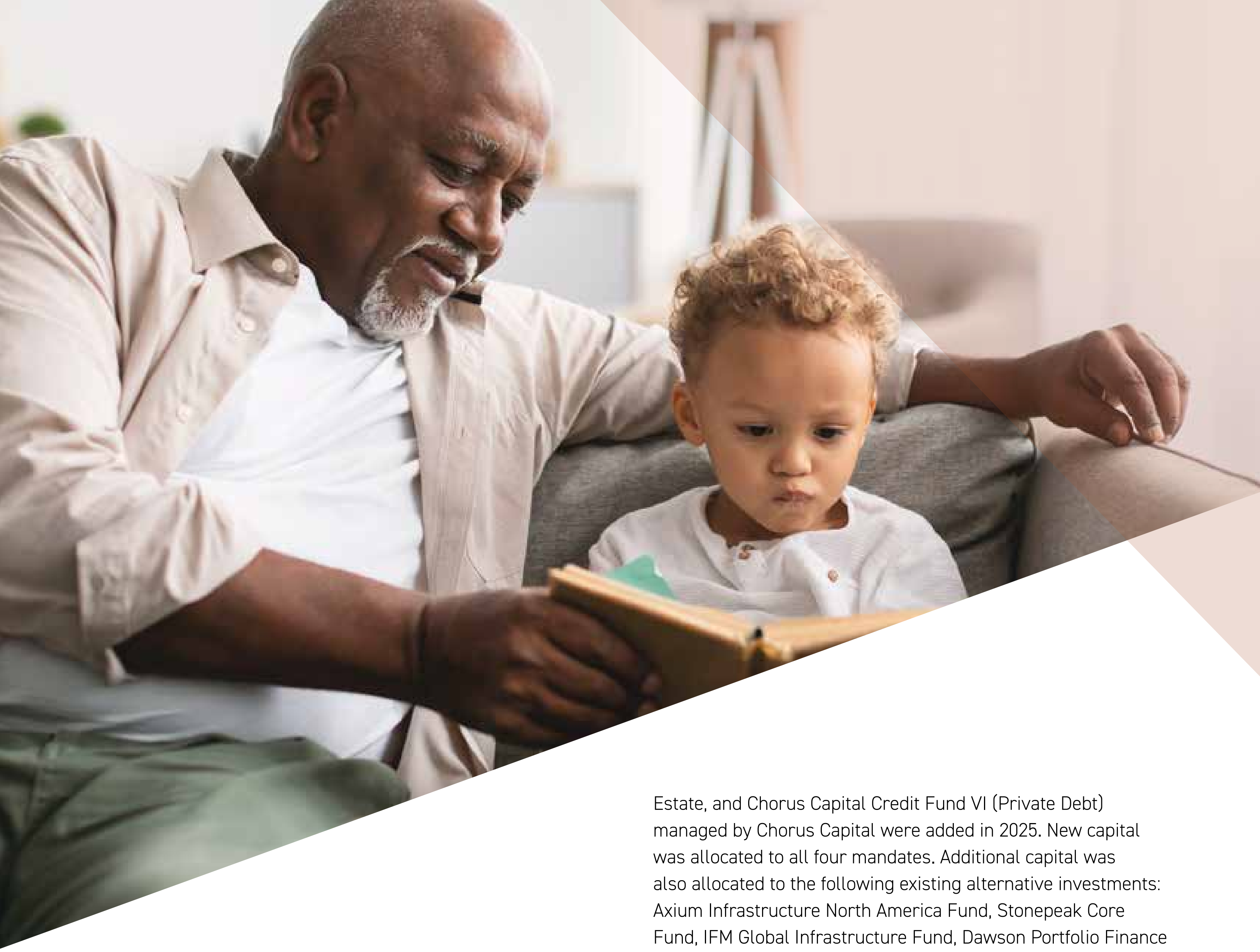


ANNUAL RATES OF RETURN

(%)



The portfolio continues to experience strong risk-adjusted returns, maintaining a suitably lower volatility return profile for the *Plan*.



Investment Management

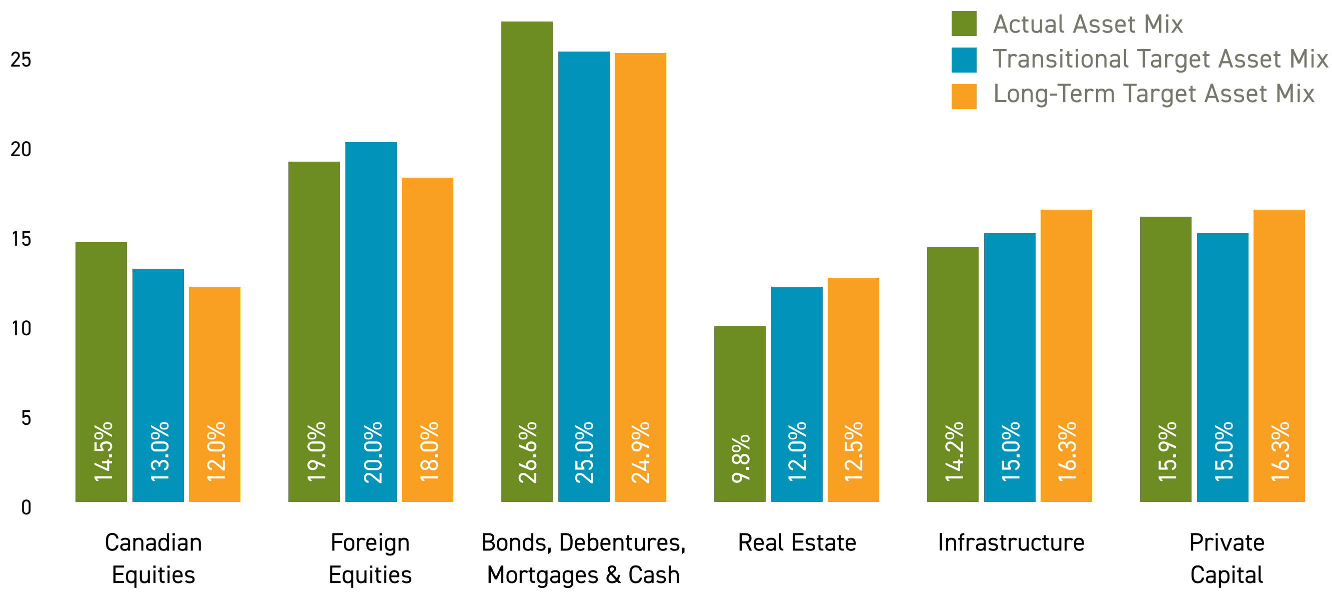
The *Plan* continues to move closer to its long-term policy asset mix established in 2023 by shifting assets away from Canadian, US, and international equities and into Real Estate, Infrastructure, and Private Debt. For the foreseeable future, the *Program* will use a transitional target asset mix for the *Plan*.

The *Program* primarily uses external investment managers to manage all asset classes and portfolios. Two new mandates with existing managers were added to the *Program's* investment portfolio in 2025, specifically Bridge Debt Strategies Fund V (Private Debt) managed by Bridge Investment Group and KKR Asset-Based Finance Partners II (Private Debt) managed by KKR. In addition, two new alternative mandates with new managers were also added during the year. Sagard Enhanced Property Fund (US Real Estate) managed by Sagard Real Estate, and Chorus Capital Credit Fund VI (Private Debt) managed by Chorus Capital were added in 2025. New capital was allocated to all four mandates. Additional capital was also allocated to the following existing alternative investments: Axium Infrastructure North America Fund, Stonepeak Core Fund, IFM Global Infrastructure Fund, Dawson Portfolio Finance 5 Fund, Neuberger Berman Private Debt - Centennial Fund, IFM US Infrastructure Debt Fund, TPG AG Asset Based Credit Evergreen Fund, Penfund PRIME Fund, KKR Direct Lending Fund, Barings Real Estate Debt Income Fund, and GIP Essential Tech and Science Fund. The required funding was sourced primarily through broad-based redemptions of Public Equities and cash (See Appendix B on page 65 for a complete list of Investment Managers).

The *Plan's* actual asset mix as at December 31, 2025, is compared to the transitional asset mix and long-term asset mix in the graph below, while the following graph shows the *Plan's* asset mix history over the last five years.

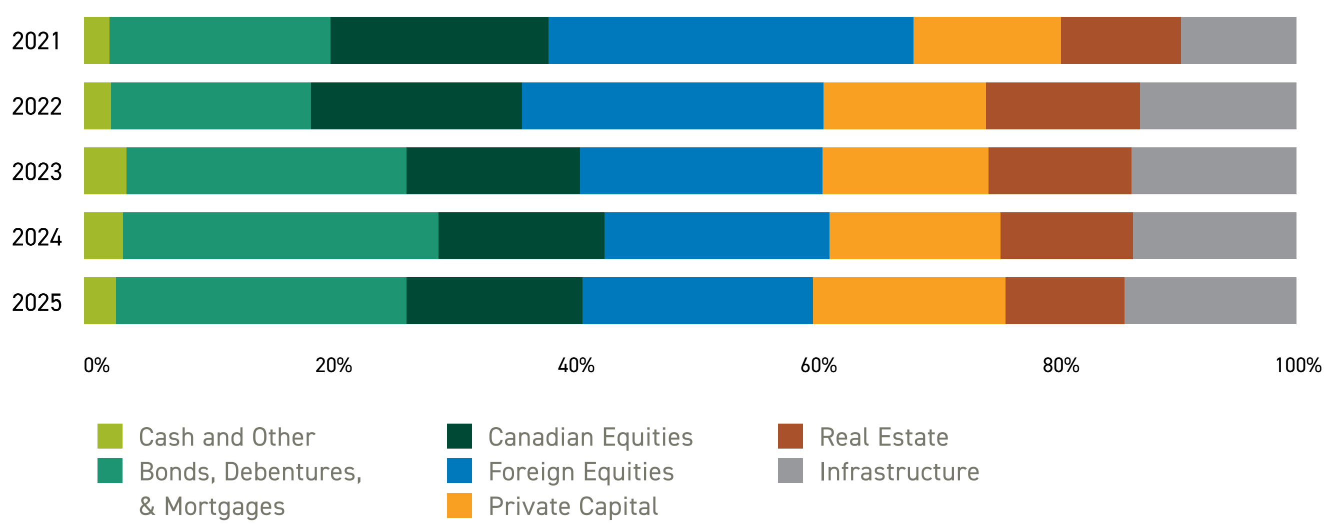
ASSET MIX

(%)



ASSET MIX

(%)



The *Program's* investment costs continue to track well below the average of Canadian pension plans, and the *Program* maintains a strong financial position.

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

DECEMBER 31, 2025

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Members of The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Pension Fund)

Opinion

We have audited the accompanying financial statements of *The Winnipeg Civic Employees' Pension Plan* ("*the Plan"*), which comprise the statements of financial position as at December 31, 2025 and the statements of changes in net assets available for benefits, changes in pension obligations and changes in surplus for the year then ended, and a summary of significant accounting policies and other explanatory information (collectively referred to as the "financial statements").

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

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our 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 that we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 ASPP, 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 Statement

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 GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, 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.

We 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.

Deloitte LLP

Chartered Professional Accountants
June 17, 2026
Winnipeg, Manitoba

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

STATEMENT OF FINANCIAL POSITION

As at December 31
(in $ thousands)

	2025	2024
ASSETS		
Investments, at fair value		
Bonds, debentures and mortgages	**$ 1,970,035**	$ 2,001,687
Canadian equities	**1,186,568**	1,057,364
Foreign equities	**1,558,766**	1,430,928
Cash and short-term deposits	**212,676**	244,575
Private equities	**4,030**	22,997
Real estate	**807,943**	837,935
Infrastructure	**1,165,834**	1,041,939
Private debt	**1,302,047**	1,066,970
	8,207,899	7,704,395
Participants' contributions receivable	**10**	4
Employers' contributions receivable	**43**	8
Accounts receivable	**3,035**	2,349
Due from other plans	**160**	292
Total Assets	**8,211,147**	7,707,048
LIABILITIES		
Accounts payable	**24,917**	23,033
Total Liabilities	**24,917**	23,033
NET ASSETS AVAILABLE FOR BENEFITS	**8,186,230**	7,684,015
PENSION OBLIGATIONS (Notes 3 & 4)	**6,577,826**	6,745,238
SURPLUS	**$ 1,608,404**	$ 938,777
SURPLUS COMPRISED OF:		
Main Account - General Component	**$ 1,054,595**	$ 904,798
Main Account - Future Contribution Reserve	**553,809**	-
Plan Members' Account	**-**	33,979
City Account	**-**	-
	$ 1,608,404	$ 938,777

See accompanying notes to the financial statements

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended December 31
(in $ thousands)

	2025	2024
INCREASE IN ASSETS		
Contributions (Note 6)		
Employees	**$ 70,406**	$ 66,892
City of Winnipeg and Participating Employers	**63,782**	59,615
Reciprocal transfers from other plans	**235**	949
	134,423	127,456
Investment income (Note 7)	**277,448**	278,996
Current period change in fair value of investments	**435,907**	677,210
Total increase in assets	**847,778**	1,083,662
DECREASE IN ASSETS		
Pension payments	**278,479**	272,203
Lump sum benefits (Note 9)	**25,832**	29,208
Administrative expenses (Note 10)	**6,147**	5,407
Investment management and custodial fees	**35,105**	33,645
Total decrease in assets	**345,563**	340,463
Increase in net assets	**502,215**	743,199
Net assets available for benefits at beginning of year	**7,684,015**	6,940,816
Net assets available for benefits at end of year	**$ 8,186,230**	$ 7,684,015

See accompanying notes to the financial statements

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN

STATEMENT OF CHANGES IN PENSION OBLIGATIONS

For the year ended December 31
(in $ thousands)

	2025	2024
ACCRUED PENSION BENEFITS, BEGINNING OF YEAR	**$ 6,745,238**	$ 6,357,018
INCREASE IN ACCRUED PENSION BENEFITS		
Interest on accrued pension benefits	**304,049**	289,923
Benefits accrued	**198,870**	205,331
Changes in actuarial assumptions	**199,586**	195,490
Experience gains and losses and other factors	**-**	11,506
Total increase in accrued pension benefits	**702,505**	702,250
DECREASE IN ACCRUED PENSION BENEFITS		
Benefits paid	**309,718**	307,357
Experience gains and losses and other factors	**9,574**	-
Changes in actuarial estimate (Note 3)	**544,190**	-
Administration expenses	**6,435**	6,673
Total decrease in accrued pension benefits	**869,917**	314,030
NET (DECREASE) INCREASE IN ACCRUED PENSION BENEFITS FOR THE YEAR	**(167,412)**	388,220
ACCRUED PENSION BENEFITS, END OF YEAR	**$ 6,577,826**	$ 6,745,238

See accompanying notes to the financial statements

STATEMENT OF CHANGES IN SURPLUS

For the year ended December 31
(in $ thousands)

	2025	2024
SURPLUS, BEGINNING OF YEAR	**$ 938,777**	$ 583,798
Increase in net assets available for benefits for the year	**502,215**	743,199
Net decrease (increase) in accrued pension benefits for the year	**167,412**	(388,220)
SURPLUS, END OF YEAR	**$ 1,608,404**	$ 938,777

See accompanying notes to the financial statements

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN
SCHEDULE 1

SCHEDULE OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS BY ACCOUNT

For the year ended December 31,
(in $ thousands)

	2025				
	Main Account- General Component	Main Account - Future Contribution Reserve	Plan Members' Account	City Account	**Total**
INCREASE IN ASSETS					
Contributions (Note 6)					
Employees	$ 70,406	$ -	$ -	$ -	**$ 70,406**
City of Winnipeg and Participating Employers	63,782	-	-	-	**63,782**
Reciprocal transfers from other plans	235	-	-	-	**235**
	134,423	-	-	-	**134,423**
Investment income (Note 7)	258,878	18,570	-	-	**277,448**
Current period change in fair value of investments	406,731	29,176	-	-	**435,907**
Total increase in assets	800,032	47,746	-	-	**847,778**
DECREASE IN ASSETS					
Pension payments	278,479	-	-	-	**278,479**
Lump sum benefits (Note 9)	25,832	-	-	-	**25,832**
Administrative expenses (Note 10)	6,147	-	-	-	**6,147**
Investment management and custodial fees	32,755	2,350	-	-	**35,105**
Transfer from Main Account - General Component to Main Account - Future Contribution Reserve (Note 4)	474,434	(474,434)	-	-	**-**
Transfer from Plan Members' Account to Main Account - Future Contribution Reserve (Note 4)	-	(33,979)	33,979	-	**-**
Total increase (decrease) in assets	817,647	(506,063)	33,979	-	**345,563**
(Decrease) increase in net assets	(17,615)	553,809	(33,979)	-	**502,215**
Net assets available for benefits at beginning of year					
Main Account - General Component	7,650,036	-	-	-	**7,650,036**
Plan Members' Account	-	-	33,979	-	**33,979**
	7,650,036	-	33,979	-	**7,684,015**
Net assets available for benefits at end of year	$ 7,632,421	$ 553,809	$ -	$ -	**$ 8,186,230**

See accompanying notes to the financial statements

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN
SCHEDULE 2

SCHEDULE OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS BY ACCOUNT

For the year ended December 31,
(in $ thousands)

	2024				
	Main Account- General Component	Main Account - Future Contribution Reserve	Plan Members' Account	City Account	Total
INCREASE IN ASSETS					
Contributions (Note 6)					
Employees	$ 66,892	$ -	$ -	$ -	$ 66,892
City of Winnipeg and Participating Employers	59,615	-	-	-	59,615
Reciprocal transfers from other plans	949	-	-	-	949
	127,456	-	-	-	127,456
Investment income (Note 7)	277,776	-	1,220	-	278,996
Current period change in fair value of investments	674,250	-	2,960	-	677,210
Total increase in assets	1,079,482	-	4,180	-	1,083,662
DECREASE IN ASSETS					
Pension payments	272,203	-	-	-	272,203
Lump sum benefits (Note 9)	29,208	-	-	-	29,208
Administrative expenses (Note 10)	5,407	-	-	-	5,407
Investment management and custodial fees	33,498	-	147	-	33,645
Total decrease in assets	340,316	-	147	-	340,463
Increase in net assets	739,166	-	4,033	-	743,199
Net assets available for benefits at beginning of year					
Main Account - General Component	6,910,870	-	-	-	6,910,870
Plan Members' Account	-	-	29,946	-	29,946
	6,910,870	-	29,946	-	6,940,816
Net assets available for benefits at end of year	$ 7,650,036	$ -	$ 33,979	$ -	$ 7,684,015

See accompanying notes to the financial statements

THE WINNIPEG CIVIC EMPLOYEES' PENSION PLAN
SCHEDULE 3

SCHEDULE OF CHANGES IN SURPLUS BY ACCOUNT

For the year ended December 31,
(in $ thousands)

	2025				
	Main Account- General Component	Main Account - Future Contribution Reserve	Plan Members' Account	City Account	**Total**
SURPLUS, BEGINNING OF YEAR	$ 904,798	$ -	$ 33,979	$ -	**$ 938,777**
(Decrease) increase in net assets available for benefits for the year	(17,615)	553,809	(33,979)	-	**502,215**
Net decrease in accrued pension benefits for the year	167,412	-	-	-	**167,412**
SURPLUS, END OF YEAR	$ 1,054,595	$ 553,809	$ -	$ -	**$ 1,608,404**

For the year ended December 31,
(in $ thousands)

	2024				
	Main Account- General Component	Main Account - Future Contribution Reserve	Plan Members' Account	City Account	Total
SURPLUS, BEGINNING OF YEAR	$ 553,852	$ -	$ 29,946	$ -	$ 583,798
Increase in net assets available for benefits for the year	739,166	-	4,033	-	743,199
Net (increase) in accrued pension benefits for the year	(388,220)	-	-	-	(388,220)
SURPLUS, END OF YEAR	$ 904,798	$ -	$ 33,979	$ -	$ 938,777

See accompanying notes to the financial statements

1. Description of Plan

a) General

The Winnipeg Civic Employees' Pension Plan ("*the Plan*") is a multiemployer defined benefit pension plan for accounting purposes, which provides pension benefits for all City of Winnipeg employees, with the exception of police officers, and employees of certain other employers which participate in the *Plan*. The *Plan* is part of *The Winnipeg Civic Employees' Benefits Program* which also includes *The Winnipeg Civic Employees' Long Term Disability Plan* and *The Winnipeg Civic Employees' Early Retirement Benefits Arrangement.*

All employees of participating employers who work full time throughout the year are required to become members of the *Plan* at the commencement of their employment. Seasonal and part-time employees are required to become members when they have earned 25% of the maximum pensionable earnings under the Canada Pension Plan in each of two consecutive years.

b) Administration

The *Plan* is administered by *The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Pension Fund)*. The *Board of Trustees* is comprised of seven employer appointed Trustees and seven member appointed Trustees, of whom one member Trustee is a retired member.

The *Plan* is registered under *The Pension Benefits Act* of Manitoba. The *Plan* is a registered pension plan, under the *Income Tax Act*, and is not subject to income taxes.

c) Financial structure

The *Plan* is comprised of three accounts, namely the Main Account (which has two components – the General Component and the Future Contribution Reserve), the Plan Members' Account and the City Account. The account structure is in accordance with the requirements of a *Pension Trust Agreement* entered into by the City and ten Signatory Unions, as amended effective December 31, 2024.

i) Main Account – General Component

All benefits of the *Plan* are paid from the Main Account – General Component.

Members contribute 9.5% of their Canada Pension Plan earnings plus 11.8% of any pensionable earnings in excess of Canada Pension Plan earnings to the *Program*. The average contribution rate is approximately 10% of pensionable earnings for both employees and participating employers.

All *Program* member contributions and employer contributions, other than those directed to *The Winnipeg Civic Employees' Long Term Disability Plan* or *The Winnipeg Civic Employees' Early Retirement Benefits Arrangement*, are credited to the Main Account – General Component. The City and participating employers are required to match the members' contributions to the *Program*, but may contribute at less than matching levels for any year provided that funds are available in the City Account and an amount equal to the difference is transferred from the City Account to the Main Account – General Component.

1. Description of Plan (continued)

c) Financial structure (continued)

i) Main Account – General Component (continued)

The *Plan* has been designated as a "multi-unit pension plan" under *The Pension Benefits Act* of Manitoba. As a "multi-unit pension plan", the financial obligations of the participating employers are limited to those specified in the *Pension Trust Agreement*.

An actuarial valuation of the future benefit obligations of the Main Account – General Component is carried out each year. Actuarial surpluses and funding deficiencies are dealt with in accordance with the terms of the *Pension Trust Agreement*.

ii) Main Account – Future Contribution Reserve

The Main Account – Future Contribution Reserve is credited with a portion of actuarial surpluses.

The Main Account - Future Contribution Reserve finances, through transfers to the Main Account – General Component, the portion of the value of the *Program* benefits the members are expected to accrue for their future service that exceeds the expected *Program* members' and employers' matching contributions to be made in respect of that future service, subject to the availability of reserves. The Main Account - Future Contribution Reserve is financed using excess *Program* funds and is given priority over distribution of excess funds to the Plan Members' Account and City Account.

iii) Plan Members' Account

The Plan Members' Account is credited with the share of all actuarial surpluses that are allocated to the *Program* members. The *Pension Trust Agreement* provides that the Plan Members' Account is used to fund the Future Contribution Reserve and may be used to fund improvements in benefits or to reduce member contributions. The balance of the Plan Member's Account as at December 31, 2024 was transferred to the Main Account – Future Contribution Reserve, effective December 31, 2024.

iv) City Account

The City Account is credited with the share of all actuarial surpluses that are allocated to the participating employers. The City Account is used to fund the Future Contribution Reserve, and finances, through transfers to the Main Account – General Component, any reduction in the participating employers' contributions from the amounts needed to match the *Program* members' required contributions.

d) Retirement pensions

The *Plan* allows for retirement at or after age 55 or following completion of 30 years of service (if hired before September 1, 2011) or when the sum of a member's age plus service equals 80. If hired after September 1, 2011, the minimum retirement age is age 50. The pension formula prior to age 65 is equal to 2% of the best 5-year average earnings for each year of credited service. The pension formula after age 65 is equal to 1.5% of the 5-year average Canada Pension Plan earnings plus 2% of the best 5-year average non-Canada Pension Plan earnings

1. Description of Plan (continued)

d) Retirement pensions (continued)

for each year of credited service. Early retirement reductions apply to pensions derived from service on and after September 1, 2011 if certain service thresholds are not met. Reductions apply to members' pensions to provide for post-retirement survivor benefits, with higher reductions to members' pensions derived from service on and after September 1, 2011. Pensions are subject to the maximum benefit limits prescribed for registered pension plans under the *Income Tax Act*.

Retirement and survivor pensions, including deferred pensions, are increased annually to provide cost-of-living adjustments at the stated level in the *Program* text, which level is currently 80% of the percentage change in the Consumer Price Index for Canada.

e) Disability benefits

The *Plan* provides long term disability benefits for employees who were totally or partially disabled prior to December 31, 1991. All long term disability benefits for employees who became totally or partially disabled subsequent to December 31, 1991 are provided by *The Winnipeg Civic Employees' Long Term Disability Plan*. If an employee is totally disabled, the disability benefits payable from the *Plan*, together with the disability benefits from the Canada Pension Plan, will equal at least 66 ⅔% of the current earnings rate for the position occupied by the employee prior to becoming disabled.

f) Survivor's benefits

The *Plan* provides survivor pensions or lump sum benefits on death prior to retirement. On death after retirement, eligible surviving spouses normally receive 66 ⅔% of the member's pension.

g) Termination benefits

Upon application and subject to vesting and locking-in provisions, deferred pensions or equivalent lump sum benefits are payable when a member terminates employment.

h) Funding deficiencies

Funding deficiencies are dealt with in accordance with the terms of the *Pension Trust Agreement*. Remedies available under the *Pension Trust Agreement* generally include revisiting the actuarial assumptions, reducing the anticipated level of future cost-of-living adjustments, increasing contributions (if agreed upon by the City and the Signatory Unions), drawing upon available reserves, and if necessary, reducing benefits.

2. Summary of Significant Accounting Policies

a) Basis of presentation

These financial statements are prepared in accordance with Canadian accounting standards for pension plans on a going concern basis and present the aggregate financial position of the *Plan* as a separate financial reporting entity, independent of the participating employers and *Program*

2. *Summary of Significant Accounting Policies (continued)*

a) Basis of presentation (continued)

members. The *Plan* has elected to apply Canadian accounting standards for private enterprises (ASPE) for accounting policies that do not relate to its investment portfolio or pension obligations. They are prepared to assist *Program* members and others in reviewing the activities of the *Plan* for the fiscal period.

These financial statements include the financial statements of the *Plan* and its wholly-owned subsidiary, 5332657 Manitoba Ltd., which was incorporated on July 14, 2006. The *Plan* accounts for its investment in its subsidiary on a non-consolidated basis and presents it at fair value. The purpose of the subsidiary corporation is to invest in and hold certain private equity investments on behalf of the *Plan*.

b) Investments and investment income

Investments are stated at fair value. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market conditions.

Publicly traded equity investments are valued using published market prices.

Bonds, debentures and mortgages are valued either using published market prices or by applying valuation techniques that utilize observable market inputs.

For private equity, private debt and infrastructure investments, where quoted market prices are not available, various methods of valuation are used by the external managers to determine fair value including the use of: discounted cash flows, earnings multiples, prevailing market rates for instruments with similar characteristics or other pricing models as appropriate. Real estate investments are valued based on the most recent valuations or appraisals of the underlying properties.

Cash and short-term investments are recorded at cost, which, together with accrued interest income, approximates fair value.

Investment transactions are recognized on a trade date basis. Investment income is recorded on the accrual basis.

The *Plan's* investment income, current period change in fair value of investments and investment management and custodial fees are allocated between the Accounts based on the average balance of each Account during the year.

c) Financial instruments other than investments

Financial instruments other than investments include accrued contributions receivable and accounts payable. Financial assets other than investments and financial liabilities are recognized in the *Plan's* statement of financial position when the *Plan* becomes a party to the contractual provisions of the instrument. All financial assets and financial liabilities are initially measured at fair value.

2. Summary of Significant Accounting Policies (continued)

c) Financial instruments other than investments (continued)

The *Plan's* contributions receivable is measured at amortized cost. The settlement periods for the majority of items are normally in the seven to fourteen days range. Management reviews the aging of the contributions receivable to determine if any loss allowance is required.

The *Plan's* financial liabilities are measured subsequently at amortized cost.

d) Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at the year end. Income and expenses, and the purchase and sale of investments, are translated into Canadian dollars at the exchange rates prevailing on the transaction dates.

e) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for pension plans requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets, obligations, and surplus during the year. Actual results could differ from those estimates. Items within the financial statements which require significant estimates and judgment include the pension obligations and the fair value of investments.

f) Future changes in accounting policies

In April 2025, the Accounting Standards Board (AcSB) issued amendments to Section 4600 related to the presentation and disclosure of investments held by pension plans, including full adherence to the disclosure requirements in IFRS 13, Fair Value Measurement and the introduction of new disclosure requirements for investment expenses and interests in investment vehicles. The amendments apply to annual reporting periods beginning on or after January 1, 2027. The *Plan* is currently assessing the impact of these amendments.

3. Change in Accounting Estimate

During the year ended December 31, 2025, the *Plan* updated its actuarial valuation to incorporate all changes related to the amended *Pension Trust Agreement* entered into by the City and ten Signatory Unions, effective December 31, 2024. As part of the updated December 31, 2024 actuarial valuation, the valuation interest rate assumption used to measure the actuarial present value of accrued benefits was revised from 4.40% to 4.95%, as approved by the *Board of Trustees*.

As a result of this updated information, the estimate of the *Plan's* actuarial pension obligations as at December 31, 2024 was revised. This revision represents a change in accounting estimate in accordance with Section 1506, as it arises from new information and developments and does not represent the correction of an error. The effect of this change has been recognized prospectively in the current year. The revision resulted in a decrease in actuarial liabilities of $544,190 as at January 1, 2025 with a corresponding increase in the *Plan's* surplus, as shown below. The impact of this change has been recognized in both the statement of changes in pension obligations and statement of changes in surplus for the year ended December 31, 2025.

(in $ thousands)

3. *Change in Accounting Estimate (continued)*

Reconciliation of Pension Obligations

Pension Obligations as previously reported at December 31, 2024	$	6,745,238
Impact of updated valuation interest rate assumption		(544,190)
Revised pension obligations at January 1, 2025	$	6,201,048

Impact on Surplus in Main Account – General Component

Previously reported Main Account – General Component surplus at December 31, 2024	$	904,798
Change in pension obligations (as above)		544,190
Revised surplus at January 1, 2025	$	1,448,988

4. *Obligations for Pension Benefits*

An actuarial valuation of *The Winnipeg Civic Employees' Benefits Program* was performed as of December 31, 2025 by Aon Solutions Canada Inc. The next actuarial valuation required to be filed with the Manitoba Pension Commission is as of December 31, 2027. This valuation was used to determine the actuarial present value of accrued benefits disclosed in the Statement of Financial Position as at December 31, 2025. For the comparative 2024 figures, the actuarial present value of accrued benefits at December 31, 2024 is based on the December 31, 2024 actuarial valuation performed by Aon Solutions Canada Inc. The economic assumptions used in determining the actuarial value of accrued pension benefits were developed by reference to expected long term economic and investment market conditions. Significant long term actuarial assumptions used in the valuation included a valuation interest rate of 4.95% (January 1, 2025 – 4.95%; December 31, 2024 – 4.75%) per year, inflation of 2.25% (2024 – 2.25%) per year, general increases in pay of 3.25% (2024 – 3.25%) per year and the interest rate on employee contributions of 2.25% (2024 – 2.25%) per year. The change in the salary increase assumption to reflect new collectively bargained wage agreements increases the obligation for pension benefits by $28,272.

The demographic assumptions for annual rates of mortality improvements were revised to utilize the Mortality Improvement 2024 Scale (MI-2024) increasing obligations for pension benefits by $171,314. The demographic assumptions, including rates of termination of employment, disability, retirement and mortality were chosen after detailed analysis of past experience. The assumptions used were approved by the *Board of Trustees* for the purpose of preparing the financial statements. The actuarial present value of accrued benefits was determined using the projected benefit method pro-rated on services.

The actuarial valuation as at December 31, 2025 disclosed an excess of smoothed value of *Program* assets over going concern obligations of $885,414, of which $331,605 remains accounted for within the Main Account – General Component. In accordance with the *Pension Trust Agreement*, the balance of the Main Account – Future Contribution Reserve has been redetermined, requiring a transfer of $57,737 from the Main Account – General Component to the Main Account - Future Contribution Reserve, effective January 1, 2026. The actuarial valuation as at December 31, 2024 disclosed an excess of smoothed value of *Program* assets over going concern obligations of

(in $ thousands)

4. Obligations for Pension Benefits (continued)

$287,182, of which $253,203 was accounted for within the Main Account – General Component. In accordance with the amended *Pension Trust Agreement*, both the balance of the Plan Members' Account of $33,979 as at December 31, 2024 was to be transferred to the Main Account – Future Contribution Reserve, as well as the funding surplus of $474,434 within the Main Account – General Component was to be transferred to the Main Account – Future Contribution Reserve effective January 1, 2025. Together both transfers funded the Main Account – Future Contribution Reserve to its target level.

The actuarial present value of accrued benefits disclosed in the Statement of Financial Position as at December 31, 2025 includes the obligations of *The Winnipeg Civic Employees' Long Term Disability Plan* and *The Winnipeg Civic Employees' Early Retirement Benefits Arrangement* in the amounts of $26,378 (January 1, 2025 – $25,767; December 31, 2024 – $26,349) and $4,486 (January 1, 2025 - $5,001; December 31, 2024 – $5,338) respectively. These obligations are included because the *Pension Trust Agreement* requires that all *Program* obligations be taken into account in determining the periodic actuarial surplus or funding deficiency.

The assets available to finance the *Program's* accrued benefits are those allocated to the Main Account – General Component. In determining the surplus or deficiency for actuarial valuation purposes, and to be consistent with the assumptions used to determine the actuarial present value of benefits, the actuarial value of the assets of the Main Account – General Component was determined from fair values. The actuarial value placed on the assets smoothes out fluctuations in fair values by spreading the difference between expected returns and actual returns, including unrealized gains and losses, over five years.

The effect of using a smoothed value of assets for the Main Account – General Component in determining the actuarial surplus or deficiency is as follows:

	2025	2024
Surplus for financial statement reporting purposes – Main Account – General Component	**$ 1,054,595**	$ 904,798
Fair value changes not reflected in actuarial value of assets	**(722,990)**	(651,595)
Surplus for actuarial valuation purposes		
– Main Account – General Component	**331,605**	253,203
Add: special purpose accounts		
– Plan Members' Account	**-**	33,979
– Main Account – Future Contribution Reserve	**553,809**	-
Surplus for actuarial valuation purposes - including special purpose accounts	**$ 885,414**	$ 287,182

5. Management of Financial Risk

In the normal course of business, the *Plan's* investment activities expose it to a variety of financial risks. The *Plan* seeks to minimize potential adverse effects of these risks on the *Plan's* performance by hiring professional, experienced portfolio managers, by regular monitoring of the *Plan's* position and market events, by diversifying the investment portfolio within the constraints of the investment policy and objectives, and occasionally through the use of derivatives to hedge certain risk exposures. Significant risks that are relevant to the *Plan* are discussed below.

(in $ thousands)

5. Management of Financial Risk (continued)

a) Credit risk

Credit risk arises from the potential for an investee to fail or to default on its contractual obligations to the *Plan*, and is concentrated in the *Plan's* investment in bonds, debentures, mortgages, private debt, cash and short-term deposits. At December 31, 2025, the *Plan's* credit risk exposure related to bonds, debentures, mortgages, private debt and short-term deposits totaled $3,484,758 (2024 – $3,313,232).

The *Plan's* concentration of credit risk as at December 31, 2025, related to bonds, debentures, and mortgages, as well as private debt is categorized amongst the following types of issuers:

Type of Issuer	2025 Fair Value	2024 Fair Value
Government of Canada and Government of Canada guaranteed	**$ 393,719**	$ 384,747
Provincial and Provincial guaranteed	**728,825**	766,645
Canadian cities and municipalities	**22,450**	23,017
Corporations and other institutions	**54,202**	57,072
Commercial mortgages	**770,839**	770,206
Bonds, debentures and mortgages	**1,970,035**	2,001,687
Private debt	**1,302,047**	1,066,970
	$ 3,272,082	$ 3,068,657

The *Plan's* investments include short-term deposits with the City of Winnipeg which have a fair value of $47,795 at December 31, 2025 (2024 – $135,944).

The *Plan* limits credit risk by investing in bonds and debentures of investees that are considered to be high quality credits and by utilizing an internal Investment Policy Guideline monitoring process.

As at December 31, 2025 bonds and debentures analyzed by credit rating are as follows:

	2025		2024	
Credit Rating	**Percent of Total Bonds**	**Percent of Net Assets**	Percent of Total Bonds	Percent of Net Assets
AAA	**33.5**	**4.9**	31.9	5.1
AA	**59.1**	**8.7**	60.5	9.7
A	**5.4**	**0.8**	5.7	0.9
BBB	**2.0**	**0.3**	1.9	0.3
	100.0	**14.7**	100.0	13.2

At December 31, 2025, the interest rates of the loans within the mortgage portfolios range from 1.0% to 11.2%. The *Plan's* external managers for the mortgage and private debt portfolios limit

5. Management of Financial Risk (continued)

a) Credit risk (continued)

credit risk through diversification, performing due diligence at the time of investing including internal credit analysis, and enforcing loan covenants while monitoring the loans until maturity.

The *Plan* participates in a securities lending program, managed by the *Plan's* custodian, wherein securities are loaned to counterparties in exchange for lending fees. At December 31, 2025, the *Plan's* share of securities loaned under this program is $908,647 (2024 – $399,434). In this regard, the *Plan's* exposure to credit risk relates to the potential for a counterparty to not return a security and the related collateral held is insufficient to replace the security in the open market.

The credit worthiness of counterparties is regularly monitored and collateral is maintained greater than the value of the loans.

b) Liquidity risk

Liquidity risk is the risk that the *Plan* will encounter difficulty in meeting obligations associated with financial liabilities. The *Plan* ensures it retains sufficient cash and short-term investment positions to meet its cash flow commitments, including the ability to fund the pensioner payroll costs and to fund investment commitments. The *Plan* primarily invests in securities that are traded in active markets and can be readily disposed. The *Plan* may invest in private equity, which is not traded in an organized market and may be illiquid, but only up to a maximum of 2.5% of the *Plan's* assets, as stipulated in the *Plan's* Statement of Investment Policies and Procedures. The *Plan* may also invest in private debt, real estate and infrastructure, which are not traded in organized markets and may be illiquid, but only up to a maximum of 21.25%, 16.25% and 21.25% of the *Plan's* assets for each asset class respectively, as stipulated in the *Plan's* Statement of Investment Policies and Procedures.

c) Interest rate risk

Interest rate risk is the risk that the fair value of the *Plan's* interest bearing investments will fluctuate due to changes in market interest rates. The *Plan's* exposure to interest rate risk is concentrated in its investment in bonds, debentures, mortgages, short-term investments and private debt.

The *Plan's* actuarial liabilities are also exposed to fluctuations in long term interest rates as well as expectations of inflation and salary escalation. The *Plan's* primary exposure is to a decline in the long-term real rate of return which may result in higher contribution rates or lower benefit levels.

The *Plan* has approximately 26.6% (2024 – 29.2%) of its assets invested in bonds, debentures, mortgages and short-term investments as at December 31, 2025. The returns on bonds, debentures and mortgages are particularly sensitive to changes in nominal interest rates.

The term to maturity and related fair values of investments in bonds, debentures and mortgages held by the *Plan* at December 31, 2025 are as follows:

(in $ thousands)

5. Management of Financial Risk (continued)

c) **Interest rate risk (continued)**

Term to Maturity	**2025 Fair Value**	2024 Fair Value
Less than one year	**$ 185,375**	$ 207,407
One to five years	**737,897**	611,195
Greater than five years	**1,046,763**	1,183,085
	$ 1,970,035	$ 2,001,687

As at December 31, 2025, had prevailing interest rates raised or lowered by 0.5% (2024 – 0.5%) assuming a parallel shift in the yield curve, with all other variables held constant, the fair value of investments in bonds, debentures and mortgages would have decreased or increased, respectively, by approximately $49,645 (2024 – $52,644), approximately 0.6% of total net assets (2024 – 0.7%). The *Plan's* sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolio. In practice, the actual results may differ and the difference could be material.

The *Plan* also has exposure to interest rate risk from its private debt investments. The *Plan's* external investment managers mitigate fair value interest rate risk by making loans that are primarily floating rate instruments.

d) **Foreign currency risk**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency exposure arises from the *Plan's* holdings of foreign equity, private equity, private debt and infrastructure investments. The *Plan's* investment managers may, from time to time, hedge some of this exposure using forward contracts. The following table indicates the *Plan's* net foreign currency exposure after giving effect to the net related economic hedge as at December 31, 2025. The table also illustrates the potential impact to the *Plan's* net assets, all other variables held constant, as a result of a 10% change in these currencies relative to the Canadian dollar. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

	2025				2024	
	Gross Exposure	Net Foreign Currency Hedge	Net Exposure	Impact on Net Assets	Net Exposure	Impact on Net Assets
United States	**$ 3,018,284**	**$ 251,011**	**$ 2,767,273**	**$276,727**	$2,513,673	$251,367
Euro countries	**453,185**	**114,452**	**338,733**	**33,874**	275,825	27,583
United Kingdom	**184,637**	**42,228**	**142,409**	**14,241**	131,382	13,138
Australia	**132,070**	**28,641**	**103,429**	**10,343**	97,526	9,753
Japan	**93,227**	**-**	**93,227**	**9,323**	77,958	7,796
Switzerland	**44,023**	**-**	**44,023**	**4,402**	37,120	3,712
Hong Kong	**34,562**	**-**	**34,562**	**3,456**	36,411	3,641
Sweden	**21,290**	**-**	**21,290**	**2,129**	16,671	1,667
Other	**187,337**	**67,756**	**119,581**	**11,958**	87,210	8,721
	$ 4,168,615	**$504,088**	**$ 3,664,527**	**$366,453**	$3,273,776	$327,328

(in $ thousands)

5. Management of Financial Risk (continued)

e) Other price risk

Other price risk is the risk that the value of investments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to an individual asset or its issuer, or factors affecting all securities traded in the market. All securities present a risk of loss of capital. The *Plan's* policy is to invest in a diversified portfolio of investments. As well, the *Plan's* Managers moderate this risk through careful selection of securities and other financial instruments within the parameters of the investment policy and strategy. The maximum risk resulting from financial instruments is equivalent to their fair value.

For this *Plan*, the most significant exposure to other price risk is from its investment in equity securities. As at December 31, 2025, had the prices on the respective stock exchanges for these securities increased or decreased by 15%, with all other variables held constant, net assets would have increased or decreased by approximately $411,800 (2024 – $373,244), approximately 5.0% of total net assets (2024 – 4.9%). In practice, the actual results may differ and the difference could be material.

The *Plan* also has exposure to valuation risk through its holdings of private equities, private debt, real estate, and infrastructure investments, for which quoted market prices are not available.

In 2013, the *Plan* became a client of OMERS Investment Management, and to date has made payments of $166,080 in a Contractual Return Arrangement. The Contractual Return Arrangement provides the *Plan* with the annual rate of return (which may be positive or negative) based on the total investment return reported in the OMERS Annual Report for the assets and related liabilities allocable to the OMERS Primary Pension Plan fund that are directly or indirectly owned by OMERS Administration Corporation ("OAC") and managed by Borealis Infrastructure (the "Borealis Assets"). Under this arrangement the *Plan* is the sole limited partner in an Ontario limited partnership (OIM B3 2013 L.P.), and it has entered into a derivative contract with that limited partnership, which provides the return described above each year on the outstanding value of the contract. The arrangement provides for annual cash distributions to the *Plan* to the extent that cash distributions are received by OAC in respect of the operations of any investment forming part of the Borealis Assets. In addition, further cash distributions may be made under the arrangement, to the extent that cash distributions are received by OAC and distributed to the partnership in respect of the full or partial disposition of any investment forming part of the Borealis Assets.

The table below itemizes the estimated fair value and related change in fair value of investments recognized for the year ended December 31, 2025, for the following investment assets with exposure to valuation risk:

	2025			2024		
	Fair Value of Investments	Percent of Net Assets	Change in Fair Value of Investments	Fair Value of Investments	Percent of Net Assets	Change in Fair Value of Investments
Private equities	**$ 4,030**	**0.1**	**$ 32**	$ 22,997	0.3	$ 468
Real estate	**807,943**	**9.8**	**(42,400)**	837,935	10.9	24,358
Infrastructure	**1,165,834**	**14.2**	**63,603**	1,041,939	13.6	67,817
Private debt	**1,302,047**	**15.9**	**(44,487)**	1,066,970	13.9	78,520

(in $ thousands)

5. Management of Financial Risk (continued)

f) Fair value hierarchy

Financial instruments recorded at fair value on the Statement of Financial Position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and, Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The following tables present the investment assets recorded at fair value in the Statement of Financial Position as at December 31, 2025, classified using the fair value hierarchy described above:

	Level 1	Level 2	Level 3	2025 Total Investment Assets at Fair Value
Bonds, debentures and mortgages	**$ -**	**$ 1,970,035**	**$ -**	**$ 1,970,035**
Canadian equities	**1,186,568**	**-**	**-**	**1,186,568**
Foreign equities	**1,558,766**	**-**	**-**	**1,558,766**
Cash and short-term deposits	**212,676**	**-**	**-**	**212,676**
Private equities	**-**	**-**	**4,030**	**4,030**
Real estate	**-**	**-**	**807,943**	**807,943**
Infrastructure	**-**	**-**	**1,165,834**	**1,165,834**
Private debt	**-**	**-**	**1,302,047**	**1,302,047**
	$ 2,958,010	**$ 1,970,035**	**$3,279,854**	**$ 8,207,899**

	Level 1	Level 2	Level 3	2024 Total Investment Assets at Fair Value
Bonds, debentures and mortgages	$ -	$ 2,001,687	$ -	$ 2,001,687
Canadian equities	1,057,364	-	-	1,057,364
Foreign equities	1,430,928	-	-	1,430,928
Cash and short-term deposits	244,575	-	-	244,575
Private equities	-	-	22,997	22,997
Real estate	-	-	837,935	837,935
Infrastructure	-	-	1,041,939	1,041,939
Private debt	-	-	1,066,970	1,066,970
	$ 2,732,867	$ 2,001,687	$ 2,969,841	$ 7,704,395

During the year, there has been no significant transfer of amounts between Level 1 and Level 2.

The following tables reconcile the fair value of financial instruments classified in Level 3 from the beginning balance to the ending balance:

(in $ thousands)

5. Management of Financial Risk (continued)

f) Fair value hierarchy (continued)

Private equities	2025	2024
Fair value, beginning of year	**$ 22,997**	$ 22,529
Gains recognized in increase in net assets	**33**	468
Purchases	**1,161**	1,180
Sales/distributions	**(2,009)**	(2,406)
Purchases of short-term investments	**848**	1,226
Dividends received	**(19,000)**	-
	$ 4,030	$ 22,997

Real estate	2025	2024
Fair value, beginning of year	**$ 837,935**	$ 817,808
Losses (gains) recognized in increase in net assets	**(42,400)**	24,358
Purchases	**17,947**	947
Sales	**(5,539)**	(5,178)
	$ 807,943	$ 837,935

Infrastructure	2025	2024
Fair value, beginning of year	**$ 1,041,939**	$ 948,038
Gains recognized in increase in net assets	**63,602**	67,817
Purchases	**64,904**	26,467
Sales	**(4,611)**	(383)
	$ 1,165,834	$ 1,041,939

Private debt	2025	2024
Fair value, beginning of year	**$ 1,066,970**	$ 931,759
Losses (gains) recognized in increase in net assets	**(44,487)**	78,520
Purchases	**441,162**	196,931
Sales	**(161,598)**	(140,240)
	$ 1,302,047	$ 1,066,970

Section 3.29 of *The Pension Benefits Act Regulations* requires disclosure of each investment asset that has a fair value greater than two percent of the fair value of the investment assets of the Fund. As at December 31, 2025, the *Plan* held the following investments that met this classification:

(in $ thousands)

5. Management of Financial Risk (continued)

f) Fair value hierarchy (continued)

		2025
Bonds, debentures and mortgages		
WCEBP Bond Portfolio	$	523,855
TD Emerald Long Government Bond Pooled Fund Trust		460,196
ACM Commercial Mortgage Fund		386,934
TD Greystone Mortgage Fund		383,899
TD Emerald Canadian Bond PFT		215,202
Foreign equities		
State Street S&P 500 Index Common Trust Fund		318,467
Real estate		
Greystone Real Estate Fund Inc.		227,081
Carlyle Property Investors, L.P.		191,978
Bentall Kennedy Prime Canadian Property Fund Ltd.		153,287
Lion Industrial Trust		140,018
GI Partners ETS Fund L.P.		80,080
Infrastructure		
IFM Global Infrastructure (Canada), L.P.		358,591
OIM B3 2013 L.P.		300,589
Stonepeak Core Fund, L.P.		197,582
Axium Infrastructure N.A. L.P.		183,464
JPMorgan Infrastructure Investments Fund		111,130

6. Contributions

		2025		2024
Employees				
Required contributions	**$**	**70,029**	$	66,516
Voluntary additional contributions		**189**		193
Special contributions		**423**		1,132
	$	**70,641**	$	67,841
City of Winnipeg and Participating Employers				
Required contributions	**$**	**63,588**	$	59,412
Special contributions		**194**		203
	$	**63,782**	$	59,615
Total Contributions	**$**	**134,423**	$	127,456

Special contributions include amounts for purchase of service while on a leave of absence and reciprocal transfers. There were past service contributions made in 2025 of $Nil (2024 - $2).

(in $ thousands)

7. *Investment Income*

	2025	2024
Bonds, debentures and mortgages	**$ 83,984**	$ 81,988
Canadian equities	**30,433**	33,094
Foreign equities	**21,289**	20,022
Cash, short-term deposits and other	**4,009**	11,269
Real estate	**18,907**	17,139
Infrastructure	**28,276**	30,880
Private debt	**90,550**	84,604
	$ 277,448	$ 278,996
Allocated to:		
Main Account	**$ 258,878**	$ 277,776
Future Contribution Reserve	**18,570**	-
Plan Members' Account	**-**	1,220
City Account	**-**	-
	$ 277,448	$ 278,996

8. *Investment Transaction Costs*

During 2025 the *Plan* incurred investment transaction costs in the form of brokerage commissions, in the amount of $266 (2024 – $215). Investment transaction costs are included in the current period change in fair value of investments.

9. *Lump Sum Benefits*

	2025	2024
Termination benefits	**$ 22,237**	$ 20,503
Death benefits	**2,241**	6,001
Payments on relationship breakdown	**1,196**	2,622
Other	**158**	82
	$ 25,832	$ 29,208

10. *Administrative Expenses*

	2025	2024
Salaries and benefits	**$ 3,756**	$ 3,404
Actuarial fees	**492**	342
Audit fees	**54**	50
Other professional services	**598**	587
Office and administration	**1,118**	872
Capital expenditures	**141**	163
Less: recoveries from other plans	**(12)**	(11)
	$ 6,147	$ 5,407

10. Administrative Expenses (continued)

Certain of the above administrative expenses, including salaries and benefits, represent the reimbursement by the *Plan* to the City of Winnipeg for the cost of supplying such services.

11. Commitments

The *Plan's* wholly-owned subsidiary, 5332657 Manitoba Ltd., has entered into an investment management agreement wherein it has authorized an investment manager to make private equity investment commitments on its behalf, with aggregate commitments not to exceed $80,000. As at December 31, 2025, $59,266 had been funded, $72,000 (2024 – $53,000) capital had been returned back to the *Plan* and the remaining fair value of this investment is $4,030 (2024 – $22,997). No further private equity investments are expected to occur in 5332657 Manitoba Ltd.

12. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

EARLY RETIREMENT BENEFITS ARRANGEMENT

As the *Program* allows for retirement at or after age 55 without a minimum service requirement, there are some situations where *Program* benefits earned prior to September 1, 2011, exceed the maximum early retirement benefits permitted for registered pension plans under the *Income Tax Act*. Accordingly, *The Winnipeg Civic Employees' Benefits Program* includes an *Early Retirement Benefits Arrangement* to pay any early retirement pension benefits that cannot be paid by *The Winnipeg Civic Employees' Pension Plan*, as a registered pension plan. No contributions are made to fund these benefits in advance of their payment, so as not to incur a tax liability, but rather a portion of the employer contributions to the Program are used to pay these benefits as they fall due.

Although the *Early Retirement Benefits Arrangement* has been in existence for quite some time, 1999 was the first year benefits were paid under the Arrangement. The amount paid out in 2025 was $222,347 (2024—$208,280). Payments will continue to be reported in future years, but financial statements will not be published until the amounts are somewhat significant.

LONG TERM DISABILITY PLAN

LONG TERM DISABILITY PROGRAM HIGHLIGHTS

173
DISABLED MEMBERS

54.0 YEARS
AVERAGE AGE OF DISABLED MEMBERS

17
Members Who Returned to Their Pre-Disability Position

34
Members Working Modified Duties as Part of a Return-to-Work Process

20.0 YEARS
Average Credited Service

9.5 YEARS
Average Claim Duration for Long Term Disability Members

LONG TERM DISABILITY PLAN

The Winnipeg Civic Employees' Benefits Program has always believed that a strong *Long Term Disability Plan* is the foundation for being there when Members need it most, providing stability, protection, and confidence at every stage of life. That Member-focussed stewardship is built into every facet of the *Disability Plan*, from proactively guiding Members through an entire claim to offering help during difficult times.

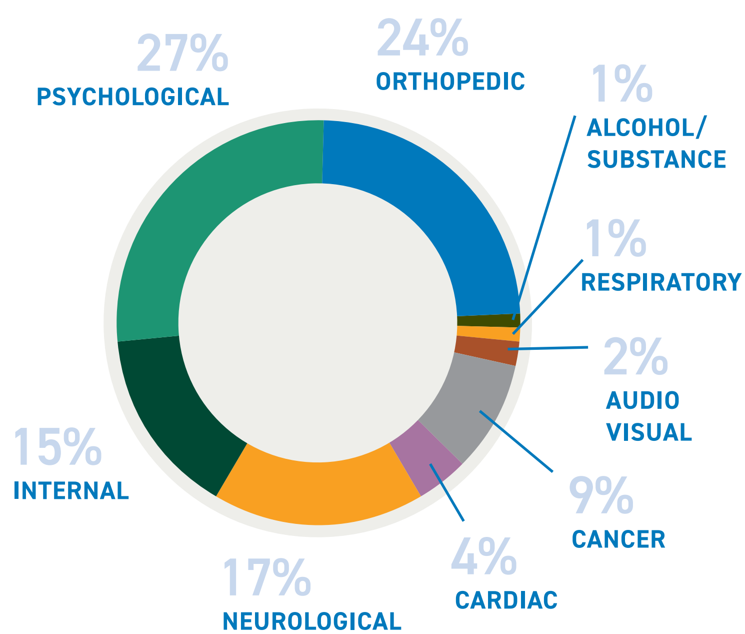
2025 was a very significant year for the Disability team, marked by meaningful progress, strong collaboration, and positive outcomes for the Members we serve. As always, we worked closely with Members to identify their abilities and support a successful, fair, and positive return-to-work experience. By focusing on their individual strengths and capabilities, we successfully supported 17 Members in confidently returning to their own occupations and provided continued guidance and support to 34 other Members working in alternate, meaningful roles aligned with their abilities and goals.

Disability claims often involve medical, functional, and psychosocial factors that are difficult to fully capture in paperwork alone. In 2025, over 80 in-person meetings, along with job site visits, were completed—both of which strengthened communication and helped build trust and transparency. What follows is an overview of those operations and processes.

Open Claims

In 2025, our claims adjudication operations demonstrated strong performance across accuracy, timeliness, and fairness. Open claims decreased to 173 in 2025, down from 183 in 2024 (a reduction of 5.5%), reflecting improved claims resolution efficiency. Our Disability Case Management Consultants remained accessible to Members, offering expert guidance, clear communication, and ongoing support to help individuals navigate the complexities of a disabling life event with confidence and clarity.

Orthopedic and Psychological conditions remain the leading categories of primary impairment. In 2025, Psychological conditions surpassed Orthopedic conditions, representing 27% of total claims, while Orthopedic conditions account for 24%. The following are the remaining categories of conditions:



Appeals

There are three stages to the appeal process: Reconsideration Reviews, the First-Level Appeal, and the Final Appeal Panel.

In 2025, Disability Case Management Consultants conducted 50 Reconsideration Reviews. This initial stage of the appeal process promotes fairness, ensures compliance, and fosters continuous improvement by incorporating new medical information that may influence the original claim determination.

For the First-Level Appeal, an independent review of 27 disability files was conducted by the Director, Disability Benefits to provide a comprehensive reassessment of each file.

In the final stage, the Final Appeal Panel reviewed zero files, which reflected the strength and fairness of the decisions made at the earlier stages of the appeal process.

As we look ahead, our commitment to our Members remains clear: we will continue to deliver consistent, evidence-based, and timely disability determinations, while ensuring every Member is treated with dignity and respect. We thank you for entrusting us with this work and look forward to supporting you in 2026.

2025 FINANCIAL STATEMENT

THE WINNIPEG CIVIC EMPLOYEES'
LONG TERM DISABILITY PLAN

DECEMBER 31, 2025

Deloitte.

Deloitte LLP
360 Main Street
Suite 2300
Winnipeg MB R3C 3Z3
Canada

Tel: 204-942-0051
Fax: 204-947-9390
www.deloitte.ca

INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Members of The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Disability Fund)

Opinion

We have audited the statement of contributions and expenses of The Winnipeg Civic Employees' Long Term Disability Plan (the "Plan") for the year ended December 31, 2025, and notes to the financial statement, including a summary of significant accounting policies (collectively referred to as the "financial statement").

In our opinion, the accompanying financial statement of the Plan as at December 31, 2025 is prepared, in all material respects, in accordance with the basis of accounting described in Note 2.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the financial statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the financial statement, which describes the basis of accounting. The financial statement is prepared to provide information to the Board of Trustees of the Plan to assist in meeting the requirements of The Winnipeg Civic Employees' Benefits Program – Disability Plan Trust Agreement. As a result, the financial statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation of the financial statement in accordance with the basis of accounting described in Note 2, and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, 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 Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s reports 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 GAAS 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 this financial statement.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statement, 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 from 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 statement 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.

We 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.

Deloitte LLP

Chartered Professional Accountants
June 17, 2026
Winnipeg Manitoba

THE WINNIPEG CIVIC EMPLOYEES' LONG TERM DISABILITY PLAN

STATEMENT OF CONTRIBUTIONS AND EXPENSES

For the year ended December 31
(in $ thousands)

	2025	2024
CONTRIBUTIONS		
City of Winnipeg and Participating Employers	**$ 6,631**	$ 7,221
Total Contributions	**6,631**	7,221
EXPENSES		
Administration	**1,446**	1,484
Disability payments	**5,185**	5,737
Total Expenses	**6,631**	7,221
	$ -	$ -

See accompanying notes to the financial statement

1. Description of Plan

a) General

The Winnipeg Civic Employees' Long Term Disability Plan ("*the Plan*") is part of *The Winnipeg Civic Employees' Benefits Program* ("*the Program*") and provides long term disability benefits for all City of Winnipeg employees and employees of certain other employers who are contributing members of *The Winnipeg Civic Employees' Pension Plan*.

b) Administration

The *Plan* is administered by *The Board of Trustees of The Winnipeg Civic Employees' Benefits Program (Disability Fund)* in accordance with the terms of *The Winnipeg Civic Employees' Benefits Program Disability Plan Trust Agreement*. The *Board of Trustees* is comprised of six employer appointed Trustees and six member appointed Trustees.

c) Contributions

The City of Winnipeg and participating employers contribute amounts equal to the benefits and expenses of the *Plan*. Employee contributions are not required or permitted. Accordingly, the *Plan* does not hold any net assets available for benefits.

d) Disability benefits

The *Plan* provides long term disability benefits, following a 26-week waiting period, for employees who become totally or partially disabled after December 31, 1991. If an employee is totally disabled, the disability benefits payable from the *Plan*, together with the disability benefits from the Canada Pension Plan, will equal at least 66 ⅔% of the employee's average bi-weekly earnings prior to disability. Disability benefits are increased annually, based on either the percentage increase in the pay rate for the position regularly occupied (for disabilities occurring before September 1, 2011) or the cost-of-living adjustment rate for *The Winnipeg Civic Employees' Pension Plan* (for disabilities occurring on or after September 1, 2011).

If a member has at least two years of credited service, disability benefits are payable as long as the member is totally or partially disabled and under the personal care of a medical doctor until the maximum duration of benefits ends, at which time the member is eligible to commence receiving a retirement pension under the *Pension Plan*. The maximum duration of benefits ends between age 60 and age 65, depending on the member's length of service and date of commencement of disability.

If a member has less than two years of credited service, then benefits are payable for a maximum of two years.

The *Program* provides that *Plan* benefits can be reduced if *Program* funding is insufficient.

2. Basis of Accounting

The *Plan's* financial statement is prepared in accordance with the requirements of *The Winnipeg Civic Employees' Benefits Program – Disability Plan Trust Agreement*.

3. Obligations for Long Term Disability Benefits

An actuarial valuation of *The Winnipeg Civic Employees' Benefits Program* was made as of December 31, 2024 by Eckler Ltd. The valuation disclosed obligations related to *The Winnipeg Civic Employees' Long Term Disability Plan* in the amount of $31,364 (2024 - $36,826). The assumptions used by the actuary were approved by the *Board of Trustees* for purposes of preparing the notes to the financial statement.

To determine the overall *Program* actuarial surplus or funding deficiency, the above obligations are included in the obligations disclosed by *The Winnipeg Civic Employees' Pension Plan*, as the pension plan holds all assets available for benefits under the *Program*.

In the event the *Program* is ever terminated, any shortfall of assets in the disability fund versus obligations for the *Long Term Disability Plan*, as measured by the *Program's* Actuary, must be transferred from *The Winnipeg Civic Employees' Pension Plan* to the City of Winnipeg, who thereupon is required to immediately contribute such amount to the *Plan*.

APPENDICES

APPENDIX A
LARGEST 50 CORPORATE SHAREHOLDINGS*

As at December 31, 2025 (in thousands)

		Pension Plan Market Value
1	Royal Bank of Canada	$ 62,468
2	Nvidia Corp	52,705
3	Apple Inc	46,518
4	Microsoft Corp	44,223
5	Bank of Nova Scotia	41,929
6	Toronto-Dominion Bank	37,899
7	Canadian Imperial Bank of Commerce	33,308
8	Agnico Eagle Mines Ltd	30,473
9	Kinross Gold Corp	27,965
10	Shopify Inc - Class A	27,948
11	Amazon.com Inc	26,464
12	Alphabet Inc-CL A	25,981
13	Bank of Montreal	21,643
14	Saputo Inc	20,646
15	Canadian National Railway Co	20,269
16	Intact Financial Corp	19,769
17	TC Energy Corp	19,693
18	Broadcom Inc	19,570
19	Meta Platforms Inc-Class A	19,006
20	TMX Group Ltd	18,551
21	Dollarama Inc	18,131
22	Loblaw Companies Ltd	17,231
23	Roche Holding AG-Genusschein	16,601
24	Fairfax Financial Hldgs Ltd	16,597
25	Magna International Inc	16,460
26	Kering	$ 16,023
27	BCE Inc	15,969
28	Metro Inc/CN	15,889
29	Empire Co Ltd 'A'	15,637
30	Waste Connections Inc	14,965
31	Brookfield Corp	14,399
32	Alimentation Couche-Tard Inc	14,359
33	Manulife Financial Corp	14,018
34	OceanaGold Corp	13,909
35	Fortis Inc/Canada	13,102
36	Constellation Software Inc	12,883
37	Reckitt Benckiser Group PLC	12,262
38	Enbridge Inc	12,241
39	Tesla Inc	12,209
40	Rogers Communications Inc-B	12,059
41	Linamar Corp	12,005
42	Enerflex Ltd	11,934
43	ATCO Ltd -Class I	11,838
44	SAP SE	11,790
45	Wells Fargo & Co	11,673
46	Alstom	11,409
47	Taiwan Semiconductor-SP ADR	11,316
48	Mastercard Inc - A	11,233
49	AstraZeneca PLC	11,220
50	Quebecor Inc -CL B	11,145

* *Includes effective holdings through participation in pooled funds, including index funds.*

APPENDIX B
INVESTMENT MANAGERS

As at December 31, 2025

Fixed Income

- ACM Advisors Ltd.
- TD Asset Management Inc.

Canadian Equities

- Fidelity Investments Canada
- Hillsdale Investment Management Inc.
- Phillips, Hager & North
- TD Asset Management Inc.

US Equities

- J.P. Morgan Investment Management Inc.
- State Street Global Advisors, Ltd.

Non-North American Equities

- Baillie Gifford Overseas Ltd.
- Causeway Capital Management LLC
- Hillsdale Investment Management Inc.
- Pyrford International

Private Capital

- Hamilton Lane Advisors LLC (Equity)
- AMP Capital (Debt)
- Barings (Debt)
- Brookfield Asset Management (Debt)
- Bridge Investment Group (Debt)
- Chorus Capital Management Ltd. (Debt)
- Dawson Partners (Debt)
- Golub Capital (Debt)
- Fiera Infrastructure Private Debt (Debt)
- IFM Investors LLC (Debt)
- Kohlberg Kravis Roberts & Co. LP (Debt)
- Neuberger Berman (Debt)
- Northleaf Capital Partners (Debt)
- Penfund Management Ltd. (Debt)
- TPG Inc. (Debt)

Real Estate

- Bentall Kennedy (Equity)
- Clarion Partners (Equity)
- TD Asset Management Inc. (Equity)
- The Carlyle Group (Equity)
- GI Partners (Equity)
- Sagard Holdings Inc. (Equity)

Infrastructure

- Axium Infrastructure
- IFM Global Infrastructure (Canada) LP
- J.P. Morgan Investment Management Inc.
- OMERS Borealis Infrastructure
- Stonepeak

2025 DIRECTORY

As at December 31, 2025

Board of Trustees

Member Trustees

Appointed by Signatory Unions

Rob Labossiere (Chair)
UNITED FIRE FIGHTERS OF WINNIPEG, LOCAL 867

Phil Dembicki
CUPE, LOCAL 500

Carmen Prefontaine
CUPE, LOCAL 500

Bob Ripley
OTHER UNIONIZED AND NON-UNIONIZED EMPLOYEES

Michael Robinson
WINNIPEG ASSOCIATION OF PUBLIC SERVICE OFFICERS

Everett Rudolph
AMALGAMATED TRANSIT UNION, LOCAL 1505

Bryan Verity
PENSIONERS AND DEFERRED MEMBERS (PENSION FUND BOARD ONLY)

Employer Trustees

Appointed by City of Winnipeg

Chris Carroll (Vice-Chair)
Dave Clark
Lisa Hoban
Tara Holowka
Cheryl Mann
Brent Piniuta (Pension Fund Board Only)
Winston Yee

Committees

Investment Committee

Appointed by Member Trustees

Gary Timlick (Chair)
Jeff Norton
Phil Dembicki

Appointed by Employer Trustees

Rob Provencher (Vice-Chair)
Don Delisle
Brad Peacock

Audit Committee

(Pension Fund)

Tara Holowka (Chair)
Cheryl Mann
Carmen Prefontaine
Bob Ripley
Rob Labossiere (ex-officio)
Chris Carroll (ex-officio)

Audit Committee

(Disability Fund)

Tara Holowka (Chair)
Cheryl Mann
Carmen Prefontaine
Bob Ripley
Everett Rudolph (ex-officio)
Chris Carroll (ex-officio)

Governance Committee

Brent Piniuta
Bob Ripley
Everett Rudolph
Rob Labossiere (ex-officio)
Chris Carroll (ex-officio)
Vacant Position

Management

Cheldon Angus
CHIEF EXECUTIVE OFFICER

Nestor Theodorou
CHIEF INVESTMENT OFFICER

Nardia Maharaj
CHIEF FINANCIAL OFFICER

Melony Schanel
CHIEF MODERNIZATION OFFICER

Amanda Jeninga
DIRECTOR, MEMBER SERVICES

Charlene Sylvestre
DIRECTOR, DISABILITY BENEFITS

David Tenjo
DIRECTOR, INFORMATION SYSTEMS

Jason Machado
CORPORATE CONTROLLER

External Advisors

ACTUARY
Aon Solutions Canada Inc.

AUDITOR
Deloitte LLP

CUSTODIAN
RBC Investor Services Trust

LEGAL COUNSEL
Koskie Minsky
Taylor McCaffrey

MEDICAL CONSULTANT
Dr. Kim Minish

WINNIPEG CIVIC EMPLOYEES'
BENEFITS PROGRAM

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