



ANNUAL REPORT **2025**



Civil Service
Superannuation
Board

Land acknowledgement

We acknowledge that Manitoba is located on the Treaty Territories and ancestral lands of the Anishinaabeg, Anishininewuk, Dakota Oyate, Denesuline, and Nehethowuk Nations.

We acknowledge Manitoba is located on the Homeland of the Red River Métis.

We acknowledge northern Manitoba includes lands that were and are the ancestral lands of the Inuit.

We respect the spirit and intent of Treaties and Treaty Making and remain committed to working in partnership with First Nations, Inuit and Metis people in the spirit of truth, reconciliation and collaboration.

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Message from the Board Chair

Brett Becker

Since becoming Board Chair in July 2025, I have focused on learning the full scope of CSSB's work. This includes the pension and insurance plans that support our members, as well as the long-term investment strategy that helps sustain those commitments.

Through my work with other Manitoba pension plans, I have seen how important strong governance is to long-term financial security and member service.

Decisions made today affect members for decades to come. The Board takes this responsibility seriously and it has guided our work throughout a year marked by change and progress.

Leadership

2025 brought several important leadership transitions across the organization. We thank outgoing Board Chair Carmele Peter for her leadership and many contributions to CSSB. We also thank JoAnne Reinsch for her years of dedicated service. We welcomed Donna Rose to the Board, where she brings valuable experience in compensation and benefits administration.

Change also extended to CSSB's executive leadership. Michael Emslie joined the organization as Chief Administrative Officer, succeeding long-serving General Manager Bruce Schroeder. Looking ahead, Chief Investment Officer Peter Josephson announced his retirement after 30 years with CSSB. We thank Peter for his dedication and leadership.

While leadership changes bring new perspectives, CSSB's commitment to providing high-quality, up-to-date services to members remains constant.

Governance and investment oversight

Periods of transition reinforce the importance of strong governance. The Board's role is to provide oversight, support sound decision-making, and help ensure the long-term sustainability of the pension plan.

In 2025, we continued to review and strengthen our governance framework to ensure our policies, practices, and decision-making processes remain aligned with the best interests of our members.

As Board Chair, I also serve on the Investment Committee. This year, we welcomed Nicoletta Oprea and William Chornous. We extend our thanks to A. Scott Penman, Sil Komlodi, and Susan Stephen for their many years of service and valuable contributions.

Positive investment results

In 2025, the fund earned a return of 11.86%, supported by strong performance in US equities and infrastructure. Returns were slightly below the policy benchmark of 12.47%, mainly due to weaker relative performance against challenging benchmarks in international equities, Canadian equities, and private equity. However, the result was well above the actuarial rate of return of 6%.

Plan funding

Investment performance is one part of the plan's long-term financial health. The Board also considers the funded status, contribution rates, and cost-of-living adjustments.

Funded status

At the end of 2024, the plan was 83% funded. The funded status is an important measure of the plan's financial health. The Board and CSSB's actuary monitor the plan's funded status and work with committees to make funding recommendations to the Manitoba government. To learn more, see page 31.

Contribution rates

Contribution rates increased in April 2026 by 0.5% of pensionable earnings. The increase applies to both members and employers. This is the first of four planned increases designed to help strengthen the plan's funding over time. For more information, see page 27.

Cost-of-living adjustment

In 2025, the cost-of-living increase was 0.87%, based on available funding. We understand that cost-of-living increases are important to our retired members. Each year, this decision is made carefully by an actuary and our Board, using the plan's financial position and the approved decision-making framework. For more information, see page 34.

Looking ahead

The Board remains focused on providing strong governance and oversight in support of the plan's long-term sustainability. Through careful monitoring, informed decision-making, and a commitment to prudent management, the Board helps ensure the plan remains well-positioned to meet the needs of current and future members.

Message from the CAO

Michael Emslie

Since joining CSSB last July, I've had the opportunity to learn from our dedicated staff and meet with employers and members. Through these meetings I have gained a deeper understanding and appreciation of the needs and perspectives of our members, and the important role CSSB plays in supporting the retirement security of thousands of Manitobans.

I've also seen firsthand the dedication and adaptability of our employees during a year of significant change. Throughout the year, our focus has remained on delivering outstanding service while continuing to strengthen the programs, tools, and supports available to members.

Enhancing services for members

Members increasingly want to access information and services online. We continue to invest in systems and resources that make it easier for them to get the information they need, when they need it.

In 2025 we made improvements to our Online Services portal and launched a new website designed to make information easier to find and understand. We also strengthened our information technology and cybersecurity practices to help protect the personal information entrusted to us.

Throughout the year, we updated member publications, expanded educational resources like videos, and continued to offer seminars that help members better understand their pension and insurance benefits. As we update documents and resources we are focused on improving the understandability of the information we provide. Pensions can be complex, but we are striving to make them as understandable as possible by simplifying the language we use to communicate.

Plan sustainability

In early 2026 contribution levels increased for active members of the plan. This initiative was the result of years of analysis and discussion by the plan actuary, Superannuation and Insurance Liaison Committee, which represents plan members, and the Employer Pension and Insurance Advisory Committee, which represents plan employers. The

contribution increase, which will be phased in over four years, is an important step that will enhance the sustainability of the plan.

Implementing these changes required extensive coordination with participating employers, payroll teams, and staff across CSSB. Our focus was on supporting employers and members by providing clear information, answering questions, and helping ensure the transition was as smooth as possible.

Recognizing our people

CSSB's success depends on the knowledge and dedication of its employees. As experienced employees prepare for retirement, preserving institutional knowledge and developing future leaders is increasingly important.

In early 2026, we welcomed Jared Mickall to the leadership team as Director of Actuarial and Pension Services. We also recognized the retirement of several long-serving employees, including Dawn Prokopowich, Director, Client Services Administration. We thank them for their many contributions to CSSB and wish them all the best in retirement. We are especially grateful for their efforts to share their knowledge and expertise with new staff, helping to ensure a smooth transition.

I would also like to recognize Bruce Schroeder who retired from his role as General Manager in 2025. Bruce's leadership helped develop and nurture our member-focused culture and supported the stability of the plan.

Looking ahead

In 2026, our priority remains clear: to maintain the efficient, responsive, and member-focused service that members have come to expect from CSSB.

To achieve this, we will continue to engage with members in a timely, understandable, and effective way; collaborate with employers; modernize our systems and processes to meet member expectations; support our employees; and support sound plan governance. By balancing day-to-day service delivery with long-term improvement, we will meet the evolving needs of members while ensuring the stability and sustainability of CSSB.

I would like to thank our employees, Board members, employers, and members for their ongoing trust and support. Together, we are building on a strong foundation and continuing to strengthen the services, systems, and expertise members rely on.



Civil Service Superannuation Board

About CSSB

We manage the defined benefit pension plan for the Province of Manitoba and other public sector employers, providing secure retirement income for our members.

We oversee the \$9.76 billion Civil Service Superannuation Fund, which provides lifetime pension benefits. The pension is funded by contributions from both members and employers, along with investment earnings.

We follow key legislation: *The Civil Service Superannuation Act*, *The Income Tax Act*, and *The Pension Benefits Act of Manitoba*. This ensures investments and benefits meet both provincial and national standards.

Our goal is to give every member peace of mind by providing a steady source of retirement income for life. This promise helps members feel confident as they prepare for the future and is at the heart of everything we do.

Established in 1939
and headquartered in
Winnipeg, Manitoba,
CSSB has:

63
employees

58,333
pension plan
members

37
employers



Vision, mission, values

Vision

A professional, sustainable pension plan, designed for the future of our members.

Mission and purpose

To deliver to our plan members their pension entitlements.

We do this by:

- acting collaboratively with each other, with employers, and with the plan sponsor, constantly seeking member-focused outcomes
- prudently investing and monitoring plan assets
- delivering timely, accurate information to members, allowing them to make educated, informed decisions
- fostering a working environment that attracts and retains motivated, talented people

Values

In our relationships, decisions, words, and actions, we are guided by the following values:

- staying resolutely member-focused; always seeking the best outcomes for our members
- acting with integrity, professionalism, and excellence
- ensuring transparency and accountability to our members and other stakeholders
- pursuing and rewarding innovation, in the interests of best outcomes
- modelling and fostering collaboration and respectful action as the means of pursuing best member outcomes



Member focused



Professional



Transparent



Innovative



Collaborative

2025 snapshot

Our plan

\$57.4

million paid in pension
benefits monthly

0.87%

cost-of-living adjustment

83%

funded (going concern ratio
after adjustments)

Our members

58,333

2025 members

922

retirements

62

average age at retirement

Financial overview

	2025	2024
Rate of return on investments	11.86	16.25
Investments at market value	\$9,759,743	\$9,137,303
Employee contributions	\$196,671	\$178,818
Employer payments	\$335,830	\$323,371
Pension payments	\$689,268	\$666,888
Refunds and transfers	\$48,367	\$46,379
General expenses – net	\$4,302	\$3,842

*thousands unless otherwise noted

Investments overview

11.86%

Rate of return

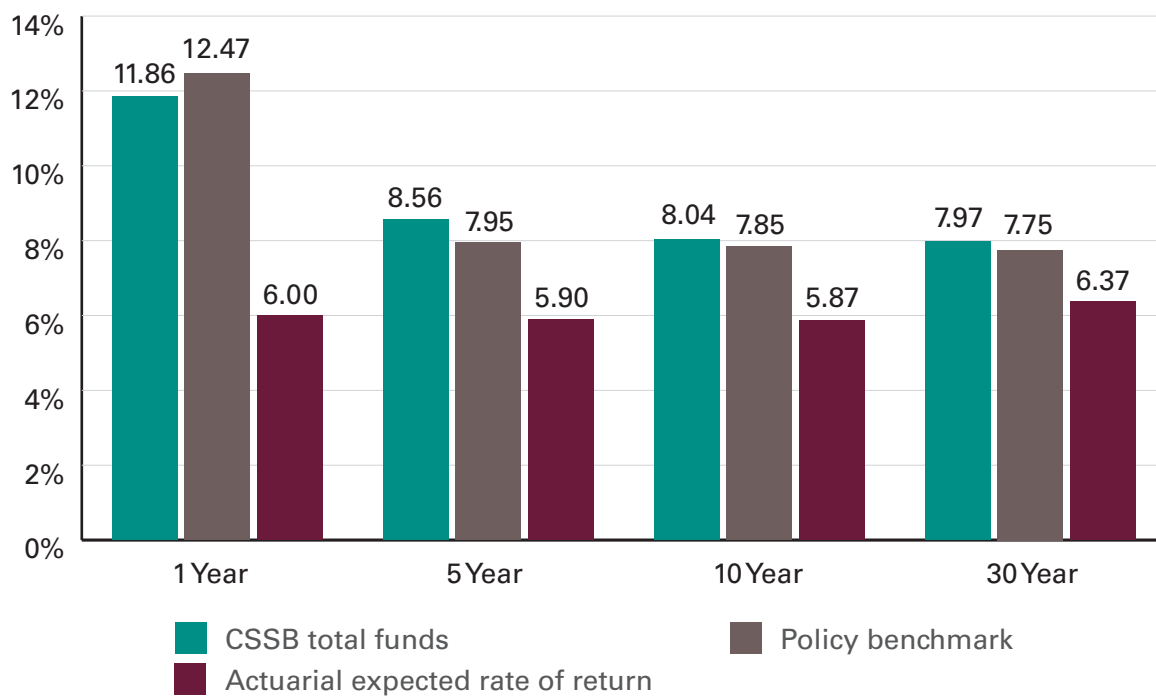
12.47%

Policy benchmark

\$9.76 billion

Assets (up from \$9.14 billion in 2024)

Annualized returns – December 31, 2025



Leadership

(as at December 31, 2025)

Administration

Michael Emslie, CPA, CA, ICD.D

Chief Administrative Officer

Hans Berger

Director, Management Information Systems

Jared Mickall, FCIA, FSA

Director, Actuarial and Pension Services

Erin Polcyn Sailer, CPHR, MCIPD, CEBS

Director, Communications and
Member Services

Dawn Prokopowich

Director, Client Services Administration

Rick Wilson, CPA, CGA, CEBS

Director, Finance and Investment
Communications and Management Services

Investments

Peter Josephson, CFA

Chief Investment Officer

Clancy Ethans, MBA, CFA

Managing Director, Alternative Assets



External advisory services and regulatory oversight

Consulting Actuary

Ellement Consulting

Legal Counsel

Fillmore Riley

Auditor

Office of the Auditor General



Governance

Civil Service Superannuation Board

5

meetings held each year, with more as needed

1

actuarial valuation conducted every three years (The next valuation is scheduled for December 2027.)

1

independent audit completed each year

The Board is the pension plan trustee. Board members are responsible for overseeing administration of the plan and management of the Civil Service Superannuation Fund, ensuring investments benefit all members.

The Board also:

- ensures the fund follows governing legislation
- delegates day-to-day operations to the Chief Administrative Officer and staff
- provides overall direction and policy approval

Board member selection

The Board includes eight members and one Chair:

- four members represent employees (selected by the Superannuation and Insurance Liaison Committee)
- four members represent employers (selected by the Manitoba government)
- one Board Chair (selected by the Manitoba government based on a joint recommendation from the Employer Pension and Insurance Advisory Committee and the Superannuation and Insurance Liaison Committee)

Board committees

Three committees support the work of the Board.

Finance and Audit Committee

- reviews financials and budgets
- makes recommendations to the Board

Human Resources and Governance Committee

- reviews compensation and larger policy issues

Investment Committee

- regularly reviews investments and gives direction on the investment of available funds

The Board

(as at December 31, 2025)

Chair

Brett Becker, CFA

Employee representatives

Jody Gillis, MTMS

Doug Troke

Samantha Probetts, CEBS, GBA, RPA

C. Reed Winstone, P. ENG. (RET.)

Employer representatives

Donna Rose, B. COMM (HONS.), CEBS

Randal T Smith, KC

Scott Wilson, B. COMM (HONS.), CIM

Lynn Zapshala-Kelln, B. ADMIN., CPA

Finance and Audit Committee

Scott Wilson

Chair

Jody Gillis

Samantha Probetts

Lynn Zapshala-Kelln

Human Resources and Governance Committee

Donna Rose

Chair

Randal T Smith

Doug Troke

C. Reed Winstone

Investment Committee

(as at December 31, 2025)

The Investment Committee oversees the management of the assets of the Civil Service Superannuation Fund, the Legislative Assembly Pension Plan, three Centra Gas pension plan portfolios, and the Province of Manitoba trust account.

Elizabeth Marr, CFA, ICD.D*

Chair

Brian Allison, B. COMM, MBA, CFA*

Brett Becker, CFA^

Richard Brownscombe*

William Chornous, CFA

Michael Emslie, CPA, CA, ICD.D^

Greg Epp+

Nicoletta Oprea,

Assistant Deputy Minister, Treasury Division^

BJ Reid, FCPA, FCA, ICD.D*

C. Reed Winstone, P. ENG. (RET.)^

* Appointed based on investment expertise

^ Required by legislation

+ Appointed by Manitoba Hydro to represent Hydro Fund only

Governance overview



How decisions are made

Changes to the pension plan are guided by two committees that bring forward the perspectives of members, retirees, and employers.

Superannuation and Insurance Liaison Committee

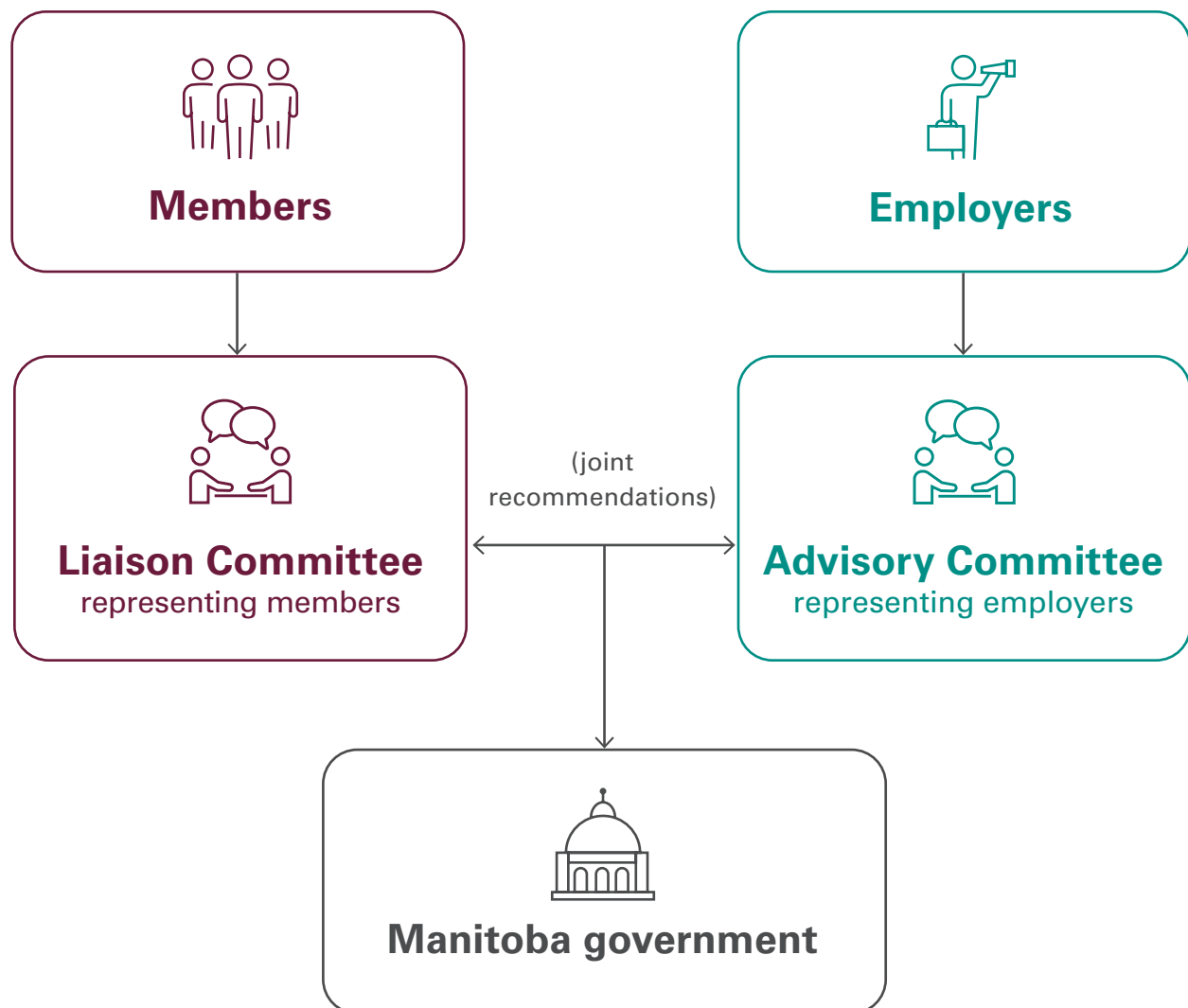
The Superannuation and Insurance Liaison Committee, also called the Liaison Committee, represents employee and retired members' interests. Committee members are appointed by organizations that represent employees and retired members of the pension plan.

Employer Pension and Insurance Advisory Committee

The Employer Pension and Insurance Advisory Committee, also called the Advisory Committee, represents employers' interests. Members include management from the pension plan's largest employers.

The committees work together, supported by CSSB staff and external experts, to review pension and insurance matters and make joint recommendations to the Manitoba government. The work of the committees balances the interests of both members and employers when negotiating changes like contribution rates and benefit adjustments.

The Board, on the other hand, is responsible for overseeing the administration and governance of the plan, not negotiating its terms.





Members

Member profile 2025

32,465

Non-retired members

45

Average age of working member

25,868

Retired members and beneficiaries

73

Average age of retired member

58,333

Total members

62

Average retirement age

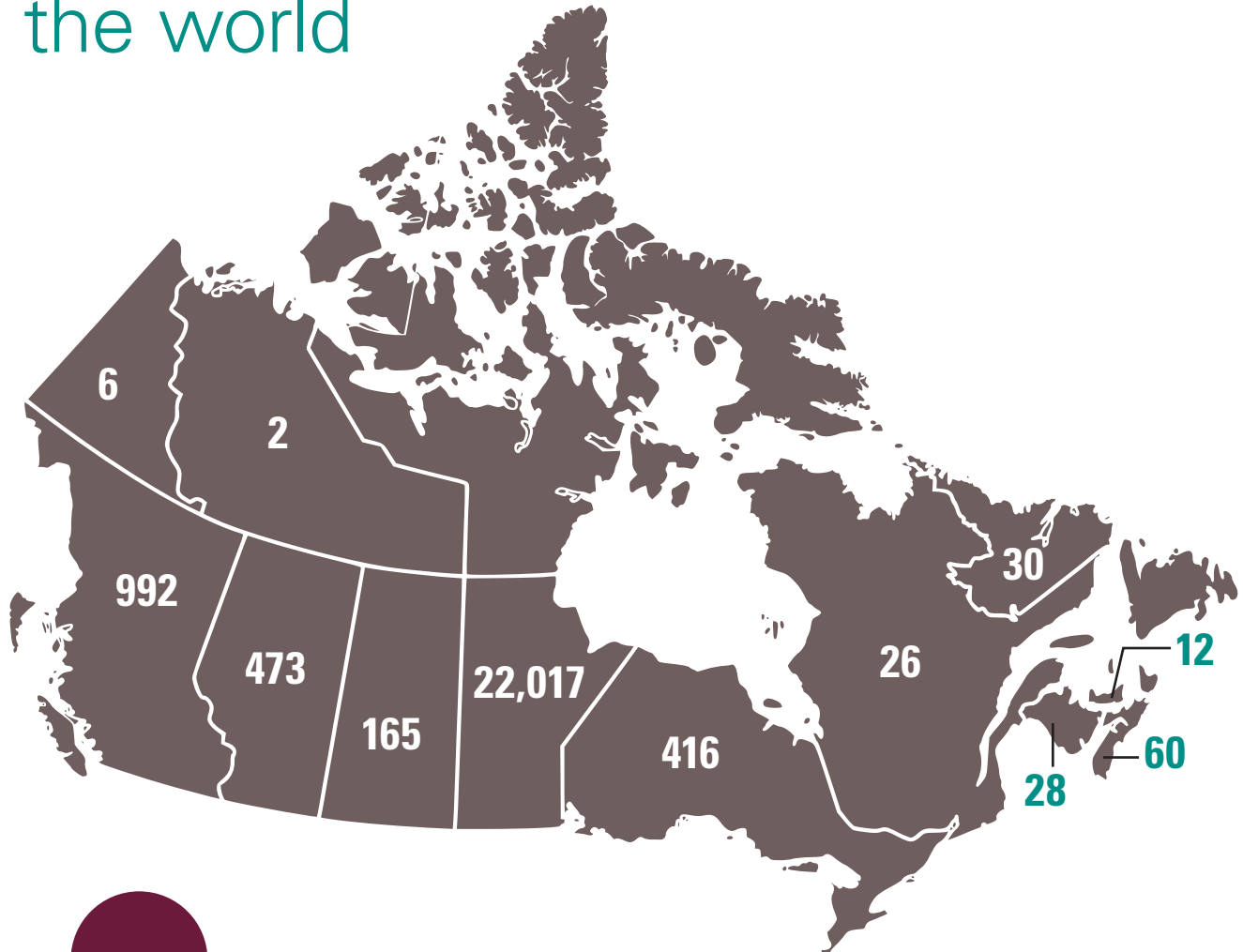
\$29,000

average annual pension

Member total

		2025	2024
Members	Non-retired members	32,465	31,641
	Retired members and beneficiaries	25,868	25,500
	Total	58,333	57,141
Other plans	Money Purchase Plan	3,171	3,246
	Centra Gas	690	703
	WCFS	189	189
	MLA	74	78
	LAPP	146	146

Retired members around the world



Our members

Bryce

13 years of service

Manitoba Corrections

*"Time is our most valuable resource.
To me, retirement is the gift of time."*



Photo credit: Tracey Goncalves

My career began as a Correctional Officer. Over the last decade, I've taken on many roles, from supervisor, local union president, and peer support.

When I became a supervisor, I took a hands-on approach to coaching. It's been gratifying to see new officers build skills that keep people safe.

At work, we rely on each other for safety and security, creating a culture of respect and teamwork. The situations we face aren't easy, but as a team we restore and maintain order as safely as possible. We often say, "It doesn't matter how bad your day is, if you have a good partner, it's not so bad."

What motivates me is the chance to make a difference. Whether it's responding to a code call, being a positive influence, or supporting a colleague, I know the work I do matters.

After I retire, I'll miss the camaraderie with my team. But I'm looking forward to relaxing, spending time with my family, and learning new hobbies.

That's why a defined benefit pension is such a big motivator for me. I'm about 20 years from retirement, but with each passing year, I know my pension keeps growing. When I retire, it'll be a guaranteed source of income.

My children are still young, so it seems silly to think about future grandchildren. But one day, I hope to be a grandpa, free to spend time with family without worrying about income.

Our members

Sam

20 years of service

Province of Manitoba

“What motivates me to show up every day is knowing I’m making a difference and leaving a legacy that matters.”



Photo credit: Tracey Goncalves

I began my career in 2005 as a program coordinator for the Career Assistance Program for Visible Minorities and Immigrants. Early on, CBC interviewed me about a milestone: reaching 7% visible minority representation in the Manitoba public service. At the time, it stood at 4.02%. With a clear plan and sustained effort, that number grew to 8.1% by the time I left the role.

I went on to hold management positions in both the Diversity and Inclusion Unit and the Information Management and Analytics Unit within the Public Service Commission. What I enjoy most about my work is the opportunity to make an impact. I’ve been especially proud to develop programs that connect talented individuals from historically disadvantaged groups with careers in the public sector. This work resonates deeply with me as a visible minority and foreign-educated professional.

I led strategies that earned recognition locally and internationally in the field of Prior Learning and Recognition (PLAR). A standout moment was being named one of North America’s Top Diversity Leaders. This was an acknowledgment of the progress we made in attracting, welcoming, and retaining diverse talent across the Manitoba public service.

Along the way, I began to see new opportunities to strengthen decision-making across the organization. That’s when I shifted toward shaping the vision for practical, data-driven tools—guiding the development of dashboards that helped transform workforce planning into a more insight driven practice.

After I retire, I won’t miss the early mornings, especially winter drives. I’m a night owl at heart.

Our members

Patti

38 years of service

Province of Manitoba

“Having a consistent monthly income for life gives me peace of mind and allows me to enjoy retirement without stress.”



Photo credit: Andre Brandt

Throughout my career, I moved across northern Manitoba, from The Pas to Thompson and then back to The Pas. My journey started in 1984 at Keewatin Community College, now known as University College of the North (UCN).

A couple years later, I transferred to Northern Affairs, which provides programs and services to Indigenous and northern communities in Manitoba. I then moved to Natural Resources as a district clerk. This department helps protect water quality, biodiversity, and other natural resources through education and enforcement. Later, I became a regional payroll clerk and stayed in that role until I retired in 2023.

I truly enjoyed working in payroll, where I had the opportunity to build relationships and connect with employees across the organization. We hosted many memorable potlucks, which helped create a positive and collaborative work environment. Experiences like these made each workday enjoyable and rewarding.

I appreciate the flexibility retirement provides. I’m free to travel, read books, or spend my time however I choose without the commitments and restrictions of full-time work.

My career has come full circle, as I now work part-time at Oscar Lathlin Research Library at UCN—40 years after I first started there. I love working at UCN. It allows me to connect with students and staff and keeps me socially active.



Member activity highlights

11,700

email exchanges with members

73,400

visitors to CSSB website

28,800

members enrolled in Online Services

165,000

pension estimates run through
Online Services

472

pension applications completed
through Online Services

505

members attended an online seminar
(mid-career and pre-retirement)*

513

members attended in-person
seminar (pre-retirement)*

*excludes employer-requested seminars

Innovation

Online Services

Online Services, our secure member portal, gives members instant access to their pension information, making it easy to manage essentials and plan for retirement. It's also a great way to share documents confidentially.

Based on member feedback, the portal continues to evolve. In 2025, we introduced a streamlined menu, making it easier for members to find what they need. We also continue to strength security measures to safeguard sensitive information and respond to evolving cybersecurity risks.

In the spring of 2026, a new dashboard was released. With it, members can find key pension information at a glance, including a personalized retirement countdown.

Accessible digital resources

In 2025, we redesigned our website to improve accessibility, usability, and the overall member experience. The new design helps guide members to the right information at the right time, using clear pathways based on career stage and life events.

We continue to expand and enhance our digital resources to support member understanding and decision-making. A suite of new videos was developed, focusing on key topics like retirement planning, leaving employment, and insurance, helping members feel informed and confident at every stage.

We're also improving the everyday communications members rely on, like letters and forms, to make them easier to understand and use. In 2025, we rewrote and redesigned many key documents using more intuitive language and layouts. This helps members understand their options and complete forms with confidence.

We continue to refine our communications so members can take action and feel well-informed when they need to make decisions about their pension.



CSSB Member Services

The CSSB Member Services team offers a range of educational sessions and personalized support to help members understand their pension and insurance benefits. Members also have access to online planning tools and resources they can use anytime.

Individual meetings

Members can meet one-on-one with a Member Services Specialist. Meetings are in-person, virtual, or by phone. Members are welcome to bring a spouse, financial planner, or anyone else involved in their financial planning. CSSB staff regularly travel to rural areas.

Pre-retirement seminars

Designed for members planning their retirement, CSSB offers live online and in-person seminars in Winnipeg and throughout Manitoba. As with individual meetings, members are welcome to bring anyone involved in key financial decisions, such as a spouse or financial planner. Seminars cover key pension and insurance options leading up to and in retirement.

Mid-career seminars

Designed for members in mid-career, employee seminars focus on pension and insurance benefits as well as life events such as maternity and parental leave, divorce or separation, and ways to increase pensions at retirement.

Phone, email, and mail

Members can connect with CSSB by phone, email, or regular mail. Our dedicated team can help members with their needs, whether it's answering a quick question or assisting with a more complex pension scenario.



Employee experience and workplace

Part of CSSB's mission is to foster a work environment that attracts and retains motivated, talented people. Retaining employees means listening to their experiences and ensuring they have what they need to perform at their best. To support this, we conducted an employee experience survey to gather insights and measure engagement across the organization.

2025 employee experience survey

In 2025, 90% of staff participated in the employee experience survey, reflecting a shared commitment to improving the workplace and an openness to sharing ideas.

The results confirm that CSSB fosters a healthy, high-performance workplace with employees expressing a positive connection to their work and taking pride in it.

Highlights

Our greatest strengths are our people and our purpose. CSSB employees highlighted that colleagues and meaningful work keep them connected to the organization:

- employees feel their ideas and opinions are valued **(98%)**
- employees have a sense of belonging **(93%)**
- employees are proud to work for CSSB **(93%)**

Employees also noted areas where we can strengthen our workplace. One main theme was communication, including a desire for greater visibility into the work taking place across the organization.

In response, we are:

- meeting more regularly as a group to share project updates
- sharing information more regularly through a monthly newsletter
- creating a centralized hub to share information and updates through a new intranet

Contribution rates for 2025

In 2025, members contributed:

8%

of their salary up to \$71,300
(2025 YMPE*) and

9%

of their salary over \$71,300

This example is for a member earning \$78,000 per year.

8% on salary up to \$71,300 (2025 YMPE)	9% on salary above \$71,300 (\$6,700) + (earnings over YMPE)	total contribution 2025
\$5,704	+ \$603	= \$6,307

*YMPE stands for the Year's Maximum Pensionable Earnings. The YMPE is set each year by the Canada Revenue Agency.

Contribution rate increase 2026

In April 2026, contribution rates increased by 0.5% of pensionable earnings. This is the first of four increases for a total of 2%.

Employer contributions increased by the same amount.

These changes will help maintain the long-term security of the pension.

Why changes are needed

The cost of pension benefits has gone up since contribution rates last increased in 2015.

Actuaries who review the plan's finances advised that current contributions are no longer enough to support the benefits being provided.

Compared with similar pension plans, CSSB members contribute among the lowest rates while receiving some of the highest benefits. As pension costs have increased, many pension plans have raised contribution rates over time.

How this change was made

After careful review and with advice from actuaries, the Liaison and Advisory committees jointly recommended this change. The committees carefully considered the current economic environment and affordability for members.

The Government of Manitoba reviewed and approved this change. As plan administrators, CSSB is responsible for implementing it.

Rate increases over time

The table below shows how pension contribution rates will change over time.

From 2026 to 2028, increases start part way through the year, so members will pay different rates in the same year.

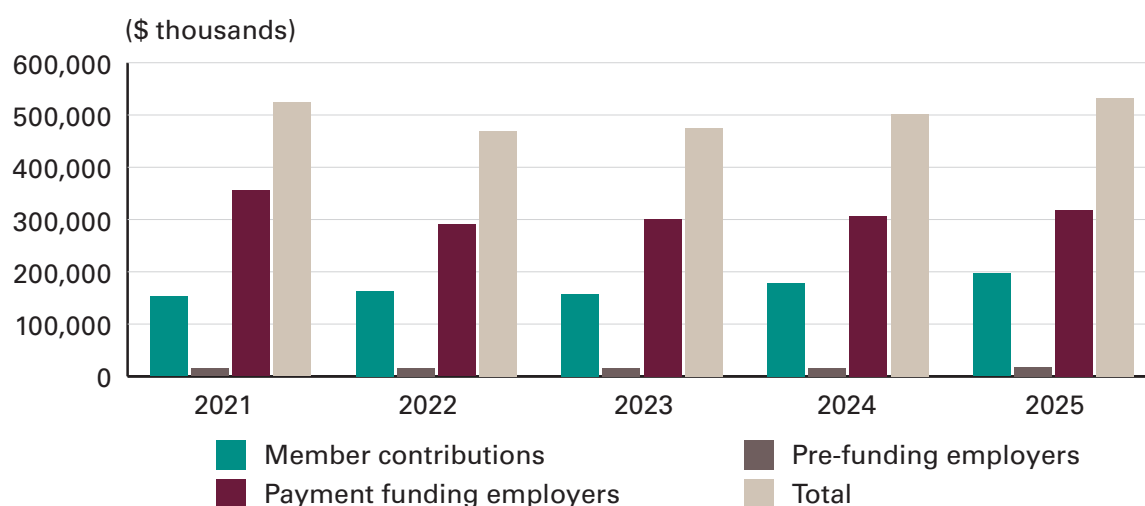
Member pension contribution rates 2025–2029

Effective dates	Earnings up to YMPE	Earnings above YMPE
2025	8.0%	9.0%
April 2026	8.5%	9.5%
April 2027	9.0%	10.0%
April 2028	9.5%	10.5%
January 2029	10.0%	11.0%

Contributions and payments

Contributions

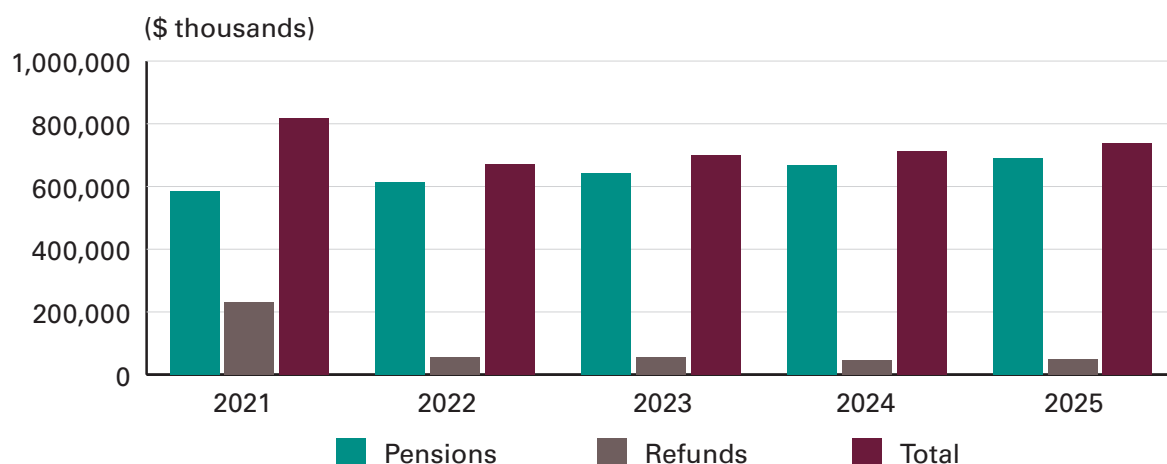
Members and employers share the cost of the plan. Some employers make their contributions at the same time as the member (called **pre-funding employers**). Others pay later when benefits are paid (called **payment funding employers**).



Payments

Pensions are monthly payments to retired members or their beneficiaries. These include cost-of-living adjustments.

Refunds are one-time lump sums paid instead of monthly pensions.



The pension formula

As a defined benefit pension plan, CSSB provides its members with retirement income for life. This income is based on a formula that considers a member's five highest earning years and years of pensionable service.

$$2.0\% \times \text{average best five years pensionable salary} \times \text{pensionable service}$$

MINUS

$$0.4\% \times \text{average pensionable salary up to the YMPE based on same five years} \times \text{pensionable service}$$

= ANNUAL PENSION*

*This amount is subject to the terms of the plan and may change depending on age and service at retirement.

Example pension calculation

Retirement date: December 31, 2025

Average salary: \$70,600

Employee age: 55

Average YMPE pensionable earnings: \$66,580

Pensionable service: 30 years

	$.02 \times \$70,600 \times 30 = \$42,360^*$	} Monthly pension = \$2,864* **
Less:	$.004 \times \$66,580 \times 30 = \$7,989^*$	
	$\text{Annual pension} = \$34,370^*$	

*Rounded to the nearest dollar

**Lifetime pension option and assumes no early retirement reduction.



Benefits of being a member

In addition to income for life in retirement, benefits of the pension plan include:

- potential for pension increases to help with rising costs
- potential to provide a beneficiary with a pension if the member passes away first
- disability benefits
- a pension funded by members and employers
- a diverse and professionally invested portfolio
- flexible options if leaving the plan

Funded status

The funded status is one way to measure the financial health of a pension plan. It compares the plan's **assets** (money it has now) to its **liabilities** (money needed to pay the expected cost of pensions).

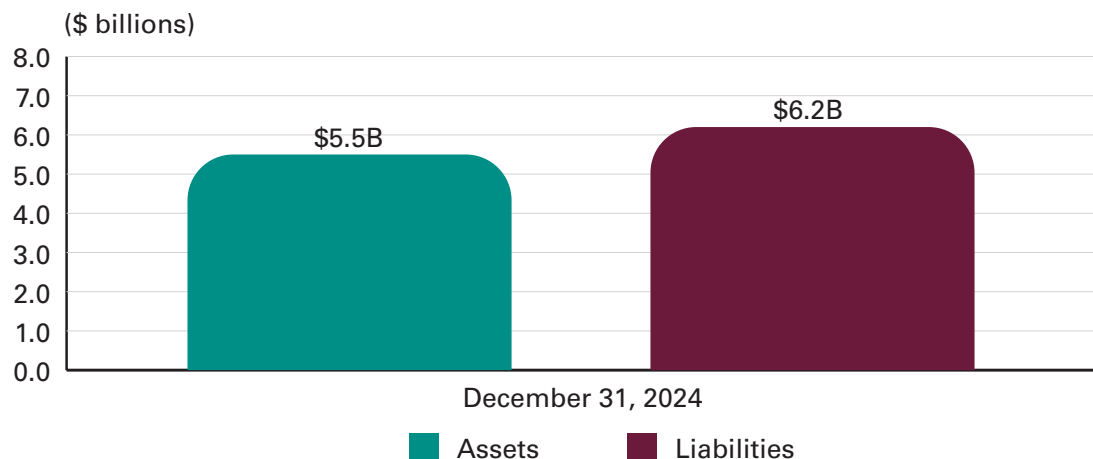
The funded status estimates whether the plan has enough money to pay pensions earned.

- A funded status of **100% or more** means the plan has enough money to pay expected pension costs.
- A funded status of **less than 100%** means the plan is in deficit and doesn't currently have enough money to cover expected costs.

The funded status, assets, and liabilities are not fixed. Assets change as investment values and cash flows change. Liabilities are estimates based on different assumptions, which are always changing.

The Civil Service Superannuation Fund (CSSF) was **83% funded** as of the last actuarial report. This means there wasn't enough money to cover the expected cost of pensions earned to that date.

Going concern assets and liabilities



Note: These assets and liabilities are based on the member and pre-funding employer contribution account only. For more information, see the 2024 actuarial report on our website.

How employers fund the plan

Employers fund the plan in one of two ways.

Pre-funding employers (pay now)	Payment funding employers (pay later)
- Employers contribute at the same time as employees - Funds are invested to earn returns	- Employers make payments when pensions are paid

How liabilities are determined

Liabilities are an estimate of what the plan will owe over the long term. They're based on many assumptions, including:

- future investment returns
- inflation and salary increases
- when members will retire, leave employment, become disabled, or die
- whether members' pensions will continue to a beneficiary

The pension plan remains secure

Despite the deficit, pensions remain secure. Pension security is supported by:

- money in the pension plan
- the financial strength of employers that fund the plan

Plan liabilities are paid over a long-term horizon. The pension plan is managed by investment professionals to support long-term growth.

Contribution rates were recently increased to improve the funded status over time.

The Board monitors the plan's funded status with analysis prepared by CSSB's actuary. They work with committees to make funding recommendations to the Manitoba government. See the governance section on page 14 to learn more.

Why the plan is in deficit

- People are living longer, which means pensions are now paid for more years.
- The cost of providing pension benefits has gone up, so the plan needs more money. To improve funding and ensure the sustainability of the plan, contribution rates were recently increased to fund the expected cost of benefits. This change is expected to improve the plan's funded status.
- From 2005 to 2020, if members took their money out of the plan instead of starting a monthly pension, it could have resulted in a loss to the plan. In total, this cost the plan nearly \$500 million. Bill 43 resolved this issue in 2020.

How the funded status is determined

CSSB's actuary determines the plan's funded status through an actuarial valuation. These reports are published on our website. The next report will be published in 2028.



Cost-of-living adjustment

A cost-of-living adjustment is an increase to retired members' monthly pensions. These increases help pensions keep pace with rising costs on things like groceries and rent.

Adjustments are not guaranteed, but retired members have typically received them. Increases depend on available funds and could be as low as zero. Once given, each adjustment forms part of a member's pension for life.

How adjustments are funded

Member contributions go into two accounts:

1. Civil Service Superannuation Fund (89.8%)

This account funds pensions.

2. Cost-of-living adjustment account (10.2%)

This account funds cost-of-living increases.

Employers also contribute to both accounts. Contributions are invested to earn a return.

How increases are decided

Each year, CSSB's actuary determines if the cost-of-living account can afford to pay an increase and how much it could be. To do this, they look at:

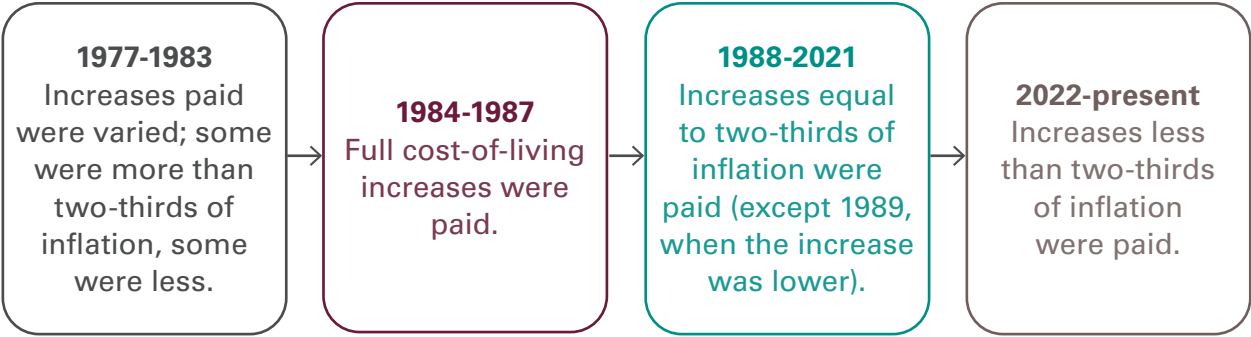
- the money available in the cost-of-living account
- the rules set out in *The Civil Service Superannuation Act*

The level of increase depends on available funds.

- 1. Full increase:** An increase equal to the percentage increase in the Canadian Consumer Price Index (CPI) for the previous year. CPI is a measure of inflation. A full increase is paid only if the account has enough money to cover all cost-of-living payments for the next 20 years.
- 2. Two-thirds of inflation:** If there isn't enough money to cover all cost-of-living payments for the next 20 years, the increase can be no more than two-thirds of the previous year's CPI.
- 3. What the account can afford:** If there isn't enough money to pay two-thirds of the previous year's CPI, the increase is limited to what the account can afford.

The actuary shares their recommendation with the Board. The Board can either accept the recommendation or pay a lesser amount.

Payment history



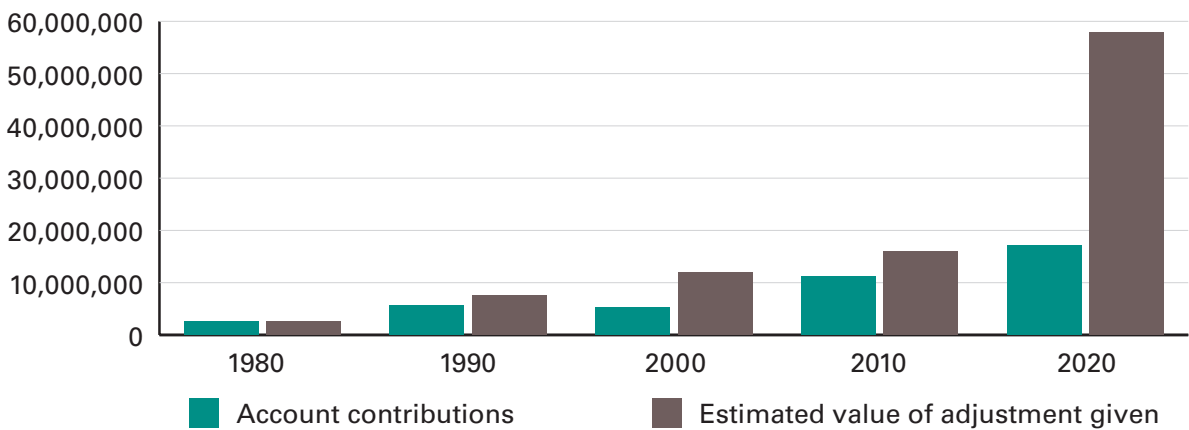
Why cost-of-living adjustments can't keep up with CPI

The account hasn't kept up with inflation for several reasons:

- the funding formula
- periods of higher inflation
- changes to membership
- people are living longer
- the Civil Service Superannuation Fund is in deficit

The funding formula

With the current funding formula and plan membership, contributions can't keep up with granting future cost-of-living adjustments. The recent contribution rate increase will help improve funding, but not enough to address the gap.

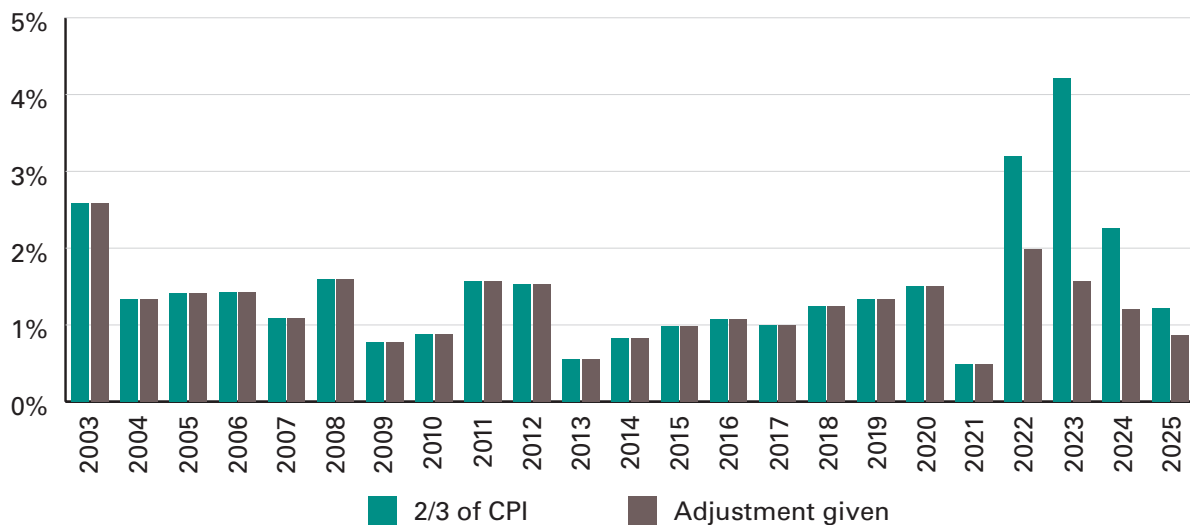




Periods of higher inflation

Cost-of-living adjustments are tied to inflation. When inflation rises, the formula allows for larger adjustments. However, funds available in the cost-of-living account don't increase to cover these larger adjustments.

Example: In 2022, the adjustment was 1.98%. This was the largest adjustment in 19 years. But, because inflation was so high that year, it was still less than two-thirds of CPI.



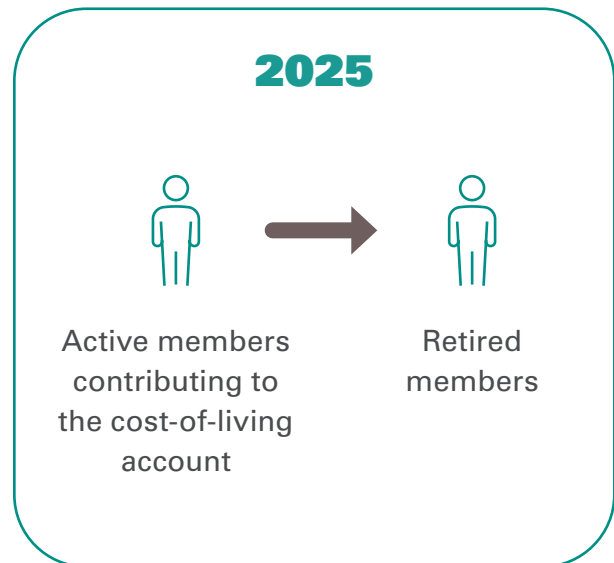
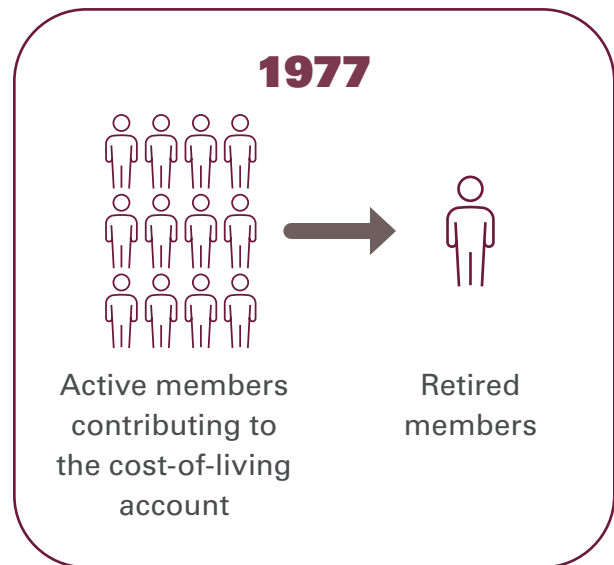
Changes to membership

Over the last 30 years, the active to retired member ratio has changed dramatically.

In 1977, there were 12 active members contributing to the account for every retired member receiving an adjustment. Today, there are only 1.2 active members for every retired member receiving an adjustment.

The number of retirees has grown. However, the pool of active contributors has stayed about the same since the mid-1980s.

There are many reasons for this change. People are living longer and collecting pensions for more years. Meanwhile, the number of people employed in the public sector hasn't grown.



People are living longer

Life expectancy after retirement has risen, meaning pensions are paid for longer.

From 1966 to 2025, life expectancy at age 65 in the Canada Pension Plan increased significantly. It rose by 56% for men (from 13.8 to 21.6 years) and 43% for women (from 16.8 to 24.1 years). CSSB members have experienced similar increases in life expectancy after age 65.

These increases were more than anticipated, so past contributions are not enough to cover today's costs.

Longer lives are worth celebrating, but pensions are now paid for more years and include more increases over time, which increases costs.

The Civil Service Superannuation Fund is in deficit

When the Civil Service Superannuation Fund (CSSF) has more money than needed to cover expected pension costs, the surplus can be transferred to the cost-of-living account.

Currently, the CSSF is in deficit. This means there isn't enough money to cover the expected cost of pensions.

Because of this, there's no extra money to fund cost-of-living increases. The last surplus transfer was in 2004. It's unlikely more transfers will happen soon.

To improve funding and ensure the sustainability of the plan, contribution rates were recently increased.

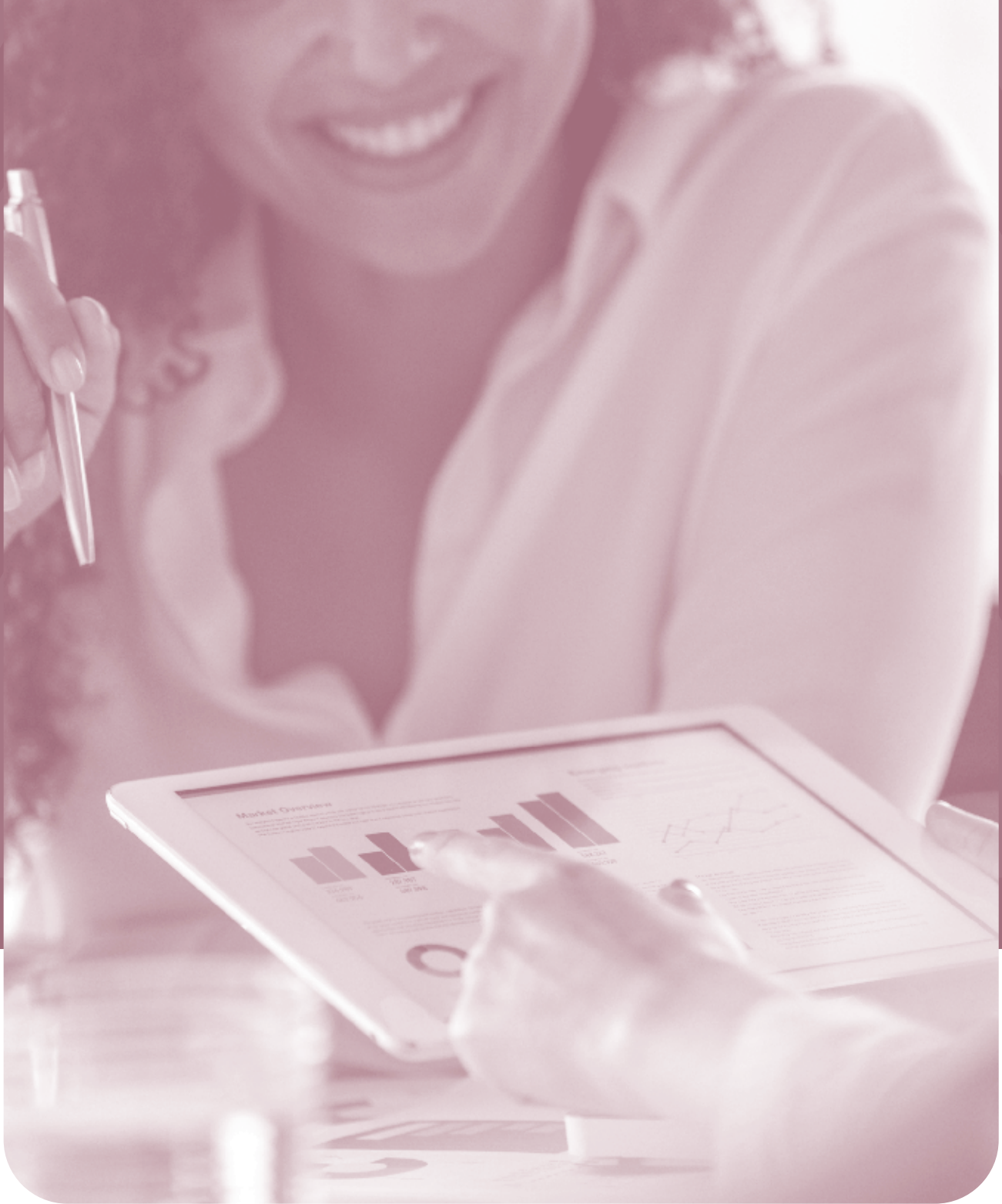
Looking forward

It's likely that future cost-of-living increases will be paid based on what the account can afford.

Changes to the cost-of-living adjustment account require the agreement of two committees:

- Superannuation and Insurance Liaison Committee (representing members)
- Employer Pension and Insurance Advisory Committee (representing employers)

In addition, both committees must make recommendations to the Manitoba government based on an actuarial report. The committees are studying the matter and possible options.



Investments

Message from the Chief Investment Officer

Peter Josephson, CFA

11.86%

Annual return

\$9.76B

Total assets

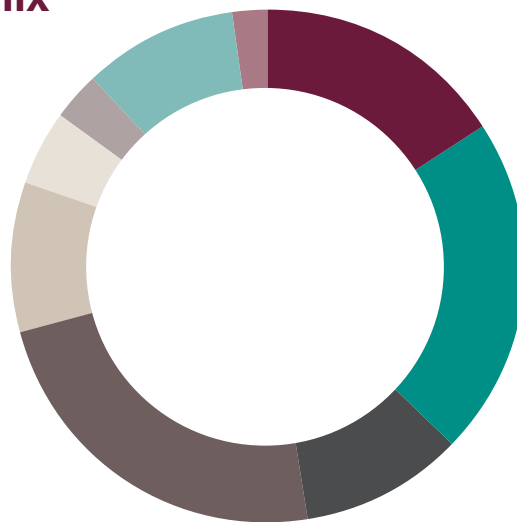
12.47%

Benchmark

6%

Actuarial expected
rate of return

Asset mix



- Fixed income – 15.9%
- US equities – 21.5%
- Canadian equities – 10.1%
- International equities – 23.5%
- Infrastructure – 9.5%
- Private credit – 4.6%
- Private equity – 3.1%
- Real estate – 9.7%
- Cash and cash equivalents – 2.1%

Investment overview and performance

Global economic growth was resilient for much of 2025 with gross domestic product (GDP) increasing by about 3% in the year. This growth occurred despite several major challenges, including significant changes to US tariff policies, increased geopolitical tensions, the longest US government shutdown in history, and rising global concern about US economic and political policies. However, by the fourth quarter, there were signs the global economy was beginning to lose momentum. Despite this, global economic growth for the year was close to the long-term average.

Equity markets

Global equity markets posted strong returns in 2025. For the first time in many years markets outside the US outperformed the S&P 500. The strongest markets were international developed indexes (MSCI All World ex-USA), which gained 26.5%, and emerging markets which jumped 28.0%. Canadian equities soared 31.7%, their strongest relative performance since 2009.

Gains in international markets were supported by a weaker US dollar, increased investor interest in companies

beyond the largest US technology firms, and the narrowing of the gap in valuations between US and non-US firms.

In Canada, much of the outperformance was due to the materials sector as gold and silver prices rose to record highs.

In the US equity market, growth stocks, in particular those related to artificial intelligence (AI), led returns for much of the year following the market lows created by the threat of introducing broad, punitive tariffs by the US in April.

Global equity market returns

For the 12 months ended December 31, 2025

Index total returns	Returns (CAD)
S&P/TSX Composite Index	31.7%
Dow Jones Industrial Average	9.7%
S&P 500	12.5%
NASDAQ	15.5%
MSCI EAFE	25.9%
MSCI Emerging Markets Index	28.0%
MSCI All World ex-USA	26.5%
MSCI China Index	25.5%

Fixed income markets

In 2025, fixed income markets delivered positive returns in both Canada and the United States, but returns in the US were higher due to differences in interest rates and trade policy.

2025 performance

The total Fund posted a return of 11.86% in 2025, vs. the policy benchmark return of 12.47%, but well above the actuarial expected return of 6%.

Performance of US equity and infrastructure assets contributed positively to relative returns in the year. International equities, Canadian equity, and the private equity portfolios earned returns relatively lower than their respective policy benchmarks.

Policies and procedures

The policies and procedures that guide or impact investment decisions include:

- Statement of Investment Policies and Procedures (SIP&P)
- Investment manager mandates
- Proxy Voting Policy and Guidelines

Statement of investment policies and procedures

SIP&P guides the investment decision-making process. It is created by an independent consultant and the investment management team. It is approved by the Investment Committee and the Board.

SIP&P directs how the Fund's assets should be invested, considering the structure and size of the Fund's current and future liabilities and cash flows.

SIP&P includes:

- the proportion of the assets that should be invested in each asset class – the target asset mix
- acceptable ranges that actual holdings may deviate from those targets
- the quality of fixed-income investments that may be held
- limits on individual holdings
- investment objectives
- valuation procedures
- investment management structures

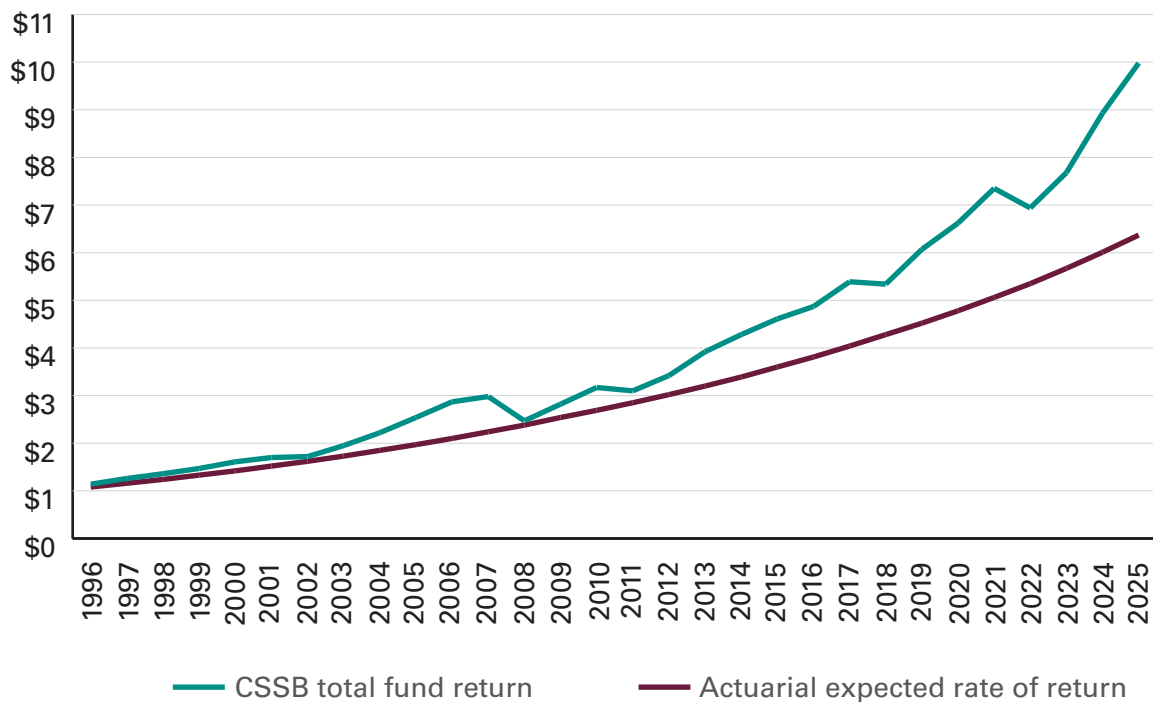
Asset mix is the most important factor in determining pension fund performance. Risks related to market volatility and potential returns are considered in investment decisions. To optimize returns and reduce investment volatility, Fund assets are diversified among different asset classes and across the world's economic regions.



Long-term success of investment policy

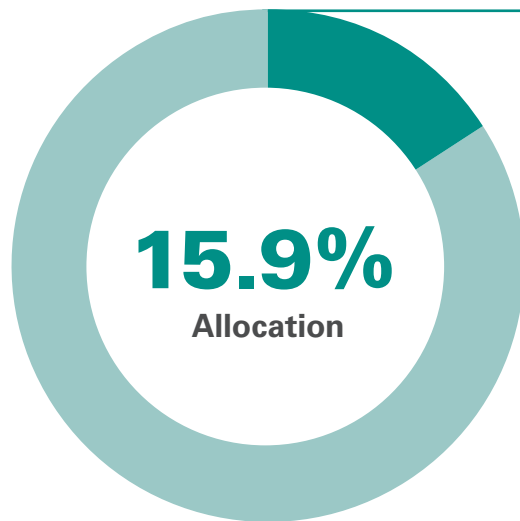
The ultimate success of the Fund's investment policy is measured by how well it meets the long-term obligations to its members. An actuarial valuation on the Fund is the best way to measure this.

Growth of \$1 invested over 30 years ended December 31, 2025



Asset class performance

Fixed income



■ Fixed income

■ Total fund

Annual return

1.82%

Exposure

\$1.55 B

Benchmark

1.55%

Investment approach

We manage the bond portfolio with a focus on liquidity and safety. The portfolio positioning, with regards to sector weights, curve, and duration are determined by a top-down assessment of the economy and the credit cycle. We look for opportunities to improve returns by comparing value across different sectors.

To maintain liquidity in the corporate holdings, the portfolio is invested in the largest issuers in the market, which tend to be regulated utilities and other infrastructure related companies. The portfolio also holds a significant amount of shorter-term bonds from Canada's five largest banks.

2025 performance

The bond portfolio returned 1.82% in 2025, compared to a benchmark return of 1.55%. The stronger performance was mainly due to holding a higher percentage of corporate bonds than the benchmark throughout the year.

Bond markets in both Canada and the US had positive returns, but the results differed due to diverging interest rates and trade policies.

Canadian fixed income delivered modest returns, with the FTSE Canada Universe Bond Index returning 2.64% for the year. These returns were primarily due to interest coupon payments and a small decline in short-term government bond

yields. The Bank of Canada lowered interest rates four times (a total of 1%) due to slower economic growth and uncertainty around trade. However, longer-term interest rates rose, which reduced overall returns and caused Canadian bonds to underperform their US counterparts.

Despite record levels of corporate bond issues, demand for corporate credit remained high and credit spreads ended the year at the tightest levels since before the 2008 financial crisis.

Capital allocation

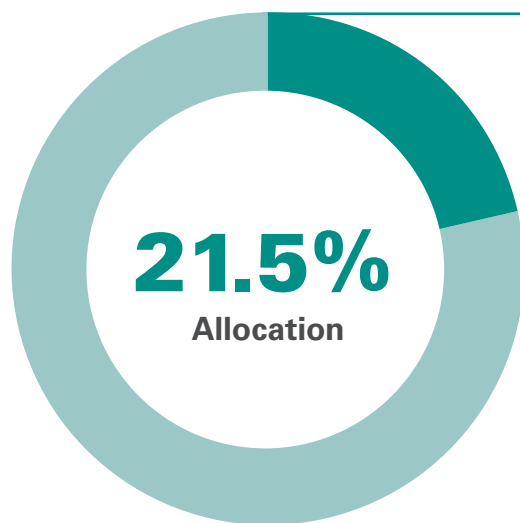
The portfolio started the year with 37% allocated to corporate bonds and ended the year slightly lower at 36%. The benchmark weight for corporate bonds is 25%. While higher exposure to corporate bonds was maintained throughout the year, risk was reduced in other ways.

We increased the credit quality of our corporate bonds held, with the number of BBB-rated holdings decreasing from 6% to 3% by the end of the year.

In addition, we reduced our investments in provincial government bonds from 33% to 28% (compared to a benchmark of 40%).



US equities



■ US equities

■ Total fund

Annual return

14.55%

Exposure

\$2.10 B

Benchmark

10.31%

Investment approach

Our US equity investments consist of four separate strategies.

US large cap equity fund – This internally managed fund is benchmarked to the S&P 500 Index. This core allocation is designed to capture growth within the large-cap universe while consistently delivering index-plus performance (alpha) over the long term.

Low volatility dividend strategy – This internally managed fund is benchmarked to the S&P 500 Low Volatility High Dividend Index and focuses on companies with stable valuations that pay dividends. It is designed to reduce the volatility of the total US equity portfolio by remaining more stable during market downturns.

US mid-cap index fund – We invest in an index fund that tracks mid-sized US companies. This gives us access to growth opportunities beyond the very largest companies and helps diversify the portfolio.

Passive core – We invest in an index fund that tracks the S&P 500. This ensures our portfolio stays closely aligned with the overall market.

2025 performance

The US equity program delivered exceptional results in 2025, significantly outpacing its targets. The portfolio returned 14.55%, outperforming the benchmark of 10.31%. This outperformance was primarily driven by the internally managed large cap US equity fund, which beat its benchmark by 4.66%.

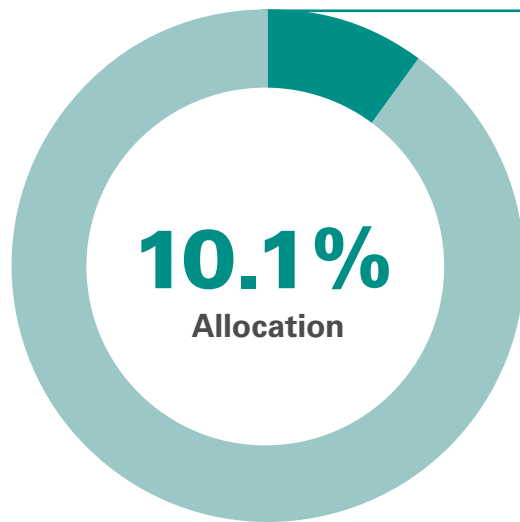


Capital allocation and portfolio positioning

As of year-end 2025, the Fund remains overweight in US equities. Our current allocation is 21.5% while our policy benchmark is 17.5%.

84.1% of the US equity assets are invested in US large cap mandates, while 8.0% of the US equity assets are invested in an internally managed US low volatility high dividend equity fund, and 7.9% are invested in a midcap ETF.

Canadian equities



■ Canadian equities

■ Total fund

Annual return

18.85%

Exposure

\$0.99 B

Benchmark

31.06%

Investment approach

Our Canadian equity investments consist of two strategies.

Canadian large cap equity fund – This internally managed fund is designed to outperform the S&P/TSX Index over the long term using a quality-based investment philosophy. The Canadian market is concentrated in sectors such as energy and commodities where returns can be volatile from year-to-year. We believe a disciplined process to buy and hold equities in high-quality companies will provide reliable long-term returns over full market cycles.

Our portfolio emphasizes:

- **Economic moats** – Companies with defensible competitive advantages and robust business models that can withstand structural shifts in the Canadian economy.
- **Cash flow durability** – High-margin businesses with a proven ability to generate strong, sustainable, free cash flow.
- **Capital stewardship** – Management teams with a track record of disciplined capital allocation and clear, executable growth strategies.

Low volatility strategy

This managed fund is benchmarked to the BMO Canadian Low Volatility Index, which serves as a complement to the core largecap strategy.

2025 performance

The Canadian equity program delivered a strong absolute return of 18.85% in 2025, compared to a blended benchmark return of 31.06%. While 2025 was the S&P/TSX's strongest year since 2009, returns were highly concentrated. For example, the materials sector surged by over 100% as gold posted its largest annual gain since 1979. The large cap fund's underperformance was driven primarily by its underweight to gold and precious metals equities. In addition, some companies held in the energy, financials, and information technology sectors underperformed.

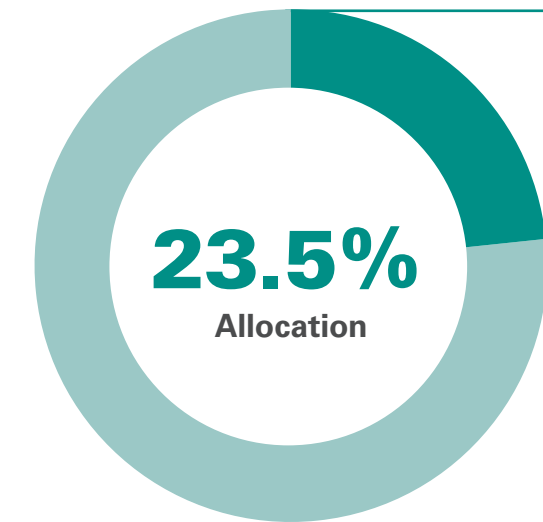
Capital allocation

As of year-end 2025, the Fund remains slightly overweight in Canadian equities. Our current allocation is 10.1% while our policy benchmark is 9.5%.

90.7% of the Canadian equity assets are invested in our Canadian large cap equity fund, while 9.3% of the Canadian equity assets are invested in an internally managed Canadian low volatility equity fund.



International equities



■ International equities ■ Total fund

Annual return

19.38%

Exposure

\$2.29 B

Benchmark

25.82%

Investment approach

Our international equities investment holdings are managed by multiple external managers diversified across regions and investment styles. Our benchmark is roughly 67% developed markets and 33% emerging markets.

We have three managers focused on developed markets, one manager investing in Asia Pacific, and one manager investing in emerging markets. We allocate primarily to large- and mid-cap mandates with exposure across value, core, and growth investment styles.

2025 performance

The international equities portfolio returned 19.38% compared to its benchmark return of 25.82%. The main detractors from an allocation perspective were our overweight growth relative

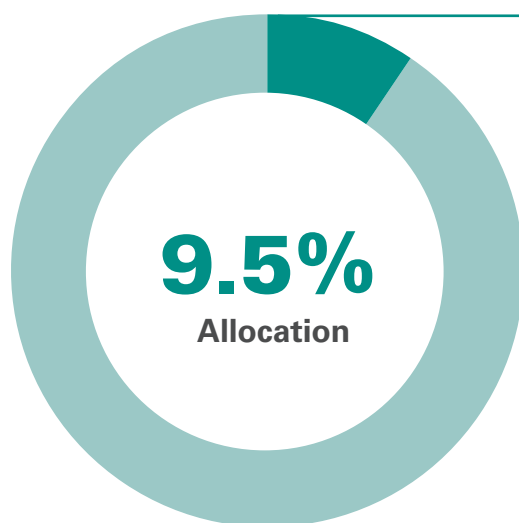
to value (value outperformed growth by 21%) and underweight emerging markets relative to developed markets. Additionally, all our international managers except for one underperformed their respective benchmarks.

Capital allocation

As of year-end 2025, the Fund remains slightly overweight in international equities. Our current allocation is 23.5% while our policy benchmark is 23.0%.

The portfolio allocations remain overweight Asian equities and underweight emerging markets relative to the benchmark. From a style perspective, the portfolio remains overweight growth relative to value.

Infrastructure



■ Infrastructure

■ Total fund

Annual return

12.69%

Exposure

\$0.94 B

Benchmark

6.53%

Investment approach

We use a disciplined and patient approach to investing in infrastructure. Our investments are diversified across industries, technologies, and geographies to reduce risk.

We focus on medium- and large-scale assets in areas such as transportation, energy, utilities, social infrastructure (for instance hospitals or schools), and digital infrastructure.

We prefer investments that have high barriers to entry, are supported by public regulation, or have long-term contracts that provide steady income. Many of these investments also include protection against inflation.

The portfolio is invested through funds (83%) and direct co-investments (17%).

2025 performance

Our infrastructure investments earned a return of 12.69% in 2025, much higher than the benchmark of 6.53%. The benchmark is based on the 5-year forward inflation rate, plus a 4% risk premium. Our returns were supported by steady income generation and valuation gains from operational performance across several assets, particularly our co-investment portfolio. Overall, the infrastructure program continues to perform well.

Capital allocation

Total investments in infrastructure represent 9.5% of total fund assets while our policy benchmark is 8.0%. The balance of \$932 million at the end of 2025 is down from \$970 million at the end of 2024. The decrease is primarily due to the return of capital from a partnership with OMERS Infrastructure.

As the partnership with OMERS Infrastructure winds down, our goal is to find new high-quality infrastructure investments. In early 2024, we agreed to receive the remaining investment with OMERS Infrastructure back in three payments over 24 months. The final payment will be received in early 2026.

Investment spotlight

Sabine Pass

The Sabine Pass LNG facility in Louisiana represents a core infrastructure investment for our Fund. Through our partnership in BIF IV, we are invested in critical transition infrastructure that bridges the gap between domestic natural gas supply and international demand for lower-carbon energy.



Photo supplied by Cheniere

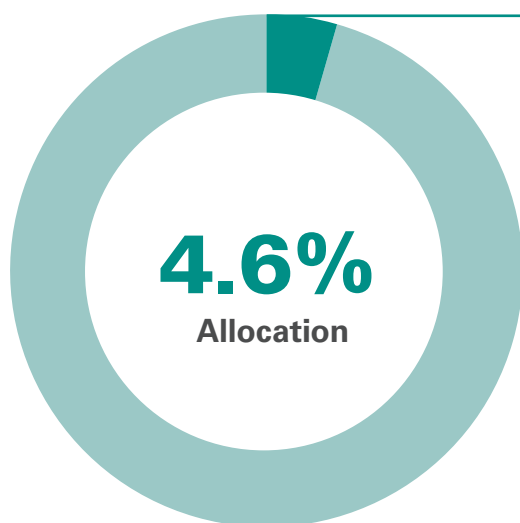


Photo supplied by Safe Harbor

Rybovich Marina

Rybovich Marina in West Palm Beach, Florida is a flagship asset within our Safe Harbor Marinas co-investment alongside Blackstone. As a premier destination for the global superyacht community, Rybovich represents our strategy of investing in high-barrier-to-entry infrastructure with premium service offerings and resilient market demand.

Private credit



■ Private credit

■ Total fund

Annual return

8.98%

Exposure

\$0.45 B

Benchmark

7.78%

Investment approach

Private credit strategies take many different forms for a variety of borrower types and risk levels. These can range from senior secured loans for corporate borrowers, junior and unitrache, real estate mezzanine lending, and asset-based specialty finance that includes lending against contractual revenue streams like royalties.

2025 performance

In 2025, private credit generated a return of 8.98%, which was higher than our benchmark return of 7.78%. The return was driven primarily from interest income. Since most of these loans have variable interest rates, the portfolio benefited from higher-than-normal short-term interest rates during the year.

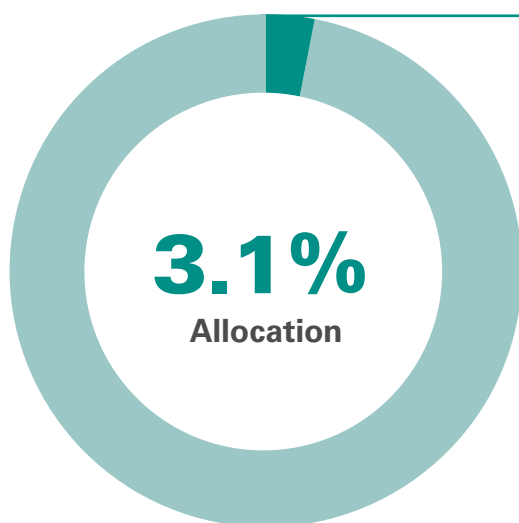
The largest contributor to performance was our co-investment in Antares, the largest mid-market private lender in the US.

Capital allocation

Total investments in private credit decreased from \$486 million at the end of 2024 to \$445 million at the end of 2025. This decrease was mainly due to borrowers paying off or refinancing their loans, which returned capital.

At the end of 2025, private credit made up 4.6% of the total fund while our policy benchmark is 6.0%. In 2026, we plan to continue growing this part of the portfolio methodically as opportunities arise.

Private equity



■ Private equity

■ Total fund

Annual return

8.30%

Exposure

\$0.30 B

Benchmark

18.90%

Investment approach

Our private equity investments focus on businesses with strong fundamentals, strong management teams, and opportunities to grow through existing operations and through acquisition.

We focus on five main themes: services, health care, aerospace, industrials, and technology. Most of the companies we invest in are headquartered in North America and Europe.

Our portfolio consists of investments in private equity funds (72%) and direct co-investments (28%).

2025 performance

Private equity assets generated a return of 8.30% in 2025, compared to our public equity linked benchmark of 18.90% (MSCI World +2%).

The returns were driven by growth in company earnings and successful

mergers and acquisitions, especially in our software and industrial businesses. However, higher interest rates impaired profit margins in some of our investments.

Generally, the value of the high-quality and recession-resilient companies we own remained stable or increased throughout the year. Two of our co-investments, Clarios and Ping Identity, performed exceptionally well again in 2025.

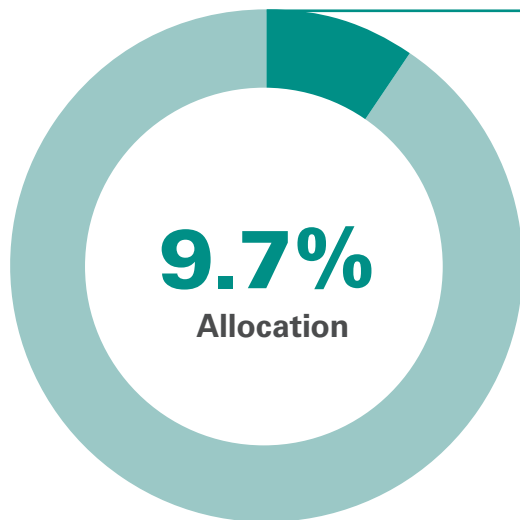
Capital allocation

Total investments in private equity decreased to \$301 million at the end of 2025, down from \$306 million at the end of 2024.

Private equity now makes up 3.1% of total fund assets while our policy benchmark is 3.0%.

For 2026, we plan to continue carefully and methodically growing our private equity portfolio, taking advantage of opportunities as they arise.

Real estate



■ Real estate

■ Total fund

Annual return

2.33%

Exposure

\$0.95 B

Benchmark

1.04%

Investment approach

We work with top real estate managers who oversee our properties around the world. Our focus is on retail, office, industrial, and residential properties.

The goal of our core portfolio of real estate assets is to generate stable and growing income streams through long-term leases.

We try to increase the value of these properties through upgrades and by making them more attractive for sale. We add value by developing market-leading properties for long-term ownership.

2025 performance

In 2025, the real estate portfolio generated a return of 2.33% compared to the benchmark return of 1.04%. In 2025, the Bank of Canada continued reducing interest rates, but it was not enough to

revive the real estate market. Property values experienced a slight decline in 2025 as investor demand for real estate remains subdued.

Office properties continue to be the weakest performer within real estate, as post-pandemic return-to-office policies are only beginning to take shape.

For the second year in a row, retail properties are the top performer as investors focused on properties anchored by grocery stores.

Capital allocation

Real estate now makes up 9.7% of total fund assets while our policy benchmark is 11.0%.

We continue to sell Canadian properties and reallocate to global real estate markets in 2025. At the end of 2025, nearly 30% of the real estate portfolio

was outside of Canada, up from 25% one year prior. Overall, allocation to real estate decreased by almost \$54 million.

The real estate strategy remains the same in 2026, which is to continue investing the portfolio globally to increase portfolio diversification.

Investment spotlight

65 King Street East

65 King Street East in Toronto, Ontario is a newly developed 405,000-square-foot office tower spanning 18 floors. LEED Gold certified, it reflects a high standard of sustainability and energy efficiency. Located a short walk from the main downtown transit hub, the building is leased long-term to Google for its Canadian headquarters.



Photo supplied by Carttera

FX hedging program

Since 2018, we have used financial contracts (called forward agreements) to hedge or protect the US dollar (USD) portion of our alternative assets investments from currency fluctuations. We update these hedge amounts every quarter and any new investments are hedged immediately.

This approach reduces the impact of fluctuations in foreign currency on the value of our alternative assets, which had a value of \$1.11 billion USD at the end of 2025.

In essence, a forward contract locks in today's exchange rate for a future date, removing the impact of exchange rates on the underlying asset. This can result in a surplus or a deficit depending on what happens with foreign exchange rates.

When deficits occur, we temporarily borrow money using our bond holdings as collateral using a repurchase agreement to meet the obligations. At the end of December 2025, we had a deficit due to weakness in the Canadian dollar (CAD). Since the hedging program began, \$90 million CAD has been added to the program. These losses are offset by unrealized gains in the value of the underlying assets.

The cost of hedging (measured in forward points) has increased sharply since 2023 because the Canadian and US economies and interest rates set by their central banks have been moving in different directions. In 2025, the interest rate gap between the two countries ranged from 1.25% to 1.75%, which is much higher than the original expectation of 0.50% to 0.75%.

The cost to total fund of the FX hedging program since it started is now 0.18% per year, up from 0.022% per year at the end of 2024. With continued geopolitical uncertainty, it is hard to predict these costs going forward. However, if current market conditions continue, we expect forward point costs to remain high through 2026.



Environmental, social, and governance

Responsible corporate behaviour, including environmental, social, and governance (ESG) policies and procedures, can reduce the risk to long-term corporate profitability and investment performance.

One of our most important rights as investors is to cast votes on motions brought to shareholders in a way that is consistent with the best long-term economic interests of the company. All our fund managers incorporate ESG into their investment processes. Careful consideration of responsible corporate behaviour by companies and their Boards can enhance long-term shareholder value.

Our internal fund managers and analysts review each proxy resolution based on our voting guidelines. Managers also consider the research provided by our ESG data partner, Sustainalytics. These resources help us make informed decisions aligned with our investment goals.

The Board and Investment Committee have a fiduciary responsibility to ensure the Fund's assets are invested to achieve the highest possible return while maintaining acceptable levels of risk. Our approach to ESG focuses on maximizing risk-adjusted returns.

Monitoring investments

CSSB uses a risk-management program provided by Eckler, an actuarial consulting firm. The program is a tool used to safeguard the assets and interests of plan members. Using different economic scenarios, the software calculates expected returns, standard deviation, and the likelihood of achieving our actuarial expected rate of return of 6% over ten years. It also compares our current asset allocation with the expected returns of our target portfolio. Using this software, we can test different asset mixes to reduce risk or lower volatility for the pension plan's assets.



Financials

MANAGEMENT RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of The Civil Service Superannuation Fund are the responsibility of management and have been prepared in accordance with Canadian accounting standards for pension plans, as stated in the notes to the financial statements. Management maintains internal controls to provide reasonable assurance of the reliability and accuracy of the financial information and to safeguard the assets of the Fund. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available up to May 28, 2026.

The firm of Ellement Consulting Group has been appointed as consulting actuary for the Fund. The role of the actuary is to complete the triennial actuarial valuations of the Fund in accordance with actuarial practice and estimate the obligations for benefits for inclusion in the annual financial statements.

The Auditor General performs an independent audit of the financial statements in accordance with Canadian generally accepted auditing standards. The resulting opinion is set out in the Auditor's Report attached to the financial statements.

Ultimate responsibility for the financial statements rests with the members of the Civil Service Superannuation Board. The Board established a Finance and Audit Committee to meet with Board staff and representatives of the Auditor General. It is the responsibility of the Finance and Audit Committee to review the financial statements, ensure that each group has properly discharged its respective responsibilities and make a recommendation to the Board regarding approval of the financial statements. The auditors have full and unrestricted access to the Board and to the Finance and Audit Committee.

The Board has reviewed and approved these financial statements.

On behalf of Management,



Michael Emslie
Chief Administrative Officer



Rick Wilson
Director, Finance



INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of Manitoba
To the Civil Service Superannuation Board

Opinion

We have audited the financial statements of the Civil Service Superannuation Fund (CSSF), which comprise the statement of financial position as at December 31, 2025, and the statements of changes in net assets available for benefits, the statement of changes in pension obligations and the statement of changes in surplus (deficit) for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for opinion

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

Responsibilities of management and those charged with governance for the financial statements

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

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In preparing the financial statements, management is responsible for assessing the CSSF's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate the CSSF or to cease operations, or there is no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CSSF'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 CSSF'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 CSSF 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.

Tyson Shtykalo, FCPA, FCA
Auditor General
Winnipeg, Manitoba
May 28, 2026

THE CIVIL SERVICE SUPERANNUATION FUND

Statement of Financial Position

As at December 31, 2025

Exhibit A

	2025	2024
(\$ Thousands)		
Assets		
Investments, Schedule 1 and Note 2(b)	\$ 9,759,743	\$ 9,137,303
Capital assets	1,394	902
Prepaid expenses	586	524
Debt due from the Province of Manitoba, Note 4	1,826	1,826
Receivables, Note 5	10,976	6,411
Accrued dividends and interest	16,588	14,545
Total assets	9,791,113	9,161,511
Liabilities		
Accounts payable and accrued liabilities	27,268	28,954
The Province of Manitoba Unfunded Pension Liability Trust Account, Note 6	2,823,976	2,614,087
Manitoba Hydro Enhanced Benefit Trust Account, Note 7	63,738	56,254
Correctional Officers' Trust Account, Note 8	25,401	22,954
Employer Trust Accounts, Note 9	180,233	165,042
Money Purchase Accounts Plan, Note 10	64,765	63,142
Total liabilities	3,185,381	2,950,433
Net assets available for benefits, Exhibit B	\$ 6,605,732	\$ 6,211,078
Pension Obligations and Deficit		
Actuarial value of pension obligations, Exhibit C, Note 11	\$ 12,108,254	\$ 11,460,648
Deficit, Exhibit D, Note 1(b), 11, 12 and 19	(5,502,522)	(5,249,570)
Pension obligations and deficit	\$ 6,605,732	\$ 6,211,078

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

Approved on behalf of the Board



Chairperson of the Board



Chairperson, Finance and Audit Committee

THE CIVIL SERVICE SUPERANNUATION FUND
Statement of Changes in Net Assets Available for Benefits
For the year ended December 31, 2025

Exhibit B

(\$) Thousands	Basic Benefits Account	Indexing Benefits Account	2025 Total	2024 Total
Increase in assets				
Contributions, Schedule 2, Note 1(b) and 13				
Employees	\$ 176,778	\$ 19,893	\$ 196,671	\$ 178,818
Employers	290,459	45,371	335,830	323,371
Total contributions	467,237	65,264	532,501	502,189
Net investment income, Schedule 3	210,053	79,878	289,931	231,155
Current period change in fair value of investments, Note 14	653,463	-	653,463	1,071,523
Other	86	-	86	87
Total increase in assets	1,330,839	145,142	1,475,981	1,804,954
Decrease in assets				
Benefits paid, Note 15	593,436	95,832	689,268	666,888
Refunds and transfers, Note 16	48,367	-	48,367	46,379
Administrative expenses, net, Note 17	4,302	-	4,302	3,842
Interest allocations to various trust accounts and Money Purchase Accounts Plan, Note 18	339,390	-	339,390	415,869
Total decrease in assets	985,495	95,832	1,081,327	1,132,978
Increase in net assets	345,344	49,310	394,654	671,976
Net assets available for benefits, beginning of year	5,504,334	706,744	6,211,078	5,539,102
Increase in net assets	345,344	49,310	394,654	671,976
Net assets available for benefits, end of year, Exhibit A	\$ 5,849,678	\$ 756,054	\$ 6,605,732	\$ 6,211,078

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

THE CIVIL SERVICE SUPERANNUATION FUND

Statement of Changes in Pension Obligations For the year ended December 31, 2025

Exhibit C

(\$ Thousands)			2025		2024	
	Fund	Payment Funding Employers	Total	Total	Total	Total
Basic Benefits Account						
Pension obligations, beginning of year	\$ 6,090,483	\$ 4,429,480	\$ 10,519,963	\$ 10,252,244		
Change in pension obligations						
Experience loss (gain)	146,215	171,956	318,171	46,394		
Benefits accrued	169,181	116,080	285,261	236,507		
Benefits paid	(367,199)	(274,604)	(641,803)	(621,550)		
Interest accrued on benefits	368,261	271,330	639,591	606,368		
	316,458	284,762	601,220	267,719		
Pension obligations, end of year	\$ 6,406,941	\$ 4,714,242	\$ 11,121,183	\$ 10,519,963		
Indexing Account						
Pension obligations, beginning of year	\$ 511,447	\$ 429,238	\$ 940,685	\$ 921,621		
Change in pension obligations						
Experience (gain)	(1,346)	(2,178)	(3,524)	(6,625)		
Benefits accrued, Note 11(b)	52,633	44,065	96,698	69,302		
Benefits paid	(52,162)	(43,670)	(95,832)	(91,717)		
Interest accrued on benefits	26,695	22,349	49,044	48,104		
Change in actuarial assumptions	-	-	-	-		
	25,820	20,566	46,386	19,064		
Pension obligations, end of year	\$ 537,267	\$ 449,804	\$ 987,071	\$ 940,685		
Combined						
Pension obligations, beginning of year	\$ 6,601,930	\$ 4,858,718	\$ 11,460,648	\$ 11,173,865		
Change in pension obligations	342,278	305,328	647,606	286,783		
Pension obligations, end of year, Exhibit A	\$ 6,944,208	\$ 5,164,046	\$ 12,108,254	\$ 11,460,648		

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

THE CIVIL SERVICE SUPERANNUATION FUND

Statement of Changes in Surplus (Deficit) For the year ended December 31, 2025

Exhibit D

(\$ Thousands)			2025	2024
	Fund	Payment Funding Employers	Total	Total
Basic Benefits Account				
Deficit, beginning of year	\$ (586,148)	\$ (4,429,481)	\$ (5,015,629)	\$ (5,350,688)
Increase in net assets	345,344	-	345,344	602,778
Change in pension obligations	(316,458)	(284,762)	(601,220)	(267,719)
	28,886	(284,762)	(255,876)	335,059
Deficit, end of year	\$ (557,262)	\$ (4,714,243)	\$ (5,271,505)	\$ (5,015,629)
Indexing Account				
Surplus (Deficit), beginning of year	\$ 195,296	\$ (429,237)	\$ (233,941)	\$ (284,075)
Increase in net assets	49,310	-	49,310	69,198
Change in pension obligations	(25,820)	(20,566)	(46,386)	(19,064)
	23,490	(20,566)	2,924	50,134
Surplus (Deficit), end of year	\$ 218,786	\$ (449,803)	\$ (231,017)	\$ (233,941)
Combined				
Deficit, beginning of year	(390,852)	(4,858,718)	(5,249,570)	(5,634,763)
Change during the year	52,376	(305,328)	(252,952)	385,193
Deficit, end of year, Exhibit A, Note 19	\$ (338,476)	\$ (5,164,046)	\$ (5,502,522)	\$ (5,249,570)

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

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$) Thousands

1. Description of Plan

The following description of the Civil Service Superannuation Plan (the "Plan") is a summary only. For more complete information reference should be made to the Civil Service Superannuation Act (the "Act").

(a) General

The Civil Service Superannuation Board (the "Board") and the Civil Service Superannuation Fund (the "Fund") were established under the Act in May 1939. The Board is responsible for administering the Act. The Act defines the basis of funding and the operation of the Plan as a defined benefit plan, which provides pension benefits to employees of the Government of the Province of Manitoba and its agencies participating in the Plan.

(b) Funding

The Act requires that employees contribute 8.0% of pensionable earnings up to the Canada Pension Plan (CPP) maximum pensionable earnings and 9.0% of pensionable earnings above that maximum. In accordance with the Act, 89.8% of the employee contributions are allocated to the Basic Benefits Account and 10.2% are allocated to the Indexing Benefits Account. The prefunding employer contribution rate is .9% less than the employee on pensionable earnings up to the Canada Pension Plan (CPP) maximum pensionable earnings and the same as the employee on Pensionable Earnings above that maximum.

Under provisions of the Act, payment funding employers defer contributing their share of employee pension benefits until they are billed for 50% of the benefit payments processed. However, payment funding employers are not billed for the cost of the pension formula improvement implemented in 2000. Prefunding employers similarly do not contribute toward the 2000 pension formula improvement.

The Fund's net assets available for benefits are primarily comprised of investments derived from contributions from employees and prefunding employers together with investment income. These assets are intended to finance the Fund's portion of the Plan's actuarially determined obligation for pension benefits accruing to employees for service to the date of these financial statements. The payment funding employers' portion of the obligation for pension benefits, as shown on Exhibit C and disclosed in Note 11, is unfunded.

The cost-of-living benefit payments are limited to the extent that the amount in the separate Indexing Benefits Account is actuarially able to finance one-half of that payment. Legislation limits the maximum annual adjustment to two-thirds of the increase in Consumer Price Index (Canada) until the Indexing Benefits Account can pre-fund anticipated adjustments for the next twenty years.

(c) Pension Calculation

The lifetime pension calculation equals:

- (i) 2% of a member's best five-year average pensionable earnings multiplied by pensionable service.
- (ii) minus .4% of the average CPP maximum pensionable earnings for the same period multiplied by pensionable service since January 1, 1966.

The lifetime pension is subject to an overall maximum of 70% of the average earnings described in (i) above. Some pensions for members retiring prior to age 60 are subject to an early retirement reduction.

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$) Thousands

(d) Excess Contributions

On termination, retirement, or death, if a member's contributions plus interest (less 10.2% allocated to the Indexing Benefits Account) exceed 50% of the commuted value of the pension for service after December 31, 1984, the excess contributions are payable to the member or the member's estate.

(e) Retirement

A member is eligible to retire as early as age 55.

All members must commence pension benefits no later than the last day of the calendar year in which the member attains 71 years of age.

Eligible members of the Province of Manitoba's Corrections Component may retire as early as age 50 if age plus years of qualifying service is greater than or equal to 75.

(f) Disability Pensions

A member with ten or more years of qualifying service is eligible to apply for a disability pension.

(g) Death Benefits Pre-retirement

Upon the death of an active member, a survivor's benefit is payable to a spouse or partner or the member's estate when there is no survivor.

(h) Death Benefits Post-retirement

A death refund is payable to the estate of a pensioner or survivor where such pensions have not been paid to the full extent of the member's contributions plus interest.

(i) Withdrawal Refunds

Upon application and subject to lock-in provisions, withdrawal refunds are payable when a member ceases to be employed by a participating employer. Members may choose to leave their contributions in the Plan as a vested member.

(j) Income Taxes

The Plan is a Registered Pension Trust as defined in the Income Tax Act and is not subject to income taxes.

(k) Money Purchase Accounts Plan

The Board administers and maintains a separate Money Purchase Accounts Plan on a trust basis as provided for in the Act.

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$) Thousands

2. Significant Accounting Policies

The significant accounting policies are summarized below:

(a) Basis of Presentation

The financial statements are prepared on a going-concern basis as a separate financial reporting entity, in accordance with Canadian accounting standards for pension plans. The Fund has selected Part II (accounting standards for private enterprises) of the CPA Canada Handbook for issues not directly addressed by these standards. In accordance with these standards, statements prepared include the statement of financial position, the statement of changes in net assets available for benefits, the statement of changes in pension obligations and the statement of changes in surplus (deficit). They are prepared to assist participants and others in reviewing the financial activities for the fiscal year.

(b) Investments

Investments are presented on a non-consolidated basis even when an investment is in an entity over which the Plan has control or can exercise significant influence. Investments are recorded at fair value on a trade date basis. Fair values of investments are determined as follows:

Fixed Income

- (i) Short-term investments are valued at cost, which approximates market and short-term equivalents are valued at market by independent sources.
- (ii) Bonds and debentures are valued at market by independent sources.
- (iii) Index-linked mortgages are valued at amortized cost, which approximates fair value.

Equities

- (i) Publicly traded securities are valued at year end market prices as listed on the appropriate stock exchange.
- (ii) Pooled equity funds are valued at market by the external manager based on the fair value of the underlying assets.

Other Investments

- (i) Real estate investments are valued at fair value based on the most recent appraisals or external managers' valuations of the underlying properties.
- (ii) Private equity, Infrastructure, and Private credit investments are valued at the fair value of the underlying investments as established by the external managers or at cost, which approximates fair value, when no valuation has been prepared.

(c) 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 available for benefits during the year. Actual results could differ from those estimates. Items requiring the use of significant estimates include Level 3 investments and obligations for pension benefits.

(d) Foreign Currency Translation

Transactions denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing on the dates of the transactions. The foreign currency translation of these transactions (except for any foreign

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$ Thousands)

currency translation related to the acquisition of investments) is included in investment income or the current period change in fair value of investments (net realized gains or losses on the sale of investments) or administrative expenses.

The fair value of investments denominated in foreign currencies is translated into Canadian dollars at the exchange rate in effect at year-end and the resulting change from the translation at acquisition (or the prior year end) is included in the current period change in fair value of investments (net unrealized market gains or losses).

(e) Forward Contracts

A forward contract is a contractual obligation to buy or sell a specified amount of foreign currency at a predetermined future date and exchange rate. Forward contracts are recorded at fair value which is the estimated amounts that the Fund would receive or pay to terminate the contracts at the reporting date. Realized and unrealized gains or losses on forward contracts are recognized with the current period change in fair value of investments.

(f) Equipment

Computer equipment costing less than \$15 and all furniture purchases are charged to operations in the year of acquisition. Mid-range computer equipment cost is amortized over 5 years and microcomputer equipment cost is amortized over 3 years.

(g) Related Party Transactions

The Plan's sponsor and administrator (and their close family members) are related parties of the Civil Service Superannuation Fund. The sponsor of the Plan is the Government of the Province of Manitoba and the administrator of the Plan is the management of the Civil Service Superannuation Board (CSSB).

CSSB management and their close family members include board members, external committee members and senior management, as well as their spouses, and any controlled business or business subject to significant influence.

All related party transactions are recorded at the exchange amount. Material transactions, in aggregate, and balances are disclosed separately.

(h) Net Investment Income and Current Period Change in Fair Value of Investments

Dividend income is recognized based on the ex-dividend date; interest income and income from real estate, infrastructure, private equity, private credit, and security lending are recognized on the accrual basis as earned. Investment management expenses, transaction costs, and interest allocated to employee future benefit obligations are reductions to gross investment income. Current period change in fair value of investments includes both realized and unrealized gains and losses. Unrealized gains and losses are recognized only when the fair value of the investment is based on a quoted market price in an active market or a valuation using appropriate valuation techniques is performed and approved by management.

(i) Contributions

Contributions from the members are recorded on an accrual basis. Cash received from members for credited service and cash transfers from other pension plans are recorded when received.

(j) Benefits

Benefit payments to members, termination refunds to former members, and transfer payments to other plans are recorded in the period in which they are paid or payable.

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$ Thousands)

3. Risk Management

The fair value of investments is exposed to market risk (interest rate risk, currency risk and price risk), credit risk, and liquidity risk.

(a) Market Risk

Interest Rate Risk

Interest rate risk refers to the impact of interest rate changes on the Fund's cash flows, financial position and income. This risk arises from differences in the timing and amount of cash flows related to the Fund's assets and liabilities. The value of the Fund's assets is affected by changes in interest rates.

The Fund's exposure to interest rate risk is concentrated in its investments in bonds and debentures. To properly manage the Fund's interest rate risk, appropriate guidelines on the weighting and duration for bonds and debentures are set and monitored by the Fund's Investment Committee.

The Fund has invested approximately 18% (2024 – 17%) of its assets in fixed income securities as at December 31, 2025, which generated a rate of return of 1.89% (2024 – 3.78%). The returns on fixed income securities are particularly sensitive to changes in nominal interest rates. As at December 31, 2025, if prevailing interest rates were raised or lowered by 100 basis points, with all other factors held constant, fixed income investments would likely have decreased or increased respectively by approximately \$145,528 (2024 - \$132,268). The Fund's interest rate sensitivity was determined based on portfolio weighted duration.

Currency Risk

Currency risk relates to the possibility that foreign currency-denominated investments will change in value due to future fluctuations in foreign exchange rates. The impacts can be positive or negative and can be significant given the volatility of foreign exchange rates. CSSB management and external managers hedge some of the Fund's currency exposure in invested assets using forward contracts.

The Fund's exposure in cash and investments to foreign currencies, net of hedging, reported in Canadian dollars is shown below:

As at December 31, 2025	Actual Currency Exposure	Percentage
Canadian dollar	\$ 4,887,017	50.1%
US dollar	2,663,893	27.2
Euro	492,965	5.1
Japanese yen	356,798	3.7
Pound sterling	293,711	3.0
Hong Kong dollar	236,702	2.4
Korea won	133,943	1.4
Australian dollar	116,586	1.2
Other currencies	578,129	5.9
Total investments	\$ 9,759,743	100.0%

A 10 percent increase or decrease in exchange rates, net of hedging, with all other variables held constant, would result in a change in unrealized gains (losses) of \$487,273 (2024 - \$461,036).

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$) Thousands

Price Risk

Price risk is the risk that the value of an investment will fluctuate as a result of a change in market conditions (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market. The Fund's equity and private market investments are sensitive to market fluctuations. To assist in mitigating the impact of price risk, the Board has established appropriate guidelines on asset diversification to address specific security, geographic, sector and investment manager risks which they monitor on a regular basis. A decline or increase of 10 percent in fair values of public equities, with all other variables held constant, will impact the Fund's investments by an approximate loss or gain of \$538,042 (2024 - \$486,723). A decline or increase of 10 percent in fair values of private market investments, with all other variables held constant, will impact the Fund's investments by an approximate loss or gain of \$262,603 (2024 - \$276,983).

(b) Credit Risk

Credit risk is the risk of loss from the failure of a counter party to discharge its contractual obligations. At December 31, 2025, the Fund's maximum credit risk exposure relating to bonds and debentures, cash and short-term investments and mortgages totaled \$1,753,297 (2024 - \$1,500,241), receivables of \$10,976 (2024 - \$6,411) and accrued income of \$16,588 (2024 - \$14,545) totaled \$1,780,861 (2024 - \$1,521,197). The Fund's Investment Committee limits credit risk by concentrating on high quality securities and adhering to a Statement of Investment Policies and Procedures. The Policy establishes investment ownership limits and acceptable credit ratings. In the case of bonds and debentures, all bonds must be rated BBB- or higher at the time of purchase.

All transactions in listed securities are settled upon delivery using approved investment managers. The risk of default is considered minimal, as delivery of securities sold is only made once the investment manager has received payment. Payment is made on a purchase once the securities have been received by the investment manager. The trade will fail if either party fails to meet its obligation.

The breakdown of the Fund's bonds and debentures portfolio by credit rating from various rating agencies is presented below:

Credit Rating	2025 Fair Value		2024 Fair Value	
AAA	\$	508,234	32.9%	\$ 373,913 27.0%
AA		358,423	23.2	525,443 38.0
A		610,814	39.5	401,519 29.0
BBB+		51,424	3.3	59,541 4.3
BBB and lower		16,438	1.1	22,903 1.7
		1,545,333	100.0%	1,383,319 100.0%
Cash and short-term		3,189		(24,565)
Total bonds and debentures	\$	1,548,522		\$ 1,358,754

Credit risk associated with contributions receivable is minimized due to their nature. Contributions are collected from participating members through the payroll process. No provision for doubtful contributions receivable has been recorded in either 2025 or 2024.

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$) Thousands

(c) Liquidity Risk

Liquidity risk is the possibility that investments of the Fund cannot be readily converted into cash when required to meet contractual obligations. The Fund may be subject to liquidity constraints because of insufficient volume in the markets for the securities of the Fund or other securities may be subject to legal or contractual restrictions on their resale. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active public market and can be readily sold. Although market events could lead to some investments becoming illiquid, the diversity of the Fund's portfolio and current contribution levels should ensure that liquidity is available for benefit payments.

The term to maturity and related market values of fixed income investments are as follows:

Term to Maturity	2025	2024
Less than one year	\$ 207,760	\$ 116,371
One to five years	331,648	283,658
Over five years	1,213,889	1,100,212
Total fixed income investments	\$ 1,753,297	\$ 1,500,241

(d) Fair Value

The following is a summary of the inputs used in the measurement of the fair value of the Fund's investments based on the fair value hierarchy:

	Level 1 Quoted Prices in Active Markets	Level 2 Significant Other Observable Inputs	Level 3 Significant Unobservable Inputs	Total 2025
Assets				
Short-term	\$ 972	\$ 203,421	\$ -	\$ 204,393
Bonds and debentures	-	1,548,522	-	1,548,522
Mortgages	-	382	-	382
Equities	4,672,302	708,119	-	5,380,421
Real estate	-	-	950,525	950,525
Infrastructure	-	-	929,688	929,688
Private equity	-	-	301,167	301,167
Private credit	-	-	444,645	444,645
Total investments, Schedule 1	\$ 4,673,274	\$ 2,460,444	\$ 2,626,025	\$ 9,759,743

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$) Thousands

	Level 1 Quoted Prices in Active Markets	Level 2 Significant Other Observable Inputs	Level 3 Significant Unobservable Inputs	Total 2024
Assets				
Short-term	\$ 16,263	\$ 124,172	\$ -	\$ 140,435
Bonds and debentures	-	1,358,754	-	1,358,754
Mortgages	-	1,052	-	1,052
Equities	4,214,714	652,521	-	4,867,235
Real estate	-	-	1,006,919	1,006,919
Infrastructure	-	-	970,304	970,304
Private equity	-	-	306,517	306,517
Private credit	-	-	486,087	486,087
Total investments, Schedule 1	\$ 4,230,977	\$ 2,136,499	\$ 2,769,827	\$ 9,137,303

All securities in Level 1 can be traded in an active market. During the year ended December 31, 2025, no equity investments were transferred from Level 1 to Level 2.

During the year ended December 31, 2025, the reconciliation of investments measured at fair value using unobservable inputs (Level 3) is presented as follows:

	Real estate	Infrastructure	Private equity	Private credit	Total
Beginning Balance	\$ 1,006,919	\$ 970,304	\$ 306,517	\$ 486,087	\$ 2,769,827
Purchases	41,956	35,540	18,590	14,487	110,573
Sales and withdrawals	(109,148)	(143,372)	(19,365)	(52,722)	(324,607)
Capitalized income	28,015	143,331	30,734	26,430	228,510
Change in unrealized appreciation/ (depreciation)	(17,217)	(76,115)	(35,309)	(29,637)	(158,278)
Ending Balance	\$ 950,525	\$ 929,688	\$ 301,167	\$ 444,645	\$ 2,626,025

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$ Thousands)

Section 3.29 of the Manitoba Pension Benefits Act Regulation 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 Fund held the following investments that met this classification:

Equities:

Marathon M-L Investment Fund	\$ 706,705
Ishares Core S&P / TSX Capped ETF (XIC)	\$ 223,026

Private credit:

Antares Capital	\$ 224,779
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(e) Securities Lending

The Fund is entered into a securities lending program through the lending agent, State Street Trust Company Canada. Under the program, the Fund will lend various securities in its possession to borrowers approved by the lending agent. The loans can be secured by either securities or cash collateral. The Fund has risks under this program including borrower default and reinvestment risk, mitigated by an indemnification clause in the securities lending agreement with State Street Bank and Trust Company.

4. Debt due from the Province of Manitoba

Under Section 24(1) of the Act, the Province of Manitoba assumed an accrued liability of \$1,826 (2024 - \$1,826) for its employees and pensioners as at May 1, 1939. The Province of Manitoba pays semi-annual interest at 4% per annum on this amount.

5. Receivables

	2025	2024
Contributions receivable		
Employers	\$ 2,124	\$ 2,840
Employees	185	994
	2,309	3,834
Other receivables	8,667	2,577
	\$ 10,976	\$ 6,411

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$) Thousands

6. The Province of Manitoba Unfunded Pension Liability Trust Account

The Province has established a fund for the purpose of accumulating funds for the eventual retirement of the Province's unfunded pension obligation.

Under the terms of a March 6, 2001 agreement between the Province and the Board, the Province established a fund with the Board and the Province is making the required contributions to this fund. As well, the Province is making contributions to this fund that is related to the Special Operating Agencies unfunded pension liabilities. Contributions received by the Board from the Province are held by the Board (as invested assets) in trust for and on behalf of the Province and are invested by the Board on behalf of the Province. The contributions received are not assets of the Plan and accordingly, they are accounted for by the Fund in the Unfunded Pension Liability Trust Account. This trust account earns investment income at a rate of return equal to the rate of return earned by the Fund. The Board receives an investment management fee for its services. The contributions made by the Province to the Board do not reduce the pension benefit obligations and deficit of the Fund.

The Trust Agreement was amended effective December 31, 2008, to make the trust irrevocable. Accordingly, the assets in the Trust Account can not be used for any purposes other than to fund the payment of pension benefits for which the Province is responsible and to pay the costs and expenses that are directly attributable to the administration of the Trust Account.

In October 2007, The Financial Administration Act was amended to allow for withdrawals from the fund to pay, or fund the payment of, pension benefits for which the Province is responsible.

A continuity schedule of this trust account is as follows:

	2025	2024
Contributions received	\$ 123,604	\$ 107,404
Interest earned (charged)	306,168	374,857
Pension and refund payments made	(207,459)	(201,932)
Investment management fees charged	(12,424)	(12,878)
Change during the year	209,889	267,451
Balance, beginning of year	2,614,087	2,346,636
Balance, end of year	\$ 2,823,976	\$ 2,614,087

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$ Thousands)

7. Manitoba Hydro Enhanced Benefit Trust Account

Effective January 1, 2012, Manitoba Hydro employees with pensionable service after May 31, 2006 are eligible for an additional benefit. The Enhanced Hydro Benefit Plan enhances the formula used in calculating pension benefits from 1.6% to 1.7% of earnings up to the Canada Pension Plan average Yearly Maximum Pensionable Earnings at the time of retirement. Manitoba Hydro will fund the enhanced pension benefit through contributions to a trust account that will be used to fund the additional benefit to employees. A continuity schedule of this trust account is as follows:

	2025	2024
Contributions received	\$ 2,717	\$ 2,520
Interest earned (charged)	6,734	7,831
Pension and refund payments made	(1,694)	(1,444)
Investment management fees charged	(273)	(269)
Change during the year	7,484	8,638
Balance, beginning of year	56,254	47,616
Balance, end of year	\$ 63,738	\$ 56,254

8. Correctional Officers' Trust Account

Effective November 19, 1996, employees who are members of the Province of Manitoba's Corrections Component are required to contribute an additional 1% of pensionable earnings. These additional contributions are credited to this trust account and are intended to fund the additional pension benefits for eligible employees who may retire as early as age 50 with no reduction for early retirement providing the total of age and qualifying service equals 75 or greater. A continuity schedule of this trust account is as follows:

	2025	2024
Contributions received	\$ 1,484	\$ 1,461
Interest earned (charged)	2,645	3,157
Pension and refund payments made	(1,669)	(1,334)
Expenses paid	(13)	(20)
Change during the year	2,447	3,264
Balance, beginning of year	22,954	19,690
Balance, end of year	\$ 25,401	\$ 22,954

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$) Thousands

9. Employer Trust Accounts

The Fund is responsible for providing enhanced benefits enacted in the 1992 legislation agreed to by the Employee Liaison Committee and the Employer Pension Advisory Committee. These benefits are 100% financed from the Fund's net assets available for benefits. To facilitate this funding, trust accounts were established for payment funding employers participating in the Fund for their share of the actuarial valuation of these future benefit enhancements. Specific contributions from eligible employees are being transferred to the applicable trust account. A continuity schedule of this trust account is as follows:

	2025	2024
Contributions	\$ 7	\$ 16
Trust Funds released	(3,538)	-
Interest earned (charged)	18,722	22,765
Change during the year	15,191	22,781
Balance, beginning of year	165,042	142,261
Balance, end of year	\$ 180,233	\$ 165,042

10. Money Purchase Accounts Plan

Effective January 2, 1985, a separate Money Purchase Accounts Plan was established to enhance the portability of pensions. Contributors include employees, recipients of superannuation allowances, annuities, or pensions payable under the Act, or persons on whose behalf the Board is required or requested to transfer moneys to this Plan. Interest earned on this plan is guaranteed at the Bank of Canada five-year personal fixed-term rate. An additional interest adjustment may be paid depending on the performance of the fund. Refunds are made upon written request by the contributor. Administrative costs are recovered by the Board. A continuity schedule of this liability account is as follows:

	2025	2024
Contributions received	\$ 1,705	\$ 1,297
Interest earned	5,121	7,259
Refunds and administration fees paid	(4,120)	(2,975)
Annuities made	(1,083)	(497)
Change during the year	1,623	5,084
Balance, beginning of year	63,142	58,058
Balance, end of year	\$ 64,765	\$ 63,142

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$ Thousands)

11. Obligations for Pension Benefits

(a) Basic Benefits Account

In accordance with the Pension Benefits Act of the Province of Manitoba, actuarial valuations are required every three years. The stated purpose of the actuarial valuation is to:

- determine the financial position of the Plan as at the valuation date,
- determine the adequacy of the contributions being received in relation to the portion of the benefits financed by the Fund, and
- provide recommendations as to the future course of action based on the financial position revealed.

Actuarial valuations (going concern basis) for the Fund and Payment Funding Employers' pension obligations were prepared as at December 31, 2024 by Ellement Consulting Group. The actuarial present value of the accrued basic pension benefit obligations, based on service to date, was extrapolated by the actuary to December 31, 2025. The principal components of the changes in pension obligations during the year are presented in Exhibit C.

The payment funding employers' portion of the accrued basic pension benefit obligation is unfunded. These payment funding employers defer contributing their share of employee pension benefits until they are billed for approximately 50% of the benefit payments processed. Payment funding employers are not billed for the cost of the pension formula improvement that was effective from September 1, 2000.

Significant long-term actuarial assumptions used in the December 31, 2024 and 2023 valuations of the present value of the accrued basic pension benefit obligations were:

	2024	2023
Discount rate:		
(i) inflation component	2.00%	2.00%
(ii) real rate of return	<u>4.00%</u>	<u>4.00%</u>
	<u>6.00%</u>	<u>6.00%</u>
Annual salary escalation rates:		
(i) general increases		
a) inflation component	2.00%	2.00%
b) productivity component	1.00% for 2 year, 0.50% thereafter	0.50%
(ii) service, merit and promotional		
a) low end of the range	0.00%	0.00%
b) high end of the range	3.94%	3.94%
Mortality rates:		
(i) mortality	CPM 2014 Public	CPM 2014 Public
(ii) mortality improvements	Scale B	Scale B

The extrapolations to December 31, 2025 were based on the assumptions used in the 2024 actuarial valuations.

The next actuarial valuations for Basic Benefits will be prepared as at December 31, 2027, and will be completed by the fall of 2028.

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$) Thousands

(b) Indexing Benefits Account

Under section 33(6) of the Act, the Board must approve a cost-of-living adjustment before it is in effect. The 2025 financial statements reflect the pension obligations for cost-of-living adjustments up to the change in the Consumer Price Index for 2025.

A 1.19% cost-of-living adjustment for the year ended December 31, 2025 at a cost of \$96,698 (Fund - \$52,633, Payment Funding Employers - \$44,065) was approved March 26, 2026, with payment commencing July 2026.

These pension obligations are reported in the 2025 statement of changes in pension obligations (Exhibit C).

The December 31, 2025 actuarial valuations for the Fund's Indexing Benefits Account and the Payment Funding Employers' liability for indexing benefits were prepared by Ellement Consulting Group. The actuarial assumptions were the same as those used for the December 31, 2024 actuarial valuations for basic benefits.

The next actuarial valuations on the Indexing Benefits Account and the Payment Funding Employers' indexing benefits liability will be prepared as at December 31, 2026, and will be completed during 2027.

12. Employer Assets Provided for Pension Obligations

Readers should refer to the latest audited employer financial statements, including the financial statements of the Government of the Province of Manitoba and its participating agencies, to determine how employers fund their pension obligations.

The Fund also manages monies from payment funding employers designed to help offset their share of the unfunded pension obligation and deficit. These monies have not been included in the statement of net assets available for benefits. The breakdown of these total funds under management is as follows:

	2025	2024
Province of Manitoba, Note 6	\$ 2,823,976	\$ 2,614,087
Manitoba Hydro, Note 20	1,286,125	1,199,614
<u>Total funds managed</u>	<u>\$ 4,110,101</u>	<u>\$ 3,813,701</u>

The funds from the Province of Manitoba are included in both the assets (investments) and liabilities in the statement of financial position (Exhibit A) and thus have no impact on the net assets available for benefits and deficit. The funds managed for Manitoba Hydro are managed separately and are excluded from the statement of financial position.

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$ Thousands)

13. Contributions

	2025	2024
Employees		
Required contributions	\$ 187,521	\$ 177,633
Voluntary contributions	257	179
Past service contributions	1,500	1,320
Special contributions	7,393	(314)
	196,671	178,818
Employers		
Required contributions	16,779	15,458
Special contributions ¹	319,051	307,913
	335,830	323,371
	\$ 532,501	\$ 502,189

¹ includes payment funding employers' pay-as-you-go portion of benefit payments

14. Current Period Change in Fair Value of Investments

	2025	2024
Net realized gains on the sale of investments	\$ 417,281	\$ 450,418
Net unrealized market gains	236,182	621,105
	\$ 653,463	\$ 1,071,523

15. Benefits Paid

	2025	2024
Pension benefit payments	\$ 676,881	\$ 655,007
Disability benefit payments	12,387	11,881
	\$ 689,268	\$ 666,888

16. Refunds and Transfers

	2025	2024
Termination refund payments	\$ 35,001	\$ 37,581
Death refund payments	10,175	6,596
Relationship separation refund payments	2,699	1,603
Reciprocal transfers out – prefunding employers	492	599
	\$ 48,367	\$ 46,379

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$) Thousands

17. Administrative Expenses, Net

	2025	2024
Actuary fees	\$ 312	\$ 357
Audit fees	75	74
Legal fees	92	35
Consulting fees	71	85
Professional fees	550	551
Salaries and fringe benefits	6,204	5,645
Office and administration	2,222	1,906
Gross administrative expenses	8,976	8,102
Less: Recoveries		
From other administrated funds – regular administration	(1,399)	(1,319)
From payment funding employers	(3,275)	(2,941)
Administrative expenses, net	\$ 4,302	\$ 3,842

18. Allocations to the Various Trust Accounts and Money Purchase Accounts Plan

The various trust accounts and Money Purchase Plan Account are credited (charged) with interest equivalent or comparable to the Fund's annual rate of return. The breakdown of these allocations is as follows:

	2025	2024
The Province of Manitoba Unfunded Pension Liability Trust Accounts	\$ 306,168	\$ 374,857
Manitoba Hydro Enhanced Benefit Trust Account	6,734	7,831
Correctional Officers' Trust Account	2,645	3,157
Employer Trust Accounts	18,722	22,765
Money Purchase Plan Account	5,121	7,259
	\$ 339,390	\$ 415,869

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$ Thousands)

19. Deficit

	Fund	Payment Funding Employers	Total 2025	Total 2024
(Deficit) surplus, beginning of year				
Basic Benefits	\$ (586,148)	(4,429,481)	(5,015,629)	(5,350,688)
Indexing Benefits	195,296	(429,237)	(233,941)	(284,075)
	(390,852)	(4,858,718)	(5,249,570)	(5,634,763)
Change in net assets available for benefits, Exhibit B				
Basic Benefits	345,344	-	345,344	602,778
Indexing Benefits	49,310	-	49,310	69,198
	394,654	-	394,654	671,976
Change in pension obligations during the year, Exhibit C				
Basic Benefits	(316,458)	(284,762)	(601,220)	(267,719)
Indexing Benefits	(25,820)	(20,566)	(46,386)	(19,064)
	(342,278)	(305,328)	(647,606)	(286,783)
(Deficit) surplus, end of year, Exhibit D				
Basic Benefits	(557,262)	(4,714,243)	(5,271,505)	(5,015,629)
Indexing Benefits	218,786	(449,803)	(231,017)	(233,941)
	\$ (338,476)	\$ (5,164,046)	\$ (5,502,522)	\$ (5,249,570)

20. Managed Investment Funds

The Board acts as investment manager for other funds, which are separate and have been excluded from the statement of financial position (Exhibit A).

The fair values of these other funds under administration on a trade date basis at December 31 are:

	2025	2024
The Manitoba Hydro Pension Fund	\$ 1,286,125	\$ 1,199,614
Joint Board of Trustees of The Municipal Employees Benefits Program	1,142,597	1,032,633
The Public Service Group Insurance Fund	359,506	326,517
Centra Gas Manitoba Inc.	153,354	146,561
Manitoba Liquor & Lotteries Corporation	10,018	9,003
Winnipeg Child and Family Services Employee Benefits Retirement Plan	23,759	24,884
University of Winnipeg	11,057	10,922
Legislative Assembly Pension Plan	52,997	48,313
	\$ 3,039,413	\$ 2,798,447

The Board recovers its administrative costs for this service by charging an investment management fee, which is deducted from investment management expenses in Schedule 3.

THE CIVIL SERVICE SUPERANNUATION FUND

Notes to the Financial Statements For the year ended December 31, 2025

(\$) Thousands

21. Future Commitments

The Fund has contractual obligations for future investment transactions, which may be funded over the next several years in accordance with the terms and conditions agreed to. As at December 31, 2025, the Fund's share of the outstanding commitment is \$942,153 (2024 - \$808,592).

22. Capital Disclosures

Capital is defined as the net assets available for benefits. Externally imposed capital requirements relate to the administration of the Fund in accordance with the terms of the Fund, The Pension Benefits Act of the Province of Manitoba, and the provisions of the Income Tax Act (Canada). The Fund has developed appropriate risk management strategies, as described in Note 3, to preserve the net assets available for benefits. The Fund has complied with externally imposed capital requirements during the year.

23. Comparative Figures

Certain of the 2024 comparative figures have been reclassified to conform with the presentation adopted for 2025.

THE CIVIL SERVICE SUPERANNUATION FUND

Summary of Investments As as December 31, 2025

Schedule 1

	2025	2024
(%) Thousands		
Fixed income		
Short-term	\$ 204,393	\$ 140,435
Bonds and debentures	1,548,522	1,358,754
Mortgages	382	1,052
	<u>1,753,297</u>	<u>1,500,241</u>
Equities		
Domestic	988,266	916,289
Foreign	4,392,155	3,950,946
	<u>5,380,421</u>	<u>4,867,235</u>
Real estate	950,525	1,006,919
Infrastructure	929,688	970,304
Private equity	301,167	306,517
Private credit	444,645	486,087
Investments, Exhibit A	\$ 9,759,743	\$ 9,137,303

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

THE CIVIL SERVICE SUPERANNUATION FUND

Schedule of Contributions For the year ended December 31, 2025

Schedule 2

			2025	2024
(\$) Thousands	Employers	Employees	Total	Total
Payment Funding employers, Note 1 (b)				
Province of Manitoba Civil Service	\$ 214,153	\$ 85,363	\$ 299,516	\$ 290,271
Manitoba Hydro-Electric Board	86,395	45,179	131,574	123,710
Manitoba Public Insurance Corporation	18,434	13,791	32,225	31,499
Red River College Polytechnic	112	11,982	12,094	11,298
Addictions Foundation of Manitoba	123	-	123	73
Community Colleges				
Assiniboine Community College	-	3,146	3,146	2,863
University College of the North	160	2,119	2,279	2,082
Regional Health Authorities				
Winnipeg	18	611	629	608
Prairie Mountain	-	455	455	398
Southern	-	77	77	79
Interlake - Eastern	-	67	67	71
Northern	-	204	204	220
The Legal Aid Services Society of Manitoba	-	1,041	1,041	1,027
Manitoba Centennial Centre Corporation	488	228	716	684
Shared Health Inc.	1	3,782	3,783	3,586
Teachers' Retirement Allowances Fund Board	463	496	959	943
Communities Economic Development Fund	236	73	309	278
Manitoba Horse Racing Commission	35	-	35	81
Workers Compensation Board	1	-	1	1
Total payment funding employers	\$ 320,619	\$ 168,614	\$ 489,233	\$ 469,772

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

THE CIVIL SERVICE SUPERANNUATION FUND

Schedule of Contributions For the year ended December 31, 2025

Schedule 2

			2025	2024
(\$ Thousands)	Employers	Employees	Total	Total
Total payment funding employers, continued	\$ 320,619	\$ 168,614	\$ 489,233	\$ 469,772
Prefunding employers, Note 1 (b)				
Manitoba Liquor & Lotteries Corporation	9,419	10,073	19,492	20,284
Manitoba Housing	63	-	63	75
Manitoba Hydro International	551	595	1,146	-
Manitoba Agricultural Services Corporation	1,630	1,303	2,933	1,817
CUPE Support Workers	849	957	1,806	1,940
All Nations Coordinated Response Family Services	876	952	1,828	1,668
Manitoba Government and General Employees' Union	769	817	1,586	1,473
Liquor, Gaming and Cannabis Authority of Manitoba	473	509	982	996
Civil Service Superannuation Board	600	639	1,239	1,162
Teranet Manitoba LP	570	616	1,186	1,140
Manitoba Floodway Authority	16	-	16	16
Manitoba Hydro Utilities Services	218	246	464	487
Travel Manitoba	349	356	705	584
Industrial Technology Centre	1	-	1	1
Dairy Farmers of Manitoba	115	126	241	245
Hams Marketing Services Co-op Inc.	55	59	114	109
Manitoba Pork Council	125	123	248	237
Manitoba Arts Council	80	89	169	160
Manitoba Film and Sound	79	77	156	155
Manitoba Health Research Council	85	94	179	185
Manitoba Chicken Producers	72	77	149	135
Crown Corporations Council	8	-	8	8
Horizon Lab Ltd.	37	41	78	71
Manitoba Turkey Producers	11	13	24	23
Economic Innovation and Technology Council	5	-	5	5
Efficiency Manitoba	600	657	1,257	1,219
Total prefunding employers	\$ 17,656	\$ 18,419	\$ 36,075	\$ 34,195
Total employers, payment funding and prefunding	\$ 338,275	\$ 187,033	\$ 525,308	\$ 503,967

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

THE CIVIL SERVICE SUPERANNUATION FUND

Schedule of Contributions For the year ended December 31, 2025

Schedule 2

			2025	2024
(\$) Thousands	Employers	Employees	Total	Total
Total employers, payment funding and prefunding	\$ 338,275	\$ 187,033	\$ 525,308	\$ 503,967
Other				
Employees on loan	57	52	109	82
Employees on workers compensation	-	163	163	4
Reciprocal agreement - transfers in	-	9,310	9,310	3,000
Reciprocal agreement - transfers out	(2,502)	(3,001)	(5,503)	(7,022)
Repayment of contributions previously refunded	-	488	488	204
Contributions based on prior non-pensionable employment	-	1,543	1,543	1,457
Transfer from Money Purchase Accounts Plan	-	1,083	1,083	497
Total other	\$ (2,445)	\$ 9,638	\$ 7,193	\$ (1,778)
Total contributions, Exhibit B	\$ 335,830	\$ 196,671	\$ 532,501	\$ 502,189

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

THE CIVIL SERVICE SUPERANNUATION FUND

Schedule of Investment Income For the year ended December 31, 2025

Schedule 3

	2025	2024
(\$) Thousands		
Fixed income		
Short-term	\$ 4,283	\$ 3,813
Bonds and debentures	55,625	53,730
Mortgages	53	136
	<u>59,961</u>	<u>57,679</u>
Equities		
Domestic	24,528	25,885
Foreign	73,742	67,816
	<u>98,270</u>	<u>93,701</u>
Real estate	48,718	43,105
Infrastructure	59,209	42,230
Private equity	30,745	2,260
Private credit	22,838	22,347
Security lending revenue	<u>1,247</u>	<u>1,153</u>
Gross investment income	<u>320,988</u>	<u>262,475</u>
Less:		
Investment management expenses, net, Note 20	25,797	26,088
Investment transaction costs	4,956	4,940
Interest allocated to employee future benefits obligations	<u>304</u>	<u>292</u>
	<u>31,057</u>	<u>31,320</u>
Net investment income, Exhibit B	\$ 289,931	\$ 231,155

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



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