



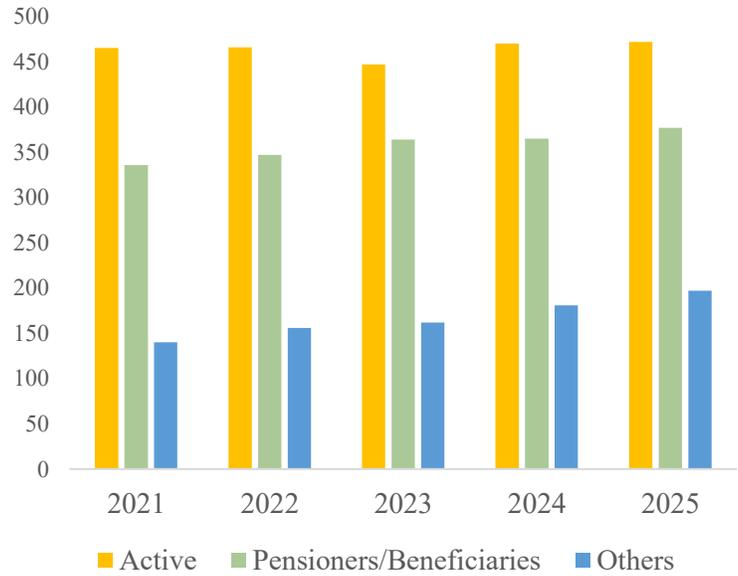
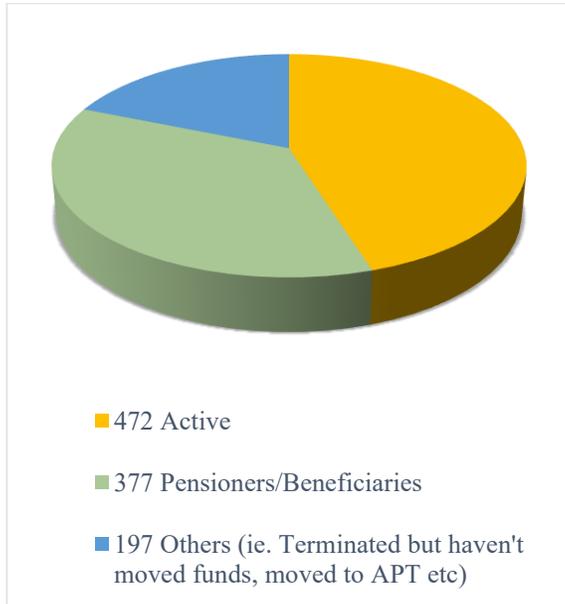
University of Regina Non-Academic Pension Plan
Defined Benefit (DB)
2025 Annual Report to Members

Plan Overview

The Non-Academic Pension Plan was established on July 1, 1952. The plan is a defined benefit (DB) plan. At retirement, your pension benefit is calculated using a formula based on your salary history and years of service at retirement. The Plan also allows the transfer of entitlements out of the Plan for members that are not eligible for retirement or upon death.

Plan Membership

The membership profile at December 31, 2025, along with the membership movement over the past five years, has been illustrated below.



Pension Contributions

2025	Pensionable Earnings
Employee	8.75%
Employer	8.75%*
Total combined fixed contribution rate	17.5%

**In addition to the fixed contribution rates above, the Employer contributed an additional 0.85%. This additional payment ended on December 31, 2025.*

Pension Benefit

The Plan provides for early retirement once any of the following provisions have been attained:

- Age 55 (an early retirement reduction may apply) or
- Combined age and service equaling 80 or
- 30 years of service.

Pension benefits are paid to you monthly for the rest of your lifetime. You will have the option to add a longer guarantee period (i.e.15 years), spousal survivor options, as well as integration options with the Canada Pension Plan (if applicable) at retirement. Your annual pension benefit is based on:

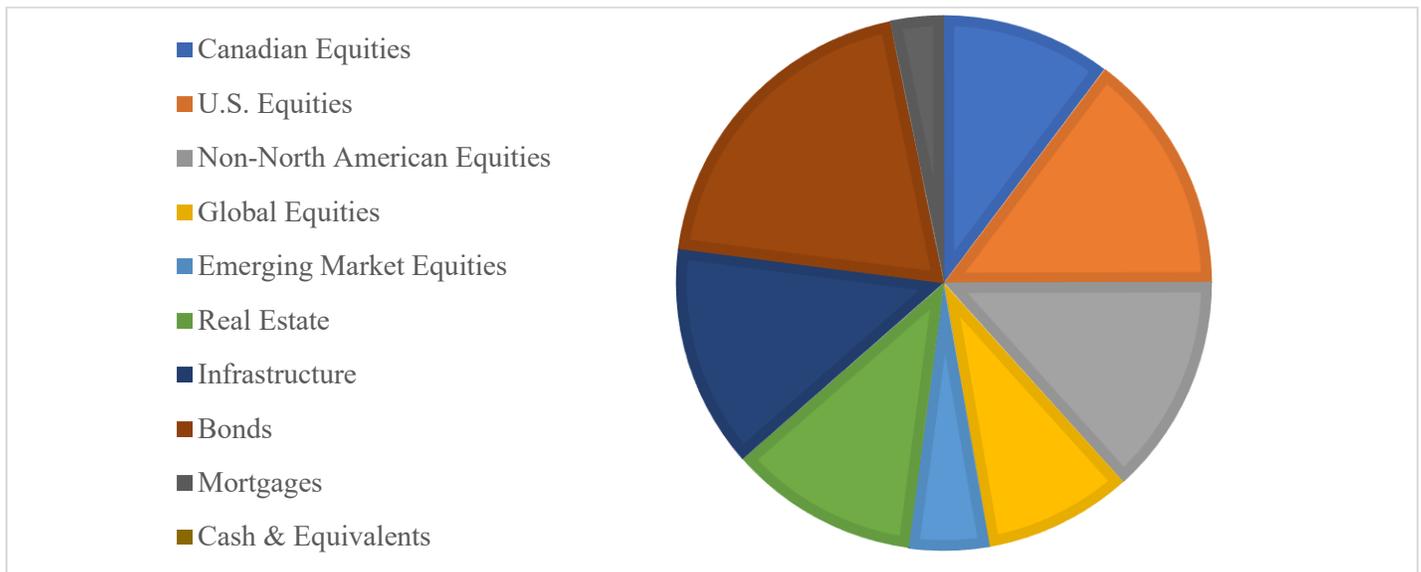
A = 2.00% of your best consecutive three year average earnings x your years of pensionable service prior to 2011;
+
B = 1.75% of your best consecutive three year average earnings x your years of pensionable service from 2011-2013;
+
C = 1.50% of your best consecutive five year average earnings x your years of pensionable service after 2013.

Pension Plan Assets at December 31, 2025

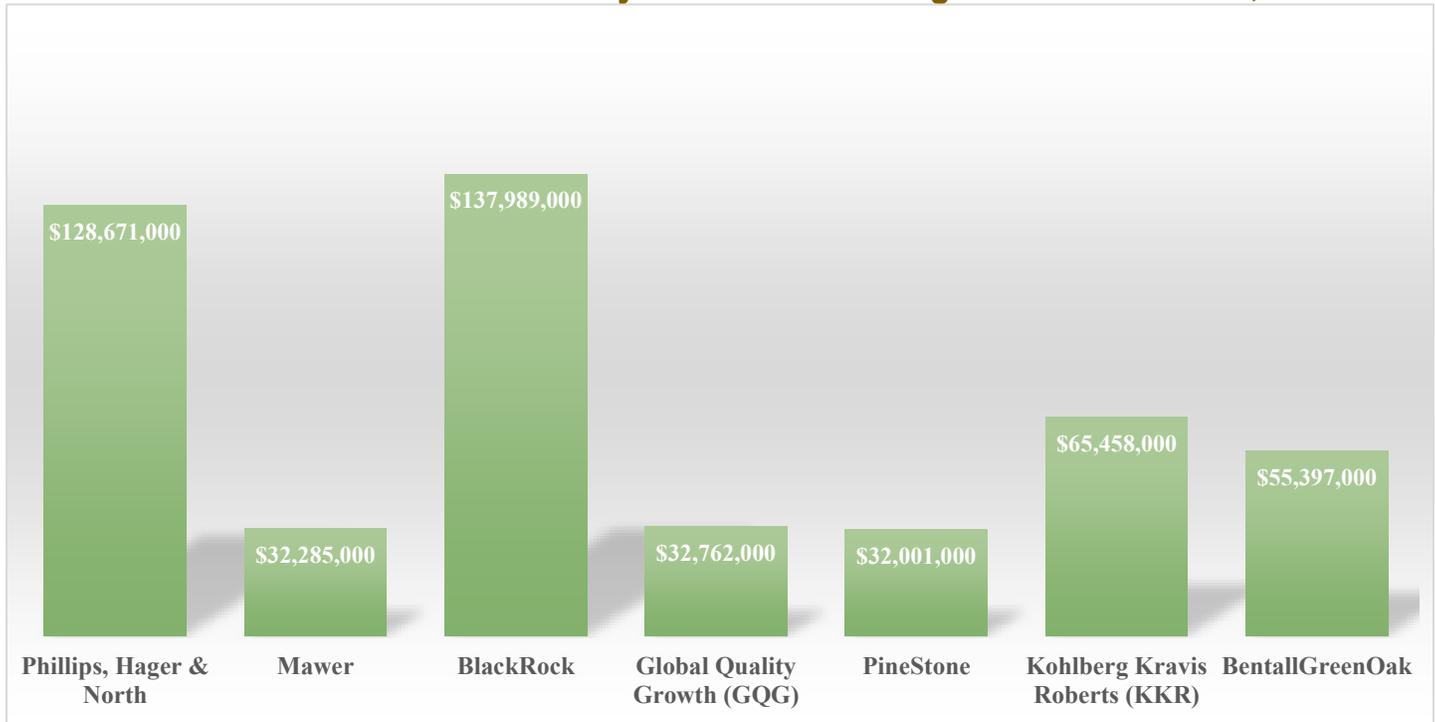
Market Value

The market value of the **Non-Academic Pension Plan** assets at the end of 2025 totalled approximately **\$151.3 million**. For investment purposes, the assets of the Non-Academic Pension Plan are combined with those of the Academic & Administrative Pension Plan (defined benefit component). The single fund is called the **Master Trust Fund**. The market value of the Master Trust was approximately **\$484.5 million** at December 31, 2025.

Asset Mix of the Master Trust at December 31, 2025



Distribution of Master Trust Assets by Investment Manager at December 31, 2025



The Markets

2025 was an unexpectedly strong year for global markets, characterized by resilient growth, AI-driven tech leadership, and a change in leadership with international equities outperforming U.S. equity markets. Despite increased volatility caused in part by trade tensions, inflation, and geopolitical issues, equities hit record highs.

Central bank policy remained a major driver of capital markets throughout 2025 with central banks around the globe cutting rates. The Bank of Canada lowered its overnight rate by a total of 1.00% in 2025, ending the year at 2.25%. The Federal Reserve reduced the federal funds rate by 0.75% in total, finishing the year in a range of 3.50% to 3.75%.

In equity markets, the S&P/TSX Composite returned 31.7%, the S&P 500 was up 12.4%, and the MSCI EAFE Index advanced 25.1%. Canadian markets were one of the strongest markets globally, with Materials the standout sector, rising 101% in the year driven by gold-related stocks. U.S. equity markets experienced a volatile but ultimately positive year. Within U.S. equities, the story shifted from the “Magnificent 7” as concerns grew over high valuations and concentration risk associated with the big tech names, and investors started spreading out into a broader range of companies. EAFE markets benefited from a resurgence in industrials, while emerging markets were supported by the strength of Korean and Taiwanese equities and, later in the year, renewed interest in Chinese equities.

2025 was a difficult year for bonds as central banks continued to cut interest rates around the globe. The FTSE Canada Universe Bond Index returned a modest 2.6% in the year. Throughout the year, short term yields dropped in Canada as the Bank of Canada lowered interest rates while the long end of the yield curve rose.

Investment Performance

A number of performance objectives are set out for the pension plan. The primary objective for the Fund is to earn a rate of return that exceeds, net of fees, the rate of return earned on a benchmark portfolio.

The investment managers appointed by the Board are directed to achieve a satisfactory long-term real rate of return through a diversified portfolio within their mandate, consistent with acceptable risks and prudent management.

The minimum inflation adjusted annualized real rate of return required to meet pension objectives is 3.80% over longer time periods.

The Master Trust Fund had mixed results versus its long-term objectives:

- Total Fund did not exceed the benchmark on a net of fees basis over four years; and
- Total Fund real return of 4.80% exceeded the real return objective of 3.80% over ten years.

The four-year and ten-year volatility for the Master Trust Fund continues to be materially lower than that of traditional balanced funds.

Investment Performance	2025	Last 4 Years	Last 10 Years
Master Trust Gross Return	9.8%	6.6%	7.5%
Benchmark Return	12.2%	6.6%	7.6%
Master Trust Value Added	-2.4%	0.0%	-0.1%
Inflation	2.4%	3.5%	2.7%
Real Return	7.4%	3.1%	4.8%

Gross Return: the total rate of return before the deduction of any fees, commissions, or expenses.

Benchmark Return: A standard against which the performance of an investment can be measured.

Real Return: the total rate of return after accounting for inflation.

Pension Plan Expenses

Plan expenses for 2025 were \$537,097 or 0.3679% of the average market value of the assets within the Master Trust attributed to the Non-Academic Pension Plan. The plan is charged for expenses related to actuarial and consulting services, administration, investment manager fees and asset servicing fees.

Actuarial Valuation

The plan last filed an actuarial valuation report with the regulators at **December 31, 2023**.

Going-Concern Position of the Plan

The going-concern valuation provides an assessment of the Plan's financial position at the valuation date on the premise that the Plan will continue on into the future indefinitely.

	2023	2021
Actuarial Value of Assets	\$128,350,000	\$121,209,000
Actuarial Value of Liabilities	\$129,856,000	\$124,418,000
Surplus/(Deficit)	(\$1,506,000)	(\$3,209,000)
Funded Ratio	0.99	0.97

Solvency Position of the Plan

The solvency valuation examines whether the Plan would be in a deficit or surplus position if it were closed (hypothetical wind-up) as of the valuation date. The Plan has been classified as a "Specified Plan" and is not required to fund solvency deficiencies.

	2023	2021
Actuarial Value of Assets	\$126,324,000	\$132,679,000
Actuarial Value of Liabilities	\$145,274,000	\$174,060,000
Surplus/(Deficit)	(\$18,950,000)	(\$41,381,000)
Solvency Ratio	0.86	0.74

Transfer Deficiency Requirements

As the Plan has a solvency ratio of 86%, pension regulations require that 14% of the funds transferred out of the Plan be held back. The amount of the money being held back is known as the transfer deficiency. The transfer deficiency is required to be paid out at the end of 5 years following the initial date of payout, or sooner if a subsequent valuation reveals a solvency surplus.

Governance Structure

The Board of Governors is the Plan’s legal administrator and as such accepts the associated fiduciary responsibilities associated with the Plan.

The Board delegates the majority of the governance duties associated with the pension plan to University administration and the Non-Academic Benefits Committee (NABC), both of which report on a regular basis back to the Board through the Human Resources Committee.

Non-Academic Benefits Committee (NABC)

The NABC consists of three members recommended by CUPE 5791, one retired member and four University representatives. At **December 31, 2025**, the NABC consisted of the following members.

Current Committee Members	Faculty/Department	Meetings Held	Meetings Attended
James Batalha	Facilities Management	9	7
Kurtus Bray	Facilities Management	6	0
Jim Carlson	Retiree	9	9
Dianne Ford	Executive Offices	9	5
Danni Kenzle	Human Resources	9	8
Temple Maurer	Human Resources	9	9
Carmon Perrin	Information Services	9	8
Glen Raboud	Financial Services	9	8
Past Committee Members	Faculty/Department	Meetings Held	Meetings Attended
Danette Andrews	Nursing	3	3

Meetings of the Committee

The Joint Pension Investment Committee (JPIC), which is made up of members of the NABC and the Academic and Administrative Benefits Committee (AABC), oversees all investment aspects related to the assets of the Master Trust Fund.

The Committees rely on the expertise of numerous consultants and investment managers in their oversight role. The key activities have been outlined in the following table.

➤ Reviewed the Quarterly Pension Investment Performance and Investment Manager Evaluation Reports for the Master Trust Fund	➤ Participated in Sessions with others Pension Plans to Learn about their Journey and Current Offerings.
➤ Approved the 2024 Pension Plan Expenses	➤ Approved the 2026 Budget and Work Plan
➤ Reviewed and Recommended JPIC terms of reference	➤ Reviewed and Recommended the 2025 Statement of Investment Policies and Goals (SIP&G)
➤ Reviewed Updates to the Canadian Association of Pension Supervisory Authorities (CAPSA) Guidelines	➤ Participated in Investment Strategy Education

Other Agents of the Plan

Actuaries and Pension Consultants	Jacob Schwartz & David Larsen, Aon
Performance Measurement Consultants	Erin Achtemichuk & Don Olsen, Aon
Asset Servicing Provider (Custodian)	The Northern Trust Company, Canada

The primary purpose of this report is to:

- Provide plan members an overview of the Plan at December 31, 2025
- Review Master Trust investments and investment performance in 2025
- Report on the 2025 activities of the Non-Academic Benefits Committee (NABC)

Please contact the Pension and Benefits unit in Human Resources or any member of the NABC if you have any questions about the items covered in this report.

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The information provided in this report is designed to give you an overview of the Non-Academic Pension Plan at December 31, 2025. Full details contained in the legal plan documents as well as applicable legislation will govern in all cases.