

Lakehead University
Pension Investment Fund
Financial Statements
For the year ended December 31, 2025

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To the Administrator of Lakehead University Pension Investment Fund:

Opinion

We have audited the fund financial statements of Lakehead University Pension Investment Fund (the "fund financial statements"), which comprise the statement of net assets available for benefits as at December 31, 2025, and the statement of changes in net assets available for benefits for the year then ended, and notes to the fund financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying fund financial statements present fairly, in all material respects, the net assets available for benefits of Lakehead University Pension Investment Fund as at December 31, 2025, and its changes in net assets available for benefits for the year then ended in accordance with the financial reporting provisions of Section 76 of Regulation 909 of the Pension Benefits Act of Ontario.

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 Fund Financial Statements section of our report. We are independent of the Lakehead University Pension Investment Fund in accordance with the ethical requirements that are relevant to our audit of the fund financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to Note 2 to the fund financial statements, which describes the basis of accounting. The fund financial statements are prepared to assist the Administrator of the Fund to meet the requirements of the Financial Services Regulatory Authority. As a result, the fund financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter. Our report is intended solely for the Administrator of the Fund and the Financial Services Regulatory Authority and should not be used by parties other than the Administrator of the Fund or the Financial Services Regulatory Authority.

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

Management is responsible for the preparation and fair presentation of the fund financial statements in accordance with the financial reporting provisions of Section 76 of Regulation 909 of the Pension Benefits Act of Ontario, and for such internal control as management determines is necessary to enable the preparation of fund financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the fund financial statements, management is responsible for assessing the Lakehead University Pension Investment Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Lakehead University Pension Investment Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Lakehead University Pension Investment Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Fund Financial Statements

Our objectives are to obtain reasonable assurance about whether the fund 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 fund 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 fund 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 Lakehead University Pension Investment Fund'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 Lakehead University Pension Investment Fund'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 fund 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 Lakehead University Pension Investment Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the fund financial statements, including the disclosures, and whether the fund 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.

Thunder Bay, Ontario

June 5, 2026

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Lakehead University Pension Investment Fund Statement of Net Assets Available for Benefits

December 31 (in thousands of dollars)	2025			2024		
	Professional and Administrative Staff Plan (Ontario Registration Number 246058)	Employee Pension Plan (Ontario Registration Number 526921)	Total	Professional and Administrative Staff Plan (Ontario Registration Number 246058)	Employee Pension Plan (Ontario Registration Number 526921)	Total
Assets						
Cash and cash equivalents	\$ 864	\$ 46	\$ 910	\$ 1,584	\$ 268	\$ 1,852
Investments, at market value (Note 3, Schedules 1 and 2) (cost 2025 - \$30,321; cost 2024 - \$179,955)	50,816	2,725	53,541	212,303	35,975	248,278
HST receivable	21	1	22	16	3	19
	51,701	2,772	54,473	213,903	36,246	250,149
Liabilities						
Accounts payable (Note 4)	132	7	139	383	65	448
Net assets available for benefits	\$ 51,569	\$ 2,765	\$ 54,334	\$ 213,520	\$ 36,181	\$ 249,701

On behalf of the Administrator

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

Lakehead University Pension Investment Fund

Statement of Changes in Net Assets Available for Benefits

For the year ended December 31 (in thousands of dollars)

2025

2024

	Professional and Administrative Staff Plan (Ontario Registration Number 246058)	Employee Pension Plan (Ontario Registration Number 526921)	Total	Professional and Administrative Staff Plan (Ontario Registration Number 246058)	Employee Pension Plan (Ontario Registration Number 526921)	Total
Increase in assets						
Investment income	\$ 4,163	\$ 223	\$ 4,386	\$ 5,046	\$ 855	\$ 5,901
Net realized gains on investments	58,745	3,150	61,895	12,891	2,184	15,075
Net unrealized change in market value of investments	(41,672)	(2,235)	(43,907)	16,945	2,389	19,334
Contributions (Note 7) - sponsor	1,443	-	1,443	2,184	-	2,184
	22,679	1,138	23,817	37,066	5,428	42,494
Decrease in assets						
Administration and professional fees (Note 8)	1,988	62	2,050	1,482	244	1,726
Pension benefits and refunds (Note 9)	18,405	2,131	20,536	19,687	5,586	25,273
External pension transfers (Note 6)	164,237	32,361	196,598	-	-	-
	184,630	34,554	219,184	21,169	5,830	26,999
Increase (decrease) in net assets available for benefits	(161,951)	(33,416)	(195,367)	15,897	(402)	15,495
Net assets available for benefits, beginning of year	213,520	36,181	249,701	197,623	36,583	234,206
Net assets available for benefits, end of year	\$ 51,569	\$ 2,765	\$ 54,334	\$ 213,520	\$ 36,181	\$ 249,701

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

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

1. Description of Plans

The Lakehead University Pension Investment Fund ("the Fund") consists of two plans. The following description of the Professional and Administrative Staff Plan ("PP") and the Lakehead University Employee Pension Plan ("LUEPP") is a summary only. For more complete information, reference should be made to the Plan Agreements.

The Fund consists of 100% ownership of a Master Trust and a segregated short term account, the assets of which are held by Northern Trust. Addenda Capital, Fiera Capital Corporation, Jarislowsky Fraser Limited, Crestpoint Real Estate Investments Ltd., and State Street Global Advisors act as managers for the Fund and have discretionary investment authority. As of December 31, 2025, the LUEPP held 22,346.98 units or 5.09%, and the Professional Plan held 416,370.15 units or 94.91%, of a total of 438,717.13 units of the Master Trust.

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

2. Significant Accounting Policies

Basis of Presentation

These fund financial statements have been prepared in accordance with the significant accounting policies set out below to comply with the accounting requirements prescribed by the Financial Services Regulatory Authority ("FSRA") for financial statements under Section 76 of Regulation 909 of the Pension Benefits Act of the Province of Ontario. These regulations require pension plans to adhere to the provisions of *Section 4600 - Pension Plans in Part IV - Accounting Standards for Pension Plans* of the CPA Canada Handbook although they permit the exclusion of the actuarial liabilities of the Plan. Consequently, these fund financial statements do not purport to show the adequacy of the Plan's assets to meet its pension obligations. These fund financial statements have been prepared to assist in meeting the requirements of FSRA. For accounting policies that do not relate to the Fund's investment portfolio, the Fund has elected to apply Canadian accounting standards for private enterprises.

These Significant Accounting Policies are intended solely for the Administrator of the Fund and FSRA and should not be used by parties other than the Administrator of the Fund or FSRA.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit and term deposits with maturity dates of less than 90 days from the date that they were acquired.

Investments

Investments are stated at fair value which is based on closing quoted market prices. Investments are recorded on a trade date basis. The fair value of units in the Master Trust represents the fair value of the underlying assets. Investments in pooled funds are valued using unit prices provided by the pooled fund administrator, which represent the Fund's proportionate share of underlying net assets at fair values determined using closing market prices.

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

2. Significant Accounting Policies (cont'd)

The investment income recognized is the increase or decrease in the value of the pooled funds. Dividends and interest are reinvested within the pooled funds. Distributions from pooled funds are recorded when declared by the pooled fund managers.

The realized gain (loss) on investments is determined by the excess (shortfall) of proceeds over average cost of investments sold.

The fair value adjustments represent the unrealized appreciation (depreciation) in fair value of investments held at the year-end less the related unrealized appreciation (depreciation) as at the previous year-end.

Real estate investments are held through limited partnerships. The fair values of real estate funds are based on the net asset values reported in their respective financial statements. Fair values of the underlying real estate assets are based on the external manager or third party appraisals of the real estate properties.

Use of Estimates

The preparation of fund financial statements in accordance with the accounting principles described in the significant accounting policies requires the Fund to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the Fund administrator's best estimates as additional information becomes available in the future.

Foreign Currency Translation

At the transaction date, each asset, liability, revenue and expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year-end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date and the resulting foreign exchange gains and losses are included in income in the current period.

Pension Benefits

The Fund provides pension payments on death and/or retirement to eligible members and their spouses based on contributions and gains accrued during their employment at Lakehead University. Pension benefits are shown as expenditures in the year of payment.

Contributions

Both plans are non-contributory and only special payments are made for funding purposes.

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

3. Investments

	2025		2024	
	Market Value	Cost	Market Value	Cost
Canadian equities	\$ 4,546	\$ 2,677	\$ 18,555	\$ 10,687
Canadian denominated unit trust equities	4,986	4,420	67,899	60,378
US denominated unit trust equities	25,171	3,842	79,732	24,180
Canadian denominated unit trust bonds	14,349	14,805	66,268	68,441
Real estate	4,484	4,572	13,170	13,615
Accrued income	5	5	31	31
Unit trust money market fund	-	-	2,623	2,623
	\$ 53,541	\$ 30,321	\$ 248,278	\$ 179,955

Broken down by Plan:

Professional and Administrative Staff Plan	\$ 50,816	\$ 28,778	\$ 212,303	\$ 153,880
Employee Pension Plan	2,725	1,543	35,975	26,075
	\$ 53,541	\$ 30,321	\$ 248,278	\$ 179,955

The Professional and Administrative Staff Plan held 94.91% and the Employee Pension Plan held 5.09% of total assets.

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

3. Investments (cont'd)

Individually significant investments

The cost or market value of the following investments exceeds 1% of the cost or market value of total pension fund investments at December 31, 2025:

	2025 Market Value	2025 Cost
Canadian Equity Fund		
Jarislowsky Fraser Investments - Equity Fund (1)	\$4,986	\$4,420
Bond Fund		
Addenda Capital - Bond Fund (2)	3,257	3,278
Addenda Capital - Commercial Mortgage Fund (2)	5,910	5,840
Jarislowsky Fraser Investments - Bond Fund (1)	5,182	5,687
Foreign Equity Fund		
State Street Global Advisors - Global Equity Fund (3)	25,171	3,842
Miscellaneous - Other		
Fiera Capital Corporation - Canadian Common Stocks (4)	4,551	2,682
Crestpoint - Canadian Real Estate (5)	4,484	4,572
	\$53,541	\$30,321

- (1) Jarislowsky Fraser investments are pooled funds administered by Jarislowsky Fraser Limited.
- (2) Addenda Capital investments are a pooled fund administered by Addenda Capital.
- (3) State Street Global Advisors investments are a pooled fund administered by State Street Global Advisors, Ltd.
- (4) Fiera Capital Corporation investments are common stocks administered by Fiera Capital Corporation (formerly CGOV Asset Management)
- (5) Crestpoint investments are a real estate investment administered by Crestpoint Real Estate Investments Ltd.

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

4. Accounts Payable

	2025	2024
Investment Management		
Addenda Capital	\$ 11	\$ 37
Fiera Capital Corporation	5	20
Crestpoint	19	46
Jarislowsky Fraser Limited	8	37
State Street Global Advisors, Ltd.	12	14
Burgundy	-	38
T. Rowe Price	-	26
Other		
MNP LLP - Audit	17	17
Eckler Ltd. - Actuarial	1	34
Eckler Ltd. - Consulting	-	91
Proteus - Investment Advisors	34	-
Northern Trust - Custodial Services	13	14
Lakehead University	19	74
	\$ 139	\$ 448

5. Actuarial Valuation

In the event that an actuarial valuation discloses a going concern unfunded liability or a solvency deficiency as defined by the Pension Benefits Act (1987), the University will be obligated to make additional contributions as required by the Act. The most recent actuarial valuation of the Fund at October 1, 2024, reported that based on then current provisions, the Fund had a post-asset transfer going concern unfunded liability of \$3,495 and a solvency deficiency of \$121, and that additional University contributions would be required upon filing. The University made special payments of \$1,443 in 2025 and is scheduled to make annual special payments of \$490 beginning in October of 2025 and each year after until the next scheduled actuarial valuation. The next actuarial valuation is to be performed no later than as of October 1, 2027.

6. Pension Transfers

All active account balances were transferred out of the PP and LUEPP during 2025 as part of the wind up of all active, suspended and deferred members, leaving only pensioners participating in the plans. Pension transfers out were \$196,598 (2024 - \$nil).

Lakehead University Pension Investment Fund Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

7. Contributions

	Professional Plan 2025	LUEPP 2025	Total 2025	Professional Plan 2024	LUEPP 2024	Total 2024
Sponsor						
Going Concern and Solvency Special Payments	\$ 1,443	\$ -	\$ 1,443	\$ 2,184	\$ -	\$ 2,184

Effective December 31, 2023 all employee groups have moved to the CAAT DBplus pension plan for future service only. All regular contributions are being directed to CAAT rather than the Lakehead University Employee Pension Plan.

As of December 31, 2025 no required contributions were past due.

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

8. Administrative Expenses and Professional Fees

	2025	2024
Investment management fees	\$ 727	\$ 843
Actuarial fees	135	223
Investment counselling	132	134
Audit fees	16	16
Consulting fees	862	344
Custodial service fees	56	56
Other - Pension Commission	17	17
Administration	127	112
Goods and services tax rebate	(22)	(19)
	<u>\$ 2,050</u>	<u>\$ 1,726</u>

9. Pension Benefits and Refunds

	2025	2024
Pension benefits	\$ 6,361	\$ 6,223
Refunds (deaths, terminations, resignations and retirements)	14,175	19,050
	<u>\$ 20,536</u>	<u>\$ 25,273</u>

10. Related Party Transactions

The Fund does not hold any securities of the employer sponsor or its related parties.

11. Income Taxes

The Fund is not subject to income tax since it is a Registered Pension Trust as defined by the Income Tax Act (Canada).

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

12. Financial Instruments

The objective of the Fund is to maximize the long-term return for its defined contribution members, balanced with the relative preservation of capital, followed by capital growth in its Retirement Account. The Fund's investment policy is established by the Board of Governors and is set out in the statement of investment policies and procedures ("SIPP"). The SIPP was last amended December 6, 2024 with primarily administrative updates.

The SIPP permits cash and cash equivalents, and fixed income investments in: bonds, debentures, coupons and residuals, mortgage and mortgage backed securities, asset-backed securities and preferred shares. It additionally permits equity investments in: publicly traded common stocks; rights, warrants, installment receipts, convertible debentures and other instruments convertible into common stocks; income trust units issued and/or registered in jurisdictions where appropriate legislation is in place to limit the liability of unitholders; American Depositary Receipts; and Global Depositary Receipts. Investments in alternative strategies that are permitted include: private equity, real estate, and hedge funds. The asset allocation is calculated on an ongoing basis by HUB International and may differ slightly from the actual asset mix at any fixed point in time. The SIPP outlines an asset allocation target of:

Asset Class	Permissible Range	2025 Actual Fund Allocation	2024 Actual Fund Allocation
Canadian Money Market and Cash	0-20%	3.3%	2.7%
Canadian Bonds	13-50%	15.3%	15.0%
Canadian Commercial Mortgages	0-20%	9.8%	10.4%
Canadian Equities	10-30%	19.0%	21.8%
Global Equities	30-50%	44.6%	44.9%
Alternative Assets	0-12%	8.0%	5.2%

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

12. Financial Instruments (cont'd)

The Fund is in compliance with the SIPP's allowable asset allocation, as at December 31, 2025.

The Plan's investment performance is expected to:

- a) exceed the investment performance of the benchmark index over rolling 4-year periods; or
- b) rank in the top 50% of comparable portfolios over rolling 4-year period in terms of return.

In addition, it is expected that managers will add value to enhance the return by an average of 0.50% per annum at the Plan level, so that the target average annual rate of return is above the benchmark allocation.

In 2025, the Fund had a one year rate of return of 12.2% and a four year return of 8.4%, measured against a one year benchmark of 13.4% and a four year benchmark of 7.9%.

The carrying value of cash and cash equivalents and accounts payable approximates their fair value because of their short-term nature.

Risks arising from financial instruments:

Interest Rate Risk

Interest rate risk refers to the adverse consequences of interest rate changes on the Fund's financial position and revenue. This risk arises from the Fund's investments whose returns are linked to interest rates. The Plan invests in pooled funds that may hold debt instruments linked to interest rates. This risk has not changed from the prior year.

Foreign Currency Risk

Foreign currency exposure arises from the Fund's holdings of foreign equity or debt instruments. The Fund invests in pooled funds that may hold debt or equity instruments denominated in a foreign currency and as such would be exposed to fluctuations in currency risks. All of the Fund's investments are denominated in Canadian or US Dollars. US Dollar investments are translated into Canadian Dollars at the market rate at the end of the fiscal period. Investments denominated in foreign currencies are noted on the Schedule of Cost and Market Value of Investments by type (Schedule 1). An increase or decrease of 5% in the US exchange rate would result in an increase or decrease of net assets available for benefits of \$1,259. This risk has not changed from the prior year.

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

12. Financial Instruments (cont'd)

Market Risk

Concentrations of market risk exist when a significant portion of the portfolio is invested in securities with similar characteristics and/or similar economic, political or other conditions that may prevail. The Fund Administrator believes that the investments in which the Fund invests spreads the market risk over different market sectors. The Fund Administrator uses a variety of investment management companies to ensure the portfolio is balanced to help mitigate market risk. An increase or decrease of 10% of the Fund's investment portfolio would result in an increase or decrease of net assets available for benefits of \$5,354. Periods of extreme volatility could result in increases or decreases of more than 10%, and losses or gains of greater than \$5,354 are possible.

An increase or decrease of 10% in the portion of the portfolio invested in Canadian Equities would result in an increase or decrease of net assets available for benefits of \$954.

An increase or decrease of 10% in the portion of the portfolio invested in Foreign Equities would result in an increase or decrease of net assets available for benefits of \$2,517.

This risk has not changed from the prior year.

Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation that is entered into with the Fund. The risk of default on transactions in listed securities is considered minimal, as the trade will fail if either party to the transaction does not meet its obligation.

The Administrator has put in place a Statement of Investment Policies and Procedures that contains a set of guidelines for the fixed income portfolio to limit single issuer exposure.

The Fund's most significant credit risk exposure arises from its investments in interest bearing investments. While the Fund may have credit risk exposure to bonds and commercial mortgages, it manages this risk by holding such investments in pooled funds, as described in Note 3. The pooled funds represent 27% (2024 - 27%) of the total investments.

This risk has not changed from the prior year.

Liquidity Risk

Liquidity risk is the risk of not being able to meet the Fund's cash requirements in a timely and cost effective manner. Liquidity requirements are managed through income generated from investments, monthly contributions made by employers, and by investing in publicly traded liquid assets that are easily sold and converted to cash. The Fund's investments in real estate may be exposed to a higher degree of liquidity risk. This risk has not changed from the prior year.

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

12. Financial Instruments (cont'd)

Financial Instruments Fair Value Hierarchy

Disclosure of a three-level hierarchy for fair value measurements is based upon transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1:

For securities valued based on unadjusted quoted prices in active markets for identical assets.

Level 2:

For securities valued based on inputs, other than quoted prices included in Level 1, that are observable for the asset, either directly or indirectly.

Level 3:

For securities valued based on inputs that are based on unobservable market data.

The following tables present the Fund's financial investments evaluated at fair value as at December 31st, classified according to the fair value hierarchy described above:

	Level 1	Level 2	Level 3	2025 Total
Canadian				
Cash and cash equivalents	\$ 910	\$ -	\$ -	\$ 910
Equities - Common Stock	4,551	-	-	4,551
Unit Trusts - Bonds and debentures	-	14,349	-	14,349
Unit Trusts - Equities	-	4,986	-	4,986
Real Estate	-	-	4,484	4,484
Foreign				
Unit Trusts - Equities	-	25,171	-	25,171
	<u>\$ 5,561</u>	<u>\$ 44,506</u>	<u>\$ 4,484</u>	<u>\$ 54,451</u>

	Level 1	Level 2	Level 3	2024 Total
Canadian				
Cash and cash equivalents	\$ 1,852	\$ 2,623	-	\$ 4,475
Equities - Common Stock	18,586	-	-	18,586
Unit Trusts - Bonds and debentures	-	66,268	-	66,268
Unit Trusts - Equities	-	32,944	-	32,944
Real Estate	-	-	13,170	13,170
Foreign				
Unit Trusts - Equities	-	114,687	-	114,687
	<u>\$ 20,438</u>	<u>\$ 216,522</u>	<u>\$ 13,170</u>	<u>\$ 250,130</u>

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

12. Financial Instruments (cont'd)

The following is an analysis of the investments of the Fund using the hierarchy related to the inputs to fair value measurement.

Level 1

The Fund's equity positions are classified as Level 1 when the security is actively traded and a reliable quote is observable. US partnerships are classified as Level 1 when they are held in a pooled fund and a reliable quote is observable. Cash, short-term notes and treasury bills are classified as Level 1. These instruments mature within one year and are stated at cost, which, when combined with accrued interest income, approximates market value.

Level 2

These instruments mature within one year and are stated at cost, which, when combined with accrued interest income, approximates market value. The Fund classified unit trusts as Level 2.

Level 3

These instruments are not based on observable market data. The Fund classified real estate as Level 3. The following table presents a reconciliation of Level 3 investments measured at fair value using unobservable inputs during the year.

	2025	2024
Balance, beginning of year	\$ 13,170	\$ 11,032
Purchases	953	2,183
Sales	(10,300)	-
Reinvested distributions	545	454
Realized loss	(241)	-
Unrealized fair value adjustments	357	(499)
	<u>\$ 4,484</u>	<u>\$ 13,170</u>

As at December 31, 2025 the Fund's investments are Level 1, 2 and 3 within the fair value hierarchy. There were no transfers between levels during the years ended December 31, 2025 and 2024.

Lakehead University Pension Investment Fund

Notes to Fund Financial Statements

December 31, 2025 (in thousands of dollars)

13. Capital Management

The Administrator defines the Fund's capital as its net assets available for benefits. The Fund's objective when managing its capital is to safeguard its ability to provide benefits to members, as further described in Note 12. The Fund's assets are invested in accordance with its Statement of Investment Policies and Procedures, which includes the asset mix recommended by the Fund's investment consultant, and which is projected to enable the Fund to meet or exceed its ongoing and long-term funding requirements within an acceptable level of risk. There has not been any change in what the Fund considers to be capital and there have been no significant changes to the Fund's capital management objectives, policies and processes in the year.

The investment managers appointed by the Fund are directed to achieve a long-term rate of return through a diversified portfolio, consistent with acceptable risks and prudent management. The long-term objective of the Fund is to achieve a total return such that the Fund can continue to provide the ongoing and projected benefits to its members.

There have been no changes in what the Fund considers to be its capital and there have been no significant changes to the Fund's capital management objectives, policies and processes for the year.

Lakehead University Pension Investment Fund
Schedule 1 - Market Value and Cost of Investments
by Investment Manager

December 31 (in thousands of dollars)	2025		2024	
	Market Value	Cost	Market Value	Cost
Addenda Capital	\$ 9,167	\$ 9,118	\$ 40,879	\$ 40,728
Fiera Capital Corporation	4,551	2,682	18,586	10,718
Dimensional Fund Advisors Canada ULC	-	-	21,253	13,855
Burgundy	-	-	17,785	14,838
Jarislowsky Fraser Limited	10,168	10,107	60,956	60,247
State Street Global Advisors	25,171	3,842	58,479	10,325
T. Rowe Price	-	-	17,170	15,629
Crestpoint	4,484	4,572	13,170	13,615
	\$ 53,541	\$ 30,321	\$ 248,278	\$ 179,955